ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE 2017

GAUTENG
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

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The Estimate of Provincial Revenue and Expenditure 2017 is compiled using the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision

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FOREWORD

The 2017 Medium-Term Expenditure Framework (MTEF) Budget is being tabled halfway through the term of office of the fifth administration, the hallmark of which has been an unwavering commitment to deliver on the promises of the Ten-Pillar Programme of Transformation, Modernisation and Re-industrialisation (TMR).

With the domestic economy still subdued and minimal growth envisaged for the current year, the 2017 Estimates of Provincial Budget and Expenditure nevertheless demonstrate the intention to spend public finances effectively and efficiently, with conscious reprioritisation within the expenditure ceiling ensuring funding for core functions and expanding delivery especially to the most vulnerable. The compilation of the 2017 MTEF Budget takes into account realignment of baselines, reprioritisation within baselines, implementation of the cost containment strategy, investment in infrastructure delivery and the overall revitalisation of the Gauteng City Region.

To accelerate social transformation and promote economic, efficient and effective provision of public services, an additional R10.3 billion over the MTEF is added to the departments' baselines. R8 billion of this is allocated to Education, Health and Social Development. This demonstrates our determination to ensure that deserving learners, patients and vulnerable members of society receive the services that they need.

There continues to be a strong emphasis on infrastructure delivery and particularly on building new, and maintaining existing, schools, health facilities and roads. This has a multiplier effect on the City Region economy and drives the creation of jobs, improvement in household incomes and, most importantly, the empowerment of historically disadvantaged individuals (HDIs). There is a strong emphasis on due diligence in ensuring that funds are allocated to infrastructure projects which are ready for implementation without impacting negatively on existing infrastructure projects and infrastructure maintenance requirements.

It is my firm belief that the 2017 MTEF Budget will go a long way towards bettering the lives of Gauteng's citizens and to realising the attainment of their aspirations.

Barbara Creecy
MEC for Finance
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LIST OF ABBREVIATIONS

ACSA	Airports Company South Africa
AEL	Atmospheric Emissions License
AFASA	African Farmers Association of South Africa
AFCON	African Cup of Nations
AG	Auditor General
AIDC	Automotive Industry Development Centre
AMD	Acid Mine Drainage
ANA	Annual national assessments
ANC	Antenatal Care
APAP	Agricultural Policy Action Plan
APP	Annual Performance Plan
ARC	Agricultural Research Council
ARV	Antiretroviral
ASIDI	Accelerated School Infrastructure Development Initiative
ASP	Automotive Supplier Park
ATP	Annual Teaching Plans
B2B	Back to Basics
BBBEE	Broad based Black Economic Empowerment
BCM	Budget Cycle Model
BCP	Business Continuity Plan
BI	Business Intelligence
BNG	Breaking New Ground
BPO	Business Process Outsourcing
BRICS	Brazil Russia India China and South Africa
C-AMP	Custodian-Asset Management Plans
CAOW	Consumer Affairs Office of Wheel
CAPEX	Capital Expenditure
CAPS	Curriculum and Assessment Policy Statements
CARMMA	Campaign for the Accelerated Reduction of Maternal Mortality in Africa
CBP	Community Based Planning
CCMDD	Centralized Chronic Medicine Dispensing and Distribution
CCS	Compulsory Community Service
CDW	Community Development Worker
CFO	Chief Financial Officer
CGE	Computable General Equilibrium
CHBAH	Chris Hani Baragwanath Academic Hospital
CHC	Community Health Centre
CIC	Central Information Centre
CICSA	Climate Innovation Centre of South Africa
CIDB	Construction Industry Development Board
CIP	Compulsory Induction Programme
CIP	Committee Inquiry Process
CIPC	Companies and Intellectual Property Commission
CIPELT	Certificate In Primary English Language Teaching
CISET	Committee on International Science, Engineering, and Technology
CMAH	Charlotte Maxeke Academic Hospital
COE	Compensation of employees
COGTA	Cooperative Government and Traditional Affairs
COHWHS	Cradle of Human-kind World Heritage Site
COJ	City of Johannesburg
COLA	Cost Of Living Adjustment
CONSAWU	Confederation of South African Workers Union
CONTRALESA	Congress of Traditional Leaders of South Africa
COSATU	Congress of South African Trade Unions
COT	City of Tshwane
CPA	Commonwealth Parliamentary Association
CPD	Corporation of Public Deposits

CPI	Consumer price index
CPIX	Consumer Price inflation Index
CSF	Community safety forum
CSIR	Council for Scientific and Industrial Research
CWP	Community Based Planning
CYCC	Child and Youth Care Centre
CYCW	Child and Youth Care Worker
DAV	Design and Validation
DBE	Department of Basic Education
DCS	Department of Community Safety
DBSA	Development Bank of Southern Africa
DCST	District clinical specialist team
DDG	Deputy Director General
DDI	Domestic Direct Investment
DEA	Department of Environmental Affairs
DED	Department of Economic Development
DGMAH	Doctor George Mukhari Academic Hospital
DGRMA	Dinokeng Game Reserve Management Association
DID	Department of Infrastructure Development
DLTC	Driving License Testing Centre
DMO	Destination Marketing Organization
DoH	Department of Health
DoRA	Division of Revenue Act
DPME	Department of Performance Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DRDLR	Department of Rural Development and Land Reform
DR-TB	Drug-resistant TB
DSACR	Department of Sport, Art, Culture and Recreation
DSD	Department of Social Development
DSU	Delivery Support Unit
DTA	Department of Traditional Affairs
DTI	Department of Trade and Industry
EA	Environmental Authorizations
ECC	Emergency Communication Centre
ECD	Early Childhood Development
ECDI	Early Childhood Development Institute
ECE	Estimates of Capital Expenditure
ECM	Enterprise Content Management
EDL	Essential Drug List
EE	Employment Equity
EEDBS	Enhanced Extended Discount Benefit Scheme
e-Gov	e-Government
EHWP	Employee Health and Wellness Programme
EIA	Environmental Impact Assessment
EMP	Environment Management Plan
EMS	Emergency Medical Services
e-PMDS	Electronic Performance Management and Development System
EPRE	Estimates of Provincial Revenue and Expenditure
ePRF	electronic Patient Report Form
EPWP	Expanded Public Works Programme
ERS	Electronic Reporting System
ESSP	Extra School Support Programme
ETDP	Education, Training and Development Practices
EXCO	Executive Council
FAL	First additional language
FAWU	Food and Allied Workers Union
FBO	Faith Based Organisation
FDI	Foreign Direct Investment
FEDUSA	Federation of Unions of South Africa

FET	Further education and training
FLISP	Finance Linked Individual Subsidy Programme
FSDM	Frontline Service Delivery Monitoring
FTE	Full Time Equivalent
FY	Financial Year
G&P	Governance and Planning
G2B	Government to Business
G2C	Government to Community
G2G	Government to Government
GALC	Gauteng Automotive Learning Centre
GAP	Good Agricultural Practice
GAS	Gauteng Audit Services
GBN	Gauteng Broadband Network
GBV	Gender Based Violence
GCR	Gauteng City Region
GCRA	Gauteng City Region Academy
GCRO	Gauteng City Region Observatory
GDARD	Gauteng Department of Agriculture and Rural Development
GDE	Gauteng Department of Education
GDED	Gauteng Department of Economic Development
GDF	Gauteng Department of Finance
GDH	Gauteng Department of Health
GDHS	Gauteng Department of Human Settlement
GDID	Gauteng Department of Infrastructure Development
GDP	Gross Domestic Product
GDRT	Gauteng Department of Roads and Transport
GDSD	Gauteng Department of Social Development
GEP	Gauteng Enterprise Proper
GEYODI	Gender, youth and people with disabilities
GEYODI&MVO	Gender, Youth and People with Disabilities and Military Veterans and Older persons
GFC	Gauteng Film Commission
GGB	Gauteng Gambling Board
GGDA	Gauteng Growth and Development Agency
GIAMA	Government Immovable Asset Management Act
GICC	Gauteng Infrastructure Co-ordinating Council
GIFA	Gauteng Infrastructure Funding Agency
GIIMP	Gauteng Integrated Infrastructure Master plan
GIS	Geographic Information System
GLB	Gauteng Liquor Board
GPG	Gauteng Provincial Government
GPL	Gauteng Provincial Legislature
GPLMS	Gauteng Primary Language and Mathematics Strategy
GPT	Gauteng Provincial Treasury
GRAP	Generally Recognized Accounting Principles
GSACR	Gauteng Sport, Art, Culture and Recreation
GSDF	Gauteng Spatial Development Framework
GSDP	Gauteng Spatial Development Perspective
GSF	Gauteng Speakers Forum
GTA	Gauteng Tourism Authority
GTIP5	Gauteng Transport Integrated Plan 5
GTC	Gauteng Transport Commission
GWIS	Gauteng Waste Information System
HAST	HIV/AIDS, STI and TB
HAZMAT	Hazardous Material
HBC	Home Base Care
HCT	HIV Counselling and Testing
HIV and AIDS	Human Immunodeficiency Virus and Acquired Immunodeficiency Syndrome
HoD	Head of Department
HPV	Human Papillomavirus

HR	Human resources
HRC	Human Science Research Council
HRD	Human Resource Development
HSDG	Human Settlements Development Grant
HWSETA	Health and Welfare Sector Training Authority
IA	Implementing Agents
IAR	Immovable Asset Register
ICS	Improvement in Conditions of Service
ICT	Information and Communication Technology
IDMS	Infrastructure Delivery Management System
IDP	Integrated Development Plan
IDZ	industrial Development Zone
IGR	Inter-Governmental Relations
IIAL	Incremental Introduction of South Africa Language
IKS	Indigenous Knowledge Systems
IPID	Independent Police Investigative Directorate
IQMS	Integrated Quality Management System
IRDP	Integrated Residential Development Programme
IT	Information Technology
ITMP	Integrated Transport Master Plan
IYM	In-Year Monitoring
JMP	Jewellery Manufacturing Precinct
KPA	Key Performance Analysis
LAN	Local Area Network
LED	Light Electronic Development
LGBTI	Lesbian, Gay, Bisexual, Transgender and Intersex
LGMIM	Local Government Management Improvement Model
LIC	Labour Intensive Construction
LITNUM	Literacy and Numeracy
LSB	Legislative Services Board
LSEN	Learners with special educational needs
LTSM	Learner and teacher support materials
MDB	Municipal Democratic Board
MDGs	Millennium Development Goals
MDR-TB	Multi-Drug Resistant TB
MEC	Member of the Executive Council
MEDICOM	Medical Digital Imaging and Communication
METRO	Metropolitan
MFMA	Municipal Finance Management Act
MGSGL	Matthew Goniwe School of Governance and Leadership
MIG	Municipal Infrastructure Grant
MISA	Maintenance of Internal Security Act
MMA	Maxum Media Accelerator
MMC	Medical Male Circumcision
MOUs	Maternity and Obstetric Units
MPAC	Municipal Public Accounts Committees
MPAT	Monitoring and performance assessment tool
MRPA	Municipal Rate Property Act
MRW	Mobile Repair Workshop
MSA	Municipal Structure Act
MSCOA	Municipal Standard Chart of Account
MSP	Master Skills Plan
MST	Mathematics, science and technology
MTCT	Mother-To-Child Transmission
MTEC	Medium Term Expenditure Committees
MTEF	Medium Term Expenditure Framework
MTR	Modernisation, transformation and re-industrialisation
MTRF	Medium Term Revenue Framework
MTSF	Medium Term Strategic Framework

NAAMSA	National Association of Automobile Manufacturers of South Africa
NACTU	National Council of Trade Unions
NAEIS	National Atmosphere Emission Inventory System
NAFU	National African Farmers Union
NCOP	National Council of Provinces
NCSL	National Conference of State Legislatures
NDOH	National Department of Health
NDP	National Development Plan
NDPW	National Department of Public Works
NEMA	National Environmental Management Act
NEPA	National Education Policy Act
NGO	Non-governmental organization
NHBRC	National Home Builder Registration Council
NHFC	National Housing Finance Corporation
NHI	National Health Insurance
NISIS	National Integrated Social Information System
NPA	National Prosecuting Authority
NQF	National Qualification Framework
NSA	National School of the Arts
NSC	National Senior Certificate
NSNP	National School Nutrition Programme
NSP	National Strategic Plan
NYDA	National Youth Development
NYFA	National Youth Service Framework
OCPOL	Oversight on Premier and Legislature
OEM	Original Equipment Owners
OHS	Occupational Health and Safety
OoP	Office of the Premier
OPCA	Operation Clean Audit
OPSCOM	Operational Committee
ORTIA	OR Tambo International Airport
OSD	Occupation Specific Dispensation
OTM	October Transport Month
PACS	Picture Archiving and Communication System
PAHC	Primary Animal Health Care
PAIA	Promotion to Access to Information Act
PAJA	Promotion of Administrative Justice Act
PAM	Personal Administration Measures
PASSOP	People Against Suffering Oppression and Poverty
PCF	Provincial Communication Forum
PCOs	Public Participation Offices
PDE	Patient Day Equivalent
PDMC	Provincial Disaster Management Centre
PDO	Pre-Determined Objectives
PDPs	Personal Development Plans
PEBA	Programme evaluation and budget analysis
PERO	Provincial Economic Review Outlook
PERSAL	Personal and Salary Administration System
PFMA	Public Finance Management Act
PGDS	Provincial Growth and Development Strategy
PHC	Primary Health Care
PHRA-G	Provincial Heritage Resource Agency of Gauteng
PHWBC	Public Health and Welfare Sector Bargaining Council
PLG	Professional Learning Group
PME	Performance Monitoring and Evaluation
PMO	Project Management Office
PMS	Performance Management System
PMTE	Property Management Entity
POA	Programme of Action
PPPs	Public-Private Partnerships

PQDS	Provincial Growth and Development Strategy
PRF	Provincial Revenue Fund
PROBA	Remuneration of Public Office Bearers Act
PSA	Public Service Act
PSPs	Professional Service Providers
PTP	Priority Township Programme
PwD	People with Disabilities
QA	Quality Assurance
R&D	Research and Development
RAMP	Roads Assets Management Plan
RAF	Road Accident Fund
RISFSA	Road Infrastructure Framework of South Africa
ROS	Reorganisation of School
RPIW	Rapid Process Improvement Programme
RPL	Recognition of Prior Learning
RPOBA	Remuneration of Public Office Bearers Act
RTC	Rand Transmission Company
RTMC	Road Traffic Management Corporation
RUL	Remaining Useful Life
SADC	Southern African Development Countries
SAHPRA	South African Health Products Regulatory Authority
SAICE	South African Institute of Civil Engineers
SAIPA	South African institute of Professional Accountants
SAL	Second Additional Language
SALGA	South African Local Government Association
SALSA	Secretaries' Association of the Legislatures of South Africa
SAP	System Application Programme
SASCE	South Africa School Choral Eisteddfod
SAWIC	South African Women in Construction
SBA	School Based Assessment
SBAH	Steve Biko Academic Hospital
SCM	Supply chain management
SCOPA	Standing Committee on Public Accounts
SDG	Sustainable Development Goals
SDMP	Strategic Decision Making Points
SDWR	Service Delivery War Room
SE	South East
SERO	Scio-economic Review and Outlook
SETA	Sector Education and Training Authority
SGB	School governing body
SIAS	Screening, Identification, Assessment and Support
SIPDM	Standard for Infrastructure Procurement and Delivery Management
SITA	State Information Technology Agency
SLA	Service level agreement
SMME	Small, micro, medium enterprises
SMS	Senior management service
SMT	School Management Team
SOCATT	Society of Clerks at the Table
SOM	Sector Oversight Model
SOPA	State of the Province Address, June 2014
SOS	School of Specialisation
SPACE	Sports, Arts, Culture and Edutainment
SPDC	Supplier Park Development Company
SPLUM	Spatial and Land Use Management Act
SPMS	Security and Performance Monitoring Service
SPV	Special Purpose Vehicle
SSA	State Security Agency
SSIP	Secondary School Intervention Programme
STARS	Sports, Transport, Agriculture Rural and Social Development

STIs	Sexually Transmitted Infections
SWIS	System Wide School Improvement Strategy
TB	Tuberculosis
TBC	Teacher Development Centre
TBR	Township Business Renewal
TDM	Travel Demand Management
TEAS	Township Entrepreneur Awards
TER	Township Economic Revitalization
TIHMC	The Innovation Hub Management Company
TIMS	Tourism Information Meetings
TMR	Transformation, Modernisation and Re-industralisation
TPM	Total Production Maintenance
TSC	Transport Services
TV	Television
U-AMP	User Asset Management Plan
UNAIDS	United Nations Program on HIV/AIDS
UNESCO	United Nations Educational, Scientific and Cultural Organization
USDG	Urban Settlement Development Grant
UTT	Universal Test and Treat
VAIBs	Valuation Appeals Boards
VEP	Victim Empowerment Programme
VoIP	Voice over Internet Protocol
VTS	Vehicle testing station
WARD	Women in Agriculture and Rural Development
WBOTs	Ward-Based Outreach Teams
WEH	Winterveldt Enterprise Hub
WiFi	Wireless Fidelity
WISN	Workload Indicators for Staffing Needs
WITS	University of Witwatersrand
WLHM	Women's Living Heritage Monument
WoP	War on Poverty
YARD	Youth in Agriculture and Rural Development

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OVERVIEW OF PROVINCIAL ESTIMATES

1. SOCIO-ECONOMIC OUTLOOK

1.1 Introduction

Global economic growth is estimated to have slowed during 2016, reflective of a slowdown of the recovery in advanced economies. In 2017, the global economic recovery is expected to gather pace, driven largely by emerging markets and developing economies (EMDE's), while growth in advanced economies increases modestly. As shown in Table 1, the International Monetary Fund (IMF) expects global economic growth to reach 3.4 per cent in 2017 and 3.6 per cent in 2018. These specific forecasts remain unchanged relative to the October 2016 World Economic Outlook publication.

TABLE 1: OVERVIEW OF THE WORLD ECONOMIC OUTLOOK AND PROJECTIONS (PERCENT CHANGE UNLESS NOTED OTHERWISE)

					Difference from October 2016 WEO Projections	
	Actual	Estimates	Projections			
	2015	2016	2017	2018	2017	2018
World Output	3.2	3.1	3.4	3.6	0.0	0.0
Advanced Economies	**2.1**	**1.6**	**1.9**	**2.0**	**0.1**	**0.2**
United States	2.6	1.6	2.3	2.5	0.1	0.4
Euro Area	2.0	1.7	1.6	1.6	0.1	0.0
Japan	1.2	0.9	0.8	0.5	0.2	0.0
United Kingdom	2.2	2.0	1.5	1.4	0.4	-0.3
Emerging Markets and Developing Economies	**4.1**	**4.1**	**4.5**	**4.8**	**-0.1**	**0.0**
Russia	-3.7	-0.6	1.1	1.2	0.0	0.0
China	6.9	6.7	6.5	6.0	0.3	0.0
India	7.6	6.6	7.2	7.7	-0.4	0.0
Brazil	-3.8	-3.5	0.2	1.5	-0.3	0.0
Sub-Saharan Africa	**3.4**	**1.6**	**2.8**	**3.7**	**-0.1**	**0.1**
Nigeria	2.7	-1.5	0.8	2.3	0.2	0.7
South Africa	1.3	0.3	0.8	1.6	0.0	0.0

Source: IMF, January WEO Update 2017

The global economic outlook has increasingly become uncertain and was exacerbated by the United Kingdom's (UK) referendum in June 2016 to leave the European Union and the results of the presidential elections in the USA in November 2016. Since June 2016, the short-term effects of Brexit on the economy of UK have been negative, albeit limited. However, the long-term effects of Brexit remain unclear and will continue while the terms of the withdrawal are being negotiated. This despite the Eurozone's slow recovery while the Japanese economy continues to mitigate the effects of deflation. The Chinese economy continues to present doubts about the sustainability of its recovery, particularly in the light of anticipated United States tariff increases on imports as well as the new policy direction. This has resulted in net capital outflows from emerging markets with an uncertain economic outlook.

The South African Reserve Bank (SARB) projected a subdued economic outlook for the domestic economy at 0.4 per cent for 2016, 1.1 per cent for 2017 and 1.6 per cent for both 2018 in January 2017. This is against a backdrop of a 5.4 per cent economic growth required to support the National Development Plan for the country to make meaningful gains to arrest rising unemployment of approximately 27 per cent among adults and about 48 percent among the youth. The effects of low levels of growth on the economy in the past years have translated into slow growth in household disposable income with declining retail trade, high levels of consumer debt, slow growth in credit extension to households and weak employment growth. With the continuing drought, the food price inflation, currently at 12 per cent, continues to be the main driver of inflation. The SARB remains concerned that the growth in inflation, currently around 6.1 per cent, remains close to the upper end of the target range. As a result, domestic demand remains weak. Consumers are expected to remain under economic pressure for a considerable period particularly with weak business and consumer confidence. It should also be noted that the economic slowdown is likely to impact negatively on tax receipts over the 2017 MTEF putting pressure on financial resources available to meet planned government expenditures. With Gauteng being the economic engine of the domestic economy, it is noted that economic factors that have implications for the domestic economy will be similar for the economy of Gauteng.

It is against this backdrop of uncertainty that the 2017 MTEF budget is prepared with the aim of contributing to stimulating inclusive growth of the economy in Gauteng, alleviating poverty, reducing the rate of unemployment and mitigating the effects of inequality through the implementation of the Premier's Ten-Pillar Programme of Transformation, Modernization and Re-industrialization (TMR). With slow economic growth of both the global and domestic economies, a part of the budget strategy is to continue with revenue enhancing measures on one hand while implementing strict cost containment measures on non-core items. The 2017/18 budget will also seek the achievement of higher levels of effectiveness and

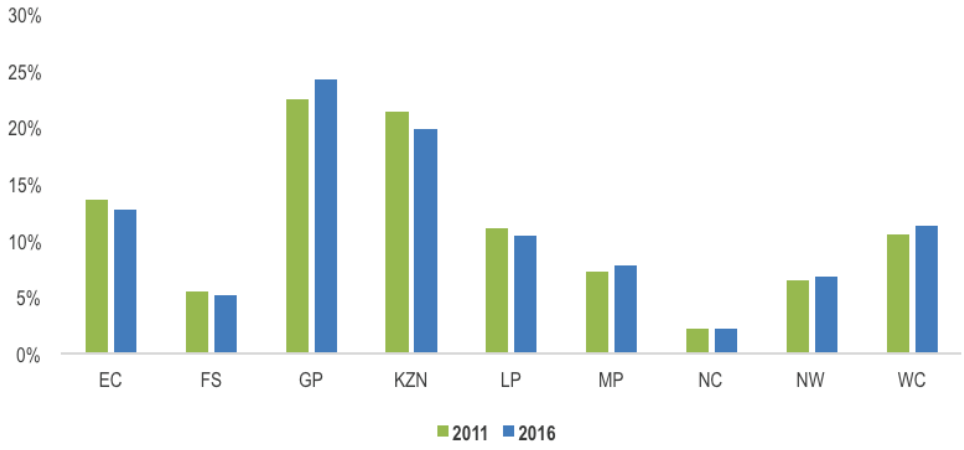
efficiencies in order to maximise delivery with available resources, particularly in ensuring that procurement processes and role players are accountable and transparent in the departments and their respective entities. This budget will build on the gains that have been achieved thus far in ensuring the alignment of the NDP, the 2014-2019 MTSF, the TMR imperatives.

In the wake of constrained financial resources, more than ever before, departments and their respective entities will continue to reprioritise resources from non-core items to their core business in order to achieve the implementation of their respective mandates. In the execution of their budgets, departments must prioritize and strengthen fiscal discipline in order to maintain the quality of services provided to the people of Gauteng. Departments are further urged to ensure implementation of strict internal controls in order to contain expenditure.

1.2 Demographics

The demographic structure of a region remains essential for policy formulation and budgetary processes. The region's employment, health and socio economic status is key to resource allocation and planning. This section focuses on Gauteng and its regions' demographic profile.

Figure 1: Population Share by Provinces for 2011 & 2016



Source: Stats SA, 2017
Note: EC=Eastern Cape, FS=Free State, GP=Gauteng, KZN=KwaZulu-Natal, LP=Limpopo, MP=Mpumalanga, NC=Northern Cape, NW=North West and WC=Western Cape.

Figure 1 indicates that Gauteng has the largest share of the country's population, followed by KwaZulu-Natal. In 2011, about 22.4 per cent of the country's population resided in the Gauteng province and this increased to 24.1 per cent in 2016. The province which had the least share was the Northern Cape, accounting for only 2.2 per cent in 2011 and this declining slightly to 2.1 per cent in 2016.

TABLE 2: POPULATION SIZE & DISTRIBUTION FOR GAUTENG'S MUNICIPALITIES FOR 2016

Region	Proportion of Gauteng Total			
	2011		2016	
	Number	Proportion of Total	Number	Proportion of Total
City of Ekurhuleni	3 085 532	25,9%	3 453 616	25,7%
City of Johannesburg	4 296 259	36,1%	4 938 143	36,8%
City of Tshwane	2 829 507	23,8%	3 235 106	24,1%
Sedibeng	893 603	7,5%	959 956	7,1%
West Rand	802 808	6,7%	840 913	6,3%
Total	**11 907 709**	**100,0%**	**13 427 735**	**100,0%**

Source: IHS Markit

Table 2 expands from Figure 1 and shows the municipalities' shares of the total Gauteng population for 2011 and 2016. For both reviewed years, the City of Johannesburg accounted for the largest share of the province's population at 36.1 and 36.8 per cent respectively. It was followed by the City of Ekurhuleni with 25.9 per cent share of Gauteng population residing in the region in 2011, but this declined marginally to 25.7 per cent in 2016. The West Rand accounted for just fewer than 7 per cent of the province's total population in both years.

TABLE 3: CHANGES IN THE PROVINCIAL DEMOGRAPHICS FOR 2011-2016

Description	Period	Effective Change
Population growth rate	2011-2016	2.5% p.a, 11.3 million to 13.5 million
Population increase	2011-2016	Increase of 19.5% or 2.2 million
Number of households	2011	3.7 million
	2016	4.3 million, an increase of 16.2% or 592 964

Source: Stats SA, IHS Markit, 2017

Table 3 shows changes in the population and the structure of the Gauteng households for 2011 and 2016. Between 2011 and 2016, the province population grew by 2.2 million people at an annual average rate of 2.5 per cent. In 2011, there were about 3.7 million households in Gauteng and this accelerated to 4.3 million in 2016, an increase of 16.2 per cent.

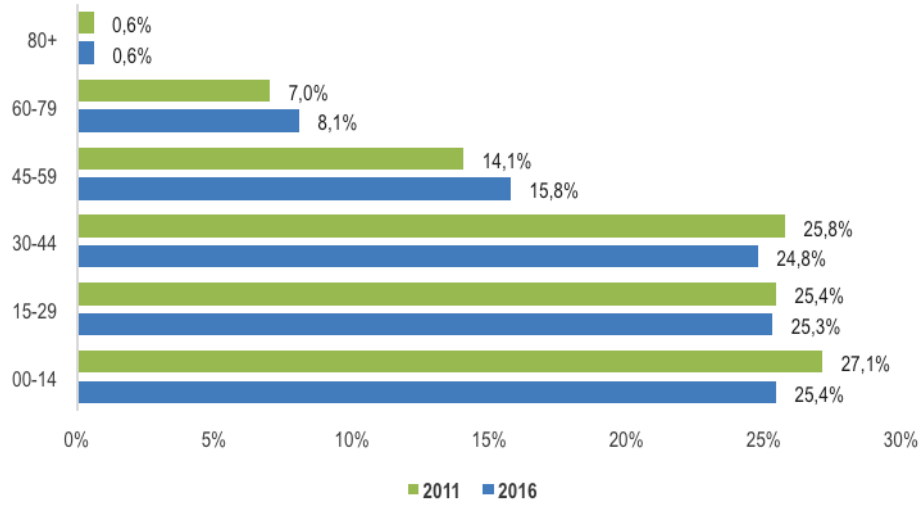
TABLE 4: GAUTENG POPULATION BY GENDER & AGE DISTRIBUTION FOR 2016

Age-Cohort	Male	Female	Total
00-14	1 733 493	1 700 428	3 433 921
15-29	1 728 062	1 689 293	3 417 355
30-44	1 696 576	1 649 948	3 346 524
45-59	1 099 694	1 030 383	2 130 077
60-79	516 032	573 832	1 089 864
80+	26 311	54 098	80 409
Total	**6 800 168**	**6 697 982**	**13 498 150**

Source: Stats SA, 2016

Table 4 shows the Gauteng population by gender and age cohort for 2016. It indicates that there were more males than females at 6.8 million (or 50.4 per cent) compared to 6.6 million females (or 49.6 per cent) in 2016. The age cohort of 0-14 and 15-29 accounted for the largest number of the province's population, both accounting for 3.4 million people each. These indicate that a significant share of the Gauteng population is people within the working age group. Compared to 2011, those in the 80+ age cohort rose by about 14 000 to reach 80 409 people in 2016.

FIGURE 2: AGE DISTRIBUTION OF THE POPULATION FOR 2011 & 2016

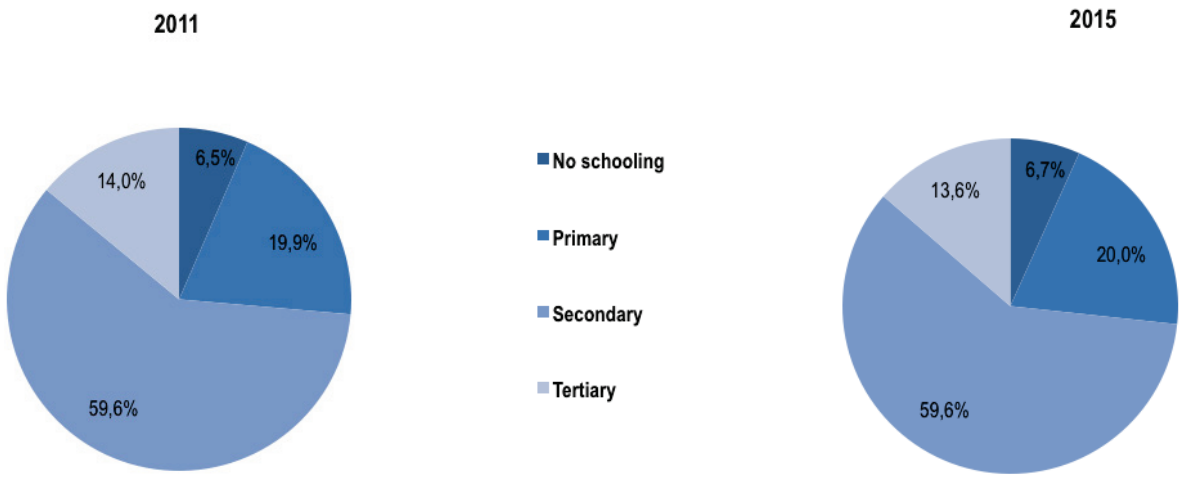


Source: Stats SA, 2016

Figure 2 expands by showing the proportion of total Gauteng population according to age cohort for 2011 and 2016. The age cohort with the largest share of the province's population was that of 00-14 years for both reviewed years. The figure also indicates that the province has a youth population bulge (a relatively high share of youth population between the ages of 15-29 years) which represent the working age population. With the high level of unemployment in South Africa and its regions, this information reveals that most of the youth population in Gauteng falls within the category of the unemployed.

The probability of being employed is closely linked to educational qualification a person possesses. Figure 3 covers this aspect by showing the share of educational achievements for people older than 20 years in Gauteng for 2011 and 2015.

FIGURE 3: QUALIFICATION OF PEOPLE OLDER THAN 20 YEARS FOR 2011 & 2015



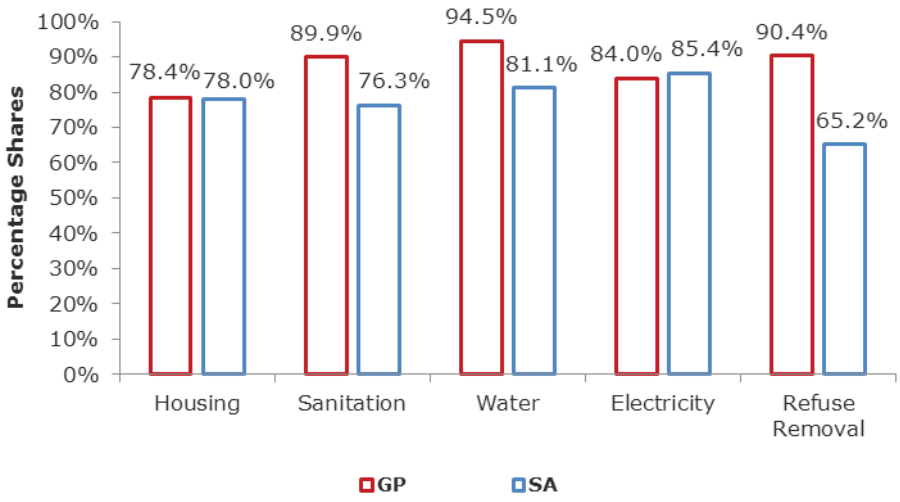
Source: Quantec Research, 2017

Figure 3 shows the proportion of population in relation to qualification relative to the increase in population from 2011 to 2015. According to the figure, the number of people with secondary education accounted for the largest share at 59.6 per cent in both years. This was followed by those with primary education at 20 per cent, an increase of 0.1 percentage points between the two years. The share of those with no schooling was at 6.7 per cent in 2015, an increase of 0.2 percentage points. The share of those with tertiary education was at 13.6 per cent in 2015, a decline of 0.4 percentage points compared to 2011.

1.3 Socio-Economic Indicators

Access to basic household infrastructure continues to play a vital role in improving the living standards of South Africans and particularly in Gauteng and its increasing urban population.

FIGURE 4: ACCESS TO BASIC INFRASTRUCTURE IN GP & SA FOR 2015



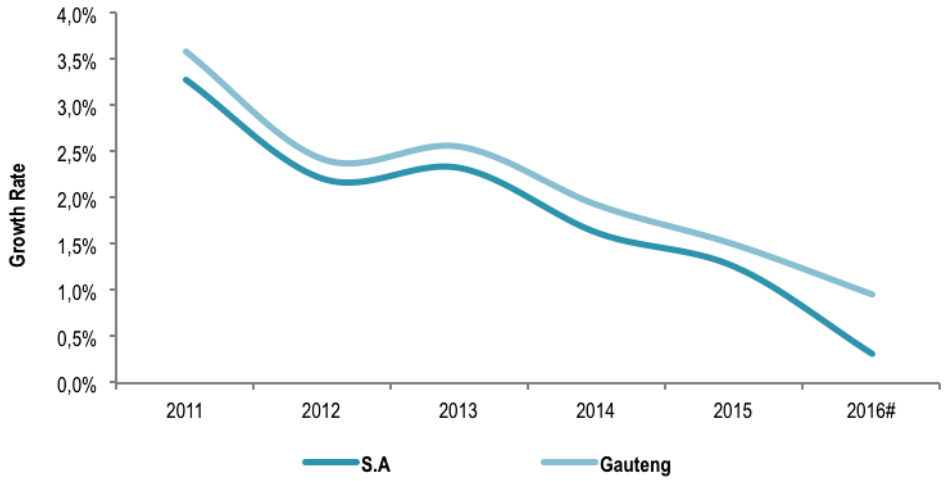
Source: IHS Markit, 2017
Note: The green upward arrows indicate an increase between the two years (2010 and 2015), while the red downward arrow indicates a deceleration.

Figure 4 illustrates access to basic services in South Africa and the Gauteng province for 2015, as the outcome of the changes between 2010 and 2015 and the relative increase in population in the Province. Access to basic infrastructure increased between the two years for the country and the province, except for the one of electricity in Gauteng which slowed marginally from 85.5 per cent in 2010 to 84 per cent in 2015. This is largely due to an increase in informal settlements in the region.

1.4 Economic Indicators

The SARB forecasts South Africa's GDP growth of 1.1 per cent in 2017 from 0.4 per cent in 2016. According to IHS Markit, South Africa's GDP growth rate was estimated at 0.3 per cent (approximately R3.1 trillion) in 2016 and Gauteng accounted for about 35.4 per cent of that total.

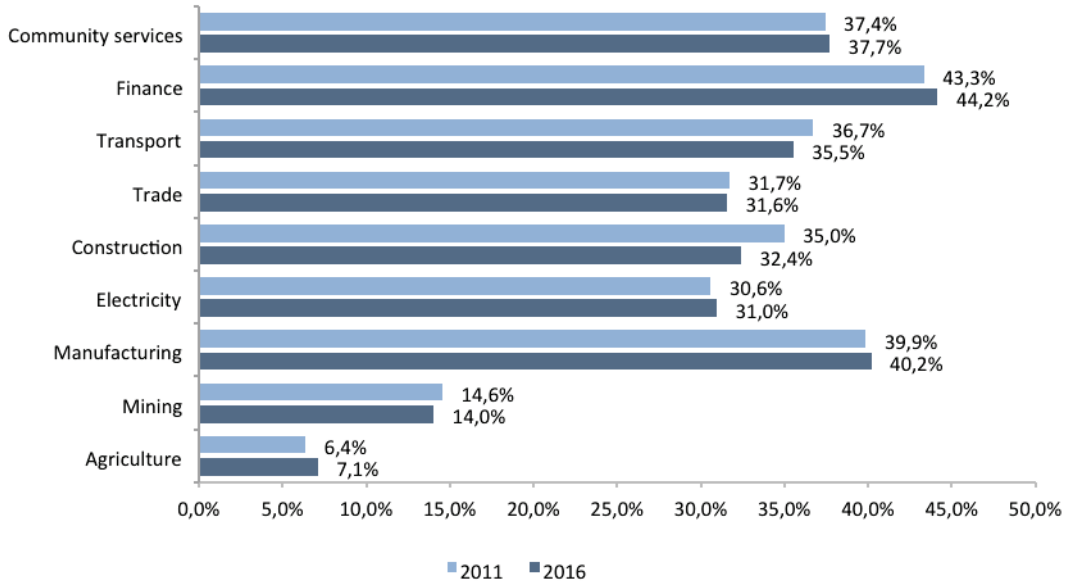
FIGURE 5: GDP GROWTH IN GP & SA FOR 2011-2016#



Source: IHS Markit, 2017.
Note: # indicates estimates

Figure 5 shows the comparable economic growth rates for Gauteng and South Africa for the period 2010 to 2015. The province's economic growth declined from 3.6 per cent in 2011 to 2.4 per cent in 2012. It increased to 2.6 per cent in 2013 but continued to decline to 1 percent in 2016. In 2011, the national economic growth was at 3.3 per cent before declining to 0.3 per cent in 2016.

FIGURE 6: SECTORAL REGIONAL SHARE OF NATIONAL TOTALS BY SECTOR FOR 2011 & 2016



Source: IHS Markit, 2017

Figure 6 shows Gauteng's share of national output by sector for 2011 and 2016. Finance & business services in Gauteng province accounted for 44.2 per cent of the country's total economic activity in 2016 and increase of 0.9 percentage points compared to 2011. The province accounted for 40.2 per cent of the country's total economic activity in the manufacturing sector in 2016 compared to 39.9 percent 2011. In the agriculture and mining sectors, the province accounted for 7.1 per cent and 14 per cent of SA's total economic activities.

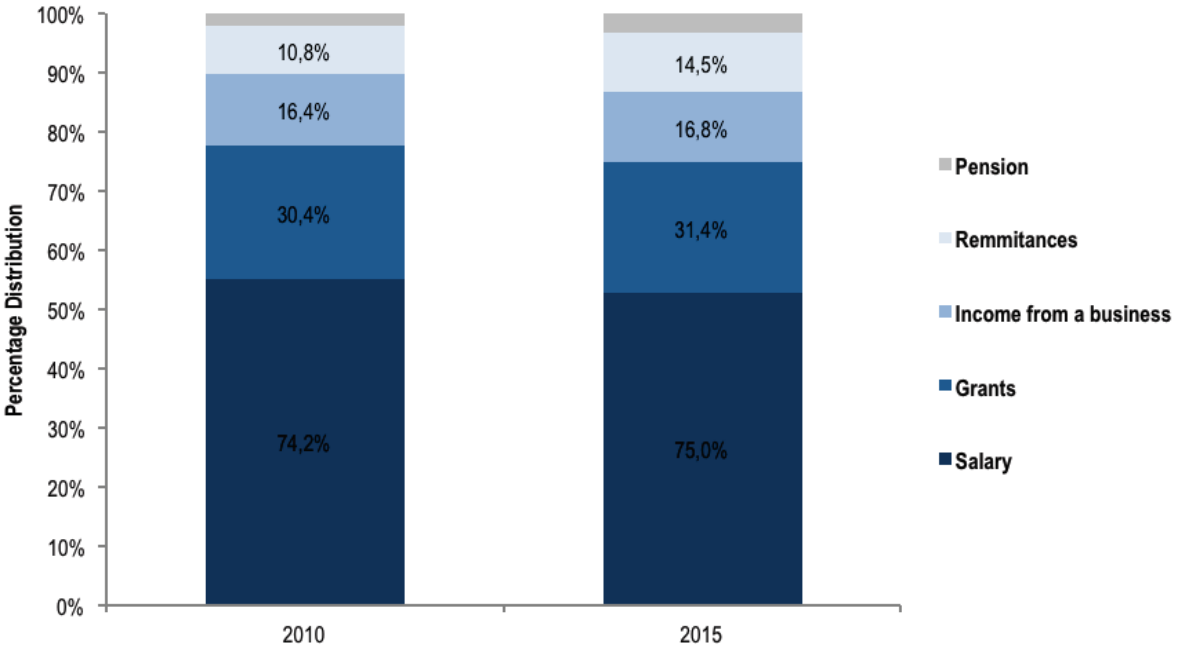
TABLE 5: INCOME DISTRIBUTION FOR 2015

Annual Income Per Household	Number of Households	Percentage of Households
Less than R12 000	162 773	3.9%
R12 001 to R42 000	981 937	23.4%
R42 001 to R96 000	1 099 590	26.2%
R96 001 to R360 000	1 239 324	29.5%
R360 001 to R2 400 000	701 698	16.7%
More than R2 400 00	19 401	0.5%
Total	**4 204 723**	**100.0%**

Source: IHS Markit, 2017

The table above shows the income distribution of households in Gauteng in 2015. The annual income per household that constituted the largest number of households was the R96 001 to R360 000 range which accounted for 29.5 per cent of total households in Gauteng. This was followed by the R42 001 to R96 000 range, which accounted for 26.2 per cent of the households. The lowest percentage of households was in the highest income range of more than R2.4 million per annum and it comprised 0.5 per cent of the households.

FIGURE 7: DISTRIBUTION OF SOURCES OF HOUSEHOLD INCOME FOR 2010 & 2015



Source: Statistics South Africa, General Households Survey, 2017

Figure 7 shows the percentage of households according to the source of their income between 2010 and 2015. The highest percentage of households in Gauteng reported salaries as their source of income, at 75 per cent in 2015, an increase of 0.8 percentage points compared to 74.2 per cent recorded in 2010. Grants were the second highest reported source of income at 31.4 per cent in 2015, up by 1 percentage point between the two years. The lowest percentage of households reported pension as their source of income in 2010 as well as in 2015, at 2.9 per cent and 4.5 per cent, respectively.

2. MEDIUM TERM EXPENDITURE FRAMEWORK AND THE BUDGET PROCESS

The Medium Term Expenditure Framework (MTEF) provides the basis that enables government's social, economic and developmental policy priorities to be encapsulated in the medium term spending plans of national and provincial government, including budget allocations to local government. The MTEF is an annual, rolling three year expenditure plan, which provides government with a tool to manage the tensions between competing priorities and budget constraints. This assists in reprioritising planned expenditure and make informed policy choices that are affordable in the medium term. The budget reflects policy priorities, and ultimately, delivering better services to the people. Improving the quality of government spending and strengthening service delivery are central commitments of the Gauteng Provincial Government (GPG).

Following the compilation of the provincial MTEF budget guidelines in June 2016, the GPT convened the budget forum meetings for the attendance of departments in July 2016 in order to communicate and share the 2017 MTEF budget reforms information. A new development was more involvement of departmental entities in budget discussions. The

budget forum meetings were extended to entities which have been included in the budgeting cycle since 2015/16 and In-Year Monitoring (IYM) since 2016/17. The main purpose of the budget forum meetings was to ensure the standardisation of budget documentation; improve budget planning and implementation; and to emphasise the alignment of planning and budgeting within the current provincial strategic framework which includes the NDP; 2014-19 MTSF; and the Transformation, Modernisation and Re-industrialisation (TMR) programme. In addition, departments and entities were informed about the need to direct funding to provincial policy priorities, consider matters emanating from the Ntirhisano, Deliverology and unforeseeable and unavoidable circumstances.

The lack of economic growth in the economy and constrained government revenues over the past few years implies that there is need for the 2017 MTEF budget process to emphasise reprioritisation of the 2016 budget baseline as a basis for continued service delivery in line with the ten-pillar programme of TMR. The GPT engaged with the respective provincial departments during the Medium Term Expenditure Committee (MTEC) meetings held on 26 September to 03 October 2016 to discuss budget preparations focusing on the baseline reprioritisation to fund the priorities of national and provincial government and the alignment of departments' budgets and plans with the government's prioritized strategies, plans, programmes and projects. The outcomes of the MTEC meetings were the recommendations on funding that was presented to the Premier's Budget Committee for consideration in the final allocation of provincial budget.

After the MEC for Finance has tabled the 2017 Provincial Appropriation Bill at the Gauteng Provincial Legislature on 7 March 2017, the Provincial Legislature will commence a consultative process with the relevant stakeholders which will lead to the approval of the Bill and subsequent enactment thereof into the Provincial Appropriation Act. Departments and entities will start spending their respective budgets in accordance with approved plans. The monitoring of both financial and non-financial performance will be taking place monthly and quarterly respectively using the In-year Monitoring and Reporting (IYM) and the Quarterly Performance Reports (QPRs). The assessments of the reports will be shared with key stakeholders such as the Gauteng EXCO, the Provincial Legislature and Provincial Treasury internal committees in order to re-enforce effective service delivery.

3. RECEIPTS

3.1 Overview of provincial receipts

Provincial receipts consist of the national transfers (namely: equitable share and conditional grants) and the provincial own receipts.

Equitable share contribute the highest amount towards total receipts followed by conditional grants and provincially generated revenue, respectively. Section 227 (1) of the Constitution of the Republic of South Africa (Act 108 of 1996) requires that revenue raised nationally be distributed equitably amongst national, provincial and local spheres of government and it is an unconditional transfer designed to assist in delivery of basic services and assigned functions.

Conditional grants are additional transfers from national government with conditions attached. These grants are centralised at the national government and are subject to specific conditions. The grants are limited in terms of flexibility as they are designed to finance nationally determined priorities and compensate provinces in their quest to provide services to provinces.

Provincial own receipts comprises of four main sources. These are motor vehicle licences, casino taxes, patient fees, interest earned on short term investments on unspent funds at any given point in a fiscal year and other user charges.

TABLE 6: SUMMARY OF PROVINCIAL RECEIPTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Transfers from national	**77 442 407**	**85 746 583**	**90 682 235**	**98 439 076**	**98 488 508**	**98 488 508**	**107 471 365**	**115 079 565**	**123 844 470**
Equitable share	61 572 984	68 811 291	74 100 214	79 599 868	79 599 868	79 599 868	86 642 989	93 030 417	100 227 355
Conditional grants	15 869 423	16 935 292	16 582 021	18 839 208	18 888 640	18 888 640	20 828 376	22 049 148	23 617 115
Provincial own receipts	**4 349 101**	**4 945 658**	**5 421 604**	**4 981 714**	**5 320 447**	**5 831 491**	**5 382 370**	**5 809 671**	**6 228 809**
Provincial receipts	81 791 508	90 692 241	96 103 839	103 420 790	103 808 955	104 319 999	112 853 735	120 889 236	130 073 279
Provincial revenue funding	9 457			36 569	1 537 708	1 537 708			
Direct Charges	(64 500)	(76 948)	(81 560)	(86 617)	(86 617)	(86 617)	(82 055)	(87 717)	(93 682)
Infrastructure Asset Financing Reserve							(3 181 118)	(3 869 548)	(4 951 440)
Total provincial receipts	**81 736 465**	**90 615 293**	**96 022 279**	**103 370 742**	**105 260 046**	**105 771 090**	**109 590 562**	**116 931 970**	**125 028 157**

Table 6 shows the summary of provincial receipts. From 2013/14 to 2015/16, transfers from national government increased by R13.2 billion from R77.4 billion to R90.7 billion. The increase in the national transfers from R98.439 billion to R98.488 billion during the 2016/17 adjustment budget process relates to approved rollover of conditional grants. In the 2017 MTEF, the total transfers are projected to increase from R107.3 billion to R123.8 billion.

In 2013/14, the province collected own receipts amounting to R4.3 billion which increased to R5.4 billion in 2015/16; this is an increase of R1.1 billion and an annual growth rate of 11.8 per cent. The 2016/17 main appropriation was estimated at R5 billion and it was subsequently adjusted to R5.3 billion, an increase of R400 000 or 7.55 per cent. The increase during the adjustment budget process was informed by an over-collection of interest revenue earned on favourable cash balances of the province. Over the 2017 MTEF period, the provincial receipts are set to increase by R845.8 million from R5.4 billion to R6.2 billion with an average growth rate of 9.54 per cent. The Provincial Revenue Enhancement Strategy that aim to optimize collection of provincial own receipts contributes significantly to the projected increase between 2017/18 and 2019/20.

Overall, the provincial receipts increased from R81.8 billion in 2013/14 to R96.1 billion in 2015/16. The budget increases from R103.8 billion in 2016/17 to R130.1 billion in 2019/20. The reasons for the trend over the seven year period are stated above.

An amount of R12 billion is ring fenced in the Asset Financing Reserve for infrastructure projects over the MTEF. This amount will be reallocated to departments in each financial year following a rigorous process of assessing the readiness of infrastructure projects for implementation.

3.2 Equitable share

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

TABLE 7: EQUITABLE SHARE ALLOCATION FOR GAUTENG PROVINCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	61 572 984	68 811 291	74 100 214	79 599 868	79 599 868	79 599 868	86 642 989	93 030 417	100 227 355

From 2013/14 to 2015/16, equitable share increased by R12.5 billion from R61.6 billion to R74.1 billion at an annual average growth rate of 9.7 per cent. For 2016/17, it was budgeted at R79.6 billion and is projected to increase by R7 billion or 8.8 per cent to reach R86.6 billion in 2017/18. In 2018/19, it is anticipated that equitable share will reach R93 billion, showing an increase of R6.4 billion or 7.4 per cent from 2017/18. Equitable share is anticipated at R100.2 billion in 2019/20 representing an increase of R7.2 billion from the previous financial year or 7.7 per cent. Over the 2017 MTEF, equitable share is projected to increase by R13.6 billion at an annual average growth rate of 7.6 per cent. In the seven financial years under review, equitable share increases by R38.6 billion or 37.9 per cent.

Key changes in the equitable share baselines relate to a reduction over the 2017 MTEF due to fiscal consolidation implemented; and relate to new additions to assist provinces with pressures regarding education, health and public sector wage increases.

Health adjustments increase the equitable share in 2019/20 to address the increase in prices of medicines due to depreciation of the currency. Medicine prices are denominated in foreign currency and the depreciation of South African currency means higher prices and increased pressure on budgets. Education adjustments increase the equitable share in 2018/19 and 2019/20 to enable the sector to increase the number of educators given increasing enrolment.

Personnel adjustments relate to funding of a shortfall of 0.4 percent with respect to the 2015 wage settlement. The wage settlement in the current year is 0.4 percent above the budget salary increases. The baseline adjustment for wage inflation is implemented in 2019/20.

3.3 Conditional grants

Conditional grants are particularly relevant in South Africa, where the Constitution decentralises the delivery of major public services to provincial and local government. Conditional grants were introduced addressing the priorities and interests of the national government, at a level where services are provided; this is to address policy concerns that are inter-provincial in nature. Provinces funded these activities from their budgets until 1999. But having established these grants, amounts were shifted from the provinces to be included on the votes of national departments. These funds will nevertheless flow to the provinces, albeit with the attachment of certain conditions.

Conditional grants are designed to achieve specific objectives, and provinces must fulfil certain conditions to receive them. There are essentially four types of conditional grants that are transferred from the national government to provinces: to supplement the funding of programmes or functions funded from provincial budgets; specific-purpose allocations to provinces; allocations-in-kind to provinces for designated special programmes; and funds that are not allocated to specific provinces may be released to provinces to fund immediate disaster response.

TABLE 8: CONDITIONAL GRANTS ALLOCATION FOR GAUTENG PROVINCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Conditional grants	15 869 423	16 935 292	16 582 021	18 839 208	18 888 640	18 888 640	20 828 376	22 049 148	23 617 115

From 2013/14 to 2015/16, the value of these grants increased from R15.9 billion to R16.6 billion. This represents an annual growth rate of 2.2 per cent. In 2016/17, R18.8 billion was appropriated, this was adjusted to R18.9 billion with a revised estimated to the same value. Over the 2017 MTEF, conditional grants will increase from R20.8 billion in 2017/18 to R23.6 billion in 2019/20, an annual average growth rate of 6.8 per cent.

TABLE 9: SUMMARY OF CONDITIONAL GRANTS BY VOTE

	Medium-term estimates		
R thousand			
Health	**9 669 625**	**10 475 260**	**11 342 219**
Comprehensive HIV, Aids Grant and TB Grant	3 744 381	4 239 022	4 667 945
Health Facility Revitalisation Grant	890 665	845 975	893 350
Health Professions Training and Development Grant	919 432	972 759	1 027 240
National Tertiary Services Grant	4 110 484	4 390 192	4 724 843
Human Papillomavirus Vaccine Grant		27 312	28 841
EPWP Integrated Grant	2 000		
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	2 663		
Education	**2 341 660**	**2 305 869**	**2 434 299**
Education Infrastructure Grant	1 468 146	1 376 435	1 453 515
HIV and Aids (Life Skills Education) Grant	34 436	36 433	38 472
National School Nutrition Programme Grant	762 848	807 454	847 827
Maths, Science and Technology Grant	51 270	54 840	57 931
Learners with Profound Intellectual Disabilities Grant	12 632	30 707	36 554
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	9 791		
EPWP Integrated Grant	2 537		
Social Development	**52 326**	**64 538**	**68 212**
Early Childhood Development Grant	38 489	61 883	65 343
Social Worker Employment Grant	2 453	2 655	2 869
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	9 384		
EPWP Integrated Grant	2 000		
Transport	**2 817 750**	**2 863 033**	**3 032 642**
Provincial Roads Maintenance Grant	656 183	607 266	650 552
Public Transport Operations Grant	2 155 063	2 255 767	2 382 090
EPWP Integrated Grant	6 504		
Agriculture, Forestry and Fisheries	**121 616**	**128 010**	**148 864**
Comprehensive Agricultural Support Programme Grant	87 136	92 333	111 351

	Medium-term estimates		
R thousand			
Ilima/Letsema Projects Grant	27 673	30 278	31 974
Land Care Programme Grant: Poverty Relief and Infrastructure Development	4 123	5 399	5 539
EPWP Integrated Grant	2 684		
Sport, Arts, Culture and Recreation	**260 639**	**305 134**	**320 596**
Community Library Services Grant	172 428	182 018	191 952
Mass Participation and Sport Development Grant	84 509	123 116	128 644
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	1 496		
EPWP Integrated Grant	2 206		
Cooperative Governance and Traditional Affairs	**2 000**		
EPWP Integrated Grant	2 000		
Human Settlements	**5 542 105**	**5 907 304**	**6 270 283**
Integrated Housing and Human Settlement Development Grant	5 528 050	5 907 304	6 270 283
EPWP Integrated Grant	14 055		
Community Safety	**1 463**		
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	1 463		
Infrastructure Development	**19 192**		
EPWP Integrated Grant	19 192		
Total conditional grants	**20 828 376**	**22 049 148**	**23 617 115**

Table 9 shows above shows a breakdown of the conditional grants allocations per department over a period of three years. It is estimated that over the period under review conditional grants will increase from R20.8 billion in 2017/18 to R22 billion in 2018/19 and to R23.6 billion in 2019/20.

The national government made changes to the conditional grants allocations for the 2017 MTEF to support the fiscal consolidation in all spheres of government and to expand the social spending. The fiscal consolidation process, which resulted in a reduction of some conditional grants, targeted grants with slow performance and grants that were previously increased by higher-than-average rates to ensure that service delivery is not affected by the reduction. Increases in the conditional grants resulted from two new grants introduced and additions to the existing grants.

Health

Although the baselines for the Comprehensive HIV, Aids and TB Grant reduce in each financial year of the 2017 MTEF, the annual grant allocations follow an upward trend during the 2017 MTEF period to maintain the capacity of the grant to deliver treatment services to the same number of patients. In 2019/20, an additional amount is allocated to continue expanding the antiretroviral coverage in response to the national universal test-and-treat policy.

The Health Facility Revitalisation Grant allocations reduce over the MTEF. The reduction, however, does not impact on the implementation of current projects. To achieve this, new projects that are funded through this grant are rescheduled to commence later in the future.

The National Tertiary Services Grant increases to fund the operational costs of the Nelson Mandela Children's Hospital that was commissioned in December 2016. The National health Insurance Grant will be discontinued as from 2017/18 due to a slow spending pattern and the set performance targets not being reached.

Education

A reduction in the Education Infrastructure Grant (EIG) is reallocated, firstly, to the School Infrastructure Backlog Grant for 2017/18 to complete existing project lists under the School Infrastructure Backlog Grant and, secondly, to the national

fiscal consolidation initiatives.

The Maths, Science and Technology Grant is reduced due to a slow spending pattern to date. The allocations for the National School Nutrition Programme increase to counter the effect of food inflation to ensure that the programme continues to provide nutritious meals to all qualifying learners on school days.

A new grant, Learners with Profound Intellectual Disabilities Grant, is introduced over the MTEF to provide educational opportunities to learners with severe and profound intellectual disabilities in line with a 2010 High Court ruling.

Social Development
The Social Worker Employment Grant is a new grant that will address the need of social workers in the sector and reduce the backlog in the number of social worker graduates that remain unemployed after completion of their government subsidised education.

The Early Childhood Development Grant that was introduced in the previous financial year will receive the first allocations during the 2017 MTEF to provide access of poor young children to early childhood education and to provide adequacy of facilities that house young children. The grant therefore has two components (namely: the subsidy component for providing access to early childhood education and the maintenance component for the infrastructure upgrade of registered ECD centres).

Human Settlements
A reduction in the allocations for the Human Settlements Development Grant is reallocated, firstly, to the Social Housing Regulatory Authority to promote social housing subsidies; secondly, to the Housing Development Agency to operationalize catalytic projects; and lastly, to the national fiscal consolidation initiatives.

Roads and Transport
The criteria for allocating the Provincial Roads Maintenance Grant has been revised. The threshold relating to visual condition indicator that measures the percentage of a province's road network that is in good or very good condition is now phased in at 45, 50 and 55 percent in the respective years of the 2017 MTEF. It was planned previously that the visual condition indicator would increase from 45 percent in the 2016 MTEF to 55 percent in the 2017 MTEF. However, gradual increases have been identified as a preferred manner to stabilize allocations. Another revision to the grant is the use of actual traffic volumes to match actual road usage pattern as opposed to the projected traffic volumes.

Agriculture and Rural Development
Allocations for the Comprehensive Agriculture Support Programme are reduced to fund the national fiscal consolidation and to provide the national department with capacity to conduct the agriculture and rural census that will contribute to defining rurality and measuring the extent of rurality across provinces. Another reason for a reduction in the grant is the reversal of additional allocation that was wrongly made to all provinces in 2015/16; the additional allocation was earmarked for Northern Cape disaster interventions. The reversal is effected on the infrastructure component of the grant.

Arts and Culture
The Community Library Services Grant is reduced due to a slow spending pattern.

Expanded Public Works Programme Integrated grant
The allocations for the Extended Public Works Programme (EPWP) Integrated Grant are reduced over the MTEF due to a slow spending trend.

3.4 Provincial own receipts

Provincial own receipts are limited but play an important role in supplementing the national transfers (equitable share and conditional grants). GPG own receipts collection contributes approximately 5 per cent of total budget while the national transfers constitute about 95 per cent. GPG departments collect receipts from different sources with the exception of the Gauteng Provincial Legislature. There are four major revenue generating departments within GPG, namely; Roads and Transport, through motor vehicle and drivers licence fees; Economic Development, through gambling taxes; Health, through patient's fees and Treasury earns interest on favourable cash balances. These departments generates approximately 98 per cent of provincial receipts. The other departments' receipts collection is part of the remaining 2 per cent, as it is based on cost recovery sources such as parking fees. There are departments with a potential to collect additional receipts, namely: Education through exam-related fees, Community Safety through traffic fines, Agriculture and Rural Development through environmental impact assessment and nature reserves fees, and Infrastructure Development by way of property rental fees.

TABLE 10: SUMMARY OF PROVINCIAL OWN RECEIPTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Office of the Premier	533	426	467	476	476	476	500	529	558
Economic Development	763 922	820 463	871 325	931 388	931 388	938 459	1 016 654	1 077 654	1 142 313
Health	527 710	524 051	479 296	585 100	585 100	594 199	480 647	507 949	536 796
Education	40 979	36 040	51 408	30 299	30 299	36 473	31 056	31 971	32 770
Social Development	4 691	4 818	3 976	3 070	3 070	3 665	3 222	3 409	3 601
Cooperative Governance and Traditional Affairs	682	490	358	506	506	1 743	532	563	594
Human Settlements	4 888	4 960	37 658	4 664	4 664	11 165	4 897	5 181	5 471
Roads and Transport	2 707 443	3 005 863	3 278 227	3 215 889	3 215 889	3 594 480	3 473 160	3 751 012	4 051 093
Community Safety	29 852	42 755	44 210	19 857	28 587	33 631	29 457	36 821	38 959
Agriculture and Rural Development	1 030	2 098	8 044	14 813	14 813	16 056	15 591	16 386	17 304
Sport, Arts, Culture and Recreation	313	433	659	320	667	667	392	397	403
e-Government	1 410	2 150	1 807	917	588	588	612	638	665
Provincial Treasury	247 893	482 266	623 896	151 415	481 400	576 529	301 500	351 611	371 301
Infrastructure Development	17 755	18 845	20 273	23 000	23 000	23 360	24 150	25 550	26 981
Total provincial own receipts	**4 349 101**	**4 945 658**	**5 421 604**	**4 981 714**	**5 320 447**	**5 831 491**	**5 382 370**	**5 809 671**	**6 228 809**

The table above shows own receipts collected over the seven financial year period, per department. In 2013/14, the provincial own receipts collected was at R4.3 billion and this increase to R5.4 billion in 2015/16, showing an average annual growth rate of 11.5 per cent. The estimated R5 billion in 2016/17 was adjusted to R5.3 billion due to a faster rate of interest revenue collection in-year; however GPG departments anticipate to collect R5.8 billion; an over collection of R499.5 million. Over the 2017 MTEF period, total revenue will increase by R846.4 million from R5.4 billion in 2017/18 to R6.2 billion in 2019/20, showing an annual average growth rate of 7.6 per cent.

Roads and Transport generates its receipts mainly from motor vehicle licences, with municipalities and the South African Post Office (SAPO) acting as revenue collecting on behalf of the department as per the Road Traffic Act (Act 93 of 1996). The department anticipates to collect R3.5 billion in 2017/18, R3.7 billion in 2018/19 and R4.1 billion in 2019/20; this shows an annual average growth rate of 8 per cent over the 2017 MTEF.

Economic Development generates the second largest source of receipts through gambling taxes (casino and horse), which contributes approximately 98 per cent of the department's total own receipts. The department's entity, GGB collects the gambling taxes and in turn receives a commission to fund its operations. The department projects to collect R1 billion in 2017/18, R1.1 billion in 2018/19 and R1.1 billion in 2019/20; this shows an annual average growth rate of 6 per cent over the 2017 MTRF.

The third largest contributor is Health, with collection consisting mainly of patient fees. The department projects to collect R480.6 million in 2017/18, R507.9 million in 2018/19 and R537 million in 2019/20 showing an annual average growth rate of 5.7 per cent over the 2017 MTRF. To improve the collection of patient fees, there are service providers who are appointed for this function.

Provincial Treasury collects receipts mainly from interest generated from favourable cash balances. Over the 2017 MTRF, Provincial Treasury projects to collect a total of R301.5 million in 2017/18; R351.6 million in 2018/19 and R371.3 million in 2019/20 showing an annual average growth rate of 11 per cent.

Agriculture and Rural Development, Community Safety, Education and Infrastructure Development generate significant receipts from nature reserves fees, traffic fines, exam-related fees and property rental respectively based on their mandate. Community Safety anticipates to collect approximately R29.5 million in 2017/18; R36.8 million in 2018/19 and R39 million in 2019/20 thus showing an average annual growth rate of 15 per cent over the 2017 MTEF. Agriculture and Rural Development expects to collect a total of R15.6 million in 2017/18; R16.4 million in 2018/19 and R17.3 million in 2019/20 showing an annual average growth rate of 5.4 per cent. Infrastructure Development projects to collect R24.2 million in 2017/18; R25.6 million in 2018/19 and R27 million in 2019/20 showing an annual average growth rate of 5.7 per cent over the 2017 MTEF Education projects to collect R31.1 million in 2017/18; R32 million in 2018/19m and R32.8 million in 2019/20, which is an annual average growth rate of 2.7 per cent.

TABLE 11: SUMMARY OF PROVINCIAL RECEIPTS

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Tax receipts	3 398 280	3 749 485	4 088 031	4 071 610	4 071 610	4 450 172	4 410 437	4 744 685	5 104 722
Casino taxes	715 672	759 547	828 997	878 874	878 874	878 874	944 673	1 002 860	1 063 331
Horse racing taxes	37 732	40 276	42 002	50 000	50 000	50 000	69 340	72 000	76 032
Liquor licences									
Motor vehicle licences	2 644 876	2 949 662	3 217 032	3 142 737	3 142 737	3 521 298	3 396 424	3 669 825	3 965 359
Sales of goods and services other than capital assets	585 460	581 173	553 896	695 011	696 610	709 527	596 212	630 580	665 565
Transfers received						3 085			
Fines, penalties and forfeits	14 897	18 184	28 114	20 254	23 678	26 483	28 284	33 979	35 823
Interest, dividends and rent on land	260 081	486 658	629 494	154 223	484 432	579 807	304 413	354 664	374 519
Sales of capital assets	5 983		26 146			3 266			
Transactions in financial assets and liabilities	84 400	110 158	95 923	40 616	44 117	59 151	43 023	45 763	48 180
Total provincial own receipts	**4 349 101**	**4 945 658**	**5 421 604**	**4 981 714**	**5 320 447**	**5 831 491**	**5 382 370**	**5 809 671**	**6 228 809**

Table above shows own revenue collected over the seven financial year period per economic classification. Over the 2017 MTEF, total revenue will increase by R846.4 million, from R5.4 billion in 2017/18 to R6.2 billion in 2019/20, showing an annual average growth rate of 7.6 per cent. Tax receipts, which comprise of gambling taxes and motor vehicle licenses, contribute on average 79 per cent toward the total revenue collected in the province. Tax receipts are estimated at R4.4 billion in 2017/18, R4.7 billion in 2018/19 and R5.1 billion in 2019/20, which shows an annual average growth of 7.6 per cent over the 2017 MTEF. Motor vehicle licences that contribute the largest share towards tax receipts are budgeted at R3.4 billion in 2017/18, R3.7 billion in 2018/19 and R3.9 billion in 2019/20, an annual average growth rate of 8.1 per cent. Casino taxes and horse racing taxes will increase by 6.1 and 4.7 per cent respectively over the MTEF.

Sales of goods and services other than capital assets, to which patient fees contribute the highest share, will increase at an annual average rate of 5.7 percent. Interest, dividends and rent on land includes interest generated from provincial reserves and is collected by Treasury. This source will increase at an annual average growth rate of 10.9 per cent over the MTRF. Fines, penalties and forfeits will increase by 12.5 per cent. Transactions received and sales of capital assets were not budgeted for in the 2016/17 financial year but collections of R40, 000 and R3.2 million have been made, respectively. The sources are also not budgeted for over the 2017 MTEF.

3.5 Summary of provincial additional funding

TABLE 12: SUMMARY OF PROVINCIAL ADDITIONAL FUNDING

R thousand	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Office of the Premier	134 921	143 434	146 777
Economic Development	29 799	38 748	27 647
Health	924 286	990 784	1 259 935
Education	1 227 045	1 898 273	2 034 347
Social Development	126 459	187 941	198 968
Cooperative Governance and Traditional Affairs	27 998	(675)	(714)
Human Settlements	(5 339)	(5 707)	(6 044)
Roads and Transport	(40 000)	(37 100)	55 968
Agriculture and Rural Development	77 000	46 685	17 983
Sport, Arts, Culture and Recreation	54 038	39 558	41 272
e-Government	85 674	90 733	96 057
Provincial Treasury	79 096	92 569	96 842
Infrastructure Development	43 306	46 756	50 414
Total provincial payments and estimates by Vote	**2 764 283**	**3 531 999**	**4 019 452**

The table above shows additional funding received by provincial departments over the 2017 MTEF. The province allocated

additional funding amounting to R2.8 billion in 2017/18, R3.5 billion in 2018/19 and R4 billion for 2019/20 to fund programmes and projects that supports the TMR. Included in the R3.5 billion additional funding allocation for 2018/19 and R4 billion for 2019/20. There is an amount of R592 million in 2018/19 and R644 million in 2019/20 appropriated to the Education by the National Department of Education to fund the appointment of educators given an increase in number of learners in the province. To supplement the exchange depreciation on medicine prices, the department of Health receive R198 million from the National Department of Health in 2019/20.

Office of the Premier

The Office of the Premier receives an amount of R425.1 million over the 2017 MTEF period. Included in this allocation is an amount of R55.8 million over the medium term for services and human resources requirements for implementing the Deliverology project that facilitates the translation of strategy into delivery in the public sector with an emphasis on access to reliable data on progress made.

The Tshepo 500 00 programme which is intended to accelerate youth employment in the province receives R352.6 million over the MTEF. This amount includes R193.6 million shifted from the Department of Infrastructure Development to OoP as from 2017/18 financial year. A further amount of R16.7 million is made available continue the implementation of the transversal Employee Health and Wellness Programme received from the Department of e-Government during the 2016/17 adjustment budget.

Economic Development

An amount of R65.2 million is allocated over the MTEF for the GCR Economic Development Plan 2030 to save and create decent jobs through focusing on sector transformation, industrialisation, skills development, leveraging on public procurement and township economy to build an inclusive and sustainable economy. In addition, R31 million over the MTEF is allocated for the automotive supplier park expansion and for the bidding and hosting of major events in the Province (i.e. Cycling Festival and Discorp Africa project).

Education

The department receives R1.2 billion in 2017/18, R1.3 billion in 2018/19 and R1.4 billion in 2019/20. This amount is made up of funds set aside for the appointment of additional educators, scholar transport, school nutrition programme, Microsoft and SITA licenses, municipal services as well as procurement and replacement of school furniture in existing schools. The aforementioned amount includes the carry-through costs of the 2016/17 adjustment budget for improvement of conditions of service.

Health

Health is allocated an additional amount of R2.9 billion in addition to its baseline over the medium term. These resources are allocated mainly for the salary adjustments of health professionals; appointment of nursing staff, provision of medicine and medical supplies at central hospitals, oil, gas, fuel and consumable supplies and payment of danger allowance as per the 2015 PSCBC resolution number 4. Included in this amount is R494.1 million to cover the shortfall relating to Improvement of Conditions of Service as a carry-through cost from the 2016/17 adjustment budget.

Social Development

Social Development receives an additional funding of R513.4 million over the medium term. An amount of R359 million is allocated over the three-year period to increase bed capacity at Randfontein and Sedibeng Treatment centres while R95 million is allocated to establish Centres of Excellence in Johannesburg and Sedibeng regions. A further additional allocation of R61 million is allocated over the 2017 MTEF to fund personnel cost.

Cooperative Governance and Traditional Affairs

CoGTA receives a once-off amount of R28.6 million in 2017/18 to fund the Khutsong water infrastructure replacement and refurbishment project in Merafong as part of the Ntirhisano programme and to assist the RandWest Municipality with post-merger salary disparities.

An amount of R2 million allocated over the MTEF for the land use management function is reallocated to Infrastructure Development following a decision to centralize land management matters in Infrastructure Development.

Human Settlements

A total amount of R17.1 million allocated for personnel over the MTEF for the land use management function is reallocated to Infrastructure Development following a proclamation to centralize land management matters in Infrastructure Development.

Roads and Transport
A net amount of R21.1 million is added to the department's baseline after taking into account the reduced allocation to Gautrain and providing additional funding to cover the increased costs of gazetting the public transport licenses.

Agriculture and Rural Development
An amount of R141.7 million is made available to the department over the MTEF for urban agriculture, Agro-processing and Agri parks-Agrotropolis project initiative. The purpose of allocating these funds is to mainstream urban agriculture, enhance investment in food and beverage sector and develop and maintain agri-parks.

Sport, Arts, Culture and Recreation
SACR receives an additional allocation amounting to R54 million in 2017/18; R39 million in 2018/19; and R41 million in 2019/20. This includes a once-off allocation of R6.9 million in 2017/18 to contribute towards the preservation and conversion of Liliesleaf Farm into a centre of memory as a heritage site. The remaining amount is allocated mainly to fund the Nelson Mandela Remembrance Walk, OR Tambo Soncini Games, Social cohesion games, Community Games programme, multi-purpose sports facilities and Learn to Swim Programme.

e-Government
The allocations for the Gauteng Broadband Network project increase by R90 million in 2017/18; R95.3 million in 2018/19 and R100.9 million in 2019/20 to roll out the broadband network across the global city-region. The department receives R2.9 million over the MTEF from the Provincial Treasury to continue to fund the costs of the Document Management whilst R16.7 million is reallocated to the Office of the Premier to continue the implementation of the transversal Employee Health and Wellness Programme that was transferred during the 2016/17 adjustment budget.

Provincial Treasury
The department receives additional funding to the tune of R271.4 million over the MTEF. The allocation includes R211 million for compensation of employees which is earmarked for the phase in of structure from the 2017/18 until the 2019/20 financial year. The department receives an additional R20 million for the transfer made to the South African Supplier Development Council (SASDC) which commenced during the 2016/17 financial year and will come to an end in the 2018/19 financial year. A further R40 million is allocated over the 2017 MTEF for probity audit.

Infrastructure Development
The Department is allocated an additional funding of R334 million over the MTEF for updating and maintaining the Immovable asset register, higher costs of security services and Land Use Management. An amount of R193.6 million for the Tshepo 500 000 project is reallocated to the Office of the Premier following the decision to shift this program from the department.

4. PAYMENTS

4.1 Payments by vote
The GPG will continue the programme of radical transformation, modernisation and re-industrialisation. The province is committed to the revitalization of the economy to accelerate social transformation though infrastructure investment in the priority economic sectors, development corridors as stipulated in the Provincial Economic Development Plan. Provincial funding is biased towards social sector departments, which account for 79 per cent of the province's allocation over the MTEF.

TABLE 13: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY VOTE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Office Of The Premier	463 556	356 976	417 689	511 302	529 811	572 467	609 310	646 587	680 935
Provincial Legislature	473 919	497 845	562 071	641 673	649 557	648 282	674 898	715 824	761 430
Economic Development	926 787	1 060 655	1 270 844	1 331 638	1 387 699	1 387 699	1 413 792	1 506 450	1 583 355
Health	27 415 801	31 005 212	34 864 555	37 408 057	37 656 857	39 238 323	40 207 046	42 068 422	45 193 153
Education	29 209 407	31 636 240	36 296 522	39 069 226	39 508 650	39 590 028	40 843 869	44 378 271	46 754 956

Social Development	2 899 683	3 408 805	3 942 241	4 235 362	4 271 602	4 271 602	4 442 331	4 698 196	4 982 985
Cooperative Governance And Traditional Affairs	273 198	283 456	368 851	418 155	516 355	516 355	470 218	466 235	496 588
Human Settlements	4 543 171	5 026 297	4 742 709	5 866 181	6 043 681	6 043 681	6 186 359	6 590 572	6 991 564
Roads And Transport	5 366 174	5 872 084	6 259 301	7 299 704	7 909 447	7 928 117	6 832 291	6 690 113	6 832 838
Community Safety	493 481	629 606	693 552	652 881	683 580	683 580	678 465	718 047	759 694
Agriculture And Rural Development	543 698	615 022	811 438	777 853	831 585	831 585	916 600	938 434	974 010
Sport, Arts, Culture And Recreation	519 602	642 606	704 333	821 059	849 001	849 001	875 336	932 306	1 006 853
E-Government	1 023 102	1 213 739	1 154 906	1 212 275	1 263 186	1 263 186	1 356 832	1 168 426	1 231 414
Provincial Treasury	429 322	482 189	555 189	607 394	641 552	638 836	712 634	764 513	813 070
Infrastructure Development	1 533 222	1 830 536	2 416 103	2 512 421	2 511 920	2 469 265	2 542 122	2 684 523	2 772 918
Total payments and estimates	**76 114 123**	**84 561 268**	**95 060 304**	**103 365 179**	**105 254 483**	**106 932 007**	**108 762 102**	**114 966 920**	**121 835 763**

Table 13 indicates the payments and estimates for the province per vote. The provincial budget reflects increased spending from R76.1 billion in 2013/14 to R84.5 billion in 2014/15 billion before increasing to R95.1 billion in 2015/16. The budget increases from R105.2 billion in 2016/17 to R108.7 billion in 2017/18. The provincial allocation increases from R108.8 billion in 2017/18 to R121.8 billion in 2019/20. Social sector still accounts for the largest portion of the provincial budget, which represents the province's commitment to social transformation.

Education, with the biggest slice of the share at 37 per cent, is allocated R40.8 billion in 2017/18. The budget for 2017/18 increased slightly compared to R39.5 billion allocated in 2016/17. The education budget makes provision for the recruitment of additional educators to support increasing learner enrolment in schools; key cost drivers including learner and teacher support material, scholar transport, school nutrition, municipal services and examinations services; and the education-related ICT interventions to move towards a paperless classroom.

The MTEF budget for Education also makes provision for transfers and subsidies to institutions and schools, infrastructure development and maintenance of school buildings with the aim of eradicating the backlog of learning space and preventative maintenance. It funds the provision of therapists and social workers to schools to support learners; implementation and maintenance of intervention strategies such as the mainstreaming of Gauteng Primary Language and Mathematics Strategy, Secondary School Improvement Programme, Teacher Development Strategy and Extra School Support Programme.

Health is allocated R37.6 billion in 2016/17; R40.2 billion in 2017/18 and R45.2 billion in 2019/20. The budget for Health constitutes 38 per cent of the provincial allocation per annum over the MTEF. Funds are directed to personnel to provide for the carry-through effect of additional funding allocated to the department in 2016/17 for non-negotiable budget line items such medical supplies, medicine and consumable supplies. The department receives earmarked allocation for accelerating the provision and improvement of primary health care services, ward-based outreach teams, district clinical specialist teams and integrated school health services. Additional resources allocated for the newly-commissioned Nelson Mandela Children's hospital, which will provide a specialized paediatric services in the country and the SADC region, are included in the allocation for tertiary services.

Allocations for Human Settlements increase from R6 billion in 2016/17 to R6.2 billion in 2017/18 before reaching R7 billion in 2019/20. Funds are allocated to establish sustainable human settlements where citizens have access to housing and other social amenities. The province reallocates the land management function to the Department of Infrastructure Development following the proclamation of function shift made in 2016.

Roads and Transport accounts for 6 per cent of the provincial allocation at an amount of R6.8 billion in 2017/18 and 2019/20. The budget makes provision for investment in the provincial road network, departmental infrastructure allocation is funding the maintenance of roads within the province. Funds are also allocated to the departmental provincial roads maintenance grant, EPWP Integrated Grant and Gautrain project.

The budget for Social Development increases from R4.2 billion in 2016/17 to R4.4 billion in 2017/18 before increasing to R5 billion in 2019/20. The social development budget accounts for 4 per cent of the provincial budget. The budget includes the additional funding for compensation of employees and NPI's transfers to fund the Randfontein and Sedibeng Treatment Centres to accommodate the required increase in bed capacity and the continued funding of Centres of Excellence at Johannesburg and Sedibeng Regions.

4.2 Payments by economic classification

TABLE 14: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**58 315 161**	**64 045 920**	**71 470 026**	**76 936 991**	**78 133 608**	**79 517 724**	**82 733 442**	**88 369 289**	**94 436 451**
Compensation of employees	43 139 114	47 047 269	51 980 233	56 752 802	56 802 000	57 458 522	60 749 153	64 987 219	69 211 241
Goods and services	15 170 322	16 995 467	19 481 525	20 182 467	21 329 857	22 058 298	21 983 570	23 381 109	25 224 208
Interest and rent on land	5 725	3 184	8 268	1 723	1 751	904	719	962	1 002
Transfers and subsidies	**14 630 338**	**16 196 539**	**17 421 584**	**19 095 903**	**20 326 063**	**20 664 712**	**20 268 322**	**21 562 681**	**22 870 398**
Provinces and municipalities	962 134	1 047 227	1 500 230	1 522 083	1 563 725	1 562 890	1 614 621	1 697 608	1 790 923
Departmental agencies and accounts	2 188 055	2 168 094	2 699 074	2 846 375	4 007 371	4 007 370	2 977 711	3 128 085	3 307 448
Higher education institutions	16 849	17 045	24 115	25 173	47 749	47 749	49 812	51 582	53 236
Foreign governments and international organisations									
Public corporations and private enterprises	1 772 623	1 931 758	1 960 610	2 188 060	2 367 606	2 367 606	2 316 847	2 426 934	2 561 716
Non-profit institutions	5 090 300	5 592 984	6 363 120	6 772 257	6 493 233	6 606 361	7 204 904	7 759 256	8 261 490
Households	4 600 377	5 439 431	4 874 435	5 741 954	5 846 379	6 072 736	6 104 427	6 499 215	6 895 584
Payments for capital assets	**3 108 493**	**4 150 265**	**6 126 861**	**7 332 285**	**6 793 773**	**6 732 605**	**5 760 338**	**5 034 950**	**4 528 914**
Buildings and other fixed structures	2 484 385	2 705 130	4 515 804	5 828 991	5 123 674	5 080 156	4 083 580	3 367 949	2 769 620
Machinery and equipment	603 636	1 277 516	1 460 346	1 453 312	1 599 422	1 581 374	1 629 087	1 627 035	1 715 075
Land and sub-soil assets	12 521	41 507	9 499	15 000	46 614	46 614	36 357	30 000	35 000
Software and other intangible assets	7 951	126 112	141 212	34 982	24 063	24 461	11 315	9 966	9 219
Payments for financial assets	60 131	168 544	41 833		1 039	16 966			
Total economic classification	**76 114 123**	**84 561 268**	**95 060 304**	**103 365 179**	**105 254 483**	**106 932 007**	**108 762 102**	**114 966 920**	**121 835 763**

Source: Provincial treasury database, 2017

Current payments

The province's total payments by economic classification indicates that current payments accounts for 76 per cent of the total share of provincial payments. There is an increase of 6 per cent for the 2017/18 financial year, from R78.1 billion in 2016/17 to R82.7 billion in 2017/18 and to R94.4 billion in 2019/20. The largest expenditure estimate on current payments is compensation of employees for which R60.7 billion, R65 billion and R69.2 billion are allocated in 2017/18, 2018/19 and 2019/20 respectively mainly for personnel in Education and Health. Goods and services accounts for 20 per cent of the share of the provincial payments.

The budget for compensation of employees in Education includes additional funds allocated for the recruitment of additional educators given an increase in learner enrolments in the province. In Health, the budget for compensation of employees caters for personnel requirements in the department.

The personnel budget in Social Development provides for the appointment of Community Development Workers for implementation of the ward-based model. The budget includes a new grant (i.e. the Social Worker Employment Grant) that is allocated for the continued absorption of Social Workers graduates. The aim of the grant is to strengthen high priority social welfare service delivery through employment of social workers that benefitted from the Department of Social Development's Social Work Scholarship.

The increase in the budget for compensation of employees in other departments mainly relates to filling critical vacant positions, implementing the Occupational Specific Dispensation (OSDs) and Improvement in Condition of Service (ICS). Personnel funding includes the remuneration of Community Development Workers in Cooperative Governance and Traditional Affairs; in Roads and Transport it funds the additional capacity; in Agriculture and Rural Development it covers

capacity building for community services and primary animal care projects; and in the Office of the Premier it covers personnel required to implement the Deliverology project that expedites service delivery in the province.

The budget for goods and services increases by 3 per cent, from R21.3 billion in 2016/17 to R25 billion in 2019/20. The implementation of cost containment measures in provincial departments reduced the allocation in non-core items. A major share of the provincial goods and services is for Health, whose budget increases by 7.8 per cent from R11.4 billion in 2016/17 to R12.3 billion in 2017/18 to fund the re-engineering of the primary health care and to fund the non-negotiable items such as medical supplies and medicine.

In e-Government, the budget for goods and services provide for the Gauteng Broadband Network project and the maintenance and upkeep of the provincial ICT infrastructure; in Roads and Transport, the budget provides for maintenance and upkeep of the provincial road system, especially in areas of high volumes caused by using alternative routes to avoid tolled roads; in Infrastructure Development, it covers the EPWP training, tools of trade for all the new appointments, Maintenance Turnaround Strategy for the E- Maintenance implemented by the Health Branch; and other commitment such as property leases, utilities and security services.

Transfers and subsidies

Provincial transfers account for 19 per cent of the provincial payments. The allocation for 2017/18 amounts to R20.2 billion, and it increases to R21.5 billion in 2018/19 and to R22.8 billion in 2019/20. Included in transfers and subsidies are transfers to Gautrain project for maintenance and capacitation of the current system as well PTOG. Transfers amounting to R1.5 billion under health are transfers to municipalities for primary health care, HIV and AIDS and emergency medical services. The amount also includes transfers to the NPOs in respect of mental health care services and the absorption of the Alexandra CHC.

In Education, R4.2 billion makes a provision for the transfers to schools in accordance with the norms and standards and the increasing number of schools that qualify for no-fee status in terms of the department's no-fee policy. Transfers also provide for the Matthew Goniwe School of Governance and Leadership (MGSGL) which will undertake most of the teacher development for the department the and Gauteng City Region Academy which will provide skills development and training for the province.

In Social Development, R2.5 billion is allocated to transfers to NPOs in 2017/18 to continue with the implementation of departmental programmes in partnership with NPOs. The department received an additional allocation on NPIs to fund the Randfontein and Sedibeng Treatment Centres to accommodate the required increase in bed capacity and the continued funding of centres of Excellence at Johannesburg and Sedibeng Regions.

Payments for capital assets

Payment for capital assets account for 5 per cent of the provincial payments. The allocation for the MTEF period decreases from R6.8 billion in 2016/17 to R5.8 billion in 2017/18. It further decreases to R5 billion in 2018/19 and to R4.5 billion in 2019/20. The decrease is due to the shift in focus to refurbishment and maintenance of existing structures in Education. Education also provides for new schools especially in new areas. Roads and Transport, which is allocated the major part of the provincial budget, provides for capital rehabilitation projects on the provincial road network. Health provides for maintenance of health infrastructure and for the acquisition of new ambulances and emergency response vehicles in respect of emergency medical services. Infrastructure Development provides for the refurbishment of Kopanong Precinct and the old Natalspruit Hospital.

4.3 Payments by policy area

TABLE 15: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY FUNCTIONAL AREA

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
General public services	4 196 319	4 664 741	5 474 809	5 903 219	6 112 381	6 108 391	6 366 013	6 446 108	6 756 355
Public order and safety	493 481	629 606	693 552	652 881	683 580	683 580	678 465	718 047	759 694
Economic affairs	6 701 726	7 394 186	8 137 614	9 191 906	9 864 510	9 883 180	8 922 947	8 860 662	9 117 480
Environmental protection	134 933	153 575	203 969	217 289	264 221	264 221	239 736	274 335	272 723
Housing and community amenities	4 543 171	5 026 297	4 742 709	5 866 181	6 043 681	6 043 681	6 186 359	6 590 572	6 991 564
Health	27 415 801	31 005 212	34 864 555	37 408 057	37 656 857	39 238 323	40 207 046	42 068 422	45 193 153
Recreation, culture and religion	519 602	642 606	704 333	821 059	849 001	849 001	875 336	932 306	1 006 853
Education	29 209 407	31 636 240	36 296 522	39 069 226	39 508 650	39 590 028	40 843 869	44 378 271	46 754 956
Social protection	2 899 683	3 408 805	3 942 241	4 235 362	4 271 602	4 271 602	4 442 331	4 698 196	4 982 985
Total provincial payments and estimates by policy area	**76 114 123**	**84 561 268**	**95 060 304**	**103 365 179**	**105 254 483**	**106 932 007**	**108 762 102**	**114 966 920**	**121 835 763**

The table above reflects the provincial payments in relation to functions of government. The 2017 MTEF continues to be informed by weak economic growth of South African economy. The province is committed to act decisively to increase investment in the real economy and infrastructure to stimulate faster levels of inclusive growth, speed up social development, and reduce poverty and unemployment and place the economy on a qualitatively different growth path.

As reflected on the table above, the growth in Education allocation is an indication of the Gauteng's commitment to deliver quality education in a conducive learning environment by addressing the curriculum and assessment development in order to improve learner performance and learner test scores of school based assessments (SBA); to provide an administrative service that supports modern and innovative schools; to transform public schooling by addressing barriers to access, equity and redress social cohesion. GDE is committed to improving school nutrition to support the poverty alleviation programmes, scholar transport to further improve access to schools, infrastructure development and maintenance to improve enabling conditions at schools by focusing on functionality of schools and eradicate non-compliant buildings.

The allocation for Health is increased to continue to ensure improved health and well-being of all citizens with an emphasis on children and women; reduced rate of new infections and burden of HIV & AIDS and TB; increased equal and timely access to efficient and quality health care services thereby preparing for roll-out of National Health Insurance (NHI); and excellence in our non-clinical functions.

The outputs for Social Development is mainly addressing integrated substance abuse prevention, treatment and rehabilitation, access to child and youth care centres, community development services through sustainable livelihoods strategies.

The growth in the budget allocation for Sport, Arts, Culture and Recreation (SACR) is to ensure access, increased participation, transformation of sport, arts, culture and recreation sectors through radical economic and accelerated social transformation that benefits all in the province, promoting nation building and social cohesion.

4.4 Transfers to public entities

TABLE 16: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19	2019/20
1. Gauteng Growth Development Agency	358 173	341 772	359 033	405 949	465 282	465 282	493 117	502 144	530 264
2. Gauteng Enterprise Propeller	128 447	136 291	290 438	176 418	236 718	236 718	214 374	217 336	229 507
3 Gauteng Tourism Authority	62 019	69 530	93 798	91 994	104 744	104 744	101 165	107 038	113 032

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation	Revised estimate 2016/17	Medium-term estimates 2017/18	2018/19	2019/20
4. Gautrain Management Agency	1 424 943	1 311 748	1 561 451	1 832 089	2 812 089	2 812 089	1 833 694	1 945 268	2 058 094
5 Gauteng Partnership Fund	322 917	100 170	200 000	212 400	212 400	212 400	224 719	237 753	251 067
Total departmental transfers to public entities	**2 296 499**	**1 959 511**	**2 504 720**	**2 718 850**	**3 831 233**	**3 831 233**	**2 867 069**	**3 009 539**	**3 181 964**

The table above indicates the summary of provincial transfers to public entities in Economic Development, Roads and Transport and Human Settlements. Transfers to public entities reflect a fluctuating trend from R2.2 billion in 2013/14 to R2.5 billion in 2015/16.

Gauteng Growth and Development Agency (Economic Development)
The transfers to the Gauteng Growth and Development Agency increased from R341.8 million in 2014/15 to R359 million in 2015/16. The increase is attributed to the implementation of Green Economy Strategy, Industrial Development Zone bulk infrastructure, Biosciences Projects and the Nelson Mandela Centre of Memory.

The allocation for GGDA increases from R493.1 million in 2017/18 to R530.3 million in 2019/20. The allocated budget caters for projects such as industrial parks infrastructure projects, automotive supplier park expansion, eKasi Labs, Bio park Phase3, Constitutional Hill visitors centre and Maxum incubator.

Gauteng Enterprise Propeller (Economic Development)
Transfers made to the entity increased from R128.4 million in 2013/14 to R290 million in 2015/16 due to a focus on providing support and training to informal businesses, SMMEs and cooperatives. Over the MTEF, the allocation increases from R214.4 million in 2017/18 to R229.5 million in 2019/20. Strategic projects for the MTEF include Eco-Wash project to complement the save water campaign and to promote the green economy to small business; Bread Production; the Wi-Fi project to connect patrons within the Industrial Hubs enabling more affordable information, communication and technology; Siyeza Pitching Campaign, where furnished mobile office bus offers a one stop shop for township entrepreneurs to improve the ease of doing business in the province; and Project Vuthela Accelerated Youth Placement and Absorption Plan to create job opportunities in SMMEs and Cooperatives requiring less technical skills.

Gauteng Tourism Authority (Economic Development):
Transfers made to the GTA amounted to R69.5 million in 2014/15 and R93.8 million in 2015/16. Over the MTEF, the allocation increases from R101.2 million in 2017/18 to R113 million in 2019/20. The allocation caters for the projects such as hosting of the Gauteng Shopping festival, the Cycling Festival, the Discorp Africa project Joy of Jazz and the Gauteng Summer cup. These projects will contribute to the marketing of Gauteng and elevation of tourism. These events have a positive impact on the economy and stimulate revenue generation, job creation, and skills development, increased levels of local trade and tourism development as well as social cohesion.

Gautrain Management Agency (Roads and Transport)
The payments made to Gautrain for the 2013/14 to 2015/16 financial years were mainly for the operational maintenance of the rail system. The feasibility studies to investigate the possibilities of implementing the second phase of the project have been completed and plans are underway to develop the best funding mechanism for this phase. The transfers over the MTEF increase from R1.8 billion in 2017/18 to R2.1 billion in 2019/20 for continued operation and maintenance of the current rail system. The MTEF allocations have been reduced by R90 million in 2017/18 and 2018/19 to set off the amount allocated in 2016/17, to supplement the budget for Gautrain to cover legal settlements, against the future allocation of the department.

Gauteng Partnership Funding (Human Settlements)
Human Settlements transferred R322.9 million in 2013/14 and R100.2 million 2014/15. The contribution amounted to R200 million in 2015/16 and R212.4 million in 2016/17. The GPF estimates increase from R224.7 million in 2017/18 to R251.1 million in 2019/20. The allocation will assist the entity to strengthen its strategic objective to increase and leverage the involvement of private sector funding for affordable housing in Gauteng with the ultimate aim of increasing the rate of delivery of sustainable human settlements in the province.

4.5 Infrastructure payments
For more information on infrastructure payments refer to 2017 Estimates of Capital Expenditure (ECE).

ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

VOTE 1

OFFICE OF THE PREMIER

To be appropriated by vote in 2017/18	R610 310 000
Responsible Executing Authority	Premier of the Gauteng Provincial Government
Administering Department	Office of the Premier
Accounting Officer	Director-General

1. OVERVIEW

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

Mission
In achieving its vision, the Office of the Premier (OoP) defines its mission (aim) as follows:
- Providing strategic leadership and direction to government and society
- Ensuring the transformation and modernisation of the public service
- Improving government performance and service delivery through enhanced planning, coordination, monitoring and evaluation of government performance
- Driving effective communication and stakeholder interfaces with communities and key sectors of society
- Providing strategic and operational support in fulfilling constitutional and legal obligations
- Actively advancing gender equality, women's empowerment, youth development and the rights of people with disabilities, older persons and military veterans
- Securing domestic and foreign partnerships that support the development agenda.

Strategic goals
The strategic goals of the OoP to 2020 are as follows:
- Driving greater policy and planning coherence in government and achieving service delivery outcomes
- Building a transformed Gauteng public service with the capacity to drive change and modernisation
- Promoting and facilitating effective communication between government and the people of Gauteng
- Forging strategic partnerships that advance the national and provincial development agenda
- Advancing gender equality, women's empowerment, youth development and the rights of people with disabilities, older persons and military veterans and promoting socio-economic inclusion.

During planning period between the 2017/18 and 2019/20 financial years, the Strategic Plan for the five-year period 2015-2020 remains unchanged as there were no changes to the legislative mandate nor major changes in the operational environment of the OoP. As the programme to transform, modernise and reindustrialise the Gauteng City Region (GCR) gathers implementation and execution momentum, the focus for the 2017/18 Annual Performance Plan (APP) shifts to implementation and alignment.

The financial year 2017/18 is the third year in office for the fifth administration of Gauteng Province. The strategic posture for the province is resolute, through the vision of building Gauteng into a seamlessly integrated, economically inclusive, socially cohesive and globally competitive City Region; a leading economy on the African continent with smart, innovation-driven, knowledge-based and ecologically sustainable industries of the future; an activist, accountable, responsive and clean government; and an active citizenry.

Core functions and responsibilities

Overall leadership of government and society
As the apex institution of the Gauteng Provincial Government (GPG), the OoP provides overall leadership to government

and society. Particular emphasis is placed on research, strategic analysis and policy development. The OoP intervenes in key sectors to unlock growth and employment potential and revitalise township economies with the aim of radically transforming the overall economy. It also targets the transformation of society by improving education, modernising health institutions, upgrading the quality of health care and tackling urban poverty and social development challenges. It is also responsible for innovation in public transport as a means of effecting spatial transformation and for building new, sustainable and integrated human settlement and cities.

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

Planning, monitoring and evaluation (coordination and integration)
The core function of the OoP is to improve government performance and service delivery. This will be achieved through enhanced planning, coordination, monitoring and evaluation of government performance. The results of Census 2011 showed the huge migration to Gauteng province that requires centralised and spatial planning capability, performance monitoring and evaluation (PME) and strategic planning and agenda setting to ensure that the needs of citizens are adequately addressed. The primary instrument for short- to medium-term integrated outcome planning and monitoring is the Gauteng Programme of Action (POA), which is based on the Ten-Pillar Programme of Transformation, Modernisation and Reindustrialisation (TMR) of the GCR. It translates key policy commitments into measurable programmes, indicators and targets.

Communication and stakeholder interface for sectors of society
The OoP ensures effective communication and stakeholder interfaces with communities and key sectors of society by building public confidence in government through:
- Sustained awareness of government progress and good work and programmes to address challenges;
- Improved responsiveness;
- Sustained engagement with stakeholders; and
- A programme of public participation linked to building public confidence in government and improved access to information.

Support for the Premier and Executive Council
The OoP provides strategic and administrative support to the Premier and Cabinet in fulfilling their mandate, constitutional and legal obligations and in realising the policy priorities and political imperatives of the fifth administration. The OoP will ensure the development of the legislative agenda for the province and provide strategic support and advice to the Premier and Executive Council (EXCO). The Cabinet Secretariat will provide support to the EXCO and Clusters to ensure optimal integration and coordinated policy development, policy implementation and action. The OoP will ensure effective and efficient implementation of the 2015-20 Medium Term Strategic Framework (MTSF) mandate.

Inter-governmental relations
Building sustainable intergovernmental relations between the three spheres of government, across the province and among provinces is key to ensuring achievement of common goals in the spirit of the GCR. Securing partnerships that support the national and provincial development agenda, and ensuring proper coordination and partnership on joint programmes, will contribute to maintaining good inter-governmental relations.

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

Gauteng Tshepo 500 000 is a bold initiative of GPG. It is a four-pillared intervention intended to give hope and enable the unemployed youth, women, people with disabilities and children born of military veterans to participate in the mainstream of the province's economy through training and skills development, sustainable jobs and entrepreneurship development opportunities within the term of the current provincial administration. The programme is expected to deliver 500 000 sustainable jobs in this time. It is an intervention very much integral to the Ten-Pillar programme of GPG to be implemented

over the next five to fifteen years for the purposes of radically transforming, modernising and re-industrialising Gauteng into a socially cohesive and economically inclusive City Region and a leading economy in the African continent underpinned by smart and green industrial socio-economic development. Radical TMR requires addressing major structural problems that characterise the Gauteng economy even though it has in general performed well.

Gauteng Tshepo 500 000 focuses on the following interventions which have links to other development programmes of the provincial government:

- Demand-led learning: the focus of this pillar is training and skills development linked to verifiable market demand;
- Transition placement: the focus of this pillar is paid work done on a temporary basis aimed at developing work experience and/or sector specific skills;
- Decent jobs: the focus of this pillar is paid work on contract at or above sectoral minimum rates for full time work in the sector in question, preferably permanent; and
- SMME/ entrepreneurship: the focus of this pillar is the facilitation of young entrepreneurs establishing and operating new enterprises/franchises.

Service delivery interventions

The OoP facilitates a responsive, efficient, effective development orientated Gauteng public service though service delivery improvements. It aims to create service delivery intervention that is able to respond quickly to concerns or failures. Through the Cabinet Secretariat, the OoP will ensure that the Premier and the members of the EXCO are at the forefront of service delivery which will be the hallmark of the fifth administration. The rollout of the Premier's Ntirhisano outreach programme will continue in the 2017/18 financial year. As part of the rollout of the Service Delivery War Room (SDWR), a Central Command Centre will be established to enhance government responsiveness to citizen complaints and queries.

Main services

The main services of the OoP are:

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

Programme of Transformation, Modernisation and Reindustrialisation

The vision of the fifth administration - *"an integrated city-region, characterised by social cohesion and economic inclusion; the leading economy on the continent, underpinned by sustainable socio-economic development"* - caused a review of the role and strategic direction of the OoP. The OoP plays a leading role in Gauteng's service delivery, which is now driven by Ten-Pillar transformation, modernisation and reindustrialisation (TMR) programme pronounced in 2014. The TMR programme aims to transform, modernise and re-industrialise the province through focusing on the basics of service delivery: good governance, building integrated human settlements, unlocking key sectors of growth, promoting innovation and providing opportunities for employment and development.

National Development Plan

The National Development Plan (NDP) Vision 2030, which was adopted by the National Executive in 2012, is the visionary blueprint of government and society (including business, labour, faith-based organisations, youth, women, elderly and the disabled). It is a collaborative partnership aimed at reducing poverty and unemployment and building an inclusive, national democratic society by 2030. Giving effect to this long range plan is a series of MTSFs. That of 2015–2020 was the first of three such Frameworks and identifies the critical actions to be prioritised in the first five years of the NDP Vision 2030.

External activities and events relevant to budget decisions

External activities in the OoP relate to engagement with governmental and non- governmental institutions, including the private sector, to realise the outcomes outlined above. Based on the decisions of EXCO Makgotla decisions that relate to the outcomes, budgets reflect the channelling of funding to the identified priority areas.

Acts, rules and regulations

- Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005);
- Broad-Based Black Economic Empowerment Act, 2003;
- National Youth Policy Development Framework, 2002-2008;
- Public Service Regulations, 2001 as amended;
- Preferential Procurement Policy Framework, 2000;
- Promotion of Access to Information Act, 2000;
- Promotion of Administrative Justice Act, 2000;
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000;
- South African National Policy Framework for Women Empowerment and Gender Equality, December 2000;
- Public Finance Management Act, 1999;
- Employment Equity Act, 1998;
- Skills Development Act, 1998;
- Basic Conditions of Employment Act, 1997;
- National Programme of Action for Children Framework (NPA), launched in 1996;
- Labour Relations Act, 1995 as amended;
- South African Qualifications Authority Act, 1995;
- Public Service Act, 1994 as amended;
- Occupational Health and Safety Act, 1993;
- National Development Strategy;
- White Paper on the National Youth Service Programme; and
- White Paper on Transforming Public Service Delivery (Batho Pele White Paper).

Provincial legislation

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

- The Premier has executive, policy, legislative, intergovernmental and ceremonial functions and responsibilities as defined in Chapter 6 of the Constitution of the Republic of South Africa
- The Premier, as the political head of the Provincial Government, is responsible for the implementation of Chapter 3 of the Constitution. Section 41(1) defines the relationship and principles underlying co-operation between the various spheres of government.
- Section 125(2) of the Constitution determines that the Premier exercises the executive authority of the province together with other members of the EXCO. The Premier appoints these members and assigns their functions and responsibilities and delegate powers to them.
- The Premier, with the EXCO, exercises Executive power by:
    - Implementing provincial legislation;
    - Implementing all applicable national legislation;
    - Developing and implementing provincial policy;
    - Coordinating the functions of the provincial administration and its departments;
    - Performing any other function assigned to the Provincial Executive in terms of the Constitution or an Act of Parliament; and
    - Implementing new national policies introduced by the Department of Performance Monitoring and Evaluation in the Presidency which relate to the outcomes-based approach to improving the performance of government, frontline service delivery monitoring, the introduction of a management performance assessment tool and a national evaluation policy framework.

Good governance legislation

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

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

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

The fifth administration of the Gauteng Provincial Government acknowledges the success of what has been achieved over the past 20 years and recognises the challenges that lie ahead and that require consistent and rapid response to move the province forward. In aligning with the NDP, Vision 2030 and the MTSF 2015-2020, the GPG needs a dramatic turnaround related to the following:

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

In defining the role of the OoP, the outcomes-based planning approach forms the cornerstone of delivery programmes for 2016/17 and beyond, supported by continuous commitment to the strategic objectives and the five year Strategic Plan of the OoP.

The electoral mandate was translated into a 2015-2020 MTSF for the Gauteng Province, with the overall focus on working to achieve the objectives of the 2030 NDP and the transformation of government and society, all within the context of building a unified GCR. The overarching Cluster strategies such as the Accelerated Social Transformation Strategy and the GCR Governance and Planning Roadmap were adopted in 2015, and the GCR Economic Plan was finalised in the current year.

The OoP has made significant strides in addressing the economic and social challenges and will continue to do so through the policies, plans, programmes and projects, some of which have been mentioned above. There is evidence of improvements in access to basic services such as water, sanitation, electricity and refuse removal, public health care, education, housing, transport and social amenities. However, government recognises that many challenges remain and that radical socio-economic transformation is required to further address poverty, unemployment and inequality. November 2016 was the midpoint of the current term of office of the provincial government. The midterm review undertaken in 2016/17 reflects on performance since 2014 and identifies strengths which require further expansion and replication, and areas for improvement. The midpoint also provides an opportunity for critical review and reflection on performance in implementing the provincial government's mandate and priorities in the period 2014 to 2016, with a specific focus on performance against the TMR agenda of the GCR. This is with a view to identifying achievements and constraints as well as opportunities and interventions which can improve performance to the end of the term and beyond, towards 2030.

In this light, GPG commissioned a midterm review (MTR) report to provide an overview and assessment of progress made in implementing the TMR programme and its objectives through a critical analysis of the performance of the fourteen GPG departments and where relevant the twelve municipalities, and to inform evidence-based decision making on plans and priorities to improve performance towards 2018/19. The MTR includes an assessment of GCR socio-economic trends and changes in development impacts, as well as the implementation of the Ten-Pillar programme of the TMR.

Ten-Pillar programme of transformation, modernisation and re-industrialisation
The revised Strategic Plan for 2015-2020 reaffirms the Ten-Pillar programme of TMR as the blueprint for ensuring rapid economic and social transformation for Gauteng Province. The TMR programme is informed by the NDP 2030, the MTSF 2015-2020 and the electoral mandate of the fifth administration. The overriding vision of building a sustainable and inclusive globally competitive GCR remains firmly on track.

Since it was introduced in 2014, the TMR programme has been elaborated through a range of GCR-wide policies, plans, programmes and projects. These include overarching Cluster strategies such as the Accelerated Social Transformation Strategy and the GCR Governance and Planning Roadmap adopted in 2015, and the GCR Economic Plan which was finalised in 2016/17. A number of projects and initiatives have been earmarked for delivery over the next five to fifteen years.

The OoP contributes to the TMR pillars and is specifically accountable for the Pillars relating to decisive spatial transformation, transformation of state and governance and modernisation of the public service. It also ensures that the Ten-Pillars are integrated into the plans of all Gauteng provincial departments and that their implementation is monitored, evaluated and reported on.

To transform the state and governance, the OoP focuses on state capacity, reduction of fraud and corruption and activist, responsive, participatory governance. A key deliverable in 2016/17 is to transform and modernise the OoP to deliver as required by the TMR programme. The department will ensure that the SDWR becomes institutionalised as a central location from which service delivery interventions are coordinated across the province and all spheres of government.

The OoP contributes to the modernisation of the public service through automated systems. A key deliverable is to provide oversight and technical support in implementing provincial projects that will boost the OoP's integrated planning function.

In delivering in terms of its roles and functions, as the apex institution of the GPG the OoP relies on a number of strategic thrusts that drive service delivery. These thrusts were determined through a process of strategic conversations and engagements amongst the political and administrative structures within OoP. The focus of each thrust is summarised below:

Active monitoring, evaluation and rapid response capability and mechanisms for service delivery intervention. The intergovernmental POA is aligned with the TMR programme to ensure that key provincial deliverables pronounced by the Premier in the State of the Province (SOPA) address and extended EXCO Lekgotla are funded and monitored appropriately. Performance monitoring and evaluation were prioritised, and planning is to be linked to province-wide outcomes-based performance management. Early warning systems (EWSs) will inform swift interventions in areas of sustained under-performance. These monitoring interventions will support our initiative to conduct unannounced visits and provide rapid responses to community issues and concerns.

To enhance GCR-wide planning and policy coherence, an important project was initiated by the extended EXCO Lekgotla to align provincial and municipal planning and monitoring instruments with the Sustainable Development Goals (SDGs), the African Union Agenda 2063, the NDP and the TMR programme. The process resulted in the development of a GCR indicator framework which is to be taken into account in the short-, medium- and long-term plans of provincial government departments and municipalities in Gauteng. POA performance data on over 800 indicators across the Ten-Pillars of TMR is collected and analysed on a monthly and quarterly basis to enable regular assessments of performance and to identify areas requiring corrective action.

In 2015/16 and 2016/17, progress was made in relation to six planned evaluations. A formative evaluation of the Tshepo 500 000 programme is currently underway and is expected to be completed before end of 2016/17 financial year. The tender process for two large evaluations of the TMR programme and of the Gauteng Anti-Substance Abuse Strategy are also underway in 2016/17. Terms of reference were researched and completed and an Evaluation Steering Committees was established for further three evaluations: on the GBN, the Twenty Prioritised Townships (TPT) Programme and the Gauteng SMME strategy. These are expected to be undertaken by the relevant lead departments in 2016/17 and 2017/18.

A variety of projects were initiated in the period under review to contribute to the modernisation of performance monitoring and evaluation systems and capacity. Key among these are the PME Diagnostic and the PME System Automation projects. The Diagnostic project was undertaken in 2015/16 and 2016/17 to provide an objective assessment of the provincial government's capabilities regarding strategic planning and monitoring, and evaluation policies and systems. The findings and recommendations of the study will provide the basis for the development of a new PME Policy Framework for Gauteng. The PME Automation project to develop an automated system and dashboard for PME systems, including a POA, was initiated and procurement of an external service provider to develop the system is underway.

The implementation of Monitoring and Performance Assessment Tool (MPAT) 1.5 went smoothly with all of Gauteng's departments submitting, within the agreed timeframes, departmental self-assessments as agreed in departmental management meetings, together with the relevant evidence. The results for MPAT 1.5 were released by DPME in April 2016 and show an improvement in GPG's overall results from 2.03 in 2012 to 3.01 in 2015, above the national average of 2.8 and reaching the level of full compliance (MPAT Level 3). GPG MPAT 1.5 performance improved in all Key Performance Areas (KPAs) compared with 2012 and performed above the national average. However, there is room for improvement to reach the level of doing things smartly (MPAT Level 4). A number of interventions to improve performance were undertaken, including the development of departmental and sectoral improvement plans. Peer review workshops and improvement workshops were held to share good practices and identify interventions to correct poor performance. MPAT 1.6 was launched in August 2016. The MPAT 1.6 self-assessment was completed and submitted to the DPME within the set deadline on 30 September 2016. The MPAT 1.6 DPME moderated results before the "challenge period" were received in January 2017. The challenge period closed in February 2017. Areas being challenged were identified and additional documents were uploaded to the MPAT DPME system. MPAT 1.6 improvement plans on all KPAs were developed.

Linked to the TMR priority of building a more activist and responsive government, in 2016/17 the Frontline Services Delivery Model (FSDM) programme was repositioned to ensure greater alignment with the Ntirhisano Outreach Programme. This helped to drive improvements and resolve problems in public facilities as identified by local residents as part of the Ntirhisano programme. A total of 200 visits were undertaken in the period 2014/15 to quarter 1 2016/17 (a total of 581 visits since 2011) and improvement plans were facilitated in areas of underperformance. Joint FSDM improvement intervention workshops were held as a further drive to performance improvement.

Service delivery interventions

The Ntirhisano Service Delivery Rapid Response System is a key area of work for this cluster to ensure quicker response times to service delivery issues and strengthening of IGR governance.

The OoP is a central location for coordinating the intervention across the province and across all spheres of government. The intention is to intervene on a particular service delivery matter for a finite period until sufficient progress has been made to place the matter back with the relevant government department or public entity. The necessary capability and capacity around EWS and rapid response have been developed and the SDWR is operational. Five Metro/District War Room structures are functional, 24 Regional/Local War Room structures and 326 Ward Level War Room structures are fully functional.
Over 77 community engagements were held under the banner of the Ntirhisano Community Outreach Programme between

July 2015 and the end of third quarter of 2016/17. The conversion of the Central Information Centre (CIC) into the Central War Room including the integration of the petitions system is underway. The CIC laboratory and physical structure have been completed. A total of 4 440 or 24 percent of the 18 398 Community Workers have been integrated under the Ntirhisano Programme, and 3 831 have been trained on the case management system. As one of the components of SDWR, the Public Service Hotline continues to provide effective customer care, with 9 749 or 80 per cent of 12 160 cases resolved between April 2016 and January 2017.

The SDWR plays a significant role in enabling a more proactive and interventionist government. It requires data to be collated from various sources, processed and acted on towards monitoring service delivery across the province. Service delivery intelligence is available from multiple sources such as Community Workers, Ward Programmes and the Provincial Hotline. Ntirhisano tracking and monitoring system has been introduced as part of the Ntirhisano Outreach Programme and regular reports are developed and tabled in the EXCO system. Commitments are tracked to the point of resolution, and key issues emanating from visits are integrated within planning and budgeting processes. In the first year of its implementation between July 2015 and July 2016, over 177 commitments were being tracked.

The Hotline has identified certain recurring issues, such as housing waiting list and billing issues, which require system-wide intervention to address them. Cooperative governance will ensure greater efficiency across the spheres of government. The implementation of e-governance systems will promote participatory governance and active involvement of residents in the governance of the province. Monthly open days hosted by the Public Service Hotline serve as an effective mechanism for the resolution of complaints and queries.

Proactive and targeted communication of government priorities and the programme of action
Over recent years, the OoP has opened new channels of communication and built more cohesion among key stakeholders in Gauteng. A number of steps have been taken to create the conditions for higher levels of confidence in our economy and society. The OoP enables better communication with broad sectors of the population such as business, labour and other social partners not only about government plans and programmes but also for working together to move Gauteng forward. There will be increasingly effective communication with stakeholders by a broadened use of new communication tools, particularly social and community media. No single force acting individually can achieve the objectives set for the department.

Key considerations of the GCR Communications Strategy are a radical shift away from personality-linked branding and marketing towards institutional branding and positioning of Gauteng as a province and as a government; and a multi-pronged approach to communicating the Ten-Pillar programme of the GPG, with regular and proactive updates. This includes integrated planning and coordination, monthly and quarterly communication forums, improving communications capacity across all spheres of the Gauteng Government, community engagements and effective handling of legislature questions and responses. The five pillars of the communications framework are stakeholder relations; media relations; profiling of the Gauteng POA; brand activation; and reputation management.

Transformation and modernisation of the state
Under the overarching theme of radical transformation and modernisation of the public service, the branches of the OoP have been restructured to ensure full alignment with the Ten-Pillar programme.

Due to the ever increasing complexity and changes of the GCR, the process leading to the development of the OoP Strategic Plan in 2014 and the need to give effect to the Ten-Pillar programme, the OoP recognised the need to review the 2012 structure and functions in relation to the three approved budget programmes. This would enable it to best support its new posture and to fully deliver on its mandate. The triggers for change included, amongst others, the establishment of a SDWR, the introduction of a number of “game changing” projects and the migration of staff from the Department of e-Government and Department of Economic Department. The Premier approved the organisational structure in 2016. However, the Department of Public Services Administration (DPSA) raised certain concerns which the office is currently addressing in accordance to their requirements and to comply with organisational development principles in order to get concurrence from the Minister of the DPSA. The review of the structure also includes a proposal for the review of the current form of the Gauteng Planning Division to ensure that it focuses on long-term planning with the aim of institutionalising and aligning this with the priorities and mandate of government.

A total of 661 SMS members concluded their performance contracting for the 2016/17 financial year. There was 84 per cent success rate in this area. There was a 100 percent compliance on Head of Department performance contracting for the 2016/17 financial year. The OoP through the Transversal Strategic HR Directorate hosted an annual International Men’s Day event in November 2016 at Fochville where 8800 GCR men signed the service pledge. The OoP continues to monitor the finalisation of disciplinary cases on a monthly and quarterly basis through the intergovernmental POA.

The Gauteng Anti-Corruption Strategic Framework is being implemented to fight corruption and promote ethical behavior and integrity in the public service. There will continued monitoring of and responses to cases referred from the National

Anti-Corruption Hotline (NACH). The Integrity Management Office has been established and key staff appointed. The primary purpose of the office will be to review the integrity management framework and work towards a corruption-free government and improved disclosure framework to eliminate the practice of public servants doing business with government. The Integrity Management Policy, Framework and Communication Strategy were approved by EXCO in November 2016. The proposed Integrity Promotion and Anti-Corruption Advisory Committee is being constituted to provide oversight of integrity management. As at end of December 2016, 1789 or 84 per cent of 2040 NACH cases had been resolved. The OoP, in collaboration with the GCRA, conducted ethics training through which a total of 52 officials from the Department of Social Development and 267 members of MMS were trained at the end of third quarter as part of the Ethics Leadership seminars. 17 senior investigators were trained in the accredited Certified Fraud Examiner's programme to improve the capability of senior investigators and the quality and pace of investigations.

The goal of the OoP is to ensure that all departments in the province receive unqualified audit reports. This vision is supported by the Auditor-General who continues to make technical teams available to assist departments to achieve clean audit reports. The OoP has set the benchmark for all government departments with a clean audit for the past three financial years including unqualified audits in the prior years through the implementation of efficient and effective systems of financial management, risk management and internal controls. Over the past financial years, all other departments have made major improvements in terms of financial management and controls and are on track to meet the 100 per cent compliance rate with unqualified audit reports. The OoP has set a target for the payment of service providers within 30 days of receiving invoices. In the 2015/16 financial year, 99.22 percent of invoices were paid within 30 days. A shift to an APP which is more outcome-driven and therefore in greater alignment with the TMR priorities of the province, the POA, and the pronouncements by the Premier in SOPA was developed, adopted and is being implemented in the current financial year.

More than 45 000 people from targeted groups were reached through awareness raising programmes to increase access to government services. An array of new programmes have been implemented to assist targeted groups to access socio-economic opportunities including military veterans through business skills development training. Workshops focused on equipping older persons with information regarding physiological and psychological changes that occur due to ageing were held in the year under review.

Tshepo 500 000 has been reconceptualised with a new Project Management Office (PMO) established and capacitated to continue the work started by the Department of Infrastructure Development. The responsibilities of the PMO are to finalise the review of proposed partnerships for consideration by the steering committee and EXCO; finalise the review of flagship programmes with the departments; conceptualise new flagship programmes; conceptualise programmes to be implemented in partnership with the municipalities in line with the approved GPG economic development strategy; translate engagements with priority sectors into detailed action plans for growing opportunities; and finalise and sign off action plans for growing business process outsourcing (BPO) opportunities and digital jobs .

EXCO approved the GCR International Relations Strategy which, amongst others, positions Gauteng as a Gateway to Africa as well as Africa's financial and services hub. The Strategy proposes strategic trade and investment relations with SADC and other African and global regions. At least 12 investment projects were facilitated by the Gauteng Investment Centre and assistance given to business on business regulatory matters in 2015/16; 10 Gauteng-based firms started expansion of operations into Africa whilst 33 trade deals were facilitated for Gauteng firms. In addition, partnerships with BRICS countries as well as with identified countries in SE Asia and with Portugal and Italy were pursued over the reporting period.

Integrated planning and coordination

The province has adopted the GCR Spatial Development Perspective 2030. This promotes a balance of interests that recognises people, the environment, socio-economic dynamics and space. It outlines the need to change the apartheid spatial economy and settlement patterns to integrate economic opportunities, transport linkages and housing opportunities as key elements of radical economic and decisive spatial transformation. This vision will decisively transform the apartheid spatial pattern in the GCR and ensure social cohesion, shared growth and a better quality of life.

In summary, the spatial vision of the GCR is to build Gauteng for all through equitable, responsible and efficient development. It focuses on a new paradigm for spatial planning in the GCR that will enable the province to build more integrated and sustainable human settlements and communities that are inclusive and diverse, moving away from settlements characterised by socio-economic separation and physical fragmentation, imposing a high cost on households and the economy. In addition, steps have been taken to implement the Spatial and Land Use Management Act (SPLUMA) in the city region. The GCR Implementation Plan for SPLUMA was developed, approved and adopted by EXCO and the Premier's Co-ordinating Forum in March 2016. This plan will advance spatial configuration and land use in Gauteng through better and coordinated land use management and spatial development. There is a commitment that all role players in the development space of the city region ensure that a new built environment and inclusive spatial landscape emerges across the GCR.

The Premier announced at the EXCO meeting of March 2016, and reiterated at the EXCO Lekgotla in June 2016, that the GPG would embrace the idea of "Deliverology" and implement its tenets across the organisation. Deliverology is the concept of

delivering or making good on what was promised. It revolves around translating strategy into delivery in the public sector with an emphasis on access to reliable data on progress. Critical success factors for delivery include delineating the focus on just a few priorities at a time; regular stock taking with politicians including political heads and senior public servants; and having good data for measurement and transparency. The Deliverology approach was adopted at the EXCO Lekgotla in September 2016.

The Premier pronounced that the following areas should be defined as the Apex priorities for the province: Education; Economic Development; Community Safety; Human Settlements; Health; and Public Transport. The role of the OoP is to implement the Governance and Planning Roadmap which has at its core the objective of improving public service performance, accountability and excellence and ultimately giving effect to the GCR intent and delivering on the TMR programme. The Deliverology Support Unit (DSU) has been established under the Head of Planning in the OoP, appointed as the Head of the DSU. A structure was approved and a further two members of the DSU team assumed duty on 1 December 2016. Recruitment to fill the vacant positions is underway. The service provider is currently working in consultation with the DSU and the provincial departments to finalise delivery plans for Apex projects. The first stocktake meeting chaired by the Premier for the six Apex Priorities took place in November 2016 and the second meeting for the remaining eight departments in December 2016.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

The NDP Vision 2030 remains the blueprint of government and informs the strategic direction of the GPG. It requires a collaborative partnership to poverty and unemployment, and build a national democratic society that is socially inclusive society by 2030. Giving effect to this long-range plan is a series of Medium-Term Strategic Frameworks (MTSFs). That of 2015-2020 is the first of three such Frameworks and identifies the critical actions to be prioritised in the first five years of the NDP Vision 2030.

The MTEF budget for 2017/18-2019/20 is aligned to focus on priority areas to ensure that available resources are spent on strategic priorities.

The OoP is responsible for the coordination of all fourteen national outcomes and the NDP, but is primarily responsible for the implementation of Outcomes 11, 12 and 14 of the NDP and the MTSF.

The revised Strategic Plan for 2015-2020 reaffirms the Ten-Pillar programme of TMR as the blueprint for ensuring rapid economic and social transformation for the province. The TMR programme is informed by the NDP 2030, the MTSF, and 2014-2019 electoral mandate of the fifth administration. The overriding vision of building a sustainable and inclusive globally competitive GCR remains firmly on track. The APP for the 2017/18 financial year and the MTEF takes into consideration the solid foundations of the first three years of the new administration, with service delivery continuing to be the distinguishing feature of the provincial government.

The APP has been prepared taking into consideration the poor global economic environment and its impact on the South African economy. South Africa's weak economic outlook places further constraints on government spending and points to the need to pay further attention to improving the impact of expenditure on government programmes. In addition to continued increases in Gauteng's population, low economic growth prospects further increase social pressures, particularly on disadvantaged individuals, households and communities and increase demand for access to quality public services.

As the TMR programme of the GCR gathers implementation and execution momentum, the focus for the 2017/18 APP shifts to implementation and alignment. The emphasis in the final two years of the term (2017/18 and 2018/19) is on ensuring effective and concerted execution of the TMR programme and related policies and programmes. This will be achieved *inter alia* through strategic leadership in relation to GPG departments, sound inter-governmental collaboration and transformative partnerships.

In the 2017/18 financial year, the focus will be on further strengthening planning, monitoring and evaluation across the provincial government, ensuring the integrity and accountability of public institutions and improving the systems of communication by increasing investment in external communication with an intention of enhancing the exchange of information between government and the residents of Gauteng. The Ntirhisano Outreach Programme led by the Premier will continue to address a myriad of service delivery complaints in communities.

Building on the foundations of the prior years, OoP will continue to fulfill its role as the political management nerve centre and apex of the provincial government by responding positively to the demands placed on the OoP by the EXCO, national government and civil society.

The Governance and Planning (G&P) Cluster Roadmap which was developed and adopted by EXCO will strengthen the GPG

and GCR institutions in support of the TMR programme. The purpose of the roadmap is to define an approach to position the G&P Cluster to play its critical role in realising the GCR intent and deliver on the TMR; position the Cluster to build a smart, skilled, responsive and capacitated public service that is able to deliver in line with the intent of the NDP-Chapter 13 specifically; and ensure space and time for the G&P Cluster to qualitatively build the administration to a higher level of performance and build a dynamic and best-practice based institutional culture and character. The Roadmap is therefore a coherent strategic framework and programme that will inform the focus and efforts of the G&P Cluster and Head of Administration, for this term of office and beyond, in support of the TMR.

The intent of the Roadmap is not to reinvent the solid work of the Gauteng Planning Division/Performance Monitoring and Evaluation and others. It is also not intended as a replacement for the existing approaches and/or instruments utilised in driving strategy and performance in the province but rather to inform the strategic focus of the Cluster in driving improved governance and administration.

The implementation of the new approach to international engagements abroad and in Africa will be accelerated in the coming year in an effort to ensure that GPG is taking the lead in Africa's industrial revolution.

A summary of the key deliverables is outlined below.

Executive Council System
The EXCO Cluster System, implemented in 2014/15, is aimed at breaking down silos and fostering an integrated, sectoral approach which better supports cross-cutting implementation imperatives. The system provides greater technical support and consistent involvement and feedback to HODs and MECs; ensures that the EXCO and the Premier focus more on critical and strategic matters; ensures that strategic projects are aligned to the Ten-Pillar Programme, the MTSF 2014-2019 and the NDP Vision 2030; provides for key service delivery interventions and community contact processes; and provides space for special sessions with content experts for concrete and value-adding advice on enhancing government programmes. The three EXCO Clusters, aligned to the Ten-Pillar programme are the Economic, Social and Governance and Planning Clusters. They will continue to provide technical support to HODs and MECs as well as EXCO in strategic matters and to deliver on the radical transformation agenda.

Active monitoring, evaluation and rapid response capability and mechanisms for service delivery intervention
Performance monitoring and evaluation of the implementation of the Ten-Pillar programme of the GPG needs to be increasingly geared towards the coordination, management and monitoring of the Gauteng Programme of Action as the primary instrument and mechanism for integrated planning and enhancing service delivery; and the provision of early warning notifications of service delivery failures. This includes effective FSDM, as well as close monitoring of departments and municipalities; MPAT reporting; and the timeous reporting of areas of below par performance pertaining to the performance objectives and indicators of the GPG and conducting performance and service delivery quality evaluations and reporting in order to facilitate a rapid response of corrective actions. Further assessments will be undertaken to increase the alignment of POA programme indicators with the TMR priorities.

Linked to the TMR priority of building a more activist and responsive government, direct service delivery monitoring has been intensified to improve the resolution of local community and frontline service delivery challenges. The FSDM programme, which started in 2011, continued and was aligned with and complemented the new Ntirhisano outreach programme and monitoring system which was initiated in 2015. FSDM is aimed at monitoring and assessing the experiences of members of the public utilising frontline service facilities and improving the quality of service delivery at these sites. Going forward, attention needs to be paid to more decisive and sustained interventions to correct performance in identified areas of under-performance in order to improve overall delivery. PME will continue the management of the MPAT.

Service delivery interventions
The Ntirhisano Community Outreach Programme led by the Premier and Members of the Executive Council is aimed at resolving service delivery problems. It allows communities to raise their issues and concerns, encourages participation and enables community to be part of the solution in responding and resolving queries and complaints. Its main objective is to develop and implement a province-wide, integrated, comprehensive and sustainable service delivery model to improve the quality of life of Gauteng residents, particularly the poor. The Ntirhisano Service Delivery Rapid Response System is a key area of work for this cluster to ensure quicker response times to service delivery issues and strengthening of IGR governance. It is in line with commitments to strengthen direct engagements with communities and to see to it that political representatives and public servants alike are constantly on the ground addressing residents' most pressing needs. It aims to ensure that a campaign mode and sense of urgency prevails and to deepen active collaboration across spheres of government towards more effective and visible delivery which results in qualitative improvements in people's quality of life and wellbeing. Since the launch of the Ntirhisano SDWR System in September 2014, War Room structures are now found in most municipalities. The establishment of the Central War Room and CIC is underway, including a dashboard on War Room systems. The Ntirhisano Community Outreach Programme will continue to be the platform that allows communities to raise their issues and concerns, encourages participation and enables communities to be part of the solution in responding and resolving queries and complaints.

Proactive and targeted communication of government priorities and the programme of action
Communication services in the province have been transformed and modernised to enable the effective communication of the rollout of GPG's priorities and POA. The focus has moved from reactive to proactive communication and to traditional

communication and media platforms, social media channels of communication and direct engagement with communities will take higher prominence.

A key outcome in the implementation of communication-related activities is the added focus on determining the extent to which Gauteng citizens feel meaningfully engaged with government, suggesting that the requisite opportunities will be created to facilitate such engagement. A greater emphasis is also placed on the extent to which people are aware of GPG policies and programmes as opposed to implementing a one-sided communication approach by simply communicating a message. The need to ensure that, when required, a common message is communicated across GPG departments has also been prioritised so that GPG is seen as speaking in a single voice. This requires greater departmental alignment with the Provincial Communications Framework and steps are afoot to achieve this.

In line with Outcome 14 of MTSF 2014-2019 pertaining to nation building and social cohesion, Provincial Communications are further tasked with highlighting the many good stories around the work of government. The branding should focus on Gauteng as a people-centred brand and a brand of a dynamic, growing CGR that is socially and economically inclusive.

Transformation and modernisation of the state
The 2016/17 planning period was focused on implementation and the realisation of targeted results.

The OoP will continue to monitor the implementation of the organisational structures and the finalisation of disciplinary cases on a monthly and quarterly basis across GPG, through the intergovernmental POA. Implementation of the Human Resources Framework developed in 2014 will continue to be monitored to ensure technical capacity, strengthen departmental organisational capacity, implement Phase 2 of organizational structure, reduce the funded vacancy rate including the reduction of the average time to conclude disciplinary hearings, and achieve employment equity targets (women in SMS positions 50 percent; and people with disabilities 2 percent). The Human Resources Development Strategy will be enhanced to ensure that effective institutional capacity is built and the state expenditure is reduced.

In modernising the public service, the ICT infrastructure will be harnessed and access to e-governance expanded through strategic investment in GBN that provides connectivity to government by providing broadband access to government buildings and VOIP and that provides connectivity to Thusong centres, and prioritised township, urban renewal and key economic zones.

The G&P Cluster will explore alternative sources of revenue generation to enable sustainable funding for the TMR Programme.

Integrated planning and coordination
Fragmented planning is detrimental to the developmental needs of the province and results in a fragmented and visibly inefficient rollout of capital and service delivery programmes. A centralised and integrated planning capability that pulls together and coordinates a multitude of planning initiatives across the province is a critical 'engine' of the OoP. The planning horizon is long-term, medium-term and short-term; and, alongside strategic planning, includes spatial and development planning coordinated across the municipal boundaries of the GCR. The planning priorities are long term planning. Through the implementation of the Gauteng Spatial Development Framework (GSDF) Implementation Plan, coordination of GCR-wide spatial development and land use management will be monitored. The Gauteng Spatial Development Perspective 2030 (GSDP 2030) was approved by the Executive Council in March 2016. The development of the GSDP 2030 was necessitated by the TMR pillar: Decisive spatial transformation as well as by NDP Vision 2030. The GSDP 2030 is also a requirement in terms of SPLUMA. It articulates the overall spatial vision of the GCR which must inform the Municipal Spatial Development Frameworks (MSDFs). In essence, the GSPD 2030 is a spatial representation of land development policies, strategies and objectives of the city region.

The EXCO-approved Gauteng City Region Implementation Plan for SPLUMA provides a roadmap for Gauteng-wide implementation of the national SPLUMA, defining the different roles and responsibilities between the three spheres of government on land use management issues. This will enhance integrated land use management and consistent application of SPLUMA throughout the GCR. As part of enhancing SPLUMA's objectives, a research paper on Progressive Land Use Management Models was commissioned, completed and approved. The findings of the research will contribute towards an efficient and responsive land development and application processes in the city region, in the context of SPLUMA.

Guided by TMR, the GCR Integrated Infrastructure Master Plan (GCR IIMP) approved by the EXCO in March 2016 will give guidance on key infrastructure investment in the city region, enhancing an integrated approach to infrastructure planning, development, maintenance and financing, in accordance with the economic and social needs of the city region up to 2030.

In terms of the Deliverology approach, the OoP will focus to 2019 delivery on improving the citizen experience of the GPG through the establishment of a developmental, transformed, integrated, capable and modernised public service in Gauteng, underpinning the achievement of the GCR vision of a strong, globally competitive and integrated city region.

The DSU will continue the consultation process with the remaining provincial departments to finalise delivery plans for Apex Projects through stocktake meetings chaired by the Premier.

4. REPRIORITISATION

In order to deliver on its mandate of leading provincial departments in improving public service delivery and of playing a central role in the planning and oversight functions, the department reprioritised funds mainly from the budget baselines of goods and services towards compensation of employees and capital payments.

A net amount of R13.9 million has been reprioritised mainly from the budget for consultants to augment the budget for compensation of employees by R7.5 million to provide for personnel requirements as per the new organisational structure. The transversal functions that benefit from this reprioritisation are Development Planning; Performance, Monitoring and Evaluation PME; Cabinet Support Services; and Institutional Support Services.

Payments for capital assets increase by R6.4 million for the provision of a geographic information system (GIS) under one roof on behalf of the entire province; replacement of computer hardware according to the three-year obsolescence model; and reclassification of leases of the government vehicles as per the standard chart of accounts (SCOA).

Funds have been reprioritised within goods and services to make funds available for the implementation of provincial key projects and programmes such the transversal institutional development programmes.

5. PROCUREMENT

The department has end-to-end procurement processes from the demand planning cycle, acquisitions and finally processing of payments to suppliers in order to attain efficiencies and optimise performance. For the 2017/18 financial year, the procurement of goods and services will be centred on ensuring implementation of the TMR and assisting the provincial government to achieve the objectives of the GCR including enhancing township economies. The procurement of communication services will be maintained and enhanced to ensure better communication with the citizenry; proactive support and policy advisory to the EXCO; and ensuring that the performance of provincial departments is monitored and evaluated promptly. All these activities will be embraced by using SMMEs, particularly in previously disadvantaged communities.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 1.1: SUMMARY OF RECEIPTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Equitable share	483 234	386 040	488 917	511 302	529 811	529 811	609 310	646 587	680 935
Total receipts	**483 234**	**386 040**	**488 917**	**511 302**	**529 811**	**529 811**	**609 310**	**646 587**	**680 935**

The department is funded from the equitable share allocation. The department's budget amounted to R483.2 million in 2013/14 and it decreased to R386 million in 2014/15. The decrease was due to the 2013/14 once-off additional funds that were allocated for official state funerals declared in the province and the implementation of plans for the celebration of 20 Years of Freedom.

The budget increased to R488.9 million in 2015/16 due to functions transferred from the Department of e-Government (e-Gov) and Gauteng Provincial Treasury (GPT). e-Gov transferred the functions relating to human resources management and the Public Service Hotline and GPT transferred the Performance Monitoring and Evaluation (PME) function. During 2016/17, the budget increased to R511.3 million to make provision for inflation and was adjusted upwards to R529.8 million to cater for Tshepo 500 000 project taken over from the Department of Infrastructure Development (DID) and the other remaining unit of function shifts from e-Government transversal Employee Health and Wellness Programmes.

The allocations over the MTEF period show an increase from the R609.3 million in 2017/18 to R680.9 million in 2019/20. The increase is largely driven by the newly introduced Deliverology project for expediting service delivery in the province and the Tshepo 500 000 project for creating opportunities for young people to enter the labour market and access skills and entrepreneurial development.

6.2. Departmental receipts

TABLE 1.2: SUMMARY OF DEPARTMENTAL RECEIPTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Tax receipts									
Sales of goods and services other than capital assets	357	243	315	442	342	342	324	330	348
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	12	10	3	34	34	34	16	19	20
Sales of capital assets			1						
Transactions in financial assets and liabilities	164	173	148		100	100	160	180	190
Total departmental receipts	**533**	**426**	**467**	**476**	**476**	**476**	**500**	**529**	**558**

Revenue collection decreased from R533 000 in 2013/14 to R467 000 in 2015/16, largely due to a fewer applications received regarding the development planning activities that yield fees on township establishment. The main contributors to revenue collection are parking fees, debt recoveries, application fees on the establishment of townships and interest charged on debts. Revenue collection is projected to increase from R500 000 in 2017/18 through the MTEF period to R558 000 in 2019/20 as the economy is anticipated to steadily improve.

7. PAYMENT SUMMARY

7.1. Key assumptions

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

- Personnel is the main cost component in line with previous years and provision for inflation over the MTEF;
- Guiding decisions were made from research conducted through the Gauteng Planning Division; GGCRO; University of the Witwatersrand (Wits) transfers; and PME systems;
- Finalisation of the infrastructure master plan in line with TMR (radical transformation and industrialisation of the GCR)
- Implementation of service delivery interventions and continuous communication with the people of Gauteng through various media;
- The Tshepo 500 000 project youth employment accelerator programme; and
- The Deliverology project.

7.2. Programme summary

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	83 865	88 567	101 054	104 080	106 418	106 418	119 391	121 880	128 707
2. Institutional Development	302 539	181 931	208 842	215 701	205 763	205 763	228 793	236 057	252 155
3. Policy & Governance	77 152	86 478	107 793	191 521	217 630	260 286	261 126	288 650	300 073
Total payments and estimates	**463 556**	**356 976**	**417 689**	**511 302**	**529 811**	**572 467**	**609 310**	**646 587**	**680 935**

7.3. Summary of economic classification

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19	2019/20
Current payments	**405 199**	**332 598**	**385 087**	**485 562**	**498 374**	**540 887**	**466 902**	**503 086**	**526 214**
Compensation of employees	177 984	200 836	235 738	247 724	261 787	261 792	292 158	324 038	341 264
Goods and services	227 215	131 762	149 349	237 838	236 587	279 095	174 744	179 048	184 950
Interest and rent on land									
Transfers and subsidies to:	**50 874**	**14 753**	**19 156**	**19 000**	**19 485**	**19 625**	**130 876**	**138 716**	**146 815**

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation	Revised estimate 2016/17	Medium-term estimates 2017/18	2018/19	2019/20
Provinces and municipalities			500						
Departmental agencies and accounts		47							
Higher education institutions	12 735	14 397	18 505	19 000	19 000	19 000	19 950	21 306	22 542
Non-profit institutions	37 514						110 926	117 410	124 273
Households	625	309	151		485	625			
Payments for capital assets	**7 350**	**9 453**	**13 445**	**6 740**	**11 952**	**11 952**	**11 532**	**4 785**	**7 906**
Buildings and other fixed structures									
Machinery and equipment	7 350	9 448	13 445	6 740	11 952	11 952	11 532	4 785	7 906
Software and other intangible assets		5							
Payments for financial assets	**133**	**172**	**1**			**3**			
Total economic classification	**463 556**	**356 976**	**417 689**	**511 302**	**529 811**	**572 467**	**609 310**	**646 587**	**680 935**

The department's expenditure decreased from R463.6 million in 2013/14 to R357 million and R417.7 million in 2014/15 and 2015/16 respectively. The expenditure was higher in 2013/14 because the OoP incurred non-recurring expenditure for official state funerals declared in the province. In the 2015/16 financial year, expenditure increased to R417.7 million mainly due to the transfer of the functions of the Gauteng Public Service Hotline and Transversal Human Resources from the former Department of Finance (now known as the Department of e-Government) to the OoP, and due to the transfer of the PME function from the GPT.

The main budget increases from R511.3 million to R529.8 million in 2016/17 because of shifting of the transversal Employee Health and Wellness Programme from the Department of e-Government; and an additional R20 million allocated for the Tshepo 500 000 project. The budget increase from R609.3 million in 2017/18 to R680.9 million in 2019/20 over the MTEF period is informed by R55.8 million allocated for the Deliverology project that will run over a period of three years; R193.6 million reallocated from the Department of Infrastructure (DID) following the transfer of the Tshepo 500 000 project; and an additional R159 million allocated to the OoP to further support the Tshepo 500 000 project to reach its planned performance targets.

In terms of economic classification, compensation of employees is the main cost driver. Expenditure increased from R178 million in 2013/14 to R235.7 million in 2015/16. It further increases in 2016/17 to R261.8 million. Over the MTEF, there is an approximately 15 per cent increase from R292.2 million in 2017/18 to R341.3 million in 2019/20 mainly due to the personnel budget of the EWHP function and the Deliverology Support Unit.

Goods and services expenditure decreased from R227.2 million in 2013/14 to R149.3 million in 2015/16 due to once-off costs incurred in respect of official state funerals declared in the province in 2013/14. The subsequent increase to R279.1 million in 2016/17 due to Tshepo 500 000 function shift and expenditure before a decrease to R174 million in 2017/18 and R179 million in 2018/19 is caused by the reprioritisation of compensation of employees after organisational structure changes. In the outer year, the budget increases to R184 million to accommodate inflationary pressures.

Over the MTEF period, transfers and subsidies increase from R130.9 million in 2017/18 to R146.8 million in 2019/20. The transfers are made in favour of higher education institutions to provide for research projects assigned by the GCRO to local universities, for which R63.8 million is allocated over the MTEF; and are in favour of a non-profit institution involved with the implementation of the Tshepo 500 000 project taken over from the DID for which R110.9 million is allocated in 2017/18, R117.4 million in 2018/19 and R124.3 million in 2019/20.

7.4 Infrastructure

N/A

7.5 Transfers to other entities

TABLE 1.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
GCRO-WITS	13 008	14 397	28 505	19 000	19 000	19 000	19 950	21 306	22 499
HARAMBEE-TSHEPO 500 000							110 926	117 410	124 273
Total departmental transfers	**13 008**	**14 397**	**28 505**	**19 000**	**19 000**	**19 000**	**130 876**	**138 716**	**146 772**

The amounts transferred to GCRO increased from R13 million in 2013/14 to R19 million in 2016/17. The department entered into an agreement with higher education institutions to assist GPG with research to advance the goals of the GCR. The allocation for GCRO research increases to R19.9 million in 2017/18 and R22.4 million in 2019/20. There is a new transfer commencing in 2017/18. This will fund the non-profit organisation, Harambee, involved in the implementation of the Tshepo 500 000 project for accelerating youth employment in the province following the transfer of this project from the DID. The allocations increase from R110.9 million in 2017/18 to R124.3 million in 2019/20.

PROGRAMME 1: ADMINISTRATION

Programme description

The programme is responsible for overall strategic management and support to the Premier and the Director-General in fulfilling their statutory and political mandates. It is also responsible for providing financial management and other corporate support services including security management services to the OoP.

Programme objectives

- Effective public administration which is more responsive, convenient and accountable to the public.
- A high-performance culture across the GPG;
- Disciplined financial management across the OoP; and
- A safe and secure working environment across the GPG.

TABLE 1. 6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Premier's Support	18 614	13 084	18 415	19 130	16 230	16 221	22 220	23 587	24 908
2. Executive Council Support	6 855	5 968	7 953	10 245	8 489	7 951	10 934	11 606	12 257
3. Director General	25 087	32 221	33 725	27 984	33 612	34 788	35 868	37 326	39 420
4. Financial Management	31 814	34 980	38 415	44 644	44 407	43 778	48 919	47 822	50 498
5. Programme Support	1 495	2 314	2 546	2 077	3 680	3 680	1 450	1 539	1 624
Total payments and estimates	**83 865**	**88 567**	**101 054**	**104 080**	**106 418**	**106 418**	**119 391**	**121 880**	**128 707**

TABLE 1.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**78 334**	**81 717**	**92 436**	**99 877**	**97 992**	**97 968**	**110 919**	**117 880**	**124 479**
Compensation of employees	47 958	48 925	54 494	55 269	59 130	59 135	67 435	71 615	75 625
Goods and services	30 376	32 792	37 942	44 608	38 862	38 833	43 484	46 265	48 854
Interest and rent on land									
Transfers and subsidies to:	**112**	**107**			**192**	**213**			
Provinces and municipalities									
Households	112	107			192	213			
Payments for capital assets	**5 286**	**6 664**	**8 617**	**4 203**	**8 234**	**8 234**	**8 472**	**4 000**	**4 228**
Buildings and other fixed structures									
Machinery and equipment	5 286	6 659	8 617	4 203	8 234	8 234	8 472	4 000	4 228
Software and other intangible assets		5							
Payments for financial assets	**133**	**79**	**1**			**3**			
Total economic classification	**83 865**	**88 567**	**101 054**	**104 080**	**106 418**	**106 418**	**119 391**	**121 880**	**128 707**

Total programme expenditure increased from R83.9 million in 2013/14 to R101.1 million in 2015/16. In the 2016/17 financial year, the budget allocation increases to R104.1 million. During the adjustment budget process, the budget increased by R2.3 million to purchase furniture for the Public Service Hotline function and accommodate the function of the transversal Employee Health and Wellness Programme from the Department of e-Government. Over the 2017 MTEF period, the allocation increases from R119.4 million in 2017/18 to R128.7 million in 2019/20.

Expenditure on compensation of employees, which is the main cost driver in this programme, increased from R47.9 million in 2013/14 to R54.5 million in 2015/16 and subsequently increases to R59.1 million in 2016/17. Over the MTEF, the allocation increases from R67.4 million in 2017/18 to R75.6 million in the 2019/20 financial year owing to inflation and adjustment for the cost of living.

Expenditure on goods and services increased from R30.4 million in 2013/14 to R37.9 million in 2015/16. In 2016/17, the allocation amounted to R38.8 million due to cost containment measures. The budget increases from R43.4 million in

2017/18 to R48.9 million in 2019/20. The increase is attributable to operational costs and services such as stores, telephone accounts, municipal services, stationery and lease equipment that are centralised under the Financial Management sub-programme. The total programme expenditure increase is largely driven by inflation over the 2017 MTEF period.

Machinery and equipment expenditure and budget cater for centralised items such as the lease of Government Garage vehicles, procurement of office furniture and other capital items. The expenditure increased from R5.2 million in 2013/14 to R8.6 million in 2015/16. In 2016/17, after a robust reprioritisation, the department revised the budget downwards to R4.2 million. The budget increases to R8.5 million in 2017/18 and then declines to approximately R4 million in the outer years because of the growth of organisational structure that will require the purchase of more office equipment. The budget will then cater for the normal provision of office equipment.

PROGRAMME 2: INSTITUTIONAL DEVELOPMENT

Programme description

The Institutional Development Programme is responsible for leading, facilitating, coordinating and supporting a skilled, ethical and performance oriented GCR; ICT leadership and guidance across the GPG; ICT related auxiliary support to the OoP towards modernising the public service; support to the Premier and EXCO with legal advice and support; and promoting and facilitating effective communication between government and the people of Gauteng.

Programme objectives

- A public service driven by integrity and ethics;
- Realisation of the rights and qualitative equity of target groups across the GCR;
- ICT governance maturity improved across the OoP;
- Effective legal support contributing to a more resilient provincial litigation response capability; and
- An informed and empowered public, and a responsive government.

TABLE 1.8: SUMMARY OF PAYMENTS AND ESTIMATES: INSTITUTIONAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Strategic Human Resources	45 418	52 609	67 584	73 952	69 814	69 814	77 121	76 351	80 656
2. Information Communication	7 872	7 096	12 062	11 255	13 082	13 082	11 490	10 719	14 169
3. Legal Services	6 288	7 409	9 807	8 932	10 033	12 149	12 028	12 769	13 483
4. Communication Services	173 991	81 383	83 233	75 458	70 110	67 994	80 398	85 506	90 294
5. Programme Support	39 061	1 446	1 629	2 248	1 949	1 949	2 072	2 200	2 324
6. Service Delivery Intervention	29 909	31 988	34 527	43 856	40 775	40 775	45 684	48 512	51 229
Total payments and estimates	**302 539**	**181 931**	**208 842**	**215 701**	**205 763**	**205 763**	**228 793**	**236 057**	**252 155**

TABLE 1.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INSTITUTIONAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19	2019/20
Current payments	**262 721**	**178 866**	**203 892**	**213 964**	**202 408**	**202 289**	**226 933**	**235 557**	**248 778**
Compensation of employees	94 571	110 409	128 542	142 161	136 730	136 730	152 722	159 508	168 469
Goods and services	168 150	68 457	75 350	71 803	65 678	65 559	74 211	76 049	80 309
Interest and rent on land									
Transfers and subsidies to:	**37 754**	**183**	**122**		**237**	**356**			
Provinces and municipalities									
Departmental agencies and accounts		47							
Higher education institutions									
Non-profit institutions	37 514								
Households	240	136	122		237	356			
Payments for capital assets	**2 064**	**2 789**	**4 828**	**1 737**	**3 118**	**3 118**	**1 860**	**500**	**3 377**
Buildings and other fixed structures									
Machinery and equipment	2 064	2 789	4 828	1 737	3 118	3 118	1 860	500	3 377
Software and other intangible assets									
Payments for financial assets		**93**							
Total economic classification	**302 539**	**181 931**	**208 842**	**215 701**	**205 763**	**205 763**	**228 793**	**236 057**	**252 155**

The increase in expenditure during the 2015/16 financial year resulted from the function shift of the two transversal HR units from the Department of e-Government to the Office of the Premier. The total expenditure increases by inflation over the MTEF period.

This programme accounts for a vital part of the departmental budget because of business units such as the Provincial Communication, Transversal HR, Legal Services and Institutional Support as well as Integrity Management that supports the department and the entire GPG. The total programme expenditure amounted to R302.5 million in 2013/14 and then reduced to R208.8 million in 2015/16 mainly because of once-off expenditure incurred in respect of provincial state funerals declared in 2013/14. The total expenditure in 2014/15 and 2015/16 includes spending in respect of functions that migrated from the Department of e-Government. Over the 2017 MTEF period, the budget allocation increases from R228.8 million in 2017/18 to R252.2 million in 2019/20.

Expenditure on compensation of employees increased from R94.6 million in 2013/14 to R128.5 million in 2015/16. The main appropriation of R142.1 million in 2016/17 was adjusted downwards to R136.7 million after the review of personnel requirements for the programme, and any surplus funds were reprioritised towards personnel requirements of Programme 3: Policy and Governance. The budget grows over the MTEF from R152.7 million in 2017/18 to R168.5 million in 2019/20 in line with the approved new staff establishment and inflation over the period.

A decrease of expenditure in goods and services from R168.1 million in 2013/14 to R68.5 million in 2015/16 was caused by the once-off expenditure regarding the provincial state funerals declared in 2013/14. Expenditure increased from R68.3 million in 2014/15 to R75.3 million in 2015/16 due to the rollover of funds for the procurement of a backup generator. In 2016/17, the main appropriation of R71.8 million reduced to R65.8 million during the adjustment period after funds had been reprioritised towards the requirements of the high-priority Deliverology project in Programme 3. Over the 2017 MTEF, the budget increases from R74.2 million to R80.3 million in line with inflation.

Expenditure on machinery and equipment increased from R2.1 million in 2013/14 to R4.8 million in 2015/16. This is due mainly to the need to procure IT equipment on the basis of a three-year obsolescence model. The adjusted budget of R3.1 million in 2016/17 provided for the purchase of hardware space at the Telkom Data Centre for the Geographic Information System and replacement of office computers. An amount of R5.8 million is allocated over the MTEF period for the establishment of the central service War Room to ensure that the Ntirhisano outreach programme has adequate resources.

SERVICE DELIVERY MEASURES

PROGRAMME 2: INSTITUTIONAL DEVELOPMENT

Strategic Human Resources

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
Level of implementation of TMR Master Skills Plan	HRD Strategy and Implementation Plan aligned to MSP approved	2 Assessments on the implementation of TMR Master Skills Plan	2 Assessments on the implementation of TMR Master Skills Plan
Number of assessments on the implementation of approved GPG Performance Management and Development Framework (PMDF)	2	2	2
Number of assessments on the implementation of the framework for financial and non-financial rewards across the Province	2	2	2
Annual performance contracts for all SMS members finalised across the GPG	Annual performance contracts for all SMS members finalised	Annual performance contracts for all SMS members finalised	Annual performance contracts for all SMS members finalised
Number of days to resolve disciplinary cases at SMS (Level 13-16) (Alignment with FOSAD target) across the GPG	90% of Disciplinary cases for SMS (Level 13-16) to be resolved within 60-90	90% of Disciplinary cases for SMS (Level 13-16) to be resolved within 60-90	90% of Disciplinary cases for SMS (Level 13-16) to be resolved within 60-90
Number of days to resolve disciplinary cases below SMS (Level 01 – 12) (Alignment with FOSAD target) across the GPG	90% of Disciplinary cases below SMS (Level 01-12) to be resolved within 60-90	90% of Disciplinary cases below SMS (Level 01-12) to be resolved within 60-90	90% of Disciplinary cases below SMS (Level 01-12) to be resolved within 60-90
GPG average MPAT rating in Human Resource Management (KPA 3)	GPG average MPAT rating 1.6 in Human Resource Management at 3.5	GPG average MPAT 1.7 rating in Human Resource Management at 4	GPG average MPAT 1.8 rating in Human Resource Management at 4
Number of employees with service pledges signed	73 000	-	-
Percentage of women representation at SMS level across the GPG	50%	50%	50%
Percentage of staff with disabilities across the GPG staff complement	3%	4%	4%

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
Average percentage of OoP funded posts in PERSAL which are vacant over a quarter (vacancy rate)	9% or less on average over the quarter	8% or less on average over the quarter	7% or less on average over the quarter
Number of interventions to address the top GPG risk trends across EHWP pillars	6	7	8

Legal Services

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
Number of analysis reports on Provincial litigation liability focussing on progress in the resolution of cases	2	2	2
Number of reports on progress with proposed new Provincial legislation and National legislation impacting on the Province	2	2	2

Communication Services

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
Number of assessments on the level of Implementation of the GCR-wide Communication Programme aligned to GPG Provincial Communications Framework	4	4	4
Percentage of people who feel meaningfully engaged with government (% Targets to be confirmed in Q3 2016/17)	Percentage increase from baseline (previous year results) of people who feel meaningfully engaged with government	Percentage increase from baseline (previous year results) of people who feel meaningfully engaged with government	Percentage increase from baseline (previous year results) of people who feel meaningfully engaged with government
Percentage of people who are aware of government policies and programmes (% Targets to be confirmed in Q3 2016/17)	Percentage increase from baseline (previous year results) of people who are aware of government policies and programmes	Percentage increase from baseline (previous year results) of people who are aware of government policies and programmes	Percentage increase from baseline (previous year results) of people who are aware of government policies and programmes
Percentage of people who feel that government is responsive (% Targets to be confirmed in Q3 2016/17)	Percentage increase from baseline (previous year results) of people who feel that government is responsive	Percentage increase from baseline (previous year results) of people who feel that government is responsive	Percentage increase from baseline (previous year results) of people who feel that government is responsive
Percentage of compliance to the GPG corporate identity (% Targets to be confirmed in Q3 2016/17)	Percentage increase from baseline (previous year results) of compliance to the GPG corporate identity	Percentage increase from baseline (previous year results) of compliance to the GPG corporate identity	Percentage increase from baseline (previous year results) of compliance to the GPG corporate identity
Number of monthly reports on the analysis of media coverage	12	12	12

Integrity Management Office

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
Level of Implementation of the Integrity Management Enforcement Unit Establishment Plan (Fraud and Corruption)	Integrity Management Enforcement Unit Established		
Percentage submission of SMS disclosures across the GPG	100%	100%	100%
Number of Ethical Leadership Assessments conducted	4	8	12
Number of strategic integrity management partnerships established	6	7	7
Percentage of corruption cases resolved across the GPG	90%	90%	90%
No of officials doing business with government	0%	0%	0%
No of officials disciplined due to doing business with government	100%	100%	100%
No. and % of staff found guilty due to fraud and corruption	100%	100%	100%
GPG annual average MPAT rating in Professional Ethics & Fraud Prevention	GPG average MPAT 1.6 rating in Professional Ethics and Fraud Prevention at 3.8	GPG average MPAT 1.7 rating in Professional Ethics and Fraud Prevention at 4	GPG average MPAT 1.8 rating in Professional Ethics and Fraud Prevention at 4
GPG annual average MPAT rating in Service Delivery (KPA 2)	GPG average MPAT 1.6 rating in Service Delivery at 3.7	GPG average MPAT 1.7 rating in Service Delivery at 4	GPG average MPAT 1.8 rating in Service Delivery at 4

PROGRAMME 3: POLICY & GOVERNANCE

Programme description

The purpose of the Policy and Governance Programme is to support the Premier and EXCO with policy advice, research support, international and inter-governmental relations, integrated cooperative governance, and effective management of the Executive Council Cluster system; drive province-wide outcomes-based planning, performance monitoring and evaluation so as to improve government performance towards enhanced service delivery and GCR development impacts/ outcomes; develop, implement and monitor the GCR-wide customer-centric service delivery response system including regulatory and reward frameworks; and lead planning for sustainable development in the Gauteng City Region.

Programme objectives

- Improved response times and resolutions to service delivery issues (via Ntirhisano) across the GCR;
- Engaged customers through a more responsive government;
- Regional and international partnerships that enhance the achievement of the GCR and TMR agenda;
- Intergovernmental relations that support cooperative governance in the GCR;
- Effective coordination and management of the Executive Council Cluster System;
- An integrated policy and planning regime for the GCR;
- Improved outcomes-based planning, monitoring and evaluation;
- Improved customer satisfaction with service delivery;
- Enhanced performance monitoring and evaluation; and
- Effective governance and administration.

TABLE 1.10: SUMMARY OF PAYMENTS AND ESTIMATES: POLICY & GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Inter-Governmental Relations	18 224	12 242	15 493	18 087	18 386	18 386	27 923	28 154	29 731
2. Provincial Policy Management	57 201	72 433	90 367	171 679	197 095	239 751	230 859	258 007	267 713
3. Programme Support	1 727	1 803	1 933	1 755	2 149	2 149	2 344	2 489	2 629
Total payments and estimates	**77 152**	**86 478**	**107 793**	**191 521**	**217 630**	**260 286**	**261 126**	**288 650**	**300 073**

TABLE 1.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: POLICY & GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**64 144**	**72 015**	**88 759**	**171 721**	**197 974**	**240 630**	**129 050**	**149 649**	**152 957**
Compensation of employees	35 455	41 502	52 702	50 294	65 927	65 927	72 001	92 915	97 170
Goods and services	28 689	30 513	36 057	121 427	132 047	174 703	57 049	56 734	55 787
Interest and rent on land									
Transfers and subsidies to:	**13 008**	**14 463**	**19 034**	**19 000**	**19 056**	**19 056**	**130 876**	**138 716**	**146 815**
Provinces and municipalities			500						
Departmental agencies and accounts									
Higher education institutions	12 735	14 397	18 505	19 000	19 000	19 000	19 950	21 306	22 542
Non-profit institutions							110 926	117 410	124 273
Households	273	66	29		56	56			
Payments for capital assets				**800**	**600**	**600**	**1 200**	**285**	**301**
Buildings and other fixed structures									
Machinery and equipment				800	600	600	1 200	285	301
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**77 152**	**86 478**	**107 793**	**191 521**	**217 630**	**260 286**	**261 126**	**288 650**	**300 073**

The expenditure of the programme increased from R77.1 million to R107.8 million between 2013/14 and 2015/16 to support the Premier and EXCO with policy advice in their drive to improve governance and implement strategic reforms in Gauteng. In the current term of governance, these reforms include the introduction and implementation of the province's TMR Ten-Pillar Programme, support for the development of the Gauteng City Region, establishment of the Service Delivery War Room and realignment of provincial functions to increase efficiencies in public service delivery.

The increase in expenditure on compensation of employees from R35.4 million in 2013/14 to R52.7 million in 2015/16 includes personnel requirements for the PME function that migrated from the Provincial Treasury in 2015/16. The increase in the main budget for compensation of employees from R50.3 million to R65.9 million in 2016/17 provides for the HR

requirements of the Deliverology project (which includes personnel for the newly-established Deliverology Support Unit) and other business units as per the new organisational structure. Over the MTEF, the budget increases from R72 million in 2017/18 to R97.2 million in 2019/20 to fund the three-year contract personnel posts required to implement the Deliverology project.

The increase in expenditure on goods and services from R28.9 million in 2013/14 to R36.1 million in 2015/16 provided for the establishment of the Service Delivery War Room and completion of the research project on the state of the youth in Gauteng in 2014/15; and the initiatives to improve intergovernmental relations including the IGR strategy and model in 2015/16 and retrospective adjustment of Tshepo 500 000 R1.9 million from DID. Funds provided for new priorities of the Deliverology project and boosting youth employment initiatives through the Tshepo 500 000 project in 2016/17 increased the main budget sharply to R121.4 million further adjusted budget of R132 million for the mainly for the latter mentioned projects. Over the MTEF, the budget ranges between R55.8 million and R57 million to provide for the requirements of the Deliverology Support Unit; the Tshepo 500 000 project; the Ntirhisano War Room initiative; development of the Enterprise Geographic Information System; drafting of municipal land use schemes; and the high-profile IGR programme.

Expenditure on transfers and subsidies increased from R13 million in 2013/14 to R19 million in 2015/16 and was informed by the need to increase research capacity in the province to support the consultation of the current administration with the public. The GCRO partnered with institutions of higher education in the province to carry out research projects. These will included a focus on BRICS global cities and youth development programme under the Tshomolong project in 2015/16. R19 million was allocated in 2016/17 for the research projects. Over the MTEF period, the budget for transfers increases from R130.9 million in 2017/18 to R146.8 million in 2019/20 to provide for the GCRO research projects for which a minimum of R19.9 million per annum is allocated under transfers to higher education institutions; and largely to provide for new transfers to a non-profit institution involved in the implementation of Tshepo 500 000 project taken over from the DID, for which a total of R352.6 million is allocated over the MTEF.

SERVICE DELIVERY MEASURES

PROGRAMME 3: POLICY AND GOVERNANCE

Service Delivery Interventions Office

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
Level of functionality of Central Information Centre	85%	90%	95%
Percentage of GCR wide hotline cases resolved	95%	95%	95%
Number of Ntirhisano War Room structures functional at Metro/ District Level	Approved War Room Functionality Framework	5 Metro/ District War Room Structures functional	5 Metro/ District War Room Structures functional
Number of Ntirhisano War Room structures functional at Regional / Local Level	Approved War Room Functionality Framework	25 Regional/ Local Level War Room Structures functional	25 Regional/ Local Level War Room Structures functional
Number of Ntirhisano War Room structures established at Ward Level	523	483	498

International Relations

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
Number of assessments on progress in the implementation of International Relations Strategy	2	2	2
Number of structured international relations engagements coordinated to promote the TMR and African Agenda	4 High-level engagements coordinated	4 High-level engagements coordinated	4 High-level engagements coordinated

Intergovernmental I Relations and Stakeholder Management

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
Number of consolidated reports on resolutions impacting on the Province from Intergovernmental Relations meetings	4	4	4

Cluster Management

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
Number of Executive Council meeting decision matrices circulated within 1 week of meeting.	4 Quarterly Executive Council meeting decision matrices , and 1 Annual consolidated The Executive Council decision matrix	4 Quarterly Executive Council meeting decision matrices , and 1 Annual consolidated The Executive Council decision matrix	New indicator
Number of reports on questions in the Legislature	4	4	4

Development Planning

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
Legislation for the institutionalisation of the Gauteng City Region	GCR governance Protocols tabled at PCF	Phase 1 GCR Coordinating Institutions established	Phase 2 GCR Coordinating Institutions established
Number of provincial plans and municipal spatial development frameworks (MSDFs) assessed for alignment with Gauteng Spatial Development Framework 2030	3 provincial plans assessed for alignment with the approved GSDF 2030	2 provincial plans assessed for alignment with the approved GSDF 2030	Implementation of GSDF assessed
Number of regional spatial development policies developed	1	1	1
Number of municipal land use schemes developed	Draft Land Use Schemes developed in one municipality	Land Use Schemes developed in one municipality	-
Level of implementation and mainstreaming of the GIIMP implementation plan in the GCR	Annual review of GCR IIMP implementation plan	GCR IIMP implementation plan reviewed	Review of GCR IIMP
Level of implementation and mainstreaming of the GIIMP implementation plan in the GCR	Greater Lanseria Master Plan Terms of Reference completed	Draft Greater Lanseria Master Plan completed	Final Greater Lanseria Master Plan Approved
Number of Performance Reviews on the level of implementation of the GCR Integrated Infrastructure Master Plan Priority Projects in line with project plans and milestones	4	4	4
Number of GCR Integrated Infrastructure Master Plan Priority Projects Plans assessed against Generally Accepted Project Management Principles	4	6	6
Research to support economic development plan completed	2 research paper to support radical economic transformation	2 research paper to support radical economic transformation	2 research paper to support radical economic transformation
Research to support social transformation agenda completed	2 research papers to support accelerated social transformation	2 research papers to support accelerated social transformation	2 research papers to support accelerated social transformation
Research to support TMR completed	1 Draft research study commissioned	1 research study to support TMR	1 research study to support TMR

Performance Monitoring and Evaluation

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
Annual Gauteng Programme of Action developed for the following year, aligned to TMR agenda	Annual Gauteng Programme of Action developed for 2017/18, aligned to TMR agenda	Annual Gauteng Programme of Action developed for 2018/19, aligned to TMR agenda	Annual Gauteng Programme of Action developed for 2019/20, aligned to TMR agenda
Level of development of Gauteng end-of term review	New indicator	Provincial end-of-term review framework developed	Provincial end-of-term review completed

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
Level of development of revised Gauteng SPPME Framework	New indicator	Development of revised GPG SPPME Framework commissioned	Revised GPG SPPME Framework completed
Number of analysis reports completed on the alignment of GPG Departments' Annual Performance Plans with TMR priorities	One analysis report on alignment of 2017/18 APPs with TMR priorities	Two analysis reports on alignment of 2018/19 APPs with TMR priorities (1st and 2nd Draft APPs)	Two analysis reports on alignment of 2019/20 APPs with TMR priorities (1st and 2nd Draft APPs)
Provincial Evaluation Plan developed by Q4 for the following year	2017/18	2018/19	2019/20
Number of evaluation studies undertaken	1	3	3
Number of improvement plans facilitated at sites with areas of under-performance	15	15	15
Number of key community-wide service delivery concerns tracked for progress	100	100	100
Automated PME system developed and operationalised	Automated PME data management system inception report	Automated PME data management system piloted	Automated PME data management system operationalised
Average GPG MPAT rating in Strategic Management (KPA 1)	3.3 in MPAT 1.6	3.5 in MPAT 1.7	4 in MPAT 1.8

Special Programmes

Performance Measures	Estimated Annual Targets		
	2017/2018	2018/2019	2019/20
GEYODI&MVO&I provincial framework developed and approved	Approved GEYODI&MVO&I provincial framework (inclusive of GEYODI indicators)	Level of implementation of the GEYODI&MVO&I provincial framework	Level of implementation of the GEYODI&MVO&I provincial framework
Military Veterans (MV) Strategy developed and approved	Approved Military Veterans Strategy	Level of implementation and mainstreaming of MV implementation plan in the GCR	Level of implementation and mainstreaming of MV implementation plan in the GCR
Gauteng Migration Desk established	Migration Desk fully established	Institutionalisation of the Gauteng Migration strategy	Implementation of the Gauteng Migration strategy
Gauteng LGBTI Desk established	Gauteng LGBTI Desk established	Implementation of the Gauteng LGBTI Action Plan	Level of implementation of the Gauteng LGBTI Action Plan
Level of compliance to the regulatory framework for universal access design	Assessment of compliance levels by GPG Departments	Increased level of compliance to the regulatory framework for universal access design	Increased level of compliance to the regulatory framework for universal access design
Level of implementation of policies towards the institutionalisation of targeted group rights	Assessment of alignment of GPG Departmental Implementation Plans to the GEYODI policies	50% of target group rights policies implemented as per the implementation plan	70% of target group rights policies implemented as per the implementation plan
Number of people from targeted groups reached through awareness raising to increase access to Government services	60 000 People from targeted groups reached, as evidenced by programme attendance registers	80 000 People from targeted groups reached, as evidenced by programme attendance registers	100 000 People from targeted groups reached, as evidenced by programme attendance registers
Increase participation of women in leadership positions across GCR	Increase participation of women in leadership positions across GCR	Percentage increase from baseline established in 2017/18 on the participation of women in leadership positions across GCR	Percentage increase from baseline established in 2017/18 on the participation of women in leadership positions across GCR

8. OTHER PROGRAMME INFORMATION

8.1. Personnel numbers and costs

TABLE 1.12.: PERSONNEL NUMBERS AND COSTS: OFFICE OF THE PREMIER

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	95	104	114	114	110	110	110
2. Institutional Development	243	240	319	294	289	289	289
3. Policy & Governance	76	76	65	93	99	99	99
Total provincial personnel numbers	**414**	**420**	**498**	**501**	**498**	**498**	**498**
Total provincial personnel cost (R thousand)	177 984	200 836	235 738	261 792	292 158	324 038	341 264
Unit cost (R thousand)	430	478	473	523	587	651	685

TABLE 1.13: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COST BY COMPONENT

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	69	9 760	67	10 568	58	11 810	92		92	50 695	51	12 095	51	11 697	51	12 351	-17,9%	-37,5%	8,1%
7 – 10	247	70 987	254	83 098	295	99 893	289		289	111 561	287	129 002	287	131 327	287	139 234	-0,2%	7,7%	41,2%
11 – 12	58	28 900	57	35 004	70	46 692	68		68	29 901	83	58 767	83	80 645	83	85 181	6,9%	41,8%	21,1%
13 – 16	40	66 633	42	70 354	74	73 634	52		52	69 635	77	92 294	77	100 369	77	104 498	14,0%	14,5%	29,6%
Other					1														
Total	**414**	**176 280**	**420**	**199 024**	**498**	**232 029**	**501**		**501**	**261 792**	**498**	**292 158**	**498**	**324 038**	**498**	**341 264**	**-0,2%**	**9,2%**	**100,0%**
Programme																			
1. Administration	95	47 958	104	48 925	114	54 494	114		114	59 135	110	67 435	110	71 615	110	75 625	-1,2%	8,5%	22,3%
2. Institutional Development	243	94 571	240	110 409	319	128 542	294		294	136 730	289	152 722	289	159 508	289	168 469	-0,6%	7,2%	50,1%
3. Policy & Governance	76	35 455	76	41 502	65	52 702	93		93	65 927	99	72 001	99	92 915	99	97 170	2,1%	13,8%	27,6%
Direct charges																			
Total	**414**	**177 984**	**420**	**200 836**	**498**	**235 738**	**501**		**501**	**261 792**	**498**	**292 158**	**498**	**324 038**	**498**	**341 264**	**-0,2%**	**9,2%**	**100,0%**

The staff establishment grew from 414 in 2013/14 to 498 in 2015/16 while expenditure grew from R177.9 million to R235.7 million respectively over the same period due to organisational structure changes. The total headcount decreases from 501 as at March 2017 to 498 as at March 2018 due to inclusion of contract employees in 2017 for some of whom the contracts expire. A total of 498 staff members per annum is budgeted for in the OoP over the MTEF. This number consists of 110 in Programme 1: Administration; 289 in Programme 2: Institutional Support; and 99 in Programme 3: Policy and Governance. A change in personnel numbers over the period under review is informed by the review of the organisational structure over time.

Over the MTEF, on average 51 employees per annum on salary level 1 to 6 will be trained. This is crucial as fundamental literacy and capacity are required at the entry levels. Between salary levels 7-10, there will be over 280 employees. This level houses 58 per cent of the total staff establishment, with a salary budget of R116.3 million allocated in 2017/18 and R134.6 million in 2019/20. The remaining salary levels are 11-12 and 13- 16, which will accommodate 83 and 77 employees respectively over the MTEF.

8.2 Training

TABLE 1.14 INFORMATION ON TRAINING: OFFICE OF THE PREMIER

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	414	420	498	501	501	501	498	498	498
Number of personnel trained	134	155	160	207	207	207	240	240	240
of which									
Male	67	70	60	82	82	82	100	100	100
Female	67	85	100	125	125	125	140	140	140
Number of training opportunities	202	200	245	160	160	160	168	178	189
of which									
Tertiary	42	40	45	55	55	55	58	61	65
Workshops		5	7	9	9	9	9	10	11
Seminars									
Other	160	155	193	96	96	96	101	107	113
Number of bursaries offered	30	35	40	55	55	55	60	65	70
Number of interns appointed	25	30	35	40	40	40	45	47	50
Number of learnerships appointed				2	2	2	4	6	6
Number of days spent on training	200	225	240	255	255	255	268	283	299
Payments on training by programme									
1. Administration		230							
2. Institutional Development	563	830	2 075	1 898	1 898	1 898	3 805	2 123	2 241
3. Policy & Governance	8	535							
Total payments on training	**571**	**1 595**	**2 075**	**1 898**	**1 898**	**1 898**	**3 805**	**2 123**	**2 241**

The Public Services Regulations and legislation require government departments to set aside a minimum of 1.5 per cent of the compensation budget for training. Training of employees is an important priority in order to build human capital so that service delivery can be driven effectively and efficiently. The tables above provide detailed information on payments for training by programme. The training programme is managed centrally by the Internal Human Resources Development which compiles a department training plan with specific developmental areas for each unit and officials. On the basis of this, training is sourced.

8.3. Reconciliation of structural changes

N/A

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 1:15: SPECIFICATION OF RECEIPTS: OFFICE OF THE PREMIER

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Tax receipts									
Casino taxes									
Motor vehicle licences									
Sales of goods and services other than capital assets	**357**	**243**	**315**	**442**	**342**	**342**	**324**	**330**	**348**
Sale of goods and services produced by department (excluding capital assets)	357	243	315	442	342	342	324	330	348
Sales by market establishments	357	243	315	442	342	342	324	330	348
Administrative fees									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Other governmental units									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	**12**	**10**	**3**	**34**	**34**	**34**	**16**	**19**	**20**
Interest	12	10	3	34	34	34	16	19	20
Rent on land									
Sales of capital assets			**1**						
Land and sub-soil assets			1						
Other capital assets									
Transactions in financial assets and liabilities	**164**	**173**	**148**		**100**	**100**	**160**	**180**	**190**
Total departmental receipts	**533**	**426**	**467**	**476**	**476**	**476**	**500**	**529**	**558**

TABLE 1.16: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: OFFICE OF THE PREMIER

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**			**2016/17**	**2017/18**	**2018/19**	**2019/20**
Current payments	**405 199**	**332 598**	**385 087**	**485 562**	**498 374**	**540 887**	**466 902**	**503 086**	**526 214**
Compensation of employees	177 984	200 836	235 738	247 724	261 787	261 792	292 158	324 038	341 264
Salaries and wages	174 204	177 068	206 114	222 093	231 966	231 966	262 791	291 593	307 001
Social contributions	3 780	23 768	29 624	25 631	29 821	29 826	29 367	32 445	34 263
Goods and services	227 215	131 762	149 349	237 838	236 587	279 095	174 744	179 048	184 950
Administrative fees	36	36	124	259	198	199	201	214	227
Advertising	43 302	24 997	31 710	27 901	22 423	21 405	20 793	22 054	23 289
Minor assets	157	660	585	1 199	1 924	1 924	1 302	1 381	1 458
Audit cost: External	2 279	2 213	3 136	2 500	2 494	2 494	2 901	3 062	3 233
Bursaries: Employees	395	519	1 126	1 521	1 521	1 521	700	742	784
Catering: Departmental activities	5 416	5 692	5 370	3 974	4 740	4 758	7 091	7 519	7 938
Communication (G&S)	4 145	6 292	8 174	6 767	6 815	6 778	6 298	6 680	7 055
Computer services	2 398	2 304	1 943	8 407	10 564	11 563	16 636	17 804	18 802
Consultants and professional services: Business and advisory services	16 788	19 868	19 458	112 542	117 191	157 630	39 658	38 289	36 308
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services	874	1 200	1 321	784	684	2 875	1 199	1 272	1 343
Contractors	1 499	2 152	2 878	1 883	4 036	4 285	8 416	7 820	8 258

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation	Adjusted appropriation	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Agency and support / outsourced services	90 247	10 384	766		3 152	4 848	70	74	78
Entertainment	332	26	27	198	3	3			
Fleet services (including government motor transport)	2 005	3 717	3 136	6 438	3 106	2 017	3 336	3 538	3 736
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	966	516	3 018	1 163	1 455	1 473	2 062	2 189	2 312
Consumable: Stationery,printing and office supplies	11 598	13 844	19 333	15 500	11 878	13 763	3 374	3 580	3 781
Operating leases	3 474	3 196	6 343	4 561	4 318	4 158	4 072	4 319	4 561
Property payments	7 261	9 271	12 266	7 772	6 794	7 546	7 789	8 261	8 724
Transport provided: Departmental activity		1 763	1 914	1 410	1 690	1 690	2 420	2 566	2 709
Travel and subsistence	8 816	4 381	11 075	13 640	11 052	10 643	14 545	15 426	16 290
Training and development	571	1 071	1 434	1 897	1 514	1 514	3 805	2 123	2 241
Operating payments	136	491	435	876	5 081	3 358	14 327	15 195	16 047
Venues and facilities	24 520	17 169	13 776	16 646	13 954	12 650	13 749	14 940	15 776
Rental and hiring			1						
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**50 874**	**14 753**	**19 156**	**19 000**	**19 485**	**19 625**	**130 876**	**138 716**	**146 815**
Provinces and municipalities			500						
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities			500						
Municipalities			500						
Municipal agencies and funds									
Departmental agencies and accounts		47							
Social security funds									
Provide list of entities receiving transfers		47							
Higher education institutions	12 735	14 397	18 505	19 000	19 000	19 000	19 950	21 306	22 542
Non-profit institutions	37 514						110 926	117 410	124 273
Households	625	309	151		485	625			
Social benefits	625	309	151		485	470			
Other transfers to households						155			
Payments for capital assets	**7 350**	**9 453**	**13 445**	**6 740**	**11 952**	**11 952**	**11 532**	**4 785**	**7 906**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	7 350	9 448	13 445	6 740	11 952	11 952	11 532	4 785	7 906
Transport equipment		5 304	6 364		6 231	6 231	3 600	4 000	4 228
Other machinery and equipment	7 350	4 144	7 081	6 740	5 721	5 721	7 932	785	3 678
Software and other intangible assets		5							
Payments for financial assets	**133**	**172**	**1**			**3**			
Total economic classification	**463 556**	**356 976**	**417 689**	**511 302**	**529 811**	**572 467**	**609 310**	**646 587**	**680 935**

TABLE 1.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**78 334**	**81 717**	**92 436**	**99 877**	**97 992**	**97 968**	**110 919**	**117 880**	**124 479**
Compensation of employees	47 958	48 925	54 494	55 269	59 130	59 135	67 435	71 615	75 625
Salaries and wages	46 626	43 816	47 468	50 180	52 605	52 605	60 693	64 473	68 083
Social contributions	1 332	5 109	7 026	5 089	6 525	6 530	6 742	7 142	7 542
Goods and services	30 376	32 792	37 942	44 608	38 862	38 833	43 484	46 265	48 854
Administrative fees	36	35	54	51	56	51	45	48	51
Advertising	68	291							
Minor assets	110	438	458	725	1 406	1 406	912	967	1 021
Audit cost: External	2 279	2 213	3 136	2 500	2 494	2 494	2 901	3 062	3 233
Bursaries: Employees	(1)								
Catering: Departmental activities	787	605	868	930	740	740	1 039	1 101	1 162
Communication (G&S)	3 903	4 316	4 016	4 160	4 237	3 495	3 761	3 989	4 212
Computer services		46	1 269	105	778	778	2 997	3 338	3 526
Consultants and professional services: Business and advisory services	1 102	1 642	3 170	4 429	3 634	4 314	1 701	1 805	1 906
Infrastructure and planning									
Contractors	646	1 322	592	678	377	626	761	808	853
Agency and support / outsourced services					3 152	4 842			
Entertainment	42	26	12	198	3	3			
Fleet services (including government motor transport)	2 005	3 717	3 136	6 438	3 106	2 017	3 336	3 538	3 736
Housing									
Consumable supplies	489	490	1 498	1 089	1 121	1 121	1 203	1 276	1 347
Consumable: Stationery,printing and office supplies	2 218	1 709	2 194	1 749	2 028	2 188	2 540	2 694	2 845
Operating leases	3 326	3 196	2 831	3 553	3 560	4 106	4 072	4 319	4 561
Property payments	5 378	7 860	7 168	5 992	5 078	4 811	5 909	6 267	6 618
Transport provided: Departmental activity					30	21			
Travel and subsistence	5 363	2 972	4 953	7 856	3 462	3 054	8 238	8 737	9 226
Training and development		110	62						
Operating payments	1	64	59	117	94	111	202	214	226
Venues and facilities	2 624	1 740	2 466	4 038	3 506	2 655	3 867	4 102	4 331
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**112**	**107**			**192**	**213**			
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									

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Other transfers									
Non-profit institutions									
Households	112	107			192	213			
Social benefits	112	107			192	58			
Other transfers to households						155			
Payments for capital assets	**5 286**	**6 664**	**8 617**	**4 203**	**8 234**	**8 234**	**8 472**	**4 000**	**4 228**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	5 286	6 659	8 617	4 203	8 234	8 234	8 472	4 000	4 228
Transport equipment		5 304	6 364		6 231	6 231	3 600	4 000	4 228
Other machinery and equipment	5 286	1 355	2 253	4 203	2 003	2 003	4 872		
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		5							
Payments for financial assets	**133**	**79**	**1**			**3**			
Total economic classification	**83 865**	**88 567**	**101 054**	**104 080**	**106 418**	**106 418**	**119 391**	**121 880**	**128 707**

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

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**262 721**	**178 866**	**203 892**	**213 964**	**202 408**	**202 289**	**226 933**	**235 557**	**248 778**
Compensation of employees	94 571	110 409	128 542	142 161	136 730	136 730	152 722	159 508	168 469
Salaries and wages	92 123	95 936	111 216	126 281	119 938	119 938	137 297	143 505	151 569
Social contributions	2 448	14 473	17 326	15 880	16 792	16 792	15 425	16 003	16 900
Goods and services	168 150	68 457	75 350	71 803	65 678	65 559	74 211	76 049	80 309
Administrative fees		1	1	5	35	35	10	11	12
Advertising	39 290	24 184	30 511	27 257	21 749	20 737	20 098	21 317	22 511
Minor assets	46	222	127	474	518	518	390	414	437
Audit cost: External									
Bursaries: Employees	396	519	1 126	1 521	1 521	1 521	700	742	784
Catering: Departmental activities	1 869	1 939	2 712	1 145	1 608	1 626	4 546	4 821	5 090
Communication (G&S)	242	1 976	4 158	2 565	2 376	3 081	2 477	2 627	2 775
Computer services	2 398	2 258	674	2 702	3 986	4 047	5 939	6 299	6 652
Consultants and professional services: Business and advisory services	6 801	3 830	1 292	11 129	7 490	5 531	9 513	10 090	10 655
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services	874	1 200	1 321	784	684	2 875	1 199	1 272	1 343
Contractors	285	746	1 635	1 175	2 500	2 500	4 976	4 170	4 404
Agency and support / outsourced services	90 247	10 326	711			6			
Entertainment	290								
Consumable supplies	469	11	1 370	63	313	329	514	546	577
Consumable: Stationery,printing and office supplies	8 299	10 437	16 717	11 282	7 225	8 951	706	750	792
Operating leases	1		34	1 008	758	52			
Property payments	1 883	1 292	5 098	1 780	1 716	2 735	1 880	1 994	2 106

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Transport provided: Departmental activity		755	533	760	760	769	800	848	895
Travel and subsistence	683	194	633	1 447	1 530	1 530	1 658	1 758	1 856
Training and development	563	952	1 189	1 766	1 384	1 384	3 545	1 847	1 950
Operating payments	133	375	60	698	4 962	3 222	12 705	13 475	14 230
Venues and facilities	13 381	7 240	5 447	4 242	4 563	4 110	2 555	3 068	3 240
Rental and hiring			1						
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**37 754**	**183**	**122**		**237**	**356**			
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts		47							
Social security funds									
Provide list of entities receiving transfers		47							
Higher education institutions									
Non-profit institutions	37 514								
Households	240	136	122		237	356			
Social benefits	240	136	122		237	356			
Other transfers to households									
Payments for capital assets	**2 064**	**2 789**	**4 828**	**1 737**	**3 118**	**3 118**	**1 860**	**500**	**3 377**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	2 064	2 789	4 828	1 737	3 118	3 118	1 860	500	3 377
Transport equipment									
Other machinery and equipment	2 064	2 789	4 828	1 737	3 118	3 118	1 860	500	3 377
Software and other intangible assets									
Payments for financial assets		**93**							
Total economic classification	**302 539**	**181 931**	**208 842**	**215 701**	**205 763**	**205 763**	**228 793**	**236 057**	**252 155**

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

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**64 144**	**72 015**	**88 759**	**171 721**	**197 974**	**240 630**	**129 050**	**149 649**	**152 957**
Compensation of employees	35 455	41 502	52 702	50 294	65 927	65 927	72 001	92 915	97 170
Salaries and wages	35 455	37 316	47 430	45 632	59 423	59 423	64 801	83 615	87 349
Social contributions		4 186	5 272	4 662	6 504	6 504	7 200	9 300	9 821
Goods and services	28 689	30 513	36 057	121 427	132 047	174 703	57 049	56 734	55 787
Administrative fees			69	203	107	113	146	155	164
Advertising	3 944	522	1 199	644	674	668	695	737	778

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Minor assets	1								
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	2 760	3 148	1 790	1 899	2 392	2 392	1 506	1 597	1 686
Communication (G&S)				42	202	202	60	64	68
Computer services				5 600	5 800	6 738	7 700	8 167	8 624
Consultants and professional services: Business and advisory services	8 885	14 396	14 996	96 984	106 067	147 785	28 444	26 394	23 747
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services									
Contractors	568	84	651	30	1 159	1 159	2 679	2 842	3 001
Agency and support / outsourced services		58	55				70	74	78
Entertainment			15						
Inventory: Other supplies									
Consumable supplies	8	15	150	11	21	23	345	367	388
Consumable: Stationery,printing and office supplies	1 081	1 698	422	2 469	2 625	2 624	128	136	144
Operating leases	147		3 478						
Property payments		119							
Transport provided: Departmental activity		1 008	1 381	650	900	900	1 620	1 718	1 814
Travel and subsistence	2 770	1 215	5 489	4 337	6 060	6 059	4 649	4 931	5 208
Training and development	8	9	183	131	130	130	260	276	291
Operating payments	2	52	316	61	25	25	1 420	1 506	1 591
Venues and facilities	8 515	8 189	5 863	8 366	5 885	5 885	7 327	7 770	8 205
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**13 008**	**14 463**	**19 034**	**19 000**	**19 056**	**19 056**	**130 876**	**138 716**	**146 815**
Provinces and municipalities			500						
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities			500						
Municipalities			500						
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Higher education institutions	12 735	14 397	18 505	19 000	19 000	19 000	19 950	21 306	22 542
Non-profit institutions							110 926	117 410	124 273
Households	273	66	29		56	56			
Social benefits	273	66	29		56	56			
Other transfers to households									
Payments for capital assets				**800**	**600**	**600**	**1 200**	**285**	**301**
Buildings and other fixed structures									
Buildings									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Other fixed structures									
Machinery and equipment				800	600	600	1 200	285	301
Transport equipment									
Other machinery and equipment				800	600	600	1 200	285	301
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**77 152**	**86 478**	**107 793**	**191 521**	**217 630**	**260 286**	**261 126**	**288 650**	**300 073**

VOTE 2

GAUTENG PROVINCIAL LEGISLATURE

To be appropriated by Vote in 2017/18	R674 898 000
Responsible Executive Authority	Speaker
Administering Department	Gauteng Provincial Legislature
Accounting Officer	Secretary to the Gauteng Provincial Legislature

1. OVERVIEW

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

Mission
In observing our constitutional obligations, Gauteng Provincial Legislature (GPL):
- Is a modern and dynamic African legislature of the 21st Century;
- Is a caring, responsive, activist and transformative legislature;
- Reflects the values, aspirations and cultures of the South African people;
- Is the most competent, accessible, transparent and accountable legislature;
- Fosters ethical and good governance;
- Attracts, develops, and retains skilled and professional staff; and
- Recognises staff contributions, rewards their achievements and provides a stimulating environment.

Strategic goals
To be a responsive legislature that fosters public confidence.

Strategic objectives
- Improved accountability by the Executive to the Legislature in respect of service delivery;
- Improved and meaningful public involvement in Legislature business;
- Increased responsiveness of laws to meet the needs of the people of Gauteng;
- Fostered and coordinated legislative sector;
- Enhanced public confidence in the governance and leadership of the Legislature; anb
- Modernised business practices that support the functions of the Legislature.

Core functions and responsibilities
Section 114 of the Constitution of the Republic of South Africa defines the core functions and responsibilities of the GPL. The Act assigns to the GPL the power to exercise oversight over the Executive and organs of state; and to facilitate law-making through considering, passing, amending or rejecting any bill before the GPL, including initiating and preparing legislation with the exception of money bills. Section 118 states that the GPL must ensure public participation in legislative processes by ensuring that the public has access to and is involved with these processes.

Main services
The following services are central to ensuring that the GPL's mandate is implemented effectively:
- Making laws for the province that are just and responsive to people's needs;
- Overseeing the provincial government by ensuring that departments implement the province's legislation in the best interest of the people of the province and holding them accountable for their functions, conduct and performance;
- Mobilising and involving stakeholders to participate in the legislative processes by;
  - Conducting public education workshops to inform and educate citizens about the Legislature's processes.
  - Educating the public about the budget process and encouraging them to participate.

- Holding *Bua le Sechaba* campaigns to create dialogue for generating ideas, providing feedback and responding to the public's questions and concerns.
- Holding sector parliaments as part of channelling issues and the interests of different sectors of society such as the youth; children; women; lesbian, gay, bisexual, transgender and intersex (LGBTI) people; workers; the disabled; senior citizens; and interfaith groups.

- Holding public hearings on matters of interest such as laws that have been introduced; and
- Receiving and responding to all petitions submitted by citizens.

Programme of Transformation, Modernisation and Reindustrialisation

The development of the 2017 Medium Term Expenditure Framework (MTEF) budget has been influenced by a number of policy documents central to the implementation of the institutional mandate. These include the National Development Plan (NDP), the Medium-Term Strategic Framework (MTSF), the 2014-2019 Strategic Plan, the Presiding Officers Lekgotla, the 2017 MTEF Annual Performance Plan (APP) and the Budget Speech by the Minister of Finance. The Presiding Officers' Lekgotla is central to the development of the GPL's 2017 MTEF budget and the outcome of the Lekgotla ensures that the GPL fully implements the adopted strategy and other emerging priorities. The six pillars identified for the 2014-2019 strategic planning period remain unchanged and have been developed from the Transformation, Modernisation and Re-engineering (TMR) imperatives and in line with Gauteng Provincial Government (GPG) priorities as follows:

- Modernising Legislature business of oversight, public participation and law-making practices;
- Re-engineered public participation beyond slogans;
- Transformation of the Legislature's governance processes;
- Transformation of the legislative sector in the context of the Integrated Global City Region and connected government;
- Transformation of law-making processes; and
- Consolidating the Legislature's oversight practices.

External activities and events relevant to budget decisions

The core functions of the GPL are largely driven by committees which are the "engines" of the Legislature. A substantial portion of the GPL's expenditure estimates is driven by the involvement of Gauteng's citizens who are crucial patrons of the GPL's work. The GPL has taken a stance on active interaction and engagement with the public by encouraging and facilitating public participation in the processes of Legislature through, for example, sector parliaments and the Taking Parliament to the People programme. The aim of these public participations and outreach programmes is to address issues of service delivery and to increase public knowledge. The institutional budget is influenced by the use of radio and television broadcasts, publications and newsletters that aim to reach out to communities and promote the work of the GPL.

The GPL budget is also informed by departments' performance plans that guide committees' law making, oversight and public participation processes so that legislation is properly scrutinised and departments' service delivery outputs reach the intended beneficiaries.

Acts, rules and regulations

As has been noted above, Section 114 of the Constitution of the Republic of South Africa states the responsibilities of the GPL. The section assigns to the GPL the responsibility for passing, amending or rejecting any bill before it, including initiation or preparation of legislative bills; and for overseeing the Executive in relation to the implementation of departments' mandates. In terms of Section 118 of the Constitution, the GPL is also responsible for facilitating public involvement in legislative and other processes, and with the Legislature's committees.

The following indicate to the GPL its key legislative mandates, responsibilities and requirements:

- Financial Management of Parliament and Provincial Legislatures Act, 2009
- Political Party Fund Act, 2007
- Preferential Procurement Framework Act, No 5 of 2000
- Promotion of Access to Information Act, No 2 of 2000
- Public Finance Management Act, No 1 of 1999
- Constitution of the Republic of South Africa, Act No. 108 of 1996 (Chapter 3 and Sections 114, 118 and 142 of the Constitution)
- Treasury Regulations.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

The GPL continuously strives to improve the quality of life of the people of Gauteng through law-making, overseeing the Executive and facilitating public participation in legislative processes. The 2014-2019 Strategic Plan shaped the service delivery outputs for the 2016/17 financial year including the priorities identified during budget implementation and review.

Facilitating law-making
The Constitution of South Africa gives powers to the legislature to facilitate law-making by considering, passing, amending or rejecting any bill before the Legislature, including initiating and preparing legislation with the exception of the money bills. This must be done in an unbiased and responsive way so that it addresses the people's needs.

During the period under review, the Standing Committee on Public Accounts (SCOPA) held a public hearing on the Gauteng Unauthorised Expenditure Bill at Germiston City Hall. The purpose was to get inputs on the Bill from Gauteng's citizens before it was tabled and deliberated further in the House. The aim of the Bill is to provide the Provincial Legislature for approval or non approval of the unauthorised expenditure by the Provincial Government in any financial year.

The Legislature is currently researching the Money Bills Amendment Procedure and Related Matters Bill. The GPL will continue to develop and implement laws that create an enabling environment that improves the lives of the people of Gauteng through consultative processes or public hearings, by consolidating law making processes and by drawing on feedback from citizens.

Oversight over the Executive and organs of state
The GPL is responsible for ensuring that provincial departments deliver on their promises to the citizens of Gauteng through exercising its constitutional mandate of oversight over the Executive. When interrogating departments' reports to ensure that legislative oversight is effective, committees use tools and methodologies adopted by the South African legislative sector. These include the Sector Oversight Model (SOM), the Budget Cycle Model (BCM) and the Programme Evaluation and Budget Analysis (PEBA) model.

During the period under review, the following committees carried out the following activities to ensure that departments delivered on their promises and functions:
- The Economic Development, Agriculture and Rural Development Committee adopted the 2016/17 first quarter performance report for Economic Development and Agriculture and Rural Development;
- The Finance Portfolio Committee considered first quarter performance reports for e-Government and the Gauteng Provincial Treasury;
- The Infrastructure Development Portfolio Committee considered and adopted the House Oversight reports for Infrastructure Development; and
- The Roads and Transport Portfolio Committee tabled and adopted the 2015/16 fourth quarter performance report and the 2016/17 first quarter performance report for Department of Roads and Transport and its entities.

Ongoing monitoring of the Executive and departments by the House and its committees will include consideration of annual reports and second quarter reports.

Committee oversight reports on focussed intervention studies are scheduled for March 2017. The Legislature also continues to oversee the Executive through oral and written motions on matters of service delivery and thus ensures that the Executive is accountable for how taxpayers' money is spent.

Public participation
The GPL has increasingly sought innovative and effective ways to carry out its constitutional mandate to promote public access and involvement in the legislative processes. It is currently implementing the Re-engineering of Public Participation project; the literature review on the evaluation of sector parliaments and *Bua le Sechaba* public participation mechanisms has been completed. The demographic profiling of the province has also been completed; this will inform future GPL public participation initiatives. There will continue to be extensive research and consultation with relevant stakeholders and organs to ensure meaningful public participation and thus support democracy.

There has been notable progress in creating various platforms for public participation to encourage citizens to voice their concerns and views and take part in the Legislature's programmes. These include sector parliaments including:
- The Interfaith Sector Parliament on 29 April 2016 at the Boksburg Council Chambers in the City of Ekurhuleni Metropolitan Municipality. It was led by the Standing Committee on Oversight on the Premier and the Legislature (SCOCCPOL), and focused on issues of tolerance and racism and on how the interfaith sector can mediate in these matters.
- The Youth Parliament on 10 June 2016 at the Nasrec Expo Centre in Johannesburg, led by the Education Committee. The purpose was to strengthen the existing partnership between the GPL and the young people of Gauteng, to understand the socio-economic issues affecting them and to assess the effectiveness of existing policies aimed at assisting them. This form of public participation also helps Members of the Provincial Legislature (MPLs) with their law-making and with their oversight of the Executive in relation to challenges facing young people. The Parliament focused on social cohesion, on the role of youth in the *Nthirisano* programme and on violent protests and burning of public infrastructure.
- The Children's Parliament on 28 June 2016 at the Protea South Multi-Purpose Centre in Soweto, led by the Education Committee. The aim of the Parliament was to empower children to participate in democratic processes and encourage the 'born free' generation to play its role in decision-making processes. It also provided a platform for interaction

between children and their democratically elected representatives. The Parliament's topics included the importance of voting in a democratic South Africa, children's rights and responsibilities in a democratic South Africa, children living and working on the streets, corporal punishment and the role of government in protecting the vulnerable.
- The Women's Parliament held on August 2016 and focusing on women socio-economic issues.
- The Senior Citizens' Parliament held on 7 September 2016 at the Ennerdale Civic Centre in Johannesburg and led by the Social Development Committee. The aim of the Parliament was to power senior citizens to have a voice in matters of governance as stipulated in the Older Persons Act (Act 13 of 2006). It was also an opportunity to recognise senior citizens' role in all political, social, economic and cultural matters within society. The GPL plays a critical role in ensuring that issues affecting senior citizens are addressed through Portfolio Committees such as Health, Social Development and Community Safety. Topics discussed at the 2016 Parliament included senior citizens' challenges with indigent policies, illegal deductions from pensions and the implementation of health and safety standards as provided for in the Older Persons Act.
- The Lesbians, Gays, Bisexual, Transgender and Intersex (LGBTI) Sector Parliament on 1 November 2016 at the Saul Tsotetsi Sports Complex in Sedibeng. It focused on education, hate crime and violence against LGBTI people in Gauteng, economic opportunities for the LGBTI community.
- The Commercial Sex Workers' Parliament held on 18 November 2016 in Ekurhuleni. The aim was to create a platform for meaningful engagement between public representatives and commercial sex workers. The Parliament sought to de-stigmatise, encourage engagements and recognise the work done to improve understanding of the sex work environment. Issues discussed included government's stance on the involvement of commercial sex workers; plans to hult the influx of underage sex workers into the industry; access to the justice system; the battle for survival in the face of human trafficking; abusive clients; police heavy-handedness; challenges facing commercial sex workers such as HIV/AIDS; existing support services for commercial sex workers and empowerment opportunities concerning their rights; and access to health and well-being.
- The People with Disability Parliament held on 7 December 2016 in Fochville. The main focus was on the role of government and civil society in advancing the rights of persons with disabilities and ensuring that this sector plays an active role in the GPL's legislative and decision-making processes. Issues discussed included the removal of unfair barriers to access and participation; improving the economic lives of persons with disabilities; implementation of the White Paper on the Rights of Persons with Disabilities; and education for the disabled.

The Workers' Parliament did not take place as expected. The GPL will improve and strengthen coordination and planning with all workers' federations such as the Congress of South African Trade Unions (COSATU), the Federation of Unions of South Africa (FEDUSA), the National Council of Trade Unions (NACTU) and the Confederation of South African Workers' Unions (CONSAWU) to ensure that the sector parliament takes place smoothly.

To communicate with and inform people about the mandate of the Legislature and to promote public participation, the GPL uses advertisements, media platforms such as radio programmes and broadcasts, television broadcasts, advertorials, publications, newsletters and other channels. Stakeholders are encouraged to attend committee meetings and to submit verbal and written submissions. As part of GPL's efforts to "Take the Legislature to the People," during the reporting period portfolio committees held public meetings in various communities around the province. The aim was to enable the province's people to give inputs about the performance reports of the various departments from which they receive services. In the period under review, Public Education Workshops were also held to promote meaningful public participation in support of committees and the Mandela Day programme.

Stakeholder relations

The GPL continued to collaborate with organisations such as municipalities in public participations and engagement initiatives. To promote public involvement and to identify issues of public concern for tabling and debate in the House, it continues to work with Public Participation Offices (PPOs), Non-Government Organisations (NGOs), Constitution Hill, the Gender Commission, the Congress of Traditional Leaders of South Africa (CONTRALESA) and other bodies supporting democracy.

The GPL worked with legislative sectors such as the Secretaries' Association of the Legislatures (SALS), the Commonwealth Parliamentary Association (CPA) and the Gauteng Speakers Forum (GSF) to improve the implementation of the memorandum of understanding through a customised co-operative governance framework that governs the legislature's engagement with organs of state. The GSF planning session was held in November 2016 and included the formal introduction of the structure to all the Speakers in Gauteng after the local government elections of August 2016. The GSF is the highest policy-making body and it determines the framework within which the Provincial Sector operates.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

The 2017/18 budget will continue to implement the provisions of the 2014-2019 Strategic Plan and ensure improvements in law-making, oversight of the Executive and facilitation of public participation in legislative processes.

Facilitating law-making
The Institution will continue to develop and implement laws that create an enabling environment to improve the lives of the people of Gauteng through consultation processes or public hearings, by consolidating law-making processes and all the feedback from citizens, and by reviewing the impact of laws passed on the lives of the citizens. This will involve identifying and initiating laws where necessary, and developing and enacting legislation that facilitates the implementation of the Transformation, Modernisation and Re-industrialisation (TMR) programme to ensure improved budgetary oversight and consideration of laws by the GPL.

Oversight over the Executive and organs of the state
The GPL will continue to identify and implement mechanisms for improving its oversight role over the Executive and thus ensure good government. It will improve and strengthen the implementation of PEBA provisions by committees and the resolution tracking system, implementation of the defined analytical parameters in undertaking research and committees' compliance with guidelines for assessing service delivery.

Improvements to oral and written motions on matters of service delivery will assist with oversight of the Executive. This will help to ensure that the Executive is accountable to taxpayers, civil organisations and the citizens of Gauteng on how funds are spent, and increase accountability, transparency, public trust and confidence in government.

Public participation
The GPL is committed to its constitutional mandate of promoting public access and involvement in its processes. The Public Participation Strategy and the framework for ensuring that public participation goes beyond slogans will be used to enhance public access, engagement and involvement in Legislature business. Sector parliaments, public education and Taking the Legislature to the People programmes will continue to provide platforms for public participation, enabling citizens to state their views and receive feedback from the GPL on improving the work of the GPL.

Committees will continue to work on addressing the challenges faced by communities and will report back on matters raised by them through increased public engagements and education workshops. Communication will be through media such as radio, television, advertorials, publications and newsletters.

Sector Parliaments will keep communities informed about the province's TMR vision and programme. This will include holding the following sector parliaments in 2017/18 (details of these Parliaments are given under Public Participation above):
- Youth Parliament;
- Children's Parliament;
- Women's Parliament;
- Senior Citizens' Parliament;
- Workers Parliament;
- LGBTI Parliament;
- People with Disability Parliament;
- Interfaith Parliament; and
- Commercial Sex Workers Parliament.

The GPL will intensify *Bua le Sechaba* campaigns and public education workshops to promote meaningful public participation that generates ideas and addresses issues of importance.

Stakeholder relations
Collaboration and partnerships with organisations including municipalities, PCOs, NGOs, Constitution Hill, CONTRALESA and other bodies supporting democracy will be strengthened to improve public participation and foster co-operative governance. Interactions with other legislative sectors such as the SALS, CPA and GSF will also be strengthened to ensure implementation of the MoU through a co-operative governance framework that governs the Legislature's engagement with organs of state.

4. REPRIORITISATION

The 2017/18 budget has been prepared in a context that requires stringent measures and unpopular trade-offs between competing priorities. The GPL has an inclusive budget process in which all relevant key stakeholders, particularly budget holders, share responsibility for crafting the budget. Programmes' budgets bids are interrogated and assessed to determine their alignment with institutional priorities, capacity to spend, credibility of costing, implementation of principles of cost-

efficiency measures and affordability of the plans. The demand for services will always exceed the supply of funds. Therefore, taking account of the principles applied during budget interrogations, core service delivery outputs have been prioritised over non-essentials and underperforming projects and activities.

The Legislature has reprioritised funds from Programme 1: Leadership and Governance and Programme 4: Core Business to Programme 3: Corporate Support Services and Programme 5: Office of the CFO. Funds have been moved from conferences and benchmark exercises to fund contractual obligations and the increase in constituency allowance in Corporate Support Services. Due to centralisation of the assets and inventory function to Programme 5, funding for the Office of the CFO has been increased. Funding for Programme 1: Leadership and Governance has been reduced by R1.3 million and for Programme 4: Core Business by R3.8 million. Funding for Programme 3: Corporate Support Services has increased by R39.2 million and for Programme 5: Office of the CFO by R10.2 million in 2017/18.

5. RECEIPTS AND FINANCING

5.1 Summary of receipts

TABLE 2.1: SUMMARY OF RECEIPTS : GAUTENG PROVINCIAL LEGISLATURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	496 831	521 769	600 473	641 673	649 557	649 557	674 898	715 824	761 430
Total receipts	496 831	521 769	600 473	641 673	649 557	649 557	674 898	715 824	761 430

GPL's main source of revenue is the equitable share allocated by the Provincial Treasury as prescribed by the Constitution of South Africa. The budget allocation increases from R496.8 million to R674.9 million between the 2013/14 and 2017/18 financial years, with a further increase to R761.4 million in 2019/20. The 2017/18 budget allocation makes provision for compensation of employees, for support staff of the GPL and political parties, increased public outreach programmes and committee activities including sector parliaments and House sittings, and existing contractual obligations and operational costs.

In 2015/16, the allocation increased to R600.5 million from R496.8 million in 2013/14 in order to fund operational costs, political parties and personnel requirements.

Over the MTEF period, the budget is estimated to increase from R649.6 million in 2016/17 to R761.4 million in 2019/20. This caters for compensation of employees' annual salary increases and the projected inflationary adjustments on goods and services.

5.2 Departmental receipts

TABLE 2.2: SUMMARY OF DEPARTMENTAL RECEIPTS : GAUTENG PROVINCIAL LEGISLATURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Sales of goods and services other than capital assets	2 457	2 961	2 132	3 138	3 138	3 138	3 326	3 559	3 758
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	2 847	4 396	8 438	9 561	9 561	9 561	10 135	10 743	11 387
Sales of capital assets									
Transactions in financial assets and liabilities									
Total departmental receipts	**5 304**	**7 357**	**10 570**	**12 699**	**12 699**	**12 699**	**13 461**	**14 302**	**15 145**

The GPL collects revenue in the form of interest earned on investments, leasing out of parking space, City Hall bookings and sales of goods and services such as memorabilia and disposed assets. Between the 2013/14 and 2015/16 financial years, the GPL collected a total amount of R23.2 million, with the largest single amount being interest on investments in 2015/16. During 2016/17, the Legislature projects to collect R12.7 million. It anticipates collecting R13.5 million in 2017/18 with revenue expected to increase to R15.1 million in the outer year, an average annual increase of 6 per cent over the MTEF period.

6. PAYMENT SUMMARY

6.1. Key assumptions

The 2017 MTEF expenditure estimates were informed and guided by the programmes of the House and its committees and by other strategic policy priorities for the administration. The development of the budget was also informed by the following key issues:

- The organisational structure and the estimated salary adjustments for 2017/18 consisting of cost of living adjustments, pay progression, 13th cheque or performance bonuses, overtime and funeral benefits to determine total personnel costs;
- The number of estimated House sittings and committee activities to determine the support to be provided by Administration;
- Oversight visits as well as planned public participation workshops and Sector Parliaments
- Key strategic and operational projects;
- Operational costs including existing contractual obligations; and
- Transfers to political parties.

6.2. Programme summary

TABLE 2.3: SUMMARY OF PAYMENTS AND ESTIMATES : GAUTENG PROVINCIAL LEGISLATURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Programmes									
1. Leadership And Governance	34 337	22 249	39 160	52 375	50 703	44 929	51 701	55 015	56 869
2. Office Of The Secretary	10 851	13 694	14 867	20 706	20 578	19 142	23 373	25 034	26 815
3. Corporate Support Services	250 567	261 751	283 771	293 806	313 405	325 063	300 180	322 043	343 682
4. Core Business	145 968	165 572	186 148	229 795	219 154	216 626	243 595	259 534	276 578
5. Office Of The CFO	32 196	34 579	38 125	44 991	45 717	42 522	56 049	54 198	57 486
Total payments and estimates	**473 919**	**497 845**	**562 071**	**641 673**	**649 557**	**648 282**	**674 898**	**715 824**	**761 430**
Direct charge on the Provincial Revenue Fund									
Members remuneration	62 391	72 782	65 566	84 130	84 130	84 130	79 748	85 250	91 047
Departmental receipts not surrendered to Provincial Revenue Fund									
(Amount to be financed from revenue collected in terms of Section 13 (2) of the PFMA)	5 304	7 357	10 570	12 699	12 699	12 699	13 461	14 302	15 145

6.3. Summary by economic classification

TABLE 2.4: SUMMARY OF ECONOMIC CLASSIFICATION: GAUTENG PROVINCIAL LEGISLATURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**379 322**	**391 610**	**443 668**	**533 030**	**526 567**	**513 355**	**553 468**	**592 545**	**632 004**
Compensation of employees	207 397	231 742	258 011	300 171	284 531	279 998	318 120	347 510	377 745
Goods and services	171 925	159 868	185 656	232 859	242 036	233 357	235 348	245 035	254 259
Interest and rent on land									
Transfers and subsidies to:	**88 044**	**94 734**	**97 911**	**102 701**	**110 585**	**110 585**	**114 907**	**121 572**	**128 623**
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	88 044	94 734	97 911	102 701	110 585	110 585	114 907	121 572	128 623
Households									
Payments for capital assets	**6 553**	**11 501**	**20 493**	**5 942**	**12 405**	**24 342**	**6 523**	**1 707**	**803**

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Buildings and other fixed structures	2 724	652	12 165	600	2 994	14 606			
Machinery and equipment	3 829	10 681	8 328	5 342	9 411	9 736	6 523	1 707	803
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		168							
Payments for financial assets									
Total economic classification	**473 919**	**497 845**	**562 071**	**641 673**	**649 557**	**648 282**	**674 898**	**715 824**	**761 430**

The Legislature's spending increased from R473.9 million to R562.1 million between the 2013/14 and 2015/16 financial years. A significant portion of the expenditure can be attributed to Programme 3: Corporate Support Services and Programme 4: Core Business. Programme 4 supports the House and its Committees in making laws for the Province, conducting oversight over the Executive and facilitating public participation in legislative processes. Programme 3 performs the GPL's administration functions, including making allocations to political parties.

In 2016/17, the GPL is projecting to spend R648.3 million. This includes a decrease in compensation of employees and goods and services and an increase in capital expenditure. Compensation of employees has decreased due to vacant posts, and goods and services decreased because of cost-containment measures and slow implementation of operational projects.

In 2017/18, the GPL estimates that spending will increase from the revised estimate of R648.3 million in 2016/17 to R674.9 million and to R715.8 million and R761.4 million in the two outer years. The increase is attributable to projected annual inflationary adjustments on salaries, allocations to political parties and increased committee activities including outreach programmes and public participation.

The remuneration of public office bearers (POBs) increased from R64.3 million in 2013/14 to R65.6 million in 2015/16. However, in 2016/17 the Independent Commission for the Remuneration of Public Office Bearers recommended a zero per cent adjustment to the remuneration of all Members of Provincial Executives and Legislatures. The amount of R84.1 million remains the same in 2016/17. Over the MTEF period, remuneration of POBs will increase from R79.4 milliion in 2017/18 to R91 million in 2019/20.

Compensation of employees increases from R207.4 million in 2013/14 to R258 million in 2015/16 due to a growing staff complement and implementation of annual salary adjustments. In 2017/18, compensation of employees increases from R280 million in 2016/17 to R318.1 million to cater for salary adjustments such as cost of living adjustments, pay progression, funeral benefits, performance bonuses and 13th cheque. The higher-than-expected increase can be attributed to savings from unfilled funded vacancies that led to a decrease in the budget for compensation of employees in the 2016/17 financial year. However, all vacancies are expected to be filled in 2017/18. Over the MTEF, compensation of employees is expected to increase from R280 million to R377.7 million, an average increase of 10 per cent.

Expenditure on goods and services increased from R171.9 million in 2013/14 to R185.7 million in 2015/16, an average annual increase of 4 per cent. As a result of completion of once-off projects, goods and services expenditure decreased in 2014/15. In 2016/17, as a result of cost-containment measures on conferences, accommodation and study tours the GPL projects to spend R233.4 million on goods and services out of the adjusted budget of R242 million. Over the MTEF period, expenditure on goods and services increases by an annual average of 3 per cent from R233.4 million in 2016/17 to R254.3 million in 2019/20. This relatively small increase relates to the fact that most operational projects will be concluded and business solutions streamlined and consolidated to reduce duplication and inefficiencies.

Transfer payments to political parties have increased significantly from R88 million in 2013/14 to R97.9 million in 2015/16. In 2016/17, transfer payments increased by R7.9 million from R102.7 million to R110.6 million due to an increase in the constituency allowance for members and parties. Over the MTEF, transfers are expected to grow by an annual average of 5 per cent, from R110.6 million in 2016/17 to R128.6 million in 2019/20. Transfers to political parties consist of constituency allowance and political party funding to enable members to carry out their constitutional obligations, thus reducing dependence on private funding and enhancing multi-party democracy.

Payments for capital assets increased from R6.6 million in 2013/14 to R20.5 million in 2015/16, an average annual increase of 77 per cent. The major increase was in 2015/16, as a result of implementation of projects such as the SAGE building project, rehabilitation of heating ventilation and installation of air-conditioning in the main Legislature building as well as procurement of office furniture, laptops, motor vehicles, members' touch screens and security equipment (including X-ray searching devices and walk-through detector).

In 2016/17, capital payments increased from R5.9 million to the revised estimate of R24.3 million as a result of projects identified during the main building condition assessment, continuation of the SAGE building project and rollover of projects from 2015/16. The projects identified during the building condition assessment include the rehabilitation of the main building roofing, electrical remedial works to the main building, heating, ventilation and air-conditioning in the main building as well as fire detection amongst others. The office spaces in SAGE building is being rehabilitated to accommodate GPL staff for whom there is not enough work space in the main building. The additional office space will ensure that administration is fully able to support the committee work and other core functions of the GPL.

Over the MTEF, capital payments are expected to decrease from R24.3 million in 2016/17 to R803 000in 2019/20 due to the anticipated completion of once-off projects. In 2017/18, expenditure on capital assets provides for the replacement of the obsolete auditorium video wall and for procuring House sitting chairs and laptops for new staff.

6.4. Infrastructure payments

N/A

6.4.1. Departmental infrastructure payments

N/A

6.5. Transfers

6.5.1. Transfers to public entities

N/A

6.5.2. Transfers to other entities

TABLE 2.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Constituency Allowance	29 687	30 618	30 660	30 660	38 544	38 544	38 544	40 780	43 145
2. Political Party Funding	58 357	64 116	67 251	72 041	72 041	72 041	76 363	80 792	85 478
Total departmental transfers	**88 044**	**94 734**	**97 911**	**102 701**	**110 585**	**110 585**	**114 907**	**121 572**	**128 623**

Between the 2013/14 and 2015/16 financial years, transfers to political parties increased from R88 million to R97.9 million. In 2016/17, transfers have increased by R7.9 million, from the main budget of R102.7 million, to the revised R110.6 million. This increase of 8 per cent reflects the increase in the constituency allowance which had not increased since 2012/13, and is aimed at ensuring that constituency offices have the capacity to act effectively as intermediary structures between the Legislature and the constituencies.

Over the MTEF, transfers to political parties increase from R110.6 million in 2016/17 to R128.6 million in 2019/20, an annual average growth of 5 per cent which aims to take account of inflation.

Transfers to political parties consist of constituency allowance and political party funding. Section 236 of the Constitution promotes multi-party democracy and requires national legislation to provide for the funding of political parties participating in provincial legislatures on an equitable and proportional basis. The Gauteng Political Party Fund Act, 2007 was promulgated to provide funding for political parties participating in the Legislature. The aim is to strengthen accountability and disclosure by parties and to promote citizen's participation in governance and in the democratic system.

6.5.3. Transfers to local government

N/A

7. PROGRAMME DESCRIPTION

PROGRAMME 1: LEADERSHIP AND GOVERNANCE

Programme description

The purpose of Programme 1: Leadership and Governance is to provide strategic leadership and overall management to the Legislature and to enable it to carry out its constitutional responsibilities: maintaining oversight of the Provincial Executive; making and passing laws for the Province; meaningfully involving the people of Gauteng in all institutional processes; and facilitating cooperative governance. The programme is also responsible for:

- The alignment of institutional processes with the Strategic Plan for the term 2014-2019
- The strategic political management of Presiding Officers and Office Bearers
- The strategic management of committees to ensure that provincial priorities are achieved.

Programme objectives

- Ensure the development and implementation of the Institutional Strategy, Budget and Legislative Programme;
- Ensure that the business of the house functions optimally;
- Ensure further development and implementation of Standing Rules;
- Ensure that the Legislature Services Board functions optimally;
- Ensure the development and maintenance of inter-institutional relations, partnerships and cooperative governance;
- Ensure the promotion of nation-building and good governance;
- Mobilise civil society to participate in the GPL and especially in public participation programmes;
- Ensure participatory law-making process and effective oversight of governance in the Province; and
- Ensure the development and implementation of a training and development programme for members, enabling them to:
  - Pass effective laws;
  - Oversee government effectively;
  - Enhance and ensure public participation;
  - Play a productive and effective role in the future South Africa;
  - Participate effectively in the strategic management of committees and programmes;
  - Ensure political management of Committee of Chairpersons and Committees;
  - Ensure implementation of committee enquiries;
  - Ensure implementation of the PEBA;
  - Ensure implementation of ministerial accountability; and
  - Ensure the strategic coordination with the National Council of Provinces (NCOP).

TABLE 2.6: SUMMARY OF PAYMENTS AND ESTIMATES: LEADERSHIP AND GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office Of The Executive Director	12 853	13 845	14 584	19 669	17 678	15 715	22 197	23 742	25 746
2. Administrative Operations	20 585	7 681	17 952	17 915	17 337	15 757	3 506	3 716	3 324
3. Inter-Legislature Relations							8 415	8 919	9 018
4. Oversight And Liaison	899	723	6 624	14 791	15 688	13 457	17 583	18 638	18 781
Total payments and estimates	**34 337**	**22 249**	**39 160**	**52 375**	**50 703**	**44 929**	**51 701**	**55 015**	**56 869**

TABLE 2.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LEADERSHIP AND GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**34 337**	**22 249**	**39 160**	**52 375**	**50 703**	**44 929**	**51 701**	**55 015**	**56 869**
Compensation of employees	12 853	13 845	14 584	19 669	17 678	15 715	21 955	23 486	25 476
Goods and services	21 484	8 404	24 576	32 706	33 025	29 214	29 746	31 529	31 393
Interest and rent on land									
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**34 337**	**22 249**	**39 160**	**52 375**	**50 703**	**44 929**	**51 701**	**55 015**	**56 869**

The programme's expenditure increased from R34.3 million in 2013/14 to R39.2 million in 2015/16. Over the past three financial years, compensation of employees accounted for 44 per cent of total expenditure and goods and services 56 per cent. Expenditure on goods and services is mainly driven by committees' study tours and international conferences and by the programme's continued participation in the Legislature Sector and various events such as the regional and international CPA, national and provincial Speakers' Forums and the National Conference of State Legislatures (NCSL). Annual adjustments to staff salaries contributed to increased expenditure on compensation of employees.

During 2016/17, the programme's estimated expenditure is expected to decrease from R52.4 million to R44.9 million due to savings on committees' study tours and conferences and from cost-containment on accommodation and the use of external venues.

In 2017/18, the budget is expected to increase by 15 per cent from the revised estimate of R44.9 million in 2016/17 to R51.7 million in 2017/18. This is primarily due to compensation of employees which increases from R15.7 million to R22 million. The increase is affected by new positions and provides for cost of living adjustments, pay progression and other benefits such as funeral cover, performance bonuses and 13th cheque. Over the MTEF period, compensation of employees increases by an annual average of 17 per cent from R15.7 million in 2016/17 to R25.5 million in 2019/20.

The budget for goods and services increases by 2 per cent from R29.2 million in 2016/17 to R29.7 million in 2017/18. This budget provides for committees' international conferences and study tours, the Gauteng Speakers Forum, the annual ethics seminar and the Hlwekisa campaign. Over the MTEF, this budget increases by 2 per cent on average from R29.2 million in 2016/17 to R31.4 million in 2019/20. This is due to the anticipated suspension of committees' study tours in preparation for the national elections.

PROGRAMME 2: OFFICE OF THE SECRETARY

Programme description

The Office of the Secretary is responsible for developing and implementing strategy and provides strategic, tactical and operational leadership to the GPL administration so that it can carry out its mandate of oversight and scrutiny, law making, public participation and cooperative governance. The Office is also accountable for institutional strategic planning, reporting, monitoring, contract management and evaluation and project management.

Programme objectives

- Ensure implementation of the Legislature's programme;
- Identify best practices in parliamentary oversight;

- Ensure the Executive's compliance with the oversight requirements;
- Develop and sustain relations with civil society organisations to ensure public participation
- Provide tactical, strategic and operational leadership and direction to the Secretariat and its sub-committees;
- Lead integrated support services for law-making, oversight, public participation and co-operative governance;
- Implement the Institutional Leadership Model and Charter;
- Implement the Monitoring and Evaluation Framework for the GPL; and
- Ensure that all revenue, expenditure, assets and liabilities of the Legislature are managed efficiently, effectively and transparently.

TABLE 2.8: SUMMARY OF PAYMENTS AND ESTIMATES: OFFICE OF THE SECRETARY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office Of The Secretary	10 851	13 677	14 813	20 336	20 378	18 987	23 159	24 803	26 571
2. Office Of The Integrity Commissioner		17	54	370	200	155	214	231	244
Total payments and estimates	**10 851**	**13 694**	**14 867**	**20 706**	**20 578**	**19 142**	**23 373**	**25 034**	**26 815**

TABLE 2.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: OFFICE OF THE SECRETARY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**10 851**	**13 694**	**14 867**	**20 706**	**20 578**	**19 142**	**23 373**	**25 034**	**26 815**
Compensation of employees	6 924	8 519	9 503	13 319	11 990	11 071	14 685	15 859	17 127
Goods and services	3 927	5 175	5 364	7 387	8 588	8 071	8 688	9 174	9 688
Interest and rent on land									
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**10 851**	**13 694**	**14 867**	**20 706**	**20 578**	**19 142**	**23 373**	**25 034**	**26 815**

The programme's expenditure increased from R10.9 million in 2013/14 to R14.9 million in 2015/16, an annual average increase of 17 per cent. Over the past three years, compensation of employees accounted for 63 per cent of total expenditure and goods and services for 37 per cent. Goods and services expenditure mainly relates to the launch of the Multi-Party Women's Caucus, participation in the SALS, the CPA conference and the African Youth Parliament.

During 2016/17, the programme's expenditure is anticipated to decrease from R20.6 million to R19.1 million. Compensation of employees and goods and services both decrease due to unfilled vacancies and savings on international study tours, conferences and legal fees.

In 2017/18, the programme's expenditure is expected to increase to R23.4 million from R19.1 million in 2016/17. This is due to compensation of employees which increases from R11.1 million in 2016/17 to R14.7 million in 2017/18 to provide for annual salary increases and benefits.

Goods and services increases from R8.1 million in 2016/17 to R8.7 million in 2017/18. This budget provides for the Multi-Party Women's Caucus, transversal mainstreaming, printing and publication of the institutional Annual Report and Citizens Annual Report, and the leadership development training programme. The Multi-Party Women's Caucus is a forum made up of the GPL's women parliamentarians across party lines who are united by a common interest in the economic and socio-political wellbeing of women in Gauteng. The budget also caters for continued participation in the legislative sector such as the CPA, the Society of Clerks at the Table (SoCATT), SALS and the NCSL.

Over the MTEF, estimated expenditure for this programme grows by 10 per cent on average from R19.1 million in 2016/17 to R26.8 million in 2019/20. This growth is mainly attributed to annual personnel cost adjustments and to the effect of inflation on the cost of goods and services.

PROGRAMME 3: CORPORATE SUPPORT SERVICES

Programme description
Corporate Support Services provides support to all internal stakeholders in the areas of Human Resources, Information and Technology, Safety and Security, Building Management, Administration, Transport and Logistics, Member's Affairs and Relations. It does this through systems, policies and processes that enable and facilitate service provision in the most effective, efficient and professional manner.

Programme objectives
- Ensure that there is an effective system for tracking resolutions of the Oversight Committee, the Legislative Services Board (LSB), sub-committees of the LSB, and the Secretariat and its sub-committees;
- Ensure that business requirements are catered for through information and communications technology (ICT) support for business solutions (e.g. SAP), appropriate training, licensing, maintenance and access to required reports;
- Develop a system for effectively integrating processes and practices with internal and external stakeholders (such as through participation in the Events Coordinating Committee, SALS and the Speaker's Forum processes);
- Develop a system for effective stakeholder resourcing (resource model);
- Develop a leadership culture that promotes diversity, work-life balance, transparency and accountability;
- Ensure that Members are provided with the necessary support that is responsive and relevant to their needs;
- Ensure the provision of IT and office space infrastructure to enable staff and members to carry out their responsibilities;
- Ensure the provision of administrative support such as Human Resources (HR) services, office equipment and stationery; and
- Manage and control the provision of communications services.

TABLE 2.10: SUMMARY OF PAYMENTS AND ESTIMATES: CORPORATE SUPPORT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. ED Corporate Support Services	68 073	74 360	84 239	94 645	90 514	90 541	97 917	108 590	118 032
2. Members Affairs	97 910	104 913	104 678	114 906	122 790	122 790	127 854	134 589	142 369
3. Institutional Support Services	33 357	26 086	30 425	35 257	37 165	37 044	21 156	22 426	23 682
4. Operational Support Services	51 227	37 265	56 438	34 701	43 074	54 765	38 587	40 893	43 183
5. It And Technology		19 127	7 991	14 297	19 862	19 923	14 666	15 546	16 416
Total payments and estimates	**250 567**	**261 751**	**283 771**	**293 806**	**313 405**	**325 063**	**300 180**	**322 043**	**343 682**

TABLE 2.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CORPORATE SUPPORT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**157 191**	**158 590**	**166 595**	**186 477**	**194 193**	**193 809**	**185 273**	**200 471**	**215 059**
Compensation of employees	67 188	74 218	83 968	94 339	89 982	89 982	97 719	108 359	117 789
Goods and services	90 003	84 372	82 627	92 138	104 211	103 827	87 554	92 112	97 270
Interest and rent on land									
Transfers and subsidies to:	**88 044**	**94 734**	**97 911**	**102 701**	**110 585**	**110 585**	**114 907**	**121 572**	**128 623**
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	88 044	94 734	97 911	102 701	110 585	110 585	114 907	121 572	128 623
Households									
Payments for capital assets	**5 332**	**8 427**	**19 265**	**4 628**	**8 627**	**20 669**			
Buildings and other fixed structures	2 724	652	12 165	600	2 994	14 606			
Machinery and equipment	2 608	7 607	7 100	4 028	5 633	6 063			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		168							
Payments for financial assets									
Total economic classification	**250 567**	**261 751**	**283 771**	**293 806**	**313 405**	**325 063**	**300 180**	**322 043**	**343 682**

Between the 2013/14 and 2015/16 financial years, the programme's expenditure increased from R250.6 million to R283.8 million largely due to transfers to political parties. The second largest item was the budget for goods and services. This relates to operational costs: maintenance costs, ICT infrastructure, telecommunications, rent; municipal rates and taxes. Spending on capital assets mainly relates to SAGE building projects; procurement of office furniture, laptops and motor vehicles; and the installation of Members' touch screens and of air-conditioning.

During 2016/17, the programme's estimated expenditure is expected to increase from R313.4 million to R325.1 million. The revised estimates provide for a slight decrease in expenditure on goods and services due to implementation of efficiency measures to fund municipal rates and taxes. Capital payments are expected to increase from R8.6 million to the revised estimate of R20.7 million. The increase in expenditure on capital assets takes account of projects continuing from 2015/16 such as the rehabilitation of office spaces in the SAGE building, disaster recovery planning, the installation of air-conditioning in the main building as well as projects identified from the outcome of the building conditions assessment.

In 2017/18, the programme's estimated expenditure is expected to decrease by 8 per cent from R325.1 million in 2016/17 to R300.1 million. Compensation of employees increases by 9 per cent compared with the revised estimates due to annual salary adjustments and benefits including for party support staff and funded vacancies.

Goods and services are expected to decrease by R16.3 million or 16 per cent from R103.8 million in 2016/17 to R87.6 million in 2017/18. The budget takes into account contractual obligations and operational costs such as private security services, insurance, ICT, rent, municipal rates and taxes, training and development, staff and members bursaries, and recruitment.

Transfers to political parties increase from R110.6 million in 2016/17 to R114.9 million in 2017/18, an increase of 5 per cent on average. No allocation has been made for capital assets due to the reprioritisation process.

Over the MTEF, the programme's overall budget is expected to increase by 2 per cent on average from R325.1 million to R343.7 million to take account of inflation.

PROGRAMME 4: CORE BUSINESS

Programme description

The purpose of the programme is to support the House and its Committees in making laws for Gauteng Province, conducting oversight over the Executive and facilitating cooperative governance for aligned decision-making in the Province. The programme also supports participation by the people of Gauteng in the operations of the Legislature through public participation initiatives and ensuring that platforms are created for their effective participation.

Programme objectives

The programme operates in the area of Communications, Parliamentary Business and Information and Knowledge Management. Its key functions are to:

- Coordinate and drive the execution of the core mandate of the GPL;
- Effectively and efficiently coordinate support functions to the committees and the House;
- Provide professional and procedural support to committees of the House;
- Develop and deliver strategic projects organised through the directorate;
- Monitor and evaluate the key deliverables of law-making, oversight and public participation;
- Improve internal processes, inter-directorate planning, planning and accountability;
- Provide research services to the GPL and its committees;
- Provide analysis during oversight activities of the Legislature;
- Coordinate the interface between the Legislature and the National Council of Provinces;
- Provide legal services to committees of the House during national and provincial law making activities;
- Coordinate committee activities including scheduling of committee business;
- Coordinate the interface between the Office of the Speaker and committees of the House;
- Coordinate provincial law making processes;
- Promote information and knowledge sharing to support GPL business processes, retention of institutional memory, and embedding of knowledge management into business processes that support the GPL mandate;
- Provides document management services to the House and its committees, printing services, document registration services, interpretation and translation services, recording of House and Committee proceedings, transcription services and provision of information services to support GPL business and Service Officers Services;
- Provide the Sergeant-at-Arms function;
- Profile the GPL through public education workshops, the media, publications, branding, marketing and advertising; and
- Promote and facilitate public participation in all legislative processes.

TABLE 2.12: SUMMARY OF PAYMENTS AND ESTIMATES: CORE BUSINESS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. ED Core Business	100 010	115 732	124 371	139 102	135 099	134 657	147 348	158 271	172 241
2. Parliamentary Business	23 563	18 714	24 580	42 323	35 999	33 616	34 388	36 693	38 047
3. Information And Knowledge Management	7 832	10 293	11 852	14 872	14 784	14 586	14 915	15 810	15 997
4. Communication	14 563	20 833	25 345	33 497	33 272	33 767	46 944	48 760	50 293
Total payments and estimates	**145 968**	**165 572**	**186 149**	**229 795**	**219 154**	**216 626**	**243 595**	**259 534**	**276 578**

TABLE 2.13: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CORE BUSINESS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**145 968**	**165 557**	**186 149**	**229 795**	**219 154**	**216 626**	**243 595**	**259 534**	**276 578**
Compensation of employees	96 584	109 508	118 701	137 603	130 518	130 345	144 802	157 515	171 442
Goods and services	49 384	56 049	67 447	92 192	88 636	86 281	98 793	102 019	105 136
Interest and rent on land									
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets		**15**							
Buildings and other fixed structures									
Machinery and equipment		15							
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**145 968**	**165 572**	**186 149**	**229 795**	**219 154**	**216 626**	**243 595**	**259 534**	**276 578**

Between the 2013/14 and 2015/16 financial years, the programme's expenditure increased from R146 million to R186.1 million. Compensation of employees accounted for 65 per cent of total expenditure due to increase in the staff complement and implementation of annual salary adjustments. The programme plays a crucial role in the execution of the GPL's constitutional mandate by providing professional support for the House and its committees including facilitating communication and public participation. This requires a large staff and related personnel costs. Goods and services expenditure accounted for 35 per cent of total expenditure, mostly driven by committees' activities and outreach programmes, House sittings and the annual Opening of the Legislature.

During 2016/17, the programme's expenditure is projected to decrease by 1 per cent from R219.2 million to R216.6 million. Goods and services decreases by 3 per cent due to the implementation of cost-efficiency measures and consolidation of travelling.

The programme's estimated expenditure for 2017/18 is R243.6 million compared with the 2016/17 revised estimates of R216.6 million, an increase of 12 per cent. The increase can be ascribed to provision made for inflation-related salary adjustments; increased committee activities including outreach programmes, public education workshops and Sector Parliaments; public participation; and other initiatives supporting committee activities through radio and television broadcasts, advertorials, newsletters and publications amongst others. The allocated budget also includes *Bua le Sechaba* campaigns; the NCOP's Taking Parliament to the People programme; public hearings; Hansard; outsourcing in support of House sittings and committee programmes; voter education; and the opening of the Legislature. Operational projects such as Money Bills and the resolution tracking system and the Re-engineering Public Participation project are also included in the 2017/18 allocation.

Over the MTEF, the programme's expenditure is estimated to increase from R216.6 in million in 2016/17 to R276.6 million to provide for expected inflation.

SERVICE DELIVERY MEASURES

PROGRAMME 4: CORE BUSINESS

Performance Measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Percentage of closed vs open resolutions	2% increase in applicable closed vs open resolutions per annum	2% increase in applicable closed vs open resolutions per annum	2% increase in applicable closed vs open resolutions per annum
Percentage of questions processed by the House	100% of applicable questions processed by the House annually	100% of applicable questions processed by the House annually	100% of applicable questions processed by the House annually
Percentage of motions processed by the House	100% of applicable motions processed by the House annually	100% of applicable motions processed by the House annually	100% of applicable motions processed by the House annually

Performance Measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Level of public involvement in the Legislature's business	2% increase in feedback provision by the GPL to the public annually	2% increase in feedback provision by the GPL to the public annually	2% increase in feedback provision by the GPL to the public annually
	2% increase in utilisation of public submissions annually	3% increase in utilisation of public submissions annually	3% increase in utilization of public submissions annually
	2% increase in public submissions received annually	2% increase in public submissions received annually	2% increase in public submissions received annually
	5% increase in the people of Gauteng who participate in the business of the GPL annually	5% increase in the people of Gauteng who participate in the business of the GPL annually	5% increase in the people of Gauteng who participate in the business of the GPL annually
% of Bills processed by the GPL in line with the prescripts of the Constitution	100% of Bills are in line with the prescripts of the Constitution annually	100% of Bills are in line with the prescripts of the Constitution annually	100% of Bills are in line with the prescripts of the Constitution annually
Level of satisfaction of the people of Gauteng with the Legislature	2% increase in the satisfaction of the people of Gauteng with the Legislature annually	2% increase in the satisfaction of the people of Gauteng with the Legislature annually	2% increase in the satisfaction of the people of Gauteng with the Legislature annually

PROGRAMME 5: OFFICE OF THE CFO

Programme description

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

The Office promotes effective and efficient management of all financial resources through the implementation of best business practices by linking strategic planning, budgeting and reporting. The Office is also responsible for ensuring continuous implementation of all relevant financial legislation to enhance the fiscal stability, accountability and integrity of the GPL.

Programme objectives

- Coordinate and prepare reports on the implementation of the Institutional Strategic Plan and budget;
- Execute payroll for both members and staff in line with relevant acts and policies on prescribed dates;
- Ensure that a three-year internal audit plan is approved by the Audit & Risk Committee and executed within the respective timeframes;
- Ensure that an annual external audit plan is approved by the Audit & Risk Committee and external audit reports finalised within five months after the financial year-end in pursuance of an unqualified audit opinion; and
- Ensure effective fraud prevention plans through implementation of the Anti-fraud and Corruption Policy and the Fraud Prevention Plan.

TABLE 2.14: SUMMARY OF PAYMENTS AND ESTIMATES: OFFICE OF THE CFO

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Chief Financial Officer	27 995	28 310	34 473	40 624	40 215	37 219	44 025	46 661	50 525
2. Finance	473	503	127	597	270	257	214	227	240
3. Supply Chain Management	2 396	4 129	2 236	1 571	4 083	4 031	10 361	5 775	5 099
4. Audit, Risk And Governance	1 332	1 637	1 289	2 199	1 149	1 015	1 449	1 536	1 622
Total payments and estimates	**32 196**	**34 579**	**38 125**	**44 991**	**45 717**	**42 522**	**56 049**	**54 198**	**57 486**

TABLE 2.15: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: OFFICE OF THE CFO

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**30 975**	**31 520**	**36 897**	**43 677**	**41 939**	**38 849**	**49 526**	**52 491**	**56 683**
Compensation of employees	23 848	25 652	31 255	35 241	34 363	32 885	38 959	42 291	45 911
Goods and services	7 127	5 868	5 642	8 436	7 576	5 964	10 567	10 200	10 772
Interest and rent on land									
Transfers and subsidies to:									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets	**1 221**	**3 059**	**1 228**	**1 314**	**3 778**	**3 673**	**6 523**	**1 707**	**803**
Buildings and other fixed structures									
Machinery and equipment	1 221	3 059	1 228	1 314	3 778	3 673	6 523	1 707	803
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**32 196**	**34 579**	**38 125**	**44 991**	**45 717**	**42 522**	**56 049**	**54 198**	**57 486**

The programme's expenditure increased from R32.2 million to R38.1 million between the 2013/14 and 2015/16 financial years. The major portion of the expenditure has been spent on compensation of employees, accounting for 77 per cent of the total. Goods and services accounted for 18 per cent and includes payment of internal and external auditors, valuation of GPL artwork and impairment of assets. Capital payments accounted for 5 per cent of the total and was mainly used for procurement of office furniture in line with the increasing number of new employees in the Institution.

During 2016/17, the programme's expenditure is projected to decrease from R45.7 million to R42.5 million, a decrease of 7 per cent on average. The decrease in compensation of employees is due to unfilled vacancies; goods and services is reduced due to implementation of efficiency measures on conferences and savings from the internal audit plan. Capital assets expenditure is reduced due to the roll-over of funds from 2015/16 to procure furniture for new offices in SAGE building.

The 2017/18 expenditure is expected to increase by 32 per cent from R42.5 million in 2016/17 to R56 million in 2017/18 due to the function shift and centralisation of Inventory and Assets to Supply Chain Management. Compensation of employees increases from R32.9 million to R39 million or by 18 per cent. The rate of growth in this figure appears to be significant; however, it is based on the revised estimates for comparisons due to unfilled vacancies that led to budget cuts in 2016/17. Goods and services increase from R6 million in 2016/17 to R10.6 million in 2017/18 and include internal and external audit fees, inventory, and the business continuity plan and asset impairments. Capital assets increases from R3.7 million in 2016/17 to R6.5 million in 2017/18 and provides for office furniture, replacement of House sitting chairs and auditorium video wall as well as laptops for Members and staff.

Over the MTEF, the programme's expenditure is expected to increase by 11 per cent on average from R42.5 in million in 2016/17 to R57.5 million in 2019/20 to take account of inflation and to ensure that the centralised inventory and assets are accommodated over the MTEF period.

8. OTHER PROGRAMME INFORMATION

8.1. Personnel numbers and costs

TABLE 2.16: PERSONNEL NUMBERS AND COSTS: GAUTENG PROVINCIAL LEGISLATURE

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. Leadership And Governance	21	20	25	23	23	23	23
2. Office Of The Secretary	9	16	13	15	15	15	15
3. Corporate Support Services	155	174	179	188	188	188	188
4. Core Business	200	219	223	225	225	225	225
5. Office Of The CFO	40	47	53	53	53	53	53
Total provincial personnel numbers	**425**	**476**	**493**	**504**	**504**	**504**	**504**
Total departmental personnel cost (R thousand)	207 397	231 742	258 011	279 998	318 120	347 510	377 745
Unit cost (R thousand)	488	487	523	556	631	690	749

To ensure that each programme is fully capacitated to carry out the mandate of the Institution, the number of fulltime personnel employed by the GPL has increased from 425 in 2013/14 to 493 in 2015/16. In 2016/1, the staff complement sits at 504 and is expected to remain constant over the MTEF period. The number of staff referred to in the table above includes both GPL employees and political parties' support staff.

The number of staff employed in Programme 4: Core Business increased from 200 in 2013/14 to 225 in 2016/17 or as at 31 March 2017 and is expected to remain the same over the MTEF. The programme supports the House and its committees' in implementing the core mandate of the Institution. Similarly, Programme 3: Corporate Support Services shows a growing staff complement since 2013/14; this includes political parties' support staff. Corporate Support Services provides administrative support to the Institution such as ICT, human resources, management of members' facilities, security and maintenance.

The Institution will continue to fast-track the process of filling all critical and funded vacant positions that form part of the structure. The increase in compensation of employees caters for annual salary increases, pay progression, performance bonuses and funeral benefits.

TABLE 2.17: PERSONNEL NUMBERS AND COSTS: GAUTENG PROVINCIAL LEGISLATURE

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6																			
7 – 10																			
11 – 12																			
13 – 16																			
Other	425	207 397	476	231 742	493	258 011	504		504	279 998	504	318 120	504	347 510	504	377 745		10,5%	100%
Total	**425**	**207 397**	**476**	**231 742**	**493**	**258 011**	**504**		**504**	**279 998**	**504**	**318 120**	**504**	**347 510**	**504**	**377 745**		**10,5%**	**100%**
Programme																			
1. Leadership And Governance	21	12 853	20	13 845	25	14 584	23		23	15 715	23	21 955	23	23 486	23	25 476		17,5%	6.4%
2. Office Of The Secretary	9	6 924	16	8 519	13	9 503	15		15	11 071	15	14 685	15	15 859	15	17 127		15,7%	4.4%
3. Corporate Support Services	155	67 188	174	74 218	179	83 968	188		188	89 982	188	97 719	188	108 359	188	117 789		9,4%	31.4%
4. Core Business	200	96 584	219	109 508	223	118 701	225		225	130 345	225	144 802	225	157 515	225	171 442		9,6%	45.7%
5. Office Of The CFO	40	23 848	47	25 652	53	31 255	53		53	32 885	53	38 959	53	42 291	53	45 911		11,8%	12%
Total	**425**	**207 397**	**476**	**231 742**	**493**	**258 011**	**504**		**504**	**279 998**	**504**	**318 120**	**504**	**347 510**	**504**	**377 745**		**10.5%**	**100%**

8.2 Training

TABLE 2.18: INFORMATION ON TRAINING: PROVINCIAL LEGISLATURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	425	476	493	504	504	504	504	504	504
Number of personnel trained	412	360	400	400	400	400	370	370	391
of which									
Male	171	160	200	190	190	190	170	170	180
Female	241	200	200	210	210	210	200	200	211
Number of training opportunities	515	330	280	360	360	360	360	360	380
of which									
Tertiary	77	90	80	85	85	85	85	85	90
Workshops	419	240	200	240	240	240	240	240	253
Seminars									
Other	19			35	35	35	35	35	37
Number of bursaries offered	77	77	80	85	85	85	85	85	90
Number of interns appointed	13	15	25	25	25	25	27	27	29
Number of learnerships appointed		10	10	10	10	10	10	10	11
Number of days spent on training	595	317	300	250	250	250	250	250	264
Payments on training by programme									
1. Leadership And Governance	90	155	194	194	194	194	194	194	205
2. Office Of The Secretary	40	91	117	117	117	117	117	117	124
3. Corporate Support Services	670	897	1 164	1 200	1 200	1 200	1 200	1 200	1 267
4. Core Business	785	1 560	1 939	2 000	2 000	2 000	2 000	2 000	2 112
5. Office Of The CFO	170	371	466	500	500	500	500	500	528
Total payments on training	**1 755**	**3 074**	**3 880**	**4 011**	**4 011**	**4 011**	**4 011**	**4 011**	**4 236**

The Institution has spent a total amount of R8.7 million on staff training over the outcome years. Of this, 2015/16 saw the highest number of trainings and accounted for the largest portion of tuition payments. Programme 4: Core Business accounted for 50 per cent of expenditure in 2015/16, followed closely by Programme 3: Corporate Support Services at 30 per cent. This can be attributed to the greater number of staff employed in both programmes as well as payment of training for Members and Political Support staff in Corporate Support Services.

During 2016/17, the GPL continued to invest in skills development by allocating R4 million for training, an increase of 3 per cent from 2015/16 financial year. Over the MTEF period, this amount is expected to increase to R4.2 million in the outer year. Half of this can be ascribed to Programme 4: Core Business which supports the House and Committees in carrying out the core mandate of the GPL.

Between the 2013/14 and 2015/16 financial years, the number of staff trained declined from 412 to 400. Of the personnel trained in the outcome period, over 50 per cent were female. The majority of the training opportunities were in the form of workshops, followed by tertiary education. In 2014/15, the number of staff trained decreased due to conflicting priorities emanating from preparations for the new Legislature term and related processes such as the second Opening of the Legislature and development of planning documents as required by the Financial Management of Parliament and Provincial Legislatures Act, 2009.

The number of bursaries offered during the outcome period increased slightly from 77 in 2013/14 to 80 in 2015/16 to improve skills and competence of staff and Members of the Legislature. During 2016/17, it is expected that 85 bursaries will be awarded to registered employees and Members; this number will increase to 90 in 2019/20 to accommodate the increasing demand for financial assistance.

During 2016/17, 25 interns were employed in the Institution in various fields. This provided them with practical work experience and broadened their knowledge. The GPL has increased its internship programme from one to two years and will continue to contribute to youth skills development initiatives. Similarly, it will continue to have ten learnership opportunities each year and over the MTEF will promote a structured learning environment for undergraduates who need to gain theoretical knowledge and practical skills in the workplace to obtain their qualifications.

1.3 Reconciliation of structural changes

TABLE 2.19: RECONCILIATION OF STRUCTURAL CHANGES: GAUTENG PROVINCIAL LEGISLATURE

2016/17		2017/18	
Programme/sub-programmes	**R'000**	**Programme/sub-programmes**	**R'000**
1. Programme: Leadership and Governance		**1. Programme: Leadership and Governance**	
Sub-Programme: Office of the Speaker	25 226	Sub-Programme: Office of the Executive Director	22 197
Sub-Programme: Office of the Deputy Speaker	7 974	Sub-Programme: Administrative Operations	3 506
Sub-Programme: Chairperson of Committees	15 591	Sub-Programme: Inter-Legislature Relations	8 415
Sub-Programme: Legislative Services Board	1 815	Sub-Programme: Oversight and Liaison	17 585
Sub-Programme: Deputy Chairperson	97		

VOTE 3

DEPARTMENT OF ECONOMIC DEVELOPMENT

To be appropriated by vote in 2017/18	R1 413 792 000
Responsible MEC	MEC for Economic Development
Administering Department	Department of Economic Development
Accounting Officer	Head of Department

1. OVERVIEW

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

Mission
The mission of the Department of Economic Development in pursuit of its vision is to:
- Ensure radical transformation, modernisation and re-industrialisation of the Gauteng economy;
- Provide an enabling policy and legislative environment for equitable economic growth and development;
- Develop and implement programmes and projects that will:
    - revitalise Gauteng's township economies;
    - build new smart, green, knowledge-based economy and industries;
    - ensure decent employment and inclusion in key economic sectors;
    - facilitate radical economic transformation, modernisation and re-industrialisation;
    - include the marginalised sectors of women, youth and persons with disabilities in mainstream economic activities; and
    - Establish appropriate partnerships for delivery and ensure that DED effectively delivers on its mandate.

Strategic Goals
The strategic outcome oriented goals of DED are:
- Gauteng's economy radically transformed;
- Gauteng's economy re-industrialised; and
- Capacitating the department for efficient and effective delivery.

Core functions and responsibilities
- Revitalisation of township economies;
- Increase the participation of small, medium and micro enterprises (SMMEs) and co-operatives (Co-ops) in the Province's mainstream economy;
- Support growth and development of the 11 identified sectors (agro-processing, automotive, manufacturing, ICT, tourism, pharmaceuticals, creative industries, construction, real estate, finance and mineral beneficiation);
- Provide research-based information to support planning, decision making and optimal resource utilisation in respect of radical economic transformation and re-industrialisation interventions ;
- Provide transversal, centralised and collaborative provincial strategic economic infrastructure projects;
- Facilitate trade and investment towards radical transformation, modernisation and re-industrialisation of Gauteng's economy
- Promote and stimulate the demand for Gauteng as a destination among domestic and international visitors (destination marketing, bidding, hosting and visitor services);and
    - Promote the socio-economic development and competitiveness of Gauteng in targeted sectors through innovation.

Main services

Enterprise Development
- Include SMMEs, township enterprises and cooperatives into the value of the eleven identified sectors;
- Build the capacity of SMMEs, township enterprises and cooperatives to participate in mainstream economic activities; and
- Revitalise and modernise township economies.

Regional and Local Economic Development
- New, smart, green, knowledge based economy and industries;
- Green technologies, processes and industries
- Township economies; and
- Energy security and project management support.

Trade and Investment Promotion
- Attract domestic direct investment (DDI) and foreign direct investment (FDI);
- Increase trade, investment and export opportunities on the African continent and globally; and
- Invest in strategic economic infrastructure.

Sector Development
- Support high growth, competitive and labour-absorbing sectors;
- Support local manufacturing;
- Stimulate competitiveness and the transformation of identified sectors;
- Radically transform the energy sector;
- Revitalise and modernise old industries; and
- Support tourism and the creative industries.

Liquor affairs
- Effective governance and regulation of the liquor industry;
- Ensure ethical business practice and empowered stakeholders;
- Promote and maintain an effective and efficient regulatory system for the liquor industry;
- Maximise the benefits derived from the liquor industry and minimise its potential negative impact; and
- Generate revenue from the industry and the regulation services offered for socio-economic development of the province.

Consumer affairs
- Ensure awareness of consumer rights through education and awareness programmes;
- Ensure consumer protection and compliance by business with applicable consumer legislation; and
- Provide secretarial support to the Consumer Affairs court.

National Development plan (NDP)

The NDP is the major blue print for government and society at large. It aims to eradicate poverty and unemployment and build a national democratic society that is socially inclusive by 2030. The NDP gives birth to the Medium Term Strategic Framework which identifies significant actions to be prioritised in the first five years of the NDP. The NDP assumes that about 90 per cent of jobs in 2030 will be created through SMMEs. This presents an opportunity for Gauteng province to create and develop productive and manufacturing skills in order to create decent and sustainable jobs. The Department will continue its efforts to develop and increase Gauteng's Provincial Supplier Development database in order to enhance SMME participation in the economy so that they benefit from the 30 per cent set aside for township businesses. There will be a strong focus on products designated for township businesses (bakery, meat and milk products).

Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation (TMR)

GPG has adopted a 10 Pillar programme to ensure radical socio-economic transformation of the province. GDED supports the following seven TMR pillars:

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

Acts, rules and regulations
- National Tourism Act No. 24, 2014;
- National Tourism Sector Strategy 2011;
- Consumer Protection Act, 2008 ;
- Gauteng Tourism Act No. 3, 2006;
- Gauteng Enterprise Propeller Act, 2005;
- National Credit Act, 2005;
- National Environmental Management: Biodiversity Act, 2004;
- National Environmental Management: Protected Areas Act, 2003;

- Gauteng Liquor Act, 2003;
- National Protected Areas Act, 2003;
- Blue IQ Investment Holding Act, 2003;
- Gauteng Gambling Act, 1995, 1996, 2001;
- Engineering Professions Act, 2000;
- Promotion of Access to Information Act, 2000;
- Administration of Justice Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Municipality Systems Act, 2000;
- Public Finance Management Act (PFMA), 1999;
- National Heritage Resource Act, 1999;
- Skills Development Act, 1998;
- Employment Equity Act, 1998;
- National Water Act, 1998;
- Convention Concerning the Protection of the World Cultural and Natural Heritage (adopted 1997);
- Intergovernmental Fiscal Relations Act, 1997;
- Extension of Security of Tenure Act, 1997;
- Gauteng Consumer Affairs (Unfair Business Practices) Act, 1996;
- Constitution of the Republic South African Act 108 of 1996;
- Restitution of Land Rights Act, 1994;
- Public Service Act, 1994;
- Business Act, 1991;
- Environment Conservation Act, 1989;
- Nature Conservation Ordinance, 1983;and
- Conservation of Agricultural Resources Act, 1983.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

PILLAR 1: RADICAL ECONOMIC TRANSFORMATION

Gauteng Enterprise Propeller (GEP)

In the period under review, the GDED through the GEP supported 504 SMMEs financially, exceeding the targeted 385 SMMEs for the 2016/17 financial year. The entity has embarked on a number of key projects aimed at promoting the growth of SMMEs and has provided non-financial support interventions to 2 078 SMMEs, with work continuing towards increasing this number to 3 300 SMMEs by the end of the 2016/17 financial year. The GEP focus remains on ensuring that cooperatives make a positive contribution to economic growth in the province and to this end 158 Cooperatives were supported financially and 376 were supported non-financially through Business Development Support interventions. The demand for capacitation and formalisation through Companies and Intellectual Property Commission (CIPC) Registrations by informal businesses continued in the period under review and 640 were supported through Business Training and CIPC registrations. This exceeded the target of 500**.**

Gauteng Tourism Authority (GTA)

The review of the Gauteng Tourism Authority (GTA) mandate has allowed the agency to focus solely on activities relating to destination promotion. The joint management forum between destination marketing and destination management work streams began to consolidate seamless operation between the different areas of responsibility. A significant total of R711.6 million value of economic benefit was generated from conferences, signature events and exhibitions hosted in Gauteng against a target of R300 million due to additional investments made in the implementation of the recently approved Events Strategy. The Increased investment in online content generation and leveraging on social media platforms to drive greater online traffic saw the target of 650 000 unique visitors to the website being exceeded achieving a total of 786 000. R4.4 billion revenue was generated from domestic tourists against a target of R5 billion. Eighty additional beneficiaries from youth employability programmes benefitted against a target of 300 through the partnership with the National Department of Tourism. A total of 334 against a target of 300 tourism SMMEs supported through the Integrated Enterprise Support Plan facilitated through our partnership with Tourism Enterprise Partnership.

Gauteng Growth and Development Agency (GGDA)

Automotive Industry Development Centre (AIDC) skills development and training programme

The Gauteng Growth and Development Agency aims to maximise the prospects of developing the Gauteng economy through facilitating trade, investment and increasing strategic economic infrastructure.

AIDC Supplier Efficiency Programme
The objective of this programme is to improve the competitiveness of companies in the Gauteng automotive component industry and related industries to enable them to participate at international supply chain level. The programme is aimed at addressing key issues of quality, cost reduction, productivity improvement and manufacturing/supply stability. The efficiency programme undertook a gap analysis of 40 companies and 127 people were employed in these companies and trained. The programme offered training in clean and lean manufacturing, quality assurance (ISO 9001), total production maintenance (TPM), rapid improvement processes (RIP) and energy savings (ISO5001).

Winterveldt Enterprise Hub (WEH)
The aim of the project is to train and mentor SMMEs from the Winterveldt area to enable them to grow their businesses. The WEH processed 90 private vehicles, 13 EMS vehicles, 4 SAPS vehicles, 2 from the Department of Labour (DoL), 2 from the Department of Health (DoH) and 2 from G-Fleet.

The Innovation Hub (TIH)
The TIH, which is managed by The Innovation Hub Management Company (TIHMC), was established by the provincial government to enhance the development of smart industries (high technology sectors) in Gauteng.

The primary sectors for TIH are ICT, biosciences and the green economy (renewable energy and low carbon economy technologies). A secondary sector is industrials, which addresses innovations falling outside the primary sectors. TIHMC Enterprise Development programmes consist of incubation programmes, the Maxum Incubator, the Climate Innovation Centre (CIC) and mLab. These programmes offer incubation support to entrepreneurs to develop sustainable businesses. The short-term outcome expected from these programmes is an increased number of commercialised innovations within TIHMC's targeted sectors, with the intent to enable the entrepreneurs to form sustainable businesses that create knowledge-based jobs.

Maxum Media Accelerator
The Maxum Media Accelerator (MMA) was established and implemented in partnership with Urban Brew and other industry partners with an amount of R2 million as funding by GEP. Forty entrepreneurs were recruited through this pilot which is is a media entrepreneurship acceleration programme that identifies, develops and supports newly formed media production companies in South Africa.

Commercialisations
Twenty commercialisations took place during the reporting year.

Climate Innovation Centre South Africa (CICSA)
The Climate Innovation Centre South Africa (CICSA) was established to provide a one-stop shop for enterprise development support to SMMEs and researchers to proactively and profitably develop, transfer and deploy advanced climate-smart/ green economy technologies that meet local needs. Twenty-three companies have been recruited to date.

eKasi Programmes
eKasiLabs are innovation hub platforms aiming to promote the culture of innovation and entrepreneurship in townships. The programme entails setting up co-creation facilities accessible to local innovators and entrepreneurs. Seventy-seven companies have been incubated at eKasiLabs.

Export Development Programme Training Program
The Export Ready Training Programme forms part of the GGDA's Export Development Initiatives. The programme focuses on export capacity building and training of emerging and experienced exporters. GGDA partnered with the Department of Trade & Industry (DTI) to implement the export development programme. A total number of 157 companies had been provided with export readiness capacity building by the end of December 2016.

Consumer Affairs
The aim of the consumer affairs division is to increase the level of consumer protection and improve consumer awareness through relevant programmes. The achievement of the respective targets relating to the number of complaints received and resolved is on track. This is attributed to heightened awareness of the office mainly through education and awareness campaigns and increased media exposure. Awareness by suppliers of the redress capability of the Consumer Affairs Court contributes to the resolution of consumer complaints. The department received 1 506 complaints and resolved 1 582 complaints during the reporting period.

A total number of 370 workshops and outreach events were conducted. The annual target of 350 was exceeded due to an increased number of invitations from the GPG Transversal–Financial Literacy Project and additional requests to host

sessions of the School Olympiads Competition and ConHill Debating Competition, Ntirhisano Outreach events and the Qondi'sishishini Lakho campaign. The main campaigns during the reporting year focused on the elderly, youth, Women's Month, Disability Month and the Spend Wisely Campaign in December 2016, concentrated in Sedibeng District.

Gauteng Liquor Board (GLB)

The Gauteng Liquor Board is mandated to create a seamless business regulation and good governance environment that promotes ethical conduct, transforms the industry, realises sustainable revenue generation and contributes towards the radical economic transformation Pillar. The agency is currently developing projects for records management and automation of business processes. Substantial progress has been made in the automation project, the mapping phase has been completed including the design and building of the system which involves an interface with the automation project geographical information system (GIS). It is anticipated that the project will be implemented in April 2017.

Finalisation of the appointment of the service provider for the Records Management project was completed and retention schedules have been finalised and are awaiting approval. The project is currently at the testing phase, scheduled to be completed in June 2017. Total revenue of R32 million was collected in relation to liquor processes. The agency is currently in the process of reviewing the liquor licensing tariffs. A total number of 2 355 liquor applications were received and 858 issued. The Gauteng Liquor Board conducted 1 593 pre-inspections and 1 513 compliance inspections. A total number of 13.5 million people were reached through awareness programmes including those who attended the workshops and by media coverage.

Gauteng Gambling Board (GGB)

To achieve its mandate, the Gauteng Gambling Board set itself the following key targets aligned to DED's overall target: number of compliance audits, number of inspections and gambling taxes collection. Gambling tax revenue amounted to R757.1 million at the end of the third quarter the 2016/17 financial year. 520 inspections were conducted against a target of 508. A total of 130 compliance audits were completed against a target of 120. The overachievement of these targets was due to the new bookmaker licences which were issued recently.

Cradle of Humankind World Heritage Site (COHWHS)

The Cradle of Humankind World Heritage Site is mandated to protect, conserve and offer interpretation of the outstanding universal value (OUV) of the site ensuring community involvement and beneficiation to local communities in the area. In relation to management of the fossil sites, the first round of bi-annual inspections was held in June 2016 and the subsequent reports for 13 sites finalised in August/September 2016 and submitted to the South African Heritage Resources Agency in September 2016. The second round of bi-annual inspections was conducted in December 2016. The 13 reports emanating from the second round are anticipated to be finalised and submitted to the South African Heritage Resources Agency in February/March 2017.

In relation to monitoring of water resources, the first round of borehole monitoring and data capturing and assessment by the Council for Scientific and Industrial Research (CSIR) was completed. In addition, the State of Conservation Report requested by UNESCO's World Heritage Committee regarding the impact of acid mine drainage (AMD), amongst others, on the integrity and authenticity of the COHWHS was completed and submitted to the National Department of Environmental Affairs (DEA) in September 2016. This was then sent to the World Heritage Centre in Paris for tabling at the next World Heritage Committee meeting in Poland in July 2017. With regard to the schools programme, the project was completed in the current year with 2000 learners from underprivileged schools having been sponsored to visit the COHWHS Official Visitor Centres of Maropeng and Sterkfontein Caves. The visitor centres are an important resource for teachers and learners as fossil studies and evolution form part of the national curriculum.

Strategic Partnerships, Special Projects and International Relations

Special Projects, Strategic Partnerships and International Relations seek to ensure that stakeholders from all sectors of society (locally and internationally) work together to deliver special projects and related services for sustainable economic development that generates growth and creates jobs. Intergovernmental Relations (IGR) is responsible for encouraging cooperative governance between the three spheres of government in the economic sector (including Chapter 9 institutions).

The Gauteng Township Entrepreneur Awards (TEAs) were conceptualised to revitalise the Gauteng City Region townships' economy. This campaign is aimed at providing a unique platform for Gauteng township entrepreneurs to market themselves, be celebrated and be rewarded. Entrepreneurs are encouraged and inspired to build, gain confidence in their township businesses and to realise the potential economic gains for the communities in which they operate thus inspiring potential and existing township businesses to move forward in their businesses. Strategic partnerships are able to solicit strategic partners to collaborate with the department in launching the TEAs and source sponsorships.

The Eco Wash Project initiative is a partnership between the Department of Economic Development, Productivity SA and Gauteng Enterprise Propeller. It is aimed at identifying car wash owners in the townships, providing them with basic business

training offered by Productivity SA and supplying them with Eco Wash equipment which is a waterless car wash that uses one litre of water to wash 10 cars. Twenty car wash owners have benefitted from this initiative and are currently operating these machines in all five corridors.

The Massmart project is collaboration between GDED and Massmart aimed at accelerating, enhancing, promoting and consolidating GDED's and Massmart's long-term economic development, employment creation and sustainable development programmes. The project is intended to convert existing old shops within townships into more modernised and economically competitive spaces. Six spaza shops, in Attridgeville, Alexandra, Katlehong, Khutsong, Randfontein and Sebokeng, were selected for the pilot phase. Those in Attridgeville, Alexandra and Katlehong are nearing completion, with the shops still requiring minor adjustments to be complete (painting in some shops and finishing some of the shelving). The shop in Khutsong was completed and a launch date will be determined. Phase 3 of the spaza conversion in Randfontein and Sebokeng is anticipated to take place in during the last quarter of 2016/17.

Dinokeng Project

The Dinokeng Project, in partnership with the Gauteng Enterprise Propeller, continued to support and empower SMMEs and cooperatives. Ten existing and ten new SMMEs were supported, resulting in the creation of 60 jobs. Five existing and four new cooperatives were supported in Steve Bikoville, Hammanskraal, Refilwe and Cullinan. The cooperatives focused on fashion crafts (jewellery and beading), textile crafts (sewing, embroidery, silk-screening and fashion), decorative crafts (wood carving and wireworks) and functional crafts (pottery, mosaic, ceramics and moulding). The Dinokeng Project also supported one partnership between cooperatives in Refilwe and a local cooperative called Masarasarane. The game reserve sustained more than 500 jobs employed by both the Dinokeng Game Reserve Management Association (DGRMA) and the tourism product owners within the reserve.

The Dinokeng Project continued to implement an awareness programme aimed at achieving inclusive participation particularly by disadvantaged communities in the mainstream tourism economy of Dinokeng (school visits and Dinokeng Game Reserve (DGR) awareness). There are two stopovers, the Nakedi Picnic Site and the Mangala Game Viewing Deck, that are being developed along the self-drive route. This route is expected to be the main driver of revenue in the reserve and has increased its income from Phase 1 to Phase 2 by 42 per cent. It is expected that it will increase tourism numbers to the reserve, providing a variety of outdoor experiences including picnicking, game viewing, birding, conferences and hunting. The Dinokeng Project also implemented the Working on Fire programme which includes natural resource management that follows an approved environmental management plan (EMP). Part of this work included the implementation of the DGR fire management plan and 51 job opportunities were created from the project.

In Cullinan and the township of Refilwe, the Dinokeng Project is designing two gateways through the Gauteng Growth and Development Agency. These will give a sense of arrival to the town of Cullinan and in Refilwe. They will also assist with the beautification of public spaces. The gateways are expected to transform, modernise and beautify the public spaces.

Pillar 9: Re-Industrialisation of Gauteng Province

Gauteng Enterprise Propeller (GEP)

The GEP provided non-financial support to 83 industrial park-based small businesses across the province through business development support interventions in 2016/17, sustaining 121 jobs. Beneficiaries in the manufacturing, creative industries, services and automotive sectors received support through the Township Business Renewal Programme and the Community Fund Programme to enhance the growth and sustainability of their businesses. Assessments are underway in industrial parks across the Gauteng corridors with a view to provide support to a greater number of SMMEs based in these hubs.

Gauteng Growth and Development Agency

ASP infrastructure projects mini factory

The mini factory is a concept developed to accommodate tenants that may not require huge manufacturing space for their operations. The aim is to create mini factory spaces that accommodate small to medium suppliers to the auto sector. The mini factory construction was completed by the end of November 2016 and will be occupied by the end of the 2016/17 financial year.

Nissan SA Incubation Centre

Nissan SA approached GPG seeking assistance to alleviate the two-pronged challenge (i.e. advice for early career professionals and advice for employers). The GPG (through GDED) agreed to assist Nissan SA by investing R200 million in the project. The objective of the project is to design and construct a facility located within Nissan's vehicle assembly plant site to accommodate eight incubates to nurture black-owned component suppliers into the vehicle manufacturer's supply chain The size of the facility would be in the region of 6 500 square metres. The incubatees would support the automotive industry's vision 2020 requirement of increased local content. The construction work is now completed.

The Innovation Hub (TIH)

Bio Park Facility Project

The development and expansion of the Innovation Hub in the northern corridor continues to be a priority for the department. The aim of the Biosciences Park is to provide a nurturing environment for biotechnology start-ups to develop, thrive and become successful commercial players and contribute to economic growth. The establishment of the second phase of the facility was initiated in the 2015/16 financial year. The design development was completed and construction at the end of the third quarter of 2016/17 was at 58 per cent.

Industrial Development Zone (IDZ)

The Gauteng IDZ is a Special Purpose Vehicle (SPV) established to develop and operationalise the designated IDZ at OR Tambo International Airport. In line with its establishment mandate as well as the application made to the National Department of Trade and Industry (DTI) for consideration and approval of its operator permit, the Gauteng IDZ is required to promote the beneficiation of pre-selected minerals in South Africa through the establishment of a Jewellery Manufacturing Precinct.

The Gauteng IDZ's work is focused on the development of a Jewellery Manufacturing Precinct (as Phase 1 of the programme) and identification of opportunities that can be considered for expansion of its programme (Expansion phase). Implementation of both the phases is underway, with Phase 1 being at the infrastructure development and investor attraction stages.

The expansion phase is at the investigative stage. A feasibility study of other export-driven subsectors of the economy that have a catalytic impact will be undertaken for air and land freight. The expansion phase focuses on identification of opportunities in the air freight value chain as well as linkages with the Aerotropolis development framework for the Eastern Corridor of the province.

Jewellery Manufacturing Precinct

The Gauteng IDZ is presently developing a Jewellery Manufacturing Precinct (JMP) on land identified for this purpose within the OR Tambo International IDZ. Bulk infrastructure construction for green field development is underway and was reported to be 57 per cent completed by the end of the third quarter. In the period under review the following progress was recorded:

- Platforms have been completed, except for the parking which will be completed in due course
- The storm water pipe is 98 per cent complete, sewer pipe-laying is 100 per cent complete except for land on which negotiations are underway to extend the lease to accommodate additional land for the development. Water pipe-laying is 70 per cent complete.
- Excavation at the attenuation pond has been completed.
- Construction of the retaining walls has commenced and is 5 per cent complete.

Industrial Parks

The Township Enterprise Hub programme is a turnkey solution to address the objectives of the Township Economies Revitalisation Strategy. The aim of the proposed refurbishment programme is to enhance the role of SMMEs in growing the township economy. A property report was undertaken for eight industrial park sites: Sebokeng 1 (Residensia), Sebokeng 2, Eldorado Park, Vosloorus, Pennyville, Mamelodi, Lesedi and Toekomsrus. Refurbishment and upgrades are anticipated to be completed by the end of the 2016/17 financial year.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

PILLAR 1: RADICAL ECONOMIC TRANSFORMATION

Gauteng Enterprise Propeller (GEP)

The department will, through GEP, provide financial support to 1 385 SMMEs in line with the Township Economy Revitalisation (TER) Strategy. These businesses will mainly be funded through loans, the Community Fund and the Township Business Renewal (TBR) programme. Non-financial support interventions will be provided to 2 410 SMMEs. To address the high demand for formalisation of informal businesses, 2 400 informal businesses will benefit from Business Development Support interventions. These are aimed at providing business management skills to SMMEs, access to markets and profiling small businesses in the province to attract investment and other funding mechanisms. It is envisaged that the SMMEs will subsequently be better positioned to become active participants in the mainstream economy and positively contribute to job creation and the reduction of poverty.

Gauteng Tourism Authority (GTA)

The GTA will continue to implement its strategies as a DMO by bidding for and hosting business and signature events and promoting Gauteng as a destination of choice in South Africa and in Africa. The organisation will improve tourism support services by working with relevant stakeholders in the tourism industry. Through the implementation of events support programmes, township-based SMMEs will have access to markets.

Gauteng Growth and Development Agency(GGDA)

AIDC Supplier Efficiency Programme

Under this programme, the following seven key programmes will be implemented:

- Total Productive Maintenance Programme (TPM);
- Cleaner Production Programme;
- Rapid Process Improvement Programme (RPIW);
- Lean Manufacturing Programme, including collaboration initiatives with the Japanese Government
- Quality and Environmental Management Systems
- Automotive Centre for Competitiveness; and
- Support and services for BMW suppliers (new).

Commercialisations

There are existing MoUs signed with research and academic institutions in Gauteng. TIHMC has also created a platform with research councils and various universities to interact with them on matters of research and commercialisation. These agreements envisage that TIHMC will provide commercialisation support for the research outputs of these institutions. The research institutions near TIHMC Science Park also provide infrastructure space (e.g. laboratory and technical facilities for start-up companies in incubation). During the financial year 2017/18, TIHMC plans to strengthen these relationships to improve the pipeline of spinoffs from the universities and research institutions into TIHMC incubation programmes.

The Innovation Hub (TIH)

To increase its impact on industry and other partners, TIHMC plans to streamline its current programmes and activities to focus on three cluster areas: Smart Industries, Green and Biosciences. As these sectors are in themselves broad, TIHMC has identified subsectors where the organisation has internal capabilities and established linkages with industry, academic, government and research partners as subsectors in which the chance of developing viable cluster is enhanced.

Large, medium size and small companies including the start-ups in the incubation programmes will be recruited into becoming cluster members. A cluster strategy and value proposition is currently being developed for recruiting potential members. There is also a plan to recruit some of these cluster members into the Science and Technology Park as rental or anchor tenants of the park.

eKasi Programmes

eKasi Labs are extensions of TIHMC in the townships to promote the culture of innovation and entrepreneurship and innovative output in the community in line with the provincial economic policies of TMR/TER. The facilities will incorporate Mobile Application development and aspects of Fablab (Fabrication Laboratories) activities and programmes whose main objectives are to promote entrepreneurship in the area of product design and manufacturing.

It will also promote high tech skills for local entrepreneurs in the townships, provide access to infrastructure for entrepreneurs to develop new products that can be tested and modified in the market place according to customer needs, increase the diffusion and adoption of technology, and provide research, development of new tools for entrepreneurs and infrastructure to produce small batches of niche products.

The key outcomes of the programme include new generation entrepreneurship, high impact/high tech product and services, skills development and job opportunities for local communities. The budget will be reprioritised to expand the programme to the five corridors of Gauteng. In the 20I7/18 financial year eKasiLabs will be expanded to the West Rand and Sedibeng.

Consumer Affairs

In the 2017/18 financial year, there will be no changes in the services delivered. However, Consumer Affairs will be starting new projects in consumer education and awareness, in particular the Financial Education for Young Entrepreneurs Schools Competition, the Varsity Financial Literacy Programme and seminars for businesses. Consumer Affairs will continue to contribute to and facilitate revitalisation of Gauteng's township economies by supporting the development of township enterprises, co-operatives and SMMEs in its education and awareness programmes focusing on the consumer protection regulatory environment. Increased consumer satisfaction will ensure a conducive environment to increase the participation of SMMEs and co-operatives in the province's mainstream economy and contribute to the growth and development of the eleven identified sectors by developing capabilities, knowledge and awareness of the regulatory environment in which these businesses operate.

Gauteng Liquor Board (GLB)

The Gauteng Liquor Board will continue to collect revenue from its processes and move towards being self-sustainable. New liquor tariffs came into effect in December 2016 enabling the GLB to generate more revenue. Liquor compliance inspections

will continue to be undertaken including education on application procedures, responsible drinking and compliance and non-compliance issues. Penalties for non-compliance notices will be implemented and this will contribute towards revenue collection. The agency will finalise the business model for the Corporate Social Investment (CSI) expanded programme. Industry partners such as brewing companies and large retail chain stores will be brought on board to contribute towards CSI. The automation and records management projects will be fully implemented in 2017/18. The automation system is central to the Gauteng Liquor Board processes as it migrates the manual process to an automated platform. Automation will modernise the GLB processes, enhance the potential for revenue collection and contribute to the creation of a credible data base.

Gauteng Gambling Board (GGB)

Technology is a key driver of products and services in the gambling industry, therefore the agency has identified the importance of technical audits in the gambling industry. In that, the agency will continue with it efforts in conducting gambling compliance audits, inspections and gambling tax revenue from gambling regulatory processes to ensure the accuracy and completeness of revenue due to the fiscus. The board will be embarking on a projects to deal with all problems relating to illegal gambling in the Province.

Cradle of Humankind World Heritage

The Cradle of Humankind World Heritage will continue to maintain and improve the management of the fossil sites twice a year. Educational and awareness-creation projects will continue to be a key focus area with sponsored school visits to the visitor centres of Maropeng and Sterkfontein being a key project. The natural resources and cultural management of the site will continue with fire and vegetation maintenance and overall management of natural and cultural resources in the site. Landscape character assessment and a visual assessment will be undertaken including a land use audit. These technical assessments will assist with planning and development of site specific regulations in terms of the World Heritage Convention Act, 1999 and the National Environmental Management: Protected Areas Act, 2003.

Strategic Partnerships, Special Projects and International Relations

Strategic Partnerships will continue to facilitate partnerships on behalf of the Department to foster relations with the private sector which may result in more projects being identified. Through strategic partnerships and special projects, the department will engage with private sector companies to solicit sponsorship for the township awards and the budget speech networking session. Through special projects, International Relations will identify SMMEs within the township and provide them with international market exposure. This process may lead to market access for some of the SMMEs. Conversion of spaza shops will be finalised as part of radically transforming the economy**.**

Dinokeng Project

The Dinokeng Project will continue to engage with established businesses within the Dinokeng Game Reserve (DGR) to procure goods and services from enterprises in the surrounding townships. The DGRMA is currently developing a database of service providers within the local communities that are being used by all tourism product owners in the DGR. The Dinokeng Project also plans to establish a Dinokeng Community Development Trust to create an inclusive economy based on the Dinokeng Game Reserve tourism activities. Political instability in the area has negatively impacted the implementation of this project in the past.

The Dinokeng Project will also conduct awareness campaigns, train communities in tourism skills and place trainees for work experience. As part of stakeholder management, regular annualised dialogue with stakeholders in the broader Dinokeng project area will be conducted; these are referred to as Tourism Information Meetings (TIMs) and are in addition to project based stakeholder management. The TIMS are intended to provide feedback to stakeholders on progress that the Dinokeng Project is making in implementing its projects, and to receive feedback from stakeholders on the impact of these projects on their operations.

The DGR is implementing the Working on Fire programme, an EPWP programme supporting biodiversity management and facilitating the economic viability of the DGR through the operational funding. The Dinokeng Project will update the current Environmental Management Plan for the game reserve, which serves as a guideline for property development and management in the game reserve. The national Department of Environmental Affairs requires this update every five years. The Dinokeng Project will continue to facilitate engagements with landowners to potentially incorporate their properties into the game reserve.

PILLAR 9: RE-INDUSTRIALISATION OF GAUTENG PROVINCE

Gauteng Growth and Development Agency

Automotive Supplier Park (ASP) Infrastructure projects

The ASP will continue to be promoted as an attractive manufacturing and investment destination for the automotive sector

and +10,000 square meters of new facilities in respect of the new facilities construction for Phase 1 and 2 of the ASP will be secured.

Nissan SA Incubation Centre
During 2017/18 financial year, the Nissan SA Incubation Centre will see the start of a BEE SMME incubation intervention. Shared services for newly established companies will be put in place.

Bio Park Facility Project
During 2017/18, TIHMC will prioritise the recruitment of R&D anchor tenants at the Science Park to increase the output of R&D from the Park. TIHMC will also initiate clusters in the sectors of Smart industries, Biosciences to promote research, development of new products and services amongst cluster members, and promote spin offs with universities and research institutions. In the satellite innovation programmes, TIHMC will implement incubation programmes in film and gaming as part of the creative sectors.

Dinokeng Project
The infrastructure projects namely the design of the picnic sites, ablution facilities at Roodeplaat Dam, the design of the riverboat cruise operation facility at Roodeplaat Dam and the design of the two gateways in Cullinan by Dinokeng will be managed by the GGDA The upgrade of Roodeplaat Dam site is anticipated to increase visits to Roodeplaat and the construction of the gateways in the town will give a sense of arrival to the town of Cullinan and the township of Refilwe. The gateways are also expected to transform and modernise the public space through beautification of the space.

The Dinokeng Project will work closely with the GTA to promote and market the Dinokeng Game Reserve as a preferred destination of choice, using the tagline of “Only free roaming big five game reserve in the province”. The marketing plans include setting up a Local Tourism Association for Dinokeng, developing a Dinokeng brand strategy and implementing Dinokeng brand specific exhibitions and campaigns. Marketing of the other two hubs will be intensified as soon as the infrastructure work was completed.

4. REPRIORITISATION

The department has reprioritised the budget baselines on compensation of employees over the MTEF in line with the organisational structure which is currently under review. The review of this structure took place to reposition the department to carry out its mandate appropriately. The department is also in progress of developing job profiles and conducting job evaluation for the newly created posts including Branch: Trade and Sector under Programme: 2, as such, an amount of R24.4 million has been reprioritised over the outer years. In order to allow finalization of DPSA processes, it therefore anticipated that the implementation of the new structure will be during the 2017/18 financial year.

The R20 million per annum for the next 2 years of the MTEF for the Youth Project Management Office (PMO) which was allocated under Economic Planning was shifted to GEP for implementation. The main focus of the Youth PMO is the development of skills through placement in on-the-job training, giving youth an opportunity to get into formal employment as well as the entrepreneurial stream. In addition, an amount of R10 million is reprioritised in 2017/18 to supplement the R40 million allocated to TER projects under Programme 2.

An amount of R36 million is reprioritised over the MTEF from the Business Regulation and Governance programme to Administration programme for the mobile satellite buses project. This project ensures access to government services by going directly to communities and assisting them with various administrative functions as part of TER implementation.

The department has also transferred implementation of the Township industrial parks from Economic Planning programme to GGDA and the budget amounting to R168 million was shifted to follow the function over the MTEF.

5. PROCUREMENT

The department will ensure that all contracts are subjected to market price analysis and the concept of value for money is the core driver when negotiating contracts. The department will also continue to ensure that procurement of goods and services is done timeously.

The department has allocated funds over the MTEF to ensure that all projects critical to its mandate are delivered on time. Some of the initiatives that will impact on the procurement process are:
- Heightened public participation and outreach;
- Mid-term impact assessment;
- PMO for unemployed youth;

- Enterprise Building 2 and 3;
- Constitution Hill Visitor Centre and redevelopment of precinct;
- ICT PMO;
- Refurbishment of industrial parks;
- Tourism marketing;
- Bidding and hosting Joy of Jazz festival;
- Bidding and hosting Joburg Shopping festival; and
- Bidding and hosting the Summer Cup.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 3.1 SUMMARY OF RECEIPTS: ECONOMIC DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	963 353	1 101 491	1 305 610	1 331 638	1 387 699	1 387 699	1 413 792	1 506 450	1 583 355
Total receipts	**963 353**	**1 101 491**	**1 305 610**	**1 331 638**	**1 387 699**	**1 387 699**	**1 413 792**	**1 506 450**	**1 583 355**

The equitable share allocation of the department increased from R963.3 million in 2013/14 to R1.3 billion in 2015/16 which translates to an increase of 35 per cent over the three year period. The 2016/17 adjusted allocation amounted to R1.4 billion. Amongst the projects funded within the equitable share are TER projects such as SMME support, Youth PMO as well as the review of the departmental organization structure and committed projects over the MTEF period which include job creation initiatives, Nelson Mandela Centre of Memory, bidding and hosting evens. The growth also catered for core priority outputs such as the refurbishment of industrial parks in townships and Innovation Hubs which contribute to the provincial pillar of Radical Economic Transformation. The baseline increases by 5.9 per cent over the MTEF, R1.4 billion in 2017/18 to R1.6 billion in 2019/20.

6.2. Departmental receipts collection

TABLE 3.2 : DEPARTMENTAL RECEIPTS:ECONOMIC DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Tax receipts	753 404	799 823	870 999	928 873	928 873	928 874	1 014 013	1 074 860	1 139 363
Casino taxes	715 672	759 547	828 997	878 874	878 874	878 874	944 673	1 002 860	1 063 331
Horse racing taxes	37 732	40 276	42 002	50 000	50 000	50 000	69 340	72 000	76 032
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	48	17 361	374			6 781			
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	5 177	2 526	5 167	2 223	2 223	2 222	2 334	2 469	2 608
Sales of capital assets						30			
Transactions in financial assets and liabilities	5 293	753	(5 215)	292	292	552	306	324	342
Total departmental receipts	**763 922**	**820 463**	**871 325**	**931 388**	**931 388**	**938 459**	**1 016 654**	**1 077 654**	**1 142 313**

The department's source of revenue is mainly generated from casino taxes, which constitute a high proportion followed by horse racing taxes. Liquor licence fees currently do not form part of revenue sources of the department.

As of end of December 2016, the department has collected 66 percent of their appropriated target of R931 million.

Revenue enhancements being pursued in the department amongst others is Automation of liquor licence data base in accordance with the new regulations, to ensure revenue collection is maximized and surrendered to the provincial revenue

fund. This initiative is expected to be fully implemented during the 2017/18 fiscal year. The New Casino regulations are expected to be implemented during the course of 2017/18, once the process has been concluded.

The revenue initiatives cited above are instrumental in revenue growth estimate over the 2017 medium term period, to over a R1.1 billion in the outer year of the period under review.

7. PAYMENT SUMMARY

7.1 Key assumptions

The 2017 MTEF budget is informed by the NDP, MTSF, the Department of Economic Development Strategic Plan, TMR Annual Performance Plan, provincial outcomes and the GPG Programme of Action (POA). The key assumptions underpinning the budget are:

- Provision for annual salary adjustments at 7.1 per cent average; projected CPI of 6.9 percent plus 1 per cent for 2017/18; 6.6 percentage average projected CPI plus 1 per cent for 2018/19 and 5.6 percent for 2019/20.

7.2 Programme summary

TABLE 3.3: SUMMARY OF PAYMENTS AND ESTIMATES: ECONOMIC DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	132 544	168 306	202 072	227 109	237 658	237 658	287 897	289 554	305 765
2. Integrated Economic Development Services	222 076	284 020	301 958	198 345	248 645	248 645	231 613	288 524	297 228
3. Trade And Sector Development	512 185	530 906	578 254	624 317	679 700	679 700	714 211	736 861	778 127
4. Business Regulation And Governance	46 577	58 209	55 228	77 249	79 116	79 116	66 563	70 792	74 756
5. Economic Planning	13 405	19 214	133 332	204 617	142 579	142 579	113 508	120 719	127 479
Total payments and estimates	**926 787**	**1 060 655**	**1 270 844**	**1 331 638**	**1 387 699**	**1 387 699**	**1 413 792**	**1 506 450**	**1 583 355**

7.3. Summary of economic classification

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**264 807**	**310 979**	**369 174**	**494 248**	**407 301**	**407 301**	**450 750**	**515 433**	**536 842**
Compensation of employees	110 685	134 813	165 315	230 626	193 750	193 750	244 145	258 306	275 871
Goods and services	154 122	176 166	203 859	263 623	213 551	213 551	206 605	257 127	260 971
Interest and rent on land									
Transfers and subsidies to:	**657 890**	**688 559**	**886 660**	**821 890**	**955 618**	**955 617**	**950 593**	**977 848**	**1 032 608**
Provinces and municipalities					500	500			
Departmental agencies and accounts	656 778	666 099	885 945	821 890	954 573	954 572	950 593	977 848	1 032 608
Higher education institutions									
Households	1 112	22 460	715		545	545			
Payments for capital assets	**1 619**	**6 028**	**15 008**	**15 499**	**24 758**	**24 759**	**12 449**	**13 169**	**13 905**
Buildings and other fixed structures									
Machinery and equipment	1 619	6 028	14 924	10 499	19 599	19 600	12 449	13 169	13 905
Heritage Assets									
Software and other intangible assets			84	5 000	5 159	5 159			
Payments for financial assets	**2 471**	**55 089**	**2**		**22**	**22**			
Total economic classification	**926 787**	**1 060 655**	**1 270 844**	**1 331 638**	**1 387 699**	**1 387 699**	**1 413 792**	**1 506 450**	**1 583 355**

Expenditure increased from R926 million in 2013/14 to R1.3 billion in 2015/16 as a result of the implementation of the TER projects through the department's entities and the relocation costs of offices from 94 Main Street to 56 Eloff Street.

The overall 2017/18 allocated budget increases from R1.3 billion in 2016/17 and R1.4 billion in 2017/18. Over the MTEF, the allocation increases from R1.4 billion in 2017/18 to R1.6 billion in 2019/20. The growth is attributed to additional funding for earmarked projects such as the automotive supplier park expansion, the Economic Development Plan, the Discorp Africa Project and the Cycling Festival. The MTEF allocation also caters for a range of projects such as renovation of township

industrial parks, youth employment projects, bidding and hosting of events, SMME development initiatives and the Nelson Mandela Centre of Memory.

The compensation of employees' budget increases from R230.6 million in 2016/17 to R244 million in 2017/18 due to the introduction of the trade and sector branch and to align with the new organisational structure which is currently under review. The growth in the compensation budget is 13 per cent over the MTEF from R244 million in 2017/18 to R275 million in 2019/20.

Goods and services expenditure increased from R154 million in 2013/14 to R204 million in 2015/16. The increase is linked to factors such as operational costs associated with office building, audit costs, advertising, and training incurred in 2013/14-2015/16. Over the MTEF, the allocation increases by 26.3 per cent from R206 million in 2017/18 to R260 million in 2019/20. This will make provision for the following projects and programmes: Phase 2 of Qondi'sishishini Lakho; Consumers on Wheels; school debates; tooling initiatives; State bank; the Gauteng Growth and Modernisation Programme, as well as projects that are aligned to the deliverology programme such as township brickmaking, wholesale and retail, furniture sector, benchmarking initiatives and linen clusters which is part of the clothing sector as well as township consumer cooperatives.

The expenditure for transfers and subsidies increased by 35 per cent from 2013/14 to 2015/16 which translates to a nominal value of R658 million to R886 million respectively. The budget for transfers increases from R950.9 million in 2017/18 to R1 billion in 2019/20.

The department has allocated funds over the MTEF to the GGDA's subsidiary, the Innovation Hub, which will make provision for the eKasi Labs, mLab/Code Tribe, Academy Open IX and Innovation Exchange Incubation programmes. All of these programmes are aimed at addressing issues ranging from the eradication of poverty in townships through job creation to targeting of youth unemployment, the provision of opportunities to promising township based youth as well as supporting emerging industries and the modernisation of the economy.

Over the MTEF, the department has set aside R157.8 million for tourism marketing through GTA to promote tourism and social cohesion. R25.2 million is allocated to bidding for and hosting events such as Gauteng Summer Cup and the Joburg Shopping Festival. A further R14.5 million is allocated to the Discorp Africa Project and the Cycling Festival. These events will have positive economic spinoffs for the province since they are earmarked as tourist attractions.

Capital payments significantly increases from R1.6 million in 2013/14 to R15 million in the 2015/16 financial year. Over the MTEF, the allocation increases from R12 million in 2017/18 to R13.9 million in the 2019/20 financial year. The allocation provides for the procurement of office furniture and purchasing of new computers for the newly appointed personnel. The allocated budget will also cater for the implementation of community ICT hubs so that SMMEs can access the internet; broadband; and payment for software licenses.

7.4. Infrastructure payments

7.4.1 Departmental Infrastructure payments

N/A

7.4.2 Departmental Public-Private Partnership (PPP) projects

N/A

7.5. Transfers

7.5.1. Transfers to public entities

TABLE 3.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1.Gauteng Enterprise Propeller	128 447	136 291	290 438	176 418	236 718	236 718	214 374	217 336	229 507
2.Gauteng Tourism Authority	62 019	69 530	93 798	91 994	104 744	104 744	101 165	107 038	113 032
3.Gauteng Growth and Development Agency	358 173	341 772	359 033	405 949	465 282	465 282	493 117	502 144	530 264
Total departmental transfers	**548 639**	**547 593**	**743 269**	**674 361**	**806 744**	**806 744**	**808 656**	**826 518**	**872 803**

The total expenditure for public entities increased from R549 million in 2013/14 to R743 million in 2015/16. The increase in expenditure is a result of providing support and training to informal businesses, SMMEs and cooperatives, TER initiative, PWD empowerment, refurbishment of township hubs, IDZ bulk infrastructure, youth placement and marketing Gauteng as a tourist destination

The MTEF budget increases by 8 per cent from R808.6 million in 2017/18 to R872.8 million in 2019/20. This funds projects such as the Nelson Mandela Centre of Memory, Biosciences and ACSA rental.

Amongst the earmarked project to be facilitated by Gauteng Enterprise Propeller (GEP) is the Construction of the Eco-Systems Centre in partnership with the Department of Human Settlements. The centre will house all construction manufacturing components and it will provide support to the following competencies: Brick, steel, plastic, wood and roof.

In addition, the department through the GEP will implement project Vuthela, this project is a youth accelerated job creation programme which provides youth with job readiness skills, job placement, SMME skills and cooperative development and access to market. The department has also funded TER projects such as the Eco-wash which is waterless solution aimed at saving water and to create jobs; Internet access to industrial hubs; and also the bread production cluster project which is aimed at clustering of the bread producers in the townships to produce bread for public sector institutions such as schools, prisons and hospitals and the township enterprise awards.

GEP will continue to provide non-financial support to about 5 940 SMMEs over the next three years. About 1 500 cooperatives will receive non-financial support and 664 SMMEs will benefit from GEP's financial support. Support through the Township Revitalization Programme for approximately 660 township cooperatives over the next three years will assist enterprises such as bakeries in Johannesburg, West Rand and Ekurhuleni.

GTA's expenditure was R69.5 million and R90.7 million in 2014/15 and 2015/16 respectively. The MTEF allocation increases from R101 million in 2017/18 to R113 million 2019/20. The allocation caters for projects such as hosting of the Gauteng Shopping festival, the Cycling Festival, the Discorp Africa project, Joy of Jazz and the Gauteng Summer cup and marketing of Gauteng tourism.

The Gauteng Growth and Development Agency's (GGDA) expenditure increased from R341 million in 2014/15 to R359 million in the 2015/16 financial year. The increase is attributed to the implementation of the Green Economy Strategy, IDZ bulk infrastructure, and the Biosciences Projects

One of GGDA's mandates is to assist the department to lead, facilitate and manage sustainable job creation and inclusive economic growth and development in the Gauteng City Region. The allocation for the GGDA increases from R493 million in 2017/18 to R530 million in 2019/20. The allocated budget will cater for projects such as industrial parks infrastructure projects and automotive supplier park expansion.

7.5.2. Transfers to other entities

TABLE 3.6 : SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1.Cradle of Humankind	44 115	37 736	71 377	71 283	63 583	63 583	70 706	75 254	79 468
2.Dinokeng	42 139	62 616	53 570	49 576	43 576	43 576	43 202	46 056	48 635
3.Gauteng Liqour Board	28 781	18 157	25 327	26 669	40 669	40 669	28 030	30 021	31 702
Total departmental transfers	**115 035**	**118 509**	**150 274**	**147 528**	**147 828**	**147 828**	**141 938**	**151 331**	**159 805**

Transfers to the listed trading entities increased from R115 million in 2013/14 to R150 million in 2015/16. The transfers further increase from R141.9 million in 2017/18 to R159.8 million in 2019/20.

The Cradle of Humankind World Heritage Site (COH WHS) expenditure increased from R44 million in 2013/14 to R71 million in 2015/16. The allocation increases from R70.7 million in 2017/18 to R79.5 million in 2019/20 and will make provision for a range of projects including maintaining the mountain bike trail and fossil site safety inspections.

The department has transferred the management and operations of the Garankuwa Hotel School to the Cradle of Humankind.

Expenditure for Dinokeng increased from R42 million in 2013/14 to R53.5 million in 2015/16. Over the MTEF, the budget increases from R43.2 million in 2017/18 to R48.6 million in 2019/20.

The Gauteng Liquor Board is still managed by the department. Its budget increases from R28 million in 2017/18 to R31.7 million in 2019/10.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description
To provide strategic leadership, support and transversal business solutions to enable the MEC, HOD and DED group to effectively deliver on the mandate of the Department.

Programme objectives
Capacitate GDED financially to meet its objectives, fulfil its mission and improve service delivery.

TABLE 3.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office of the MeC	12 094	9 894	10 146	12 806	9 706	9 706	14 103	14 920	15 756
2. Office of the HoD	10 072	15 770	14 089	19 712	14 463	14 463	22 726	22 764	24 038
3. Financial Management	21 974	22 428	32 310	39 824	38 954	38 955	65 216	55 236	58 327
4. Corporate Services	88 404	120 214	145 527	154 768	174 535	174 535	185 852	196 634	207 644
Total payments and estimates	**132 544**	**168 306**	**202 072**	**227 109**	**237 658**	**237 659**	**287 897**	**289 554**	**305 765**

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**127 441**	**161 602**	**186 752**	**211 610**	**212 295**	**212 295**	**275 508**	**276 449**	**291 928**
Compensation of employees	66 827	84 924	92 750	116 586	98 239	98 239	132 431	138 285	146 029
Goods and services	60 614	76 678	94 002	95 024	114 056	114 056	143 077	138 164	145 899
Interest and rent on land									
Transfers and subsidies to:	**1 013**	**587**	**311**		**744**	**744**			
Provinces and municipalities					500	500			
Departmental agencies and accounts									
Households	1 013	587	311		244	244			
Payments for capital assets	**1 619**	**6 028**	**15 008**	**15 500**	**24 599**	**24 600**	**12 389**	**13 105**	**13 837**
Buildings and other fixed structures									
Machinery and equipment	1 619	6 028	14 924	10 500	19 599	19 600	12 389	13 105	13 837
Software and other intangible assets			84	5 000	5 000	5 000			
Payments for financial assets	**2 471**	**89**	**1**		**20**	**20**			
Total economic classification	**132 544**	**168 306**	**202 072**	**227 109**	**237 658**	**237 659**	**287 897**	**289 554**	**305 765**

The Administration budget is used for items that are centralised to Corporate Services and Financial Management such as lease payments for office buildings, security services, cleaning services, bursaries, telephone payments, tenant installation costs, LAN upgrades, payment of software licenses, disaster recover management, fleet services, municipal rates and taxes, legal costs, ICT equipment and internal audit costs.

In the 2014/15 financial year, expenditure amounted to R168 million and increased to R202 million in the 2015/16 due to the implementation of the TER projects through the Qondis'ishishini Lakho Campaigns to 65 townships. The increased expenditure can also be attributed to hosting the Infrastructure Investment Conference, the Township Entrepreneurship Awards and the Provincial and Regional Township Revitalization Summits in that financial year.

Over the MTEF, the allocation amounts to R287.9 million in 2017/18 and R305.8 million in 2019/20. The largest portion of the allocation is for corporate services which is responsible for the relocation process to the new office building and ensuring that all employees possess the necessary tools of the trade.

Compensation of employees expenditure increased from R66.8 million in 2013/14 to R85 million in 2014/15. Over the MTEF period, the allocation increases from R132 million in 2017/18 to R146 million in 2019/20. The increase is due to the implementation of the department's approved structure which is intended to increase operational capacity and ensure that all TMR, NDP and SOPA targets are met.

Goods and services expenditure in 2013/14 was R60.6 million and R94 million in 2015/16. Over the MTEF, the allocation increases from R143 million in 2017/18 to R145.9 million in 2019/20. The increase is attributed to inflation.

Machinery and equipment expenditure for 2013/14 was R1.6 million and R6 million in 2014/15. In 2015/16, it was R14.9 million. This large increase is due to the procurement of office equipment such as computers and furniture required by new personnel who joined the department. The MTEF allocation relates to various projects that Information Technology will be embarking upon such as the disaster recovery site to enable system recovery and ensure continuity during a time of emergency or disaster, and the installation costs associated with the move to the new building. The allocated budget will also cater for the implementation of community ICT hubs so that SMMEs can access the internet; broadband; and payment for software licenses.

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Programme description

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

Programme objectives

- Advance economic development skills to Radically Transform and Re-Industrialise Gauteng Economy;
- Radically transform the Gauteng economy through new, smart, knowledge-based economy;
- Remodel township economies reflecting radical transformation and re-industrialisation of Gauteng's economy; and Strategic economic infrastructure that supports and facilitates radical economic transformation and re-industrialisation of Gauteng.

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Enterprise Development	132 596	138 479	291 337	180 817	236 718	236 718	219 386	222 304	234 753
2. Regional And Local Economic Development	1 791	7 589	(877)	1 044	1 044	1 044	1 290	1 160	1 225
3. Economic Empowerment	87 689	137 952	11 498	16 484	10 883	10 883	10 937	65 060	61 250
Total payments and estimates	**222 076**	**284 020**	**301 958**	**198 345**	**248 645**	**248 645**	**231 613**	**288 524**	**297 228**

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**93 629**	**107 261**	**11 487**	**21 927**	**11 875**	**11 875**	**17 239**	**71 188**	**67 721**
Compensation of employees	10 383	12 650	8 775	21 653	11 602	11 602	17 007	19 810	24 021
Goods and services	83 246	94 611	2 712	274	273	273	232	51 378	43 700
Interest and rent on land									
Transfers and subsidies to:	**128 447**	**152 759**	**290 471**	**176 418**	**236 768**	**236 768**	**214 374**	**217 336**	**229 507**
Provinces and municipalities									
Departmental agencies and accounts	128 447	136 291	290 438	176 418	236 718	236 718	214 374	217 336	229 507
Higher education institutions									
Non-profit institutions									
Households		16 468	33		50	50			
Payments for capital assets									
Buildings and other fixed structures									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets		**24 000**			**2**	**2**			
Total economic classification	**222 076**	**284 020**	**301 958**	**198 345**	**248 645**	**248 645**	**231 613**	**288 524**	**297 228**

Expenditure for this programme increased from R222 million in 2013/14 to R301.9 million in 2015/16. The bulk of the expenditure in this programme relates to transfers made to GEP to fund projects which support and train informal businesses, SMMEs and cooperatives. The allocation for the programme increases by 29 per cent over the MTEF at R231 million, R288 million and R297 million in 2017/18, 2018/19 and 2019/20 respectively.

In the 2015/2016 financial year, GEP achieved all of its targets largely due to the timeous approval of funding and Business Development Support interventions. The entity supported 661 SMMEs, exceeding the targeted 345. Amongst the programs GEP supported are 222 existing SMMEs and 439 new SMMEs. GEP also contributed to the Business Development intervention programmes which provided non-financial support to 838 existing Cooperatives, exceeding the set target of 500. In the same period, 808 new cooperatives benefited from non-financial support. The entity also assisted informal traders, through CIPC registrations, including those sourced at Qondi'sishishini Lakho campaigns. This led to the provision of support to 2012 informal businesses. The supported businesses exceed the targeted 500.

The transfers to the GEP increase from R214 million in 2017/18 and R229 million in 2019/20. This will enable the GEP to facilitate the implementation of projects such as the construction of the Eco system centre; the Eco car wash; internet access at industrial hubs; and the SMME support project.

SERVICE DELIVERY MEASURES

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Performance measures	Estimated annual targets		
	2017/18	2018/19	2019/20
Number of people participated in skills development and training programmes	2 685	3 100	3 100
Number of students trained in jewellery manufacturing and design	15	15	15
Number of companies graduated with sustainable businesses from incubation	10	12	15
Number of companies intervened with efficiency improvements	30	40	40
Number of township attractions promoted	200	250	380
Number. of SMME's financially supported in the prioritized sectors	700	850	900
Number. of SMME's non-financially supported in the prioritized sectors	2 000	2 510	2 510
Number. of TER businesses funded	700	850	900
Number of Co-ops financially supported in the prioritized sectors	200	220	240
Number of Co-ops non-financially supported in the prioritized sectors	400	500	600
Number of township based Informal Business supported through Business Development Support (BDS) Interventions	1 500	2 600	2 800
Number of township tourism products showcased to market	200	300	400

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Programme description

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

Programme objectives

- Provide an enabling environment for sustainable business activities in Gauteng for radical economic transformation of Gauteng's economy;
- Create an enabling environment for economic activities that generate revenue for transformation and re-industrialisation of Gauteng economy; and
- Sustain tourism development by providing protection mechanisms for biodiversity areas and other conservation sites.

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Trade And Investment Promotion	1 576	5 512	476	5 515	2 515	2 515	6 021	6 370	6 728
2. Sector Development	150 925	179 637	218 745	212 853	211 903	211 903	215 073	228 348	241 135
3. Strategic Initiatives	359 684	345 757	359 033	405 949	465 282	465 282	493 117	502 144	530 264
Total payments and estimates	**512 185**	**530 906**	**578 254**	**624 317**	**679 700**	**679 700**	**714 211**	**736 861**	**778 127**

TABLE 3.12 : SUMMARY OF ECONOMIC CLASSIFICATION: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**5 666**	**8 335**	**475**	**5 515**	**2 515**	**2 515**	**6 021**	**6 370**	**6 728**
Compensation of employees	5 519	8 213	469	5 415	2 415	2 415	6 021	6 257	6 606
Goods and services	147	122	6	100	100	100		113	122
Interest and rent on land									
Transfers and subsidies to:	**506 519**	**515 571**	**577 778**	**618 802**	**677 185**	**677 185**	**708 190**	**730 491**	**771 399**
Provinces and municipalities									
Departmental agencies and accounts	506 444	511 652	577 778	618 802	677 185	677 185	708 190	730 491	771 399
Households	75	3 919							
Payments for capital assets									
Buildings and other fixed structures									
Software and other intangible assets									
Payments for financial assets		**7 000**	**1**						
Total economic classification	**512 185**	**530 906**	**578 254**	**624 317**	**679 700**	**679 700**	**714 211**	**736 861**	**778 127**

Expenditure for this programme increased from R512 million in 2013/14 to R578 million in 2015/16. The allocation for 2016/17 was increased to R679 million during the adjustment budget due to the implementation of the township infrastructure now undertaken by GGDA, and for additional funding for the World Choir Games, the Discorp Africa Project, the Cycling Festival and the Feather awards.

The programme's budget increases from R714 million in 2017/18 to R778 million in 2019/20. A significant portion is transferred to the entities. The allocation for strategic initiatives increases by 7.5 per cent from 2017/18 to 2019/20. The budget will fund core projects such as the Nelson Mandela Centre of Memory, the Bioscience Innovation Hub, township industrial hubs, the ACSA rental Nissan Incubation centre and the AIDC mini factory.

The budget for the sector development programme, where GTA, the Cradle of Humankind and Dinokeng are placed, increases by 12 per cent over the MTEF. The allocation will make provision for projects such as the upgrade of picnic sites at Roodeplaat Dam, bidding for and hosting events and marketing Gauteng Tourism.

SERVICE DELIVERY MEASURES

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Performance measures	Estimated annual targets 2017/18	2018/19	2019/20
Number of Gauteng tourism marketing initiatives implemented in the key International source markets	15	20	25
Number of Gauteng tourism marketing initiatives implemented in the SADC markets	10	11	12
Number of Gauteng tourism marketing initiatives implemented in the BRICS markets	3	3	3
Number of Gauteng tourism marketing initiatives implemented in the domestic markets	7	9	11
Number of enterprises assisted through export readiness programme	240	270	300
Number of business visitations undertaken in all Gauteng municipalities	110	110	110
Number of Gauteng based firms assisted to expand operations in Africa	14	14	16
Number of fossil sites inspected	13	13	13
Number of boreholes monitored	17	17	17

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Programme description

To create a seamless business regulation and good governance environment that promotes ethical conduct, transforms industry, realises sustainable revenue generation and contributes towards the achievement of TMR goals.

Programme objectives

- Provide an enabling environment for consumer satisfaction to stimulate growth of businesses;
- Properly regulate the Liquor Industry in Gauteng;
- Properly regulate the Gambling and Betting Industry in Gauteng; and
- Generate revenue from business regulation for socio-economic development of the Gauteng.

TABLE 3.13: SUMMARY OF PAYMENTS AND ESTIMATES: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
1. Governance	4 011	6 384	4 177	10 202	10 069	10 069	9 201	9 737	10 282
2. IGR And Strategic Partnerships	2 047	6 291	6 803	9 625	9 588	9 588	9 634	10 194	10 765
3. Consumer Protection	18 632	27 377	26 518	30 727	18 764	18 764	19 698	20 840	22 007
4. Liquor Regulation	21 887	18 157	17 730	26 695	40 695	40 695	28 030	30 021	31 702
Total payments and estimates	**46 577**	**58 209**	**55 228**	**77 249**	**79 116**	**79 116**	**66 563**	**70 792**	**74 756**

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

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**24 672**	**21 050**	**37 373**	**50 580**	**38 360**	**38 360**	**38 534**	**40 771**	**43 054**
Compensation of employees	20 973	19 181	24 342	31 070	30 511	30 511	30 334	32 125	33 924
Goods and services	3 699	1 869	13 031	19 510	7 849	7 849	8 200	8 646	9 130
Interest and rent on land									
Transfers and subsidies to:	**21 905**	**18 159**	**17 855**	**26 669**	**40 756**	**40 756**	**28 029**	**30 021**	**31 702**
Provinces and municipalities									
Departmental agencies and accounts	21 887	18 156	17 729	26 669	40 669	40 669	28 029	30 021	31 702
Non-profit institutions									
Households	18	3	126		87	87			
Payments for capital assets									
Payments for financial assets		**19 000**							
Total economic classification	**46 577**	**58 209**	**55 228**	**77 249**	**79 116**	**79 116**	**66 563**	**70 792**	**74 756**

The expenditure for this programme increased from R47 million in 2013/14 to R55 million in 2015/16. The programme's allocation increases by 12 per cent over the MTEF which translates into a nominal value of R67 million in 2017/18 and R75 million in 2019/20.

Compensation of employees' expenditure increased from R21 million in 2013/14 to R24.3 million in 2015/16. For the 2017/18 financial year, the allocated amount is R30 million and R34 million in 2019/20.

Goods and services expenditure was R3.7 million in 2013/14 and R13 million in 2014/15. The implementation of the mobile office solution project in 2015/16 contributed to the increased spending during the expenditure cycle. This project was moved to Programme 1. This has resulted in a reduction of the budget for 2017/18 compared with 2015/16. Over the MTEF, the budget increases from R8.2 million to R9.1 million. Provision is made for the following projects: trade exchange programme with community radio stations for consumer awareness campaigns; financial education for young entrepreneurs; and the Consumer Affairs Office on Wheels (CAOW).

The department has allocated R28 million in 2017/18 and R32 million in the outer year of the MTEF period to augment the Compensation of Employees budget for the Liquor Board. Operational costs for the board will be funded through liquor licence collection. GLB will host programmes such as liquor education and awareness programmes which include conducting pre-inspection for the Board process to adjudicate on application, conducting road shows, holding public meetings, workshops, electronics and print media campaigns and stakeholder engagements.

SERVICE DELIVERY MEASURES

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Performance measures	Estimated annual targets 2017/18	Estimated annual targets 2018/19	Estimated annual targets 2019/20
Number of liquor social responsibility programmes supported	3	4	4
Rand value spent on Corporate Social Investment programmes	500 000	550 000	600 000
Number of liquor compliance activities conducted	3 000	3 050	3 100
Number of liquor awareness activities conducted	120	120	120
Number of gambling compliance audits conducted	180	180	180
Number of gambling inspections conducted	678	678	678
Percentage of consumer complaints handled	100%	100%	100%
Number of consumer education programmes conducted	360	400	450

PROGRAMME 5: ECONOMIC PLANNING

Programme description

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

Programme objectives

- Develop informative strategies for implementing effective economic development programmes in Gauteng.

TABLE 3.15: SUMMARY OF PAYMENTS AND ESTIMATES : ECONOMIC PLANNING

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Policy And Planning	5 565	9 562	12 702	38 045	19 568	19 568	22 261	24 037	25 383
2. Research And Development	6 721	8 076	3 008	7 500	6 012	6 012	2 746	2 904	3 067
3. Knowledge Management	715	1 031	1 009		1 935	1 935	1 443	1 283	1 355
4. Monitoring And Evaluation	404	545	3 916	2 939	4 443	4 443	4 434	4 691	4 953
5. Economic Infrastructure Development			66 750	82 386	45 663	45 663	10 632	11 247	11 876
6. Sector And Industry Development			39 501	65 232	55 444	55 444	48 682	51 506	54 391
7. Inclusive Economy			6 446	8 514	9 514	9 514	23 310	25 051	26 454
Total payments and estimates	**13 405**	**19 214**	**133 332**	**204 617**	**142 579**	**142 579**	**113 508**	**120 719**	**127 479**

TABLE 3.16: SUMMARY OF ECONOMIC CLASSIFICATION: ECONOMIC PLANNING

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**13 399**	**12 731**	**133 087**	**204 617**	**142 256**	**142 256**	**113 448**	**120 655**	**127 411**
Compensation of employees	6 983	9 845	38 979	55 901	50 983	50 983	58 352	61 829	65 291
Goods and services	6 416	2 886	94 108	148 716	91 273	91 273	55 096	58 826	62 120
Interest and rent on land									
Transfers and subsidies to:	**6**	**1 483**	**245**		**164**	**164**			
Non-profit institutions									
Households	6	1 483	245		164	164			
Payments for capital assets					**159**	**159**	**60**	**64**	**68**
Buildings and other fixed structures									
Machinery and equipment							60	64	68
Software and other intangible assets					159	159			
Payments for financial assets		**5 000**							
Total economic classification	**13 405**	**19 214**	**133 332**	**204 617**	**142 579**	**142 579**	**113 508**	**120 719**	**127 479**

Expenditure increased from R13.4 million in 2013/14 to R133.3 million in 2015/16. During the 2014/15 financial year, projects such as the industrial high impact project, tooling initiatives, 11 sector studies, SMME support and maintenance of the Garankuwa hotel school were implemented and this contributed to the growth in expenditure. The budget for the township industrial hubs was moved from this programme to GGDA as a result of function shift; hence the reduced budget from R204 million in 2016/17 million to R114 million 2017/18.

Over the MTEF, the programme budget grows from R114 million in 2017/18 to R127 million in 2019/20. This will be spent on a range of projects and activities including implementation of the mid-term impact assessment of the TER strategy; preparing a business case for the Gauteng Provincial Government Economic modelling and capacity building; facilitation of the township brick project; and the township stock exchange strategy.

The allocation for compensation of employees increases from R58 million in 2017/18 to R65 million in the 2019/20 MTEF period.

The budget for goods and services grows from R55 million in 2017/18 to R62 million in the 2019/20 period. This will enable the implementation of projects such as the township brick project and the plastic project, the purpose of which is to grow the sector and increase the productivity and competitiveness of the plastic and chemicals sector.

SERVICE DELIVERY MEASURES

PROGRAMME 5: ECONOMIC PLANNING

Performance measures	Estimated annual targets		
	2017/18	2018/19	2019/20
Number of macro-economic strategies reviewed	2	1	1
Number of high impact industrialisation projects packaged	12	14	
Number of economic intelligence reports produced	4	4	4
Number of GCR EDP reports submitted	2	2	2
Number of impact assessment reports produced	2	2	2

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

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

Personnel numbers	As at 31 March 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	154	192	192	273	299	299	314
2. Integrated Economic Development Services	23	29	77				
3. Trade And Sector Development	2	12	26				
4. Business Regulation And Governance	64	49	59	80	80	95	101
5. Economic Planning	35	34	9	97	97	93	97
Direct charges							
Total provincial personnel numbers	**278**	**316**	**363**	**450**	**476**	**487**	**512**
Total provincial personnel cost (R thousand)	110 685	134 813	165 315	193 750	244 145	258 306	275 871
Unit cost (R thousand)	398	427	455	431	513	530	539

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

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	60	7 869	48	5 398	44	8 382	40	11	51	6 341	51	7 891	51	11 143	54	11 767	2%	23%	4%
7 – 10	100	28 388	153	40 007	171	62 139	237	9	246	57 392	250	74 132	256	85 399	269	94 651	3%	18%	33%
11 – 12	53	22 123	61	37 427	70	45 372	87		87	53 723	97	53 031	97	58 876	102	60 802	5%	4%	24%
13 – 16	38	32 758	45	50 910	60	62 572	54	12	66	76 294	78	109 091	83	102 888	87	108 651	10%	13%	40%
Other	27	19 547	9	1 071	18	3 323											0%	0%	0%
Total	**278**	**110 685**	**316**	**134 813**	**363**	**181 788**	**418**	**32**	**450**	**193 750**	**476**	**244 145**	**487**	**258 306**	**512**	**275 871**	**4%**	**13%**	**100%**
Programme																			
1. Administration	154	66 827	192	84 924	192	92 750	255	18	273	81 504	299	116 142	299	132 048	314	142 542	5%	20%	49%
2. Integrated Economic Development Services	23	10 383	29	12 650	77	8 775	(2)	2									0%	0%	0%
3. Trade And Sector Development	2	5 519	12	8 213	26	469											0%	0%	0%
4. Business Regulation And Governance	64	20 973	49	19 181	59	24 342	70	10	80	47 060	80	53 106	95	60 582	101	63 974	8%	11%	24%
5. Economic Planning	35	6 983	34	9 845	9	38 979	95	2	97	65 186	97	74 898	93	65 676	97	69 355	0%	2%	28%
Total	**278**	**110 685**	**316**	**134 813**	**363**	**165 315**	**418**	**32**	**450**	**193 750**	**476**	**244 145**	**487**	**258 306**	**512**	**275 871**	**4%**	**13%**	**100%**

Personnel cost increased from R110.6 million in 2013/14 to 134.8 million in financial year 2014/15. This was due to a number of critical posts that needed to be filled. The increase in personnel cost was due to the continuation of operationalization of the structure.

Over the MTEF, the compensation budget allocation will increase due to an increase in the number of posts as per the proposed structure which is in support of the Ten Pillar Program. The TMR Strategy and the GCR Economic Development Plan are a cornerstone to the rationalization of the Departmental functional and organizational structure. As such, the department has also embarked on a process to realign the current structure with the new mandate of the department. This will increase compensation of employees from R244 million in 2017/18 to R275.8 million in 2019/20.

9.2. Training

TABLE3.19: PAYMENTS ON TRANING BY PROGRAMME

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	278	316	363	450	450	450	476	487	512
Number of personnel trained	388	400	487	377	377	377	497	526	556
of which									
Male	164	164	211	128	128	128	227	240	254
Female	224	236	276	249	249	249	270	286	302
Number of training opportunities	400	720	750	117	117	117	125	131	139
of which									
Tertiary	75	80	135	77	77	77	81	83	88
Workshops	300	550	500	15	15	15	17	19	20
Seminars	10	75	100						
Other	15	15	15	25	25	25	27	29	31
Number of bursaries offered	75	80	75	49	49	49	55	57	60
Number of interns appointed	15	50	30	63	63	63	65	65	69
Number of learnerships appointed	66	70	25	20	20	20	15	15	16
Number of days spent on training	1 425	2 550	2 595	2 595	2 595	2 595	2 725	2 883	3 044
Payments on training by programme									
1. Administration	452	2 310	2 245	2 306	2 306	2 306	3 474	3 673	3 879
2. Integrated Economic Development Services	452	578							
3. Trade And Sector Development									
4. Business Regulation And Governance	452	578							
5. Economic Planning	452	578							
Total payments on training	**1 808**	**4 044**	**2 245**	**2 306**	**2 306**	**2 306**	**3 474**	**3 673**	**3 879**

The department continues to build capacity and improve the efficiency and effectiveness of staff members by encouraging participation in skills development programmes, management development programmes and bursary opportunities. The bursaries awarded in 2013/14 and 2015/16 financial year increased considerably due to the number of applicants that met the requirements and qualified for approval. Furthermore, bursaries were awarded to an additional 32 employees for the 2016/17 financial year.

To ensure internal capacity, the department has filled most of the vacant positions at senior management and lower levels as per the approved structure. The budget for training is centralised in Programme 1 under Human Capital Management for better coordination and management. The training budget constitutes 1 per cent of the compensation budget in line with the directive on training budget as determined by DPSA.

In the 2017/18 financial year, the department will implement a framework of courses, experiential learning and capacity development for each level of staff using the different methodologies of learning, i.e. e-learning, classroom learning and on-the job training. This will include technical skills, foundation skills, behavioural skills and leadership development. To ensure succession planning and retention of skills, there will be a focus on preparing supervisory levels (MMS and SMS) for the next level of management based on the competency framework for SMS. The training budget also makes provision for graduate development initiatives through the appointment of interns and graduate trainees with scarce and critical skills in core business units. To ensure compliance with the standards of operational skills sectors, affiliation to professional bodies will also be provided for.

9.3 Reconciliation of structural changes

N/A

Annexure to the Estimates of Provincial Revenue and Expenditure

TABLE 3.20: SPECIFICATION OF RECEIPTS: DEPARTMENT OF ECONOMIC DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Tax receipts	**753 404**	**799 823**	**870 999**	**928 873**	**928 873**	**928 874**	**1 014 013**	**1 074 860**	**1 139 363**
Casino taxes	715 672	759 547	828 997	878 874	878 874	878 874	944 673	1 002 860	1 063 331
Horse racing taxes	37 732	40 276	42 002	50 000	50 000	50 000	69 340	72 000	76 032
Sales of goods and services other than capital assets	**48**	**17 361**	**374**			**6 781**			
Sale of goods and services produced by department (excluding capital assets)	48	17 361	374			6 781			
Sales by market establishments		17 361							
Administrative fees									
Other sales	48		374			6 781			
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land	**5 177**	**2 526**	**5 167**	**2 223**	**2 223**	**2 222**	**2 334**	**2 469**	**2 608**
Interest	5 177	2 526	5 167	2 223	2 223	2 222	2 334	2 469	2 608
Dividends									
Rent on land									
Sales of capital assets						**30**			
Land and sub-soil assets									
Other capital assets						30			
Transactions in financial assets and liabilities	**5 293**	**753**	**(5 215)**	**292**	**292**	**552**	**306**	**324**	**342**
Total departmental receipts	**763 922**	**820 463**	**871 325**	**931 388**	**931 388**	**938 459**	**1 016 654**	**1 077 654**	**1 142 313**

TABLE 3.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**264 807**	**310 979**	**369 174**	**494 248**	**407 301**	**407 301**	**450 750**	**515 433**	**536 842**
Compensation of employees	110 685	134 813	165 315	230 626	193 750	193 750	244 145	258 306	275 871
Salaries and wages	110 685	118 427	144 485	197 829	167 625	167 625	208 463	222 588	238 154
Social contributions		16 386	20 830	32 796	26 125	26 125	35 682	35 718	37 717
Goods and services	154 122	176 166	203 859	263 623	213 551	213 551	206 605	257 127	260 971
Administrative fees	220	237	1 159	1 208	2 358	2 358	897	925	978
Advertising	2 695	4 969	23 720	7 150	7 685	7 685	15 703	16 394	17 312
Minor assets	414	159	186	524	525	525	325	344	363
Audit cost: External	2 935	3 862	4 293	4 620	3 920	3 920	5 001	4 758	5 024
Bursaries: Employees	372	336	799	700	700	700	1 000	1 058	1 117
Catering: Departmental activities	1 535	1 724	1 054	2 239	4 347	4 347	4 104	4 392	4 642
Communication (G&S)	6 515	4 937	4 826	4 625	3 737	3 737	4 555	5 348	5 648
Computer services	10 647	8 950	7 619	19 412	20 551	20 551	26 684	28 232	29 813
Consultants and professional services: Business and advisory services	86 932	100 722	79 624	38 484	75 727	75 727	40 529	35 043	37 006
Legal services	1 678	5 507	2 742	2 720	3 119	3 119	4 364	4 619	4 878
Contractors	2 264	4 268	14 311	104 996	11 270	11 270	18 584	76 609	70 343
Agency and support / outsourced services	726	837	389	386	1 988	1 988	11 225	1 298	1 371
Entertainment	3	1	2	100	9	9	47	88	91
Fleet services (including government motor transport)	1 556	1 250	4 442	3 274	3 838	3 838	2 137	2 262	2 388
Inventory: Food and food supplies		523	1		1	1			
Inventory: Materials and supplies		91	197	(2)			21	22	23
Consumable supplies	774	1 305	581	877	2 782	2 782	486	513	542
Consumable: Stationery, printing and office supplies	4 424	2 243	2 841	4 109	3 860	3 860	5 198	5 574	5 887
Operating leases	8 901	9 886	12 362	17 140	29 291	29 291	25 378	26 850	28 354
Property payments	14 654	17 922	27 261	20 156	20 144	20 144	24 250	25 657	27 094

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Transport provided: Departmental activity	8								
Travel and subsistence	4 082	2 020	4 277	7 238	7 913	7 913	8 396	8 936	9 436
Training and development	443	1 562	2 060	2 306	3 306	3 306	2 577	2 726	2 878
Operating payments	211	105	177	2 875	184	184	800	846	894
Venues and facilities	2 133	2 492	2 840	6 286	5 507	5 507	3 541	3 787	3 997
Rental and hiring		258	6 096	12 200	789	789	803	847	892
Interest and rent on land									
Transfers and subsidies	**657 890**	**688 559**	**886 660**	**821 890**	**955 618**	**955 617**	**950 593**	**977 848**	**1 032 608**
Provinces and municipalities					500	500			
Provinces					500	500			
Provincial Revenue Funds									
Provincial agencies and funds					500	500			
Departmental agencies and accounts	656 778	666 099	885 945	821 890	954 573	954 572	950 593	977 848	1 032 608
Social security funds									
Provide list of entities receiving transfers	656 778	666 099	885 945	821 890	954 573	954 572	950 593	977 848	1 032 608
Non-profit institutions									
Households	1 112	22 460	715		545	545			
Social benefits	1 112	19 086	523		531	531			
Other transfers to households		3 374	192		14	14			
Payments for capital assets	**1 619**	**6 028**	**15 008**	**15 499**	**24 758**	**24 759**	**12 449**	**13 169**	**13 905**
Machinery and equipment	1 619	6 028	14 924	10 499	19 599	19 600	12 449	13 169	13 905
Transport equipment			2 120		2 064	2 064	6 464	6 836	7 217
Other machinery and equipment	1 619	6 028	12 804	10 499	17 535	17 536	5 985	6 333	6 688
Software and other intangible assets			84	5 000	5 159	5 159			
Payments for financial assets	**2 471**	**55 089**	**2**		**22**	**22**			
Total economic classification	**926 787**	**1 060 655**	**1 270 844**	**1 331 638**	**1 387 699**	**1 387 699**	**1 413 792**	**1 506 450**	**1 583 355**

TABLE 3.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**127 441**	**161 602**	**186 752**	**211 610**	**212 295**	**212 295**	**275 508**	**276 449**	**291 928**
Compensation of employees	66 827	84 924	92 750	116 586	98 239	98 239	132 431	138 285	146 029
Salaries and wages	66 827	73 729	80 287	99 847	84 689	84 689	113 372	118 655	125 300
Social contributions		11 195	12 463	16 739	13 550	13 550	19 059	19 630	20 729
Goods and services	60 614	76 678	94 002	95 024	114 056	114 056	143 077	138 164	145 899
Administrative fees	122	191	609	223	214	214	284	299	316
Advertising	1 210	4 595	16 631	7 150	7 485	7 485	15 000	15 870	16 759
Minor assets	414	159	186	524	525	525	325	344	363
Audit cost: External	2 935	3 862	4 293	4 620	3 920	3 920	5 001	4 758	5 024
Bursaries: Employees	372	336	799	700	700	700	1 000	1 058	1 117
Catering: Departmental activities	460	1 041	339	475	515	515	1 096	1 154	1 219
Communication (G&S)	6 265	4 937	4 772	4 625	3 725	3 725	4 555	5 348	5 648
Computer services	10 325	8 950	7 619	19 412	20 551	20 551	26 684	28 232	29 813

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Consultants and professional services: Business and advisory services	655	4 309	2 168	863	1 363	1 363	3 122	3 298	3 483
Legal services	1 678	5 507	2 742	2 720	2 665	2 665	4 364	4 618	4 877
Contractors	2 124	4 125	8 683	5 735	8 736	8 736	6 217	3 948	4 169
Agency and support / outsourced services	726	837	389	386	1 606	1 606	11 193	1 263	1 334
Entertainment	4		2	4	4	4	3	2	2
Fleet services (including government motor transport)	1 514	1 250	4 442	3 274	3 838	3 838	2 137	2 262	2 388
Inventory: Food and food supplies		523	1		1	1			
Inventory: Materials and supplies		89	197						
Inventory: Medical supplies									
Consumable supplies	767	1 300	576	877	2 588	2 588	437	462	488
Consumable: Stationery, printing and office supplies	4 411	2 243	2 834	3 727	3 309	3 309	4 234	4 489	4 740
Operating leases	7 750	9 874	12 362	15 115	27 765	27 765	25 377	26 850	28 354
Property payments	15 055	17 923	17 713	16 156	16 144	16 144	24 250	25 657	27 094
Transport provided: Departmental activity	8								
Travel and subsistence	2 561	829	1 767	1 899	2 367	2 367	3 644	3 857	4 073
Training and development	443	1 561	2 060	2 306	3 306	3 306	2 472	2 615	2 761
Operating payments	155	2	97	875	130	130	400	423	447
Venues and facilities	660	1 977	2 452	3 159	2 049	2 049	1 179	1 252	1 321
Rental and hiring		258	269	200	550	550	103	106	109
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**1 013**	**587**	**311**		**744**	**744**			
Provinces and municipalities					500	500			
Provinces					500	500			
Provincial agencies and funds					500	500			
Non-profit institutions									
Households	1 013	587	311		244	244			
Social benefits	1 013	213	265		244	244			
Other transfers to households		374	46						
Payments for capital assets	**1 619**	**6 028**	**15 008**	**15 500**	**24 599**	**24 600**	**12 389**	**13 105**	**13 837**
Machinery and equipment	1 619	6 028	14 924	10 500	19 599	19 600	12 389	13 105	13 837
Transport equipment			2 120		2 064	2 064	6 464	6 836	7 217
Other machinery and equipment	1 619	6 028	12 804	10 500	17 535	17 536	5 925	6 269	6 620
Software and other intangible assets			84	5 000	5 000	5 000			
Payments for financial assets	**2 471**	**89**	**1**		**20**	**20**			
Total economic classification	**132 544**	**168 306**	**202 072**	**227 109**	**237 658**	**237 659**	**287 897**	**289 554**	**305 765**

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

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**93 629**	**107 261**	**11 487**	**21 928**	**11 875**	**11 875**	**17 239**	**71 188**	**67 721**
Compensation of employees	10 383	12 650	8 775	21 653	11 602	11 602	17 007	19 810	24 021
Salaries and wages	10 383	11 510	7 757	18 305	10 929	10 929	13 397	16 649	20 683

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Social contributions		1 140	1 018	3 348	673	673	3 610	3 161	3 338
Goods and services	83 246	94 611	2 712	274	273	273	232	51 378	43 700
Administrative fees	85	18	12	19	18	18	26	27	29
Advertising	1 020	135	1 083						
Bursaries: Employees									
Catering: Departmental activities	73	15	5	(1)				35	37
Communication (G&S)									
Computer services	7								
Consultants and professional services: Business and advisory services	81 123	94 126	1 500						
Contractors				94			132	51 164	43 474
Entertainment				(1)				16	16
Inventory: Materials and supplies				(1)					
Consumable supplies	3								
Consumable: Stationery, printing and office supplies								64	68
Travel and subsistence	780	227	112	28	70	70	6		
Training and development									
Operating payments	3	58			54	54			
Venues and facilities	141	32		136	131	131	68	72	76
Transfers and subsidies	**128 447**	**152 759**	**290 471**	**176 418**	**236 768**	**236 768**	**214 374**	**217 336**	**229 507**
Provinces and municipalities									
Departmental agencies and accounts	128 447	136 291	290 438	176 418	236 718	236 718	214 374	217 336	229 507
Social security funds									
Provide list of entities receiving transfers	128 447	136 291	290 438	176 418	236 718	236 718	214 374	217 336	229 507
Non-profit institutions									
Households		16 468	33		50	50			
Social benefits		16 468	20		50	50			
Other transfers to households			13						
Payments for capital assets									
Payments for financial assets		**24 000**			**2**	**2**			
Total economic classification	**222 076**	**284 020**	**301 958**	**198 345**	**248 645**	**248 645**	**231 613**	**288 524**	**297 228**

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

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**5 666**	**8 335**	**475**	**5 515**	**2 515**	**2 515**	**6 021**	**6 370**	**6 728**
Compensation of employees	5 519	8 213	469	5 415	2 415	2 415	6 021	6 257	6 606
Salaries and wages	5 519	7 340	430	5 394	2 394	2 394	5 894	6 234	6 582
Social contributions		873	39	21	21	21	127	23	24
Goods and services	147	122	6	100	100	100		113	122
Administrative fees	3	18							
Advertising									
Bursaries: Employees									
Catering: Departmental activities		1	6	20	20	20		22	26
Contractors		50							
Agency and support / outsourced services									
Entertainment									
Transport provided: Departmental activity									
Travel and subsistence	144	53		50	50	50		56	59
Training and development									
Operating payments									
Venues and facilities				30	30	30		35	37
Transfers and subsidies	**506 519**	**515 571**	**577 778**	**618 802**	**677 185**	**677 185**	**708 190**	**730 491**	**771 399**
Departmental agencies and accounts	506 444	511 652	577 778	618 802	677 185	677 185	708 190	730 491	771 399
Provide list of entities receiving transfers	506 444	511 652	577 778	618 802	677 185	677 185	708 190	730 491	771 399

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Households	75	3 919							
Social benefits	75	919							
Other transfers to households		3 000							
Payments for capital assets									
Payments for financial assets		**7 000**	**1**						
Total economic classification	**512 185**	**530 906**	**578 254**	**624 317**	**679 700**	**679 700**	**714 211**	**736 861**	**778 127**

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Current payments	**24 672**	**21 050**	**37 373**	**50 579**	**38 360**	**38 360**	**38 534**	**40 771**	**43 054**
Compensation of employees	20 973	19 181	24 342	31 070	30 511	30 511	30 334	32 125	33 924
Salaries and wages	20 973	16 973	21 302	26 518	25 959	25 959	25 625	27 144	28 664
Social contributions		2 208	3 040	4 552	4 552	4 552	4 709	4 981	5 260
Goods and services	3 699	1 869	13 031	19 509	7 849	7 849	8 200	8 646	9 130
Administrative fees	5	7	90	147	6	6	79	52	55
Advertising	465	129	46		200	200	495	524	553
Minor assets									
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	954	645	504	856	1 159	1 159	1 359	1 438	1 519
Communication (G&S)	250		32						
Computer services	(1)								
Consultants and professional services: Business and advisory services	453	253	4 662	2 301	2 934	2 934	345	365	385
Legal services					454	454			
Contractors	139	74	36		30	30	2 513	2 659	2 808
Agency and support / outsourced services					382	382	32	34	36
Entertainment	(1)	1		73			43	47	49
Fleet services (including government motor transport)	14								
Inventory: Learner and teacher support material									
Inventory: Materials and supplies		1					21	22	23
Consumable: Stationery, printing and office supplies	13		7		6	6	25	27	29
Operating leases	1 140	12		25	26	26	1		
Property payments	(400)								
Travel and subsistence	436	477	1 632	2 857	2 065	2 065	1 527	1 615	1 706
Training and development							105	111	117
Operating payments	53	34					400	423	447
Venues and facilities	176	235	251	1 250	426	426	1 206	1 278	1 348
Rental and hiring			5 766	12 000	161	161			1
Transfers and subsidies	**21 905**	**18 159**	**17 855**	**26 670**	**40 756**	**40 756**	**28 029**	**30 021**	**31 702**
Departmental agencies and accounts	21 887	18 156	17 729	26 670	40 669	40 669	28 029	30 021	31 702
Provide list of entities receiving transfers	21 887	18 156	17 729	26 670	40 669	40 669	28 029	30 021	31 702
Households	18	3	126		87	87			
Social benefits	18	3	126		87	87			
Payments for capital assets									
Payments for financial assets		**19 000**							
Total economic classification	**46 577**	**58 209**	**55 228**	**77 249**	**79 116**	**79 116**	**66 563**	**70 792**	**74 756**

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Current payments	**13 399**	**12 731**	**133 087**	**204 617**	**142 256**	**142 256**	**113 448**	**120 655**	**127 411**
Compensation of employees	6 983	9 845	38 979	55 901	50 983	50 983	58 352	61 829	65 291
Salaries and wages	6 983	8 875	34 709	47 766	43 654	43 654	50 175	53 906	56 925
Social contributions		970	4 270	8 135	7 329	7 329	8 177	7 923	8 366
Goods and services	6 416	2 886	94 108	148 716	91 273	91 273	55 096	58 826	62 120
Administrative fees	5	3	448	819	2 120	2 120	508	547	578
Advertising		110	5 960				208		
Catering: Departmental activities	48	22	200	889	2 653	2 653	1 649	1 743	1 841
Communication (G&S)			22		12	12			
Computer services	316								
Consultants and professional services: Business and advisory services	4 701	2 034	71 294	35 321	71 430	71 430	37 062	31 380	33 138
Legal services								1	1
Contractors	1	19	5 592	99 167	2 504	2 504	9 722	18 838	19 892
Agency and support / outsourced services								1	1
Entertainment				24	5	5	1	23	24
Fleet services (including government motor transport)	28								
Housing									
Inventory: Materials and supplies		1							
Consumable supplies	1	4			194	194			
Consumable: Stationery, printing and office supplies				381	545	545	939	994	1 050
Operating leases				2 000	1 500	1 500			
Property payments	(1)	(1)	9 548	4 000	4 000	4 000			
Transport provided: Departmental activity									
Travel and subsistence	161	434	766	2 404	3 361	3 361	3 219	3 408	3 598
Training and development		1							
Operating payments		11	80	2 000					
Venues and facilities	1 156	248	137	1 711	2 871	2 871	1 088	1 150	1 215
Rental and hiring			61		78	78	700	741	782
Transfers and subsidies	**6**	**1 483**	**245**		**164**	**164**			
Non-profit institutions									
Households	6	1 483	245		164	164			
Social benefits	6	1 483	112		150	150			
Other transfers to households			133		14	14			
Payments for capital assets					**159**	**159**	**60**	**64**	**68**
Machinery and equipment							60	64	68
Other machinery and equipment							60	64	68
Software and other intangible assets					159	159			
Payments for financial assets		**5 000**							
Total economic classification	**13 405**	**19 214**	**133 332**	**204 617**	**142 579**	**142 579**	**113 508**	**120 719**	**127 479**

VOTE 4

DEPARTMENT OF HEALTH

To be appropriated by vote in 2017/18	R 40 207 046 000
Responsible MEC	MEC for Health
Administering Department	Department of Health
Accounting Officer	Head of Department

1. OVERVIEW

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

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

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

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

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

The National Development Plan
The National Development Plan (NDP) sets out nine long-term health goals for South Africa. Five relate to improving the health and well-being of the population, and the other four deal with aspects of strengthening health systems. By 2030, South Africa should have:
- Raised the life expectancy of South Africans to at least 70 years;
- Progressively improved TB prevention and cure;
- Reduced maternal, infant and child mortality;
- Significantly reduced the prevalence of non-communicable diseases;
- Reduced injury, accidents and violence by 50 percent from 2010 levels;
- Completed health system reforms;

- Primary healthcare teams providing care to families and communities;
- Universal health care coverage; and
- Filled posts with skilled, committed and competent individuals.

The NDP priorities will be implemented over three electoral cycles. The Medium Term Strategic Framework (MTSF) 2014-2019, which takes its mandate from the NDP, creates the umbrella goals for the health sector. These goals are to:

- Prevent and successfully manage HIV & AIDS and TB;
- Reduce maternal, infant and child mortality;
- Improve health facility planning and infrastructure delivery;
- Reduce health care costs;
- Efficient health management information system for improved decision making;
- Improve quality of health care;
- Re-engineer primary health care;
- Achieve universal health coverage through implementation of NHI;
- Improve human resources for health; and
- Improve health management and leadership.

Ten Pillar programme of Transformation, Modernisation and Re-industrialisation

The Gauteng Provincial Government (GPG) has adopted a ten-pillar programme aimed at radically transforming, modernising and re-industrialising the province over the next five to fifteen years with special focus on accelerated social transformation.

In responding to the call from GPG to accelerate social transformation, the department has committed to the priorities for the period 2015-2020 and commenced implementation in the 2014/15 financial year as outlined in the outlook section.

Acts, rules and regulations

- Intergovernmental Relations Framework Act, 13 of 2005;
- Broad Based Black Economic Empowerment Act, 53 of 2003;
- The National Health Act, 61 of 2003;
- Mental Health Care Act, 17 of 2002;
- Unemployment Insurance Contributions Act, 4 of 2002;
- Promotion of Access to Information Act, 2 of 2000 ;
- Promotion of Administrative Justice Act, 3 of 2000;
- Promotion of Equality and the Prevention of Unfair Discrimination Act, 4 of 2000;
- Preferential Procurement Policy Framework Act, 5 of 2000;
- Protected Disclosures Act, 26 of 2000;
- National Health Laboratory Service Act, 37 of 2000;
- Council for Medical Schemes Levy Act, 58 of 2000;
- Public Finance Management Act, 1 of 1999;
- Tobacco Products Control Amendment Act, 12 of 1999;
- State Information Technology Act, 88 of 1998;
- Competition Act, 89 of 1998;
- Copyright Act, 98 of 1998;
- Sterilisation Act, 44 of 1998;
- Employment Equity Act, 55 of 1998;
- Skills Development Act, 97 of 1998;
- Medical Schemes Act, 131 of 1998;
- Public Service Commission Act, 46 of 1997;
- Basic Conditions of Employment Act, 75 of 1997;
- Public Service Regulations, 2001, as amended;
- Labour Relations Act, 66 of 1995, as amended;
- The Constitution of South Africa Act, 108 of 1996, as amended;
- Intergovernmental Fiscal Relations Act, 97 of 1997;
- Medicines and Related Substances Act, 101 of 1965, as amended 1997;
- Choice on Termination of Pregnancy Act, 92 of 1996;
- Public Service Act, Proclamation 103 of 1994;
- Occupational Health and Safety Act, 85 of 1993;
- Trade Marks Act, 194 of 1993;
- Designs Act, 195 of 1993;
- SA Medical Research Council Act, 58 of 1991;
- Control of Access to Public Premises and Vehicles Act, 53 of 1985;
- Child Care Act, 74 of 1983;

- Allied Health Professions Act, 63 of 1982;
- Dental Technicians Act, 19 of 1979;
- Nursing Act, 50 of 1978;
- Patents Act, 57 of 1978;
- International Health Regulations Act, 28 of 1974;
- Pharmacy Act, 53 of 1974;
- Health Professions Act, 56 of 1974;
- Occupational Diseases in Mines and Works Act, 78 of 1973;
- Hazardous Substances Act, 15 of 1973;
- Foodstuffs, Cosmetics and Disinfectants Act, 54 of 1972;
- Conventional Penalties Act, 15 of 1962;
- State Liability Act, 20 of 1957;
- Merchandise Marks Act, 17 of 1941;
- Treasury Regulations.

Specific provincial health legislation

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

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

Other policy imperatives guiding the work of the GDoH include the following:

- National Development Plan 2030;
- Gauteng Vision 2055;
- GCR game changers;
- GPG 10 Pillar Programme;
- Provincial government's five year strategic programme of action;
- National Health MTSF;
- Provincial Medium Term Strategic Framework;
- The Batho Pele principles of social service delivery and the Service Delivery Charter;
- Policy and Procedure on the Revolving Door Enabler document;
- Public Health and Welfare Sector Bargaining Council (PHWSBC);
- PSCBC Resolution 9 of 2001; and
- PSCBC Resolution 3 of 1999.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

Output 1: Strengthening the health system and NHI rollout

As part of its initiatives to strengthen the health system and NHI roll-out the department has five district health clinical teams and an increasing number of ward-based outreach teams (WBOTs). These teams help support the maternal and child health preventative initiatives and the latter provide community outreach services.

The department increased the number of WBOTs which are a key intervention in the provision of preventative and promotive health care services at community level. The number of teams increased to 762 by the third quarter from the 533 baseline at the beginning of the financial year. Re-contracting of the community health workers (CHWs) and team leaders has resumed and this has enabled an improvement in the number of teams.

The number of patients enrolled in the centralized chronic medicine dispensing and distribution (CCMDD) programme also improved and by the third quarter the department had enrolled 231 469 against a planned target of 170 000 on treatment. These patients are receiving medication within and outside clinic facilities through the CCMDD. To make it easier for patients who commute, the department enrolled stable chronic patients passing through the Johannesburg Park railway station to receive medication at Dis-Chem. The number of people using this facility is 6 127. Repeat prescriptions for the elderly are delivered directly to their respective old age homes to ensure that they are serviced as priority patients. The Park Station Dis-Chem pick-up point started operating in April 2016.

Gauteng Emergency Medical Services remains fully committed to providing world class emergency medical services for all its citizens at all times through efficient response times, quality emergency medical treatment and safe transportation to the nearest appropriate health institutions at primary, secondary, tertiary and academic levels of care. The department has provincialized Sedibeng and West Rand district municipalities, and centralized all call-taking and dispatching at our world class Emergency Communication Centre (ECC) located in Midrand. It also commits to provincializing Emergency Medical Services in the metropolitan municipalities in a phased approach as part of advancing Gauteng City Region, while also

further enhancing the quality of care to meet increasing demands for the services. It has in the current year experienced more than 40 per cent call volume for Emergency Medical Services (EMS). To offset some of the challenges in increased demand for services, emergency fleets were procured in two phases as below:

Phase 1 (June-October 2016)
- Sixty ambulances fully equipped with obstetric friendly intermediate life support care;
- Ten patient transport vehicles with 23 seats;
- Nine specialised light motor vehicles for rescue;
- Two aquatic and hazardous material (HAZMAT) specialized rescue vehicles;
- Twenty primary response vehicles;
- One Specialised Mobile Emergency Communication Unit with incident command capabilities; and
- One disabled patient transport vehicle and a revamped disaster bus for special operations.

Integrated School Health based services provide health screening services and refer learners for further healthcare interventions should the need arise. At the end of the third quarter, coverage for school health programmes had exceeded the target for the quarter. School health teams serve as a platform to provide immunisation services aimed at preventing tetanus and diphtheria. In addition, oral health preventative services were provided: pupils' teeth were cleaned by an oral hygienist and fissure sealants were placed on the molars of primary school-going children to prevent tooth decay.

In line with its mission, the department delivered primary healthcare services to an estimated 16 661 464 patients who visited clinics and community healthcare centres by the end of the third quarter, of whom 3 187 212 were children below the age of five years and 13 474 252 were adults and children above five years. In addition to services provided at primary healthcare level, the department provided hospital services to an estimated 3 854 272 patients at out-patient departments. It further provided emergency services to 627 218 people during the third quarter and 48 662 private patients were seen at our casualty departments while 465 154 were attended to during normal hours and 394 782 after hours.

The department continues its efforts to ensure that primary health care facilities provide quality services and thus assess our clinics to make sure that they meet quality requirements, such as ensuring that clinic infrastructure is appropriate. This includes ensuring that clinics have medicines and equipment required to provide quality services. To this end, 166 facilities were assessed and scored above 70 per cent and 43 per cent obtained ideal clinic status.

Output 2: Decreasing infant, child and maternal mortality
Good progress continues to be made in reducing childhood conditions preventable by vaccine such as diarrhea and pneumonia. Diarrhea fatality rates in children under five years are also improving and currently stand at 1.5 per cent which is below the target of 2.5 per cent. This was due to heightened community awareness in initial household management of diarrhea with early fluid replacement and awareness of the importance of hand washing as well as the involvement of WBOTs in encouraging early health seeking behaviors and media campaigns. When Polymerase Chain Reaction (PCR) was tested at 10 weeks 98.6 per cent of babies tested HIV negative. The target of <1.5 per cent mother to child transmissions (MTCT) was achieved with an actual 1.4 per cent.

Pregnant women are encouraged to visit health facilities early to prevent obstetric complications as well as identification and management of infections including HIV, syphilis and other sexually transmitted infections (STIs). Antenatal care is also an opportunity to promote skilled attendance at birth and healthy behaviours such as breastfeeding, early postnatal care, and planning for optimal pregnancy spacing. At the end of the third quarter, 35 345 of 43 716 pregnant women presented themselves for antenatal care (ANC) for the first time before 20 weeks of gestation and this translated in 59.1 per cent. The improvement in performance is mainly due to the ongoing implementation of the Social Behaviour Change Strategy to mobilize communities and encourage women to book early when pregnant.

Output 3: Reduced burden of disease due to HIV and AIDS and TB
More patients have been retained on antiretroviral care. A total of 797 156, patients remained on antiretroviral treatment by end of Quarter 3 of 2016/17. The number of patients started on treatment during this quarter was 45 088. By the third quarter, the department had tested a total of 2 338 295 patients for HIV, which fell slightly short of the target of 3 224 683. A total of 138 140 clients were also initiated on treatment by the third quarter of the current financial year. A total of 95 808 medical male circumcisions (MMCs) were performed during the period under review which fell short of the 176, 892 that should have been performed. Training will be provided for funded NGOs to generate demand for MMCs.

In Quarter 3 the TB client treatment success rate amounted to 86.9 per cent, which did not reach the target of 90 per cent. The increased lost to follow up rate of 5.4 per cent is reported as being responsible for the poor treatment success rate. Mobile communities and the increase in cross border clients have given rise to the high default rates. Tracing for defaulters will be intensified through engagement with WBOTs and retired nurses. Districts have also been urged to ensure that when patients are registered, their ID numbers and two contact numbers are obtained to assist in minimising patients being lost

to follow up.

A cumulative 9 417 733 clients were screened for TB exceeding the third quarter target of 4 million and exceeding the annual target of 5 million screenings.

Output 4: Health sector management
The department runs professional development programmes aimed at improving the competence of health care professionals through continuous professional development. It also coordinates and manages the mid-level worker programmes. It continues to implement special programmes such as the Cuban Doctor Programme in line with the Bilateral Cooperation Agreement between South Africa and Cuba. The department also provides proactive in-service training and short courses for all health care workers in response to the current and emerging burden of disease. The Regional Training Center (RTC) is also accredited to offer the Health Promotion Certificate for Community Health Worker Programme through the Quality Council for Trades and Occupations which is a key project in the primary health care (PHC) reengineering strategy.

As a result of these programmes, the following professional categories benefited:
- 36 pharmacist assistants graduated as post basic;
- 520 allied health professionals doing community service;
- 266 medical doctors on community service placements;
- 1 673 health professionals attended continuous professional development training; and
- 1 134 non-professionals were trained in HIV and AIDS, STI, TB and chronic diseases.

Output 5: Health infrastructure
Health facilities that have undergone major and minor refurbishment inside and outside NHI pilot district targets were not achieved due to prolonged design and preparation of Project Execution Plans (PEPs). The department has identified Heidelberg and Devon EMS bases for revitalization and six of the ten clinics/community health centres (CHCs) currently under construction. Although there were delays in acquisition of sites and finalisation of tender processes for the clinics and CHCs, the tender process for appointment of a contractor at Edenvale Laundry is to be concluded by GDID and Daveyton Hospital is currently in the planning phase.

Several challenges have marred the performance of a number of infrastructure projects. These include the following:
- Difficulties in attracting candidates due to limited numbers of those who are suitable and low salaries offered (especially for production posts);
- High turn-over of personnel due to limited numbers of suitable candidates;
- Service level agreements in place but non-adherence is high;
- Challenges with the planning process being addressed; and
- Monthly progress review meetings poorly attended to by the implementing agents (IAs) and non-compliance in submitting monthly project reports amongst a plethora of challenges.

Proposals have been made to the National Department of Health (NDOH) to convert posts into those of project managers with improved salaries, or to relax the requirements.

Output 6: Production and procurement localised
Township economy
The department participates in a number of ventures which promote the township economy. The following are some of the investments in this sphere. It has procured ARVs locally in support of TMR to the value of R956.9 million by the end of the third quarter. The department also spent R127.9 million as at 31 December 2016 on hospital linen, bread, dairy products, fresh vegetables and meat in support of the Township Economic Revitalisation (TER) Strategy.

Significant progress has been made with strengthening activities of township hubs in priority areas around the province to a total of R15 million. This is 10 per cent for mechanical, panel (body repairs) and patient compartment improvements out of R150 million allocated in the 2016/17 financial year. The target is to increase spending to R30 million or at least 20 per cent in 2017/18 with expansion of the project in more townships and an increase in participating merchants in existing ones.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

The department's commitment to providing high quality, efficient and accessible health care to transform people's lives will be through the implementation of accelerated social transformation as one of the TMR pillars. In response to this call for accelerated social transformation, the GDoH is committing to the following outcomes for the 2017 MTEF period:

- Strengthening health systems and NHI rollout focusing on the following outputs:

  - NHI rollout in all districts;
  - Increased quality and access in PHC facilities;
  - Improved quality of health care;
  - Health sector management;
  - Improved human resources for health; and
  - Health infrastructure development and management.
- Reduced burden of HIV and AIDS, TB;
- Reduced burden of maternal, infant and child morbidity and mortality;
- Addressing social determinants of health;
- Re-industrialisation of the health economy; and
- Modernisation of the public health service.

Outcome 1: Strengthening health systems and NHI rollout

Output 1: NHI rollout in all districts
The department continues implementation of NHI interventions in the Tshwane pilot district and other districts to ensure universal health service coverage. The NHI is implemented through the PHC re-engineering programme, 'Ideal Clinic Project'; quality assurance and health infrastructure programmes.

Output 2: Increased quality and access in PHC facilities
The department continues with the implementation of PHC services through the three streams of PHC re-engineering, which are aimed to enhance community transformation using the community-based model; and integration of ward based health care, clinics, CHCs and district hospitals. The WBOTs will be increased from 533 to 720 to provide coverage in all the 508 wards, aimed at the provision of preventative care and collection of information. The department will reach one hundred percent rollout of WBOT handheld devices for priority townships. In addition, the District Clinical Specialist Teams (DCSTs) will continue to contribute to the reduction of maternal, infant and child mortality in all districts. The patients with mental disorders are treated as an integrated service of Primary Health Care Services.

Output 3: Improved quality of health care
The department continues to implement quality assurance programmes in all hospitals and PHC facilities and conduct self-assessment to improve the quality of care and compliance with National Core Standards. The Lean Management Project will continue to be implemented in all hospitals and clinics to reduce waiting times. The department will ensure compliance with the National Core Standards aimed to improve the patient experience of care. In addition, the department will implement, other strategies such as: improving availability of vital and essential medicines; patient safety; and staff attendance and adherence to protocols; reducing patient complaints; minimising waiting time in outpatient, accident and emergency departments; and identifying health care associated infections across all facilities.

Output 4: Health sector management
The department will continue to improve the availability of the Essential and Non-Essential Drug List (EDL) through ensuring sustainability of direct deliveries from suppliers at all facilities, to improve patient care. The CCMDD will be expanded to non-NHI pilot districts including hospitals. In addition, the Stock Visibility System will be expanded to include Ideal Clinic tracer medicines.

EMS response times for priority 1 urban calls within 15 minutes and within 40 minutes will be at 99 per cent and 100 per cent respectively as a result of implementation of a bed bureau management system in all hospitals; complete integrated computer aided call taking and dispatch system, which includes live tracking of all EMS resources in all spheres of government. In addition, ePRF (electronic Patient Report Form) will be available seamlessly to all when an emergency originates and ends, allowing for real time review of response times and care amongst others. Further distribution of EMS bases (satellite locations) for provision of services close to communities will be implemented. The department will continue the recapitalization of its fleet including prescribed minimum equipment; and provincialisation of METRO'S will commence at Tshwane District as part of improvement in resource management and strengthening economies of scale in relation to issues of duplication in management and scarce skills such as advanced life skills.

Output 5: Improved human resources for health
The department will continue with the implementation of the Primary Health Care (PHC) Normative Guide informed by the Workload Indicators of Staffing Needs (WISN) in all PHC facilities to provide appropriate staffing levels and distribution of health professionals. In addition, training of health professionals, learners and interns will increase. The department will use the new bursary model for awarding bursaries to 1 000 first year nurses and 50 medical students. In addition, the department will implement a compulsory 18 training days for senior managers over a three year cycle.

Output 6: Health infrastructure development and management
The strategies to invest in health infrastructure will continue through improved health infrastructure design, delivery and maintenance and ensuring compliance with statutory requirements across the department. The implementation of the green agenda will continue though tri-generation and dual fire diesel/gas boilers in hospitals; roof-top solar panels in PHC facilities; and green building design over the next five years, in partnership with DID. The department's focus will also be on minor and major re-build or refurbishment of facilities including Soshanguve, Lillian Ngoyi, Daveyton, Lenasia South, Discoverers, Diepsloot, Khayalami, Jubilee, Kalafong, Dr Yusuf Dadoo, Sebokeng, Tambo Memorial Heidelberg and Laudium Hospitals. The department will open Randgate clinic, and ten clinics (Finetown, Khutsong South, New Kekana Gardens, Dewagensdrift, , Boitumelo, New Eersterus Clinic, Dilopye Clinic, Mayibuye,, Boikhutsong, New Orange farm Clinic) will be under construction in 2017/18.

Outcome 2: Reduced burden of maternal, infant and child morbidity and mortality
The department continues to implement the Campaign on Accelerated Reduction of Maternal and Child Mortality in Africa (CARMMA) with the aim of reducing maternal mortality to 85 per 100 000 live births by the 2019/20 financial year. The focus will be on establishment of maternal homes for ANC mothers as per the Cuban Model, and service integration, which is holistic clinical programme management; strengthening social behaviour change; communication strategy for early antenatal care; early antenatal booking and initiation of ARVs to positive antenatal care mothers; provision of dedicated obstetric ambulances to ensure prompt transfer of women in labour and mothers in emergencies in all maternity and obstetric units (MOUs) and district hospitals; and postnatal care visits. The reduction of neonatal mortality to 6 per 1000 live births by 2019/20 remains a priority and will be achieved through the reduction of mother to child transmission, promotion of exclusive breast feeding and expansion of Kangaroo Mother Care to 26 hospitals; and establishing human milk banks in health facilities. In addition there will be improved vitamin A and immunization coverage for children below one year of age, which will be at 100 per cent by 2019/20. The department will continue to strengthen and promote access to comprehensive sexual and reproductive health programmes with specific focus on family planning and quality contraceptive devices. The promotion of health screening of learners in schools to address health barriers to learning through the integrated School Health Programme will continue.

Outcome 3: Reducing the burden of HIV and AIDS, TB
The prevention of HIV and AIDS infection remains a key priority programme focusing on health priorities through a combination of HIV prevention for youth in general and young women in particular as well as their sex partners; implement " She Conquers as well as Dreams" campaigns; reduce new infections through the PASSOP platform; increase distribution of female condoms and expansion of MMC sites; increase as well as sustain prevention leading towards elimination of mother to child HIV transmission; ART initiation rate for pregnant women at over 95 per cent with 1.4 per cent transmission rate from mother to child at about 10 weeks. The department will continue to reduce the burden of HIV and AIDS and TB through intensifying implementation of the UNAIDS 90-90-90 strategy for HIV and AIDS, TB and non-communicable diseases. In addition, the department will strengthen and sustain implementation of the HIV-Universal Test and Treat (UTT) strategy, with decongestion of facilities. This will accelerate the roll-out of the strategy and of the related minimum package of care.

The department will continue to intensify the TB patient testing and screening programme to improve the treatment success rate to 90 per cent and decrease the defaulter rate to 5.5 per cent in the 2019/20 financial year. The department will strengthen the effectiveness and efficiency of the MDR-TB control programme through implementing coordinated, decentralised management of TB drug-resistant with focus on early detection and treatment. This will be done in partnership with civil society and inter-departmental and external stakeholders.

Outcome 4: Addressing social determinants of health
The department will continue to prevent communicable and non-communicable diseases through the implementation of strategies for a comprehensive healthy lifestyle programme to address diet, alcohol, smoking, drug abuse, exercise and practicing safer sex in collaboration with municipalities, the Department of Education, and the Department of Sport, Arts, Culture and Recreation. Healthy lifestyle activities implemented in all clinics and targeting schools remains a priority. The department will continue with prevention of non-communicable diseases related to lifestyle. The implementation of the integrated Management of Chronic Disease Programme in all PHC facilities; and the Chronic Medication Dispensing and Distribution Programme reaching 600 000 patients by 2019/20 will continue across the province. The department will continue to strengthen interventions to prevent motor vehicle accidents, crime, and substance abuse through interdepartmental healthy lifestyle campaigns, and screening of health clients with mental health disorders in all health facilities.

Outcome 5: Modernisation of the public service
The department will continue with modernization of health services through effective management of the information system and development and implementation of the programme towards creating a paperless environment. The upgrading of ICT infrastructure will continue to enable internet broadband network connectivity in all clinics and hospitals. The development of an integrated health information system as part of the e-Health Records System, including scanning and indexing of patient records at hospitals to reduce waiting times and loss of records will be implemented. The migration of MEDICOM 12 at 10 health facilities, will continue. The IVS solution will be deployed at all facilities. In addition, the department will continue to implement the PACS system in health facilities across all four clusters.

Outcome 6: Re-industrialisation of health economy
The department will continue to contribute to the re-industrialization of Gauteng as our country's economic hub through localized production and procurement of goods and services such as bread, vegetables and dairy products from township enterprises; and create a platform for women cooperatives to supply linen to our hospitals across the province. The department will bring in new investors to establish plants to manufacture ambulances, pharmaceuticals and other consumables in conjunction with the Department of Economic Development. The department will continue with the establishment of automotive repair centres for all vehicles related to health services in partnership with engineering faculties and technical colleges/technicians.

4. REPRIORITISATION

R35 million was reprioritized from programme 6: Health Sciences and Training, from Compensation of Employees to programme 4: Provincial Hospital Services: Compensation of Employees for the nurses intake. An amount of R94.4 million was reprioritized from Programme 4 Non-profit Institution (NPI) to Programme 2 NPI for Mental Health due to the increased services in Mental Health NPI. Other reprioritization within the programmes was effected to fund the non-negotiable items and align the Comprehensive HIV and AIDS and TB business plan, of which R238 million was shifted from compensation of employees to goods and services and R34 million from non-profit institutions to machinery and equipment. In addition R133 million is reprioritised from compensation of employees to goods and services within the National Tertiary Services conditional grant. Further reprioritization was effected within the infrastructure programme as a result of revised project readiness where R478 million was reprioritised between sub-programmes.

5. PROCUREMENT

The department will continue to strengthen its procurement systems focusing on reducing the turnaround times when procuring goods and services by means of inviting price quotations and competitive bids. The department is embarking on strengthening its control measures mainly around inventory, contract and records management. The following measures are in place:

- SCM aligned to the National Treasury Supply Chain Management Framework Act;
- Contract management unit established;
- SCM demand management plans implemented;
- Term contracts for non-negotiable goods established; and
- Monitoring of payment of suppliers within 30 days.

The department will continue to uphold the principles of procurement by ensuring that all contracts are awarded in a manner which is fair, equitable, transparent, competitive and cost effective. To ensure compliance with supply chain processes when procuring consignment stock, the department will adjudicate and award the consignment stock tenders before the end of the current financial year. All supply chain payments will be paid via procure to pay and not through sundry payment.

As part of the department's contribution to the Gauteng Township Economy Revitalization (TER) strategy we will develop and implement the departmental guidelines which will guide the entire organization on how to give impetus to the broader TER imperatives. The department will also strive to implement strategic sourcing principles, where possible and depending on the type of commodities and market complexity.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 4.1 : SUMMARY OF RECEIPTS: HEALTH

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	21 577 055	23 774 130	27 671 653	28 764 797	28 998 597	28 998 597	30 537 421	31 593 162	33 879 775
Conditional grants	7 193 730	7 717 049	7 665 435	8 643 260	8 658 260	8 658 260	9 669 625	10 475 260	11 313 378
Comprehensive HIV and Aids Grant	2 258 483	2 632 578	2 928 300	3 259 407	3 274 407	3 274 407	3 744 381	4 239 022	4 667 945
Hospital Facility Revitalisation Grant	844 238	752 700	313 630	777 818	777 818	777 818	890 665	845 975	893 350
Health Professions Training and Development Grant	765 202	811 114	829 604	865 244	865 244	865 244	919 432	972 759	1 027 240
National Tertiary Services Grant	3 305 931	3 493 891	3 572 856	3 727 048	3 727 048	3 727 048	4 110 484	4 390 192	4 724 843
National Health Insurance Grant	16 876	10 281	10 206	7 543	7 543	7 543			

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Human Papillomavirus Vaccine Grant								27 312	
Expanded Public Works Programme	3 000	14 475	8 788	4 200	4 200	4 200	2 663		
Expanded Public Works Programme Incentive Grant for Provinces		2 010	2 051	2 000	2 000	2 000	2 000		
Total receipts	**28 770 785**	**31 491 179**	**35 337 088**	**37 408 057**	**37 656 857**	**37 656 857**	**40 207 046**	**42 068 422**	**45 193 153**

The department allocated R40.2 billion in 2017/18, R42.1 billion in 2018/19 and R45.1 billion in 2019/20, amounting to a total budget of R127.4 billion over the 2017 MTEF. Of this allocation, the conditional grant constitutes an average of 25 per cent while the equitable share constitutes 75 per cent of the total budget in each financial year.

The equitable share allocation grows from R30.5 billion in 2017/18 to R31.5 billion in 2018/19. This is attributable to an increase in personnel funding, PHC allocation and funding for medical supplies and medicine of central hospitals. An amount of R27 million will be received in 2018/19 for the roll-out of human papilloma vaccine (HPV); this programme is aimed at reducing cervical cancer and is provided to girls aged 9-10 years.

6.2 Departmental receipts

TABLE 4.2 : SUMMARY OF DEPARTMENTAL RECEIPTS

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Tax receipts									
Sales of goods and services other than capital assets	471 332	451 636	433 650	555 741	555 741	559 559	449 820	475 335	502 355
Transfers received						3 045			
Fines, penalties and forfeits	47	52	56	53	53	53	55	58	62
Interest, dividends and rent on land	6 188	397	939	1 280	1 280	1 280	1 344	1 422	1 502
Transactions in financial assets and liabilities	50 143	71 966	44 651	28 026	28 026	30 262	29 427	31 134	32 877
Total departmental receipts	**527 710**	**524 051**	**479 296**	**585 100**	**585 100**	**594 199**	**480 647**	**507 949**	**536 796**

The classification of departmental receipts distinguishes between tax receipts; sales of goods and services other than capital assets; transfers received; fines, penalties and forfeits; interest, dividends and rent on land; sales of capital assets; and transactions in financial assets and liabilities.

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

The department estimates that it will to collect R594.1 million in the 2016/17 financial year. Over the 2017 Medium term period revenue estimates have been revised downwards mainly due to challenges experienced with revenue collecting agents and rejection of claims from medical aids. However, the department has engaged the relevant institutions.

7. PAYMENT SUMMARY

7.1 Key assumptions

The following key assumptions were applied when compiling the 2017 MTEF budget:

- Strengthening and investment in PHC to provide treatment at the appropriate level;
- Cost of living adjustment as per the current wage bill agreement, pay progression, housing and other allowances;
- Improvements in conditions of service and the OSD for various categories of employees;
- Provision for the non-negotiable line items as approved by the NDoH to improve the quality of health services;
- Provision for the rollout of HPV vaccination in the 2018/19 financial year;
- Provincialisation of primary health care services;

- Recapitalization and replacement of emergency vehicles; and
- Re-classification of hospitals and equity allocation.

7.2 Programme summary

TABLE 4.3 : SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	584 151	565 081	807 358	829 895	904 694	956 291	669 961	712 296	752 185
2. District Health Services	8 357 432	9 563 046	11 075 547	12 598 039	12 598 496	12 648 314	13 752 800	14 841 250	15 851 384
3. Emergency Medical Services	936 278	847 561	940 319	1 197 221	1 197 221	1 179 664	1 275 082	1 351 587	1 427 276
4. Provincial Hospital Services	5 154 324	5 987 314	6 432 065	6 910 146	6 996 066	7 194 883	7 367 668	7 825 406	8 263 630
5. Central Hospital Services	10 237 795	11 584 642	12 582 282	12 609 627	12 693 451	13 855 704	14 211 198	15 063 927	16 497 303
6. Health Sciences And Training	829 485	861 931	938 834	976 452	946 452	1 082 990	990 163	1 049 594	1 108 369
7. Health Care Support Services	194 870	211 542	223 499	268 747	268 747	268 747	281 538	298 430	315 141
8. Health Facilities Management	1 121 466	1 384 095	1 864 651	2 017 930	2 051 730	2 051 730	1 658 636	925 932	977 865
Total payments and estimates	**27 415 801**	**31 005 212**	**34 864 555**	**37 408 057**	**37 656 857**	**39 238 323**	**40 207 046**	**42 068 422**	**45 193 153**

7.3 Summary of economic classification

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**25 157 666**	**28 390 262**	**31 905 325**	**33 655 806**	**34 023 359**	**35 409 950**	**36 162 095**	**38 187 636**	**41 014 544**
Compensation of employees	17 096 854	18 654 909	20 648 000	22 208 890	22 361 591	23 115 663	23 815 004	25 228 708	26 763 735
Goods and services	8 059 289	9 735 281	11 257 325	11 446 916	11 661 768	12 294 287	12 347 091	12 958 928	14 250 809
Interest and rent on land	1 523	72							
Transfers and subsidies to:	**1 423 046**	**1 570 752**	**1 467 193**	**1 342 743**	**1 342 743**	**1 542 617**	**1 578 504**	**1 712 621**	**1 888 952**
Provinces and municipalities	607 677	672 042	657 442	675 326	675 326	675 326	709 104	751 650	793 743
Departmental agencies and accounts	16 117	17 183	17 919	18 869	18 869	18 869	19 812	21 001	22 177
Higher education institutions	958		1 824	1 963	1 963	1 963	2 061	2 185	2 307
Non-profit institutions	640 453	652 703	523 218	544 030	544 030	547 270	698 608	781 526	905 713
Households	157 841	228 824	266 790	102 555	102 555	299 189	148 919	156 260	165 012
Payments for capital assets	**832 163**	**1 031 499**	**1 481 189**	**2 409 508**	**2 290 755**	**2 278 421**	**2 466 447**	**2 168 165**	**2 289 657**
Buildings and other fixed structures	415 135	378 954	784 988	1 235 355	1 104 764	1 104 764	1 153 570	845 975	893 429
Machinery and equipment	416 840	652 545	696 201	1 174 153	1 185 991	1 173 657	1 312 877	1 322 190	1 396 228
Software and other intangible assets	188								
Payments for financial assets	**2 926**	**12 699**	**10 848**			**7 335**			
Total economic classification	**27 415 801**	**31 005 212**	**34 864 555**	**37 408 057**	**37 656 857**	**39 238 323**	**40 207 046**	**42 068 422**	**45 193 153**

The department's expenditure increased from R27.4 billion in 2013/14 to R34.9 billion in 2015/16. This is due to the burden of disease, which resulted in accelerated expenditure mainly in district health services and central hospitals, and the payment of accruals from previous financial years.

The total appropriation increases from R37.4 billion in 2016/17 to R40.2 billion in 2017/18 financial year. The increase is mainly due to inflation, personnel funding and the funding of medical supplies, medicine and consumable supplies.

Comparing the 2016/17 and 2017/18 financial years, the Administration budget shows a substantial reduction of 19 per cent. This is as a result of decrease in the computer services budget; in 2016/17, there was a once off project to upgrade and modernize the health system such as replacement of servers in the institutions.

The budget of Programme 2: District Health Services increases by 9 per cent from 2016/17 to 2017/18. Over the 2017

MTEF, this programme received an earmarked allocation for accelerating the provision and improvement of PHC services; ward-based outreach teams; district clinical specialist teams; and integrated school health services. The National Health Insurance Grant has been terminated from the 2017/18 as a transfer allocation to the province and is managed at the National Department of Health.

The budget for Programme 3: Emergency Medical Services increases by 6 per cent from R1.1 billion in 2016/17 to R1.2 billion in 2017/18. The growth makes provision for replacing ageing emergency vehicles so that the department can continue to provide effective and efficient emergency medical services.

Over the four year period 2016/17 to 2019/20, the budget of Programme 4: Provincial Hospital Services increases by R1.3 billion or 19 per cent. This is due to additional funding for higher municipal tariffs at institutions and non-negotiable line items.

The budget in Programme 5: Central Hospital Services increases significantly by 13 per cent, from R12.6 billion in 2016/17 to R16.4 billion in 2019/20. This is due to the enhancement of tertiary services, adequately funding non-negotiable items and budget pressures from increases in the prices of medical commodities and the payment of municipal services. The programme also introduces the newly commissioned Nelson Mandela Children's hospital which will provide specialized paediatric services in the country and the Southern African Development Community (SADC) region. These specialized services will be introduced through a phased-in approach. The hospital is funded through the National Tertiary Services grant.

Over the MTEF period 2017/18 to 2019/20, the budget of Programme 6: Health Science and Training increases by R131 million or 11 per cent to provide employee bursary holders and to support the South African Cuban Doctor programme to address the shortage of doctors in the country.

The budget of Programme 7: Health Care Support Services increases by R46 million or 11 per cent from 2017/18 to 2019/20 to provide for the laundry services and pre-packed food services.

Programme 8: Health Facilities Management is funded through the equitable share and the Health Facility Revitalisation Grant for improving and maintaining health infrastructure. From 2017/18 to 2019/20, the allocation for the programme decreases by 18 per cent in the 2017/18 and 22 per cent in the 2016/17 to 2019/20 periods due to revised project plans.

The compensation of employees budget increased by 7.4 per cent from R22.2 billion in 2016/17 to R23.8 billion in the 2017/18 financial year as a result of increased personnel funding of health professionals, nurses and funding towards Public Service Co-ordinating Bargaining Council (PSCBC) resolutions.

The allocation for goods and services increase by 7.8 per cent from R11.4 billion in 2016/17 to R12.3 billion in 2017/18. The increase is due to funding for re-engineering of PHC and additional funding for non-negotiable items such as medical supplies and medicine.

The budget for transfer payments increases by 17.6 per cent from R1.3 billion in 2016/17 to R1.5 billion in 2017/18. This is to cater for transfer payments to municipalities for primary health care, HIV and AIDS and emergency medical services. The budget for transfer payments to non-profit organisations increases from R544 million in 2016/17 to R698 million in 2017/18. This increase is as a result of the absorption of the Alexandra CHC and allocation towards mental health care services. Transfers to departmental agencies and accounts increases from R18.8 million in 2016/17 to R22.1 million in 2019/20 as a result of payments to the Health and Welfare Sector Training Authority (HWSETA) for skills development and training of health professionals on behalf of the department.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the 2017 Estimates of Capital Expenditure (ECE).

7.4.2. Departmental public-private partnership (PPP) projects

N/A.

7.5. Transfers

7.5.1. Transfers to public entities

N/A.

7.5.2. Transfers to other entities

TABLE 4.5 : SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Mental Health NPI Psychiatric Programme	218 536	323 713	265 286	61 972	61 972	61 972	54 832	58 281	61 610
HIV/Aids NPI	213 183	66 637	127 954	113 554	113 554	113 554	85 960	91 118	96 221
Nutrition	26 313	42 109	50 338	52 064	52 064	52 064	55 233	58 547	61 826
Mental Health NPI	(2)	97 265	117 554	195 000	195 000	195 000	224 717	237 481	250 715
EPWP NPI		50 578	94 585	107 256	107 256	107 256	113 691	120 512	127 261
Alexandra Health Care Centre	35 088	63 667	53 472						
Phillip Moyo Community Health Centre	13 150								
Witkoppen Clinic	7 314	7 436	10 977	11 979	11 979	11 979	12 578	13 308	14 053
HW-Seta	16 085	17 131	17 919	18 869	18 869	18 869	19 812	20 962	22 135
Universities	958		1 864	1 963	1 963	1 963	2 061	2 181	2 303
Nelson Mandela Children Hospital							150 000	200 000	291 620
National Health Insurance	333								
Specialised Services NPI		1 300	1 444	1 521	1 521	1 521	1 597	1 690	1 785
Total departmental transfers	**530 958**	**669 836**	**741 393**	**564 178**	**564 178**	**564 178**	**720 481**	**804 080**	**929 529**

The department continues to work in partnership with sector non-profit institutions, universities, Health and Welfare-SETA and the Baneng Care Centre of Life Esidimeni to ensure delivery of services according to the set targets. The department is also continuing with paying the community health workers directly instead of transferring the money to NGOs. There is an increase from R564 million in 2016/17 to R720 million in 2017/18 due to the commissioning of the Nelson Mandela Children's Hospital. The hospital will provide specialised paediatric services.

7.5.3. Transfers to local government

TABLE 4.6: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Category A	559 399	596 186	627 778	660 736	660 736	660 736	693 890	735 566	776 758
Category B									
Category C	48 278	75 856	29 673	14 590	14 590	14 590	15 214	16 084	16 985
Unallocated			(8)						
Total departmental transfers	**607 677**	**672 042**	**657 443**	**675 326**	**675 326**	**675 326**	**709 104**	**751 650**	**793 743**

Transfers of funds to local government are made to provide funding for Primary Health Care, HIV and AIDS and emergency medical services. All such services within district councils have already been provincialized. Over the 2017 MTEF, the allocation for transfers increases by approximately 12 per cent. Transfers for PHC, HIV and AIDS and emergency medical services are benefitting the three metros, Tshwane, Ekurhuleni and Johannesburg, and the districts of Sedibeng and West Rand. The transfer is aimed at rendering comprehensive PHC services according to service level agreements, to ensure rapid, effective and effective emergency medical care; to sustain and extend coverage of the ward based door to door HIV and AIDS education programme and to promote safe sex behaviours (HIV prevention).

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The purpose of this programme is to conduct strategic management and overall administration of the GDoH through the sub-programmes Office of the MEC and Management.

Programme objectives

- Rendering of advisory, secretarial and office support services; and
- Policy formulation, overall management and administrative support of the department and the respective regions and institutions within the department.

Policies and priorities

- Improve audit outcomes;
- Modernisation of health systems;
- Effective management of the information system;
- Transforming the health economy;
- Improving human resources for health;
- Improving financial management and accountability; and
- Improving quality of health care.

TABLE 4.7 : SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office Of The MEC	10 970	15 066	14 588	19 389	20 467	24 863	20 358	21 580	22 789
2. Management	573 181	550 015	792 770	810 506	884 227	931 428	649 603	690 716	729 396
Total payments and estimates	**584 151**	**565 081**	**807 358**	**829 895**	**904 694**	**956 291**	**669 961**	**712 296**	**752 185**

TABLE 4.8 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**565 776**	**514 261**	**744 416**	**819 146**	**878 445**	**924 475**	**655 887**	**697 380**	**736 434**
Compensation of employees	274 797	301 841	324 030	395 762	395 762	360 061	415 550	442 621	467 407
Goods and services	290 748	212 420	420 386	423 384	482 683	564 414	240 337	254 759	269 027
Interest and rent on land	231								
Transfers and subsidies to:	**1 897**	**2 158**	**4 288**	**2 203**	**2 203**	**7 504**	**2 313**	**2 450**	**2 587**
Provinces and municipalities									
Non-profit institutions									
Households	1 897	2 158	4 288	2 203	2 203	7 504	2 313	2 450	2 587
Payments for capital assets	**16 449**	**42 191**	**57 681**	**8 546**	**24 046**	**24 046**	**11 761**	**12 466**	**13 164**
Buildings and other fixed structures									
Machinery and equipment	16 449	42 191	57 681	8 546	24 046	24 046	11 761	12 466	13 164
Payments for financial assets	**29**	**6 471**	**973**			**266**			
Total economic classification	**584 151**	**565 081**	**807 358**	**829 895**	**904 694**	**956 291**	**669 961**	**712 296**	**752 185**

The baseline funding of the programme decreased by 23 per cent from R829.8 million in 2016/17 to R669.9 million in 2017/18. This is as a result of a once off - project to upgrade and modernise the health system through such methods as replacement of servers in institutions which impacted goods and services with a decrease of R183 million.

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2017/18
1. Audit opinion from Auditor General	Unqualified	Clean	Clean
2. Percentage of Hospitals with Broadband access	100%	100%	100%
3. Percentage of fixed facilities with broadband access	54%	60%	66%

PROGRAMME 2: DISTRICT HEALTH SERVICES

Programme description
The purpose of the programme is to render primary health care services, district hospital services, comprehensive HIV and AIDS care and nutrition. It includes the delivery of priority health programmes.

Programme objectives
- Planning, administration and management of district health services;
- Rendering a primary health service in respect of health promotion, geriatrics, occupational therapy, physiotherapy, psychiatry, speech therapy, communicable diseases, mental health, community based services and other services
- Rendering integrated community based services;
- Rendering a mother, child and women's health programme;
- Rendering a primary health care service in respect of HIV and Aids campaigns and special projects;
- Rendering a nutrition service aimed at specific target groups and combining direct and indirect nutrition interventions to address malnutrition;
- Rendering coroner services; and
- Rendering a hospital service at district level.

Policies and priorities
- Universal health coverage through expansion of the NHI across the province in all districts;
- Expansion of PHC re-engineering;
- Compliance with national core standards at PHC facility level;
- Tuberculosis prevention and management;
- Implementing the UNAIDS 90-90-90 strategy;
- Reduction of HIV and AIDS and TB-related mortality;
- Reduction of maternal, child and infant mortality;
- Promotion of healthy lifestyle; and
- Strengthening partnership with civil society, inter-departmental and external stakeholders.

TABLE 4.9 : SUMMARY OF PAYMENTS AND ESTIMATES: DISTRICT HEALTH SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. District Management	411 698	428 363	451 135	499 666	517 812	490 266	551 955	572 972	605 058
2. Community Health Clinics	1 640 842	1 664 910	2 085 055	2 280 109	2 255 338	2 180 334	2 386 339	2 529 520	2 671 171
3. Community Health Centres	1 087 137	1 329 667	1 503 927	1 743 676	1 722 379	1 689 483	1 873 050	1 985 433	2 096 619
4. Community Based Services	888 127	1 168 605	1 458 519	1 607 616	1 578 821	1 800 835	1 755 547	1 848 962	1 952 504
5. HIV and Aids	2 459 887	2 709 860	3 002 814	3 451 142	3 466 142	3 466 142	3 957 203	4 465 361	4 894 450
6. Nutrition	26 339	42 109	48 712	52 604	52 604	52 604	55 233	58 548	61 827
7. Coroner Services	145 177	173 799	184 034	204 971	199 971	199 971	215 220	228 133	240 907
8. District Hospitals	1 698 225	2 045 733	2 341 351	2 758 255	2 805 429	2 768 679	2 958 253	3 152 321	3 328 848
Total payments and estimates	**8 357 432**	**9 563 046**	**11 075 547**	**12 598 039**	**12 598 496**	**12 648 314**	**13 752 800**	**14 841 250**	**15 851 384**

TABLE 4.10 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DISTRICT HEALTH SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**7 551 460**	**8 777 412**	**10 206 384**	**11 476 238**	**11 520 736**	**11 575 092**	**12 587 737**	**13 608 291**	**14 549 381**
Compensation of employees	4 663 026	5 163 930	5 799 772	6 476 312	6 502 486	6 558 457	6 933 476	7 334 943	7 745 699
Goods and services	2 888 427	3 613 482	4 406 612	4 999 926	5 018 250	5 016 635	5 654 261	6 273 348	6 803 682
Interest and rent on land	7								
Transfers and subsidies to:	**731 303**	**663 494**	**676 301**	**845 963**	**833 003**	**836 635**	**884 577**	**937 497**	**989 998**
Provinces and municipalities	288 758	310 721	327 379	344 531	344 531	344 531	361 769	383 475	404 950
Departmental agencies and accounts	1								
Non-profit institutions	421 917	328 990	324 493	482 058	469 098	469 098	493 776	523 245	552 548
Households	20 627	23 783	24 429	19 374	19 374	23 006	29 032	30 777	32 500
Payments for capital assets	**74 206**	**120 643**	**190 181**	**275 838**	**244 757**	**234 807**	**280 486**	**295 462**	**312 005**

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Buildings and other fixed structures	1 537	13 554							
Machinery and equipment	72 511	107 089	190 181	275 838	244 757	234 807	280 486	295 462	312 005
Software and other intangible assets	158								
Payments for financial assets	**463**	**1 497**	**2 681**			**1 780**			
Total economic classification	**8 357 432**	**9 563 046**	**11 075 547**	**12 598 039**	**12 598 496**	**12 648 314**	**13 752 800**	**14 841 250**	**15 851 384**

The total budget of the programme increases by 15 per cent from R13.7 billion in 2017/18 to R15.8 billion in 2019/20. The HIV and AIDS Sub-Programme has increased by 13 per cent from R3.9 billion in 2017/18 to R4.4 billion in 2018/19 due to an increased CD4 count threshold from 300-500. The district hospitals' budget grows by 6.5 per cent from 2017/18 to 2018/19 to fund the Bronkhorstspruit District hospital.

The budget for compensation of employees increases by 11.7 per cent from R6.9 billion in 2017/18 to an estimated R7.7 billion in the 2019/20 financial year. This budget takes into account items such as payment of Occupation Specific Dispensation (OSD) to nurses, doctors, specialists and therapists as well as improvement of conditions of service (ICS).

Over the 2017 MTEF the budget for goods and services increases from R5.6 billion in 2017/18 to R6.8 billion in the 2019/20 financial year. An amount of R27.3 million is earmarked for HPV in 2018/2019 to enable the department to provide the vaccine to Grade 4 school girls to prevent cervical cancer in girls and women.

The overall budget for transfers and subsidies increases from R845 million in 2016/17 to R884 million in 2017/18. There is a slight increase in budget for non-profit institutions from R482 million in 2016/17 to R493 million in 2017/18 due to a revised HIV and AIDS business plan.

SERVICE DELIVERY MEASURES

PROGRAMME 2: DISTRICT HEALTH SERVICES

Performance measures	Estimated Annual Targets 2017/18	2018/19	2019/20
Clinics and Community Health Centres			
Ideal clinic status determinations conducted by Perfect Permanent Team for Ideal Clinic Realisation and Maintenance (PPTICRM) rate (fixed clinic/CHC/CDC)	100%	100%	100%
OHH registration visit coverage (annualised)	90%	90%	95%
PHC Utilisation rate	3.0	3.0	3.0
Complaints resolution rate (PHC)	100%	100%	100%
Complaint resolution within 25 working days rate (PHC)	87%	90%	90%
District Hospitals			
Hospital achieved 75% and more on National Core Standards self-assessment rate (District Hospitals)	100% (12/12)	100% (12/12)	100% (12/12)
Average Length of Stay	4.5 Days	4.5 Days	5 Days
Inpatient Bed Utilisation Rate	80%	80%	80%
Expenditure per PDE	R2 750	R2 850	R2 950
Complaints resolution rate	100%	100%	100%
Complaint Resolution within 25 working days rate	95%	95%	95%
HIV and AIDS, TB and STI Control			
ART clients remain on ART end of the month -Total	1 028 811	1 204 746	1 371 181
TB/HIV co-infected client on ART rate	88%	90%	90%
HIV test done-Total	2 498 007	2 498 007	2 498 007
Male condom distributed	200 000 000	230 000 000	250 000 000
Medical male circumcision - Total	105 000	110 000	120 000
TB symptom 5yrs and older start on treatment rate	90%	91%	92%
TB client treatment success rate	87%	89%	90%
TB client lost to follow up rate	5.5%	5.5%	5%
TB client death Rate	5.50%	5.5%	5%

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
TB MDR treatment success rate	55%	60%	65%
Maternal, Child and Woman Health			
Antenatal 1st visit before 20 weeks rate	63%	66%	70%
Mother postnatal visit within 6 days rate	80%	83%	85%
Antenatal client start on ART rate	97%	97.5%	98%
Infant 1st PCR test positive around 6 weeks rate	1.45%	1.4%	1.38%
Immunisation under 1 year coverage	97%	98%	100%
Measles 2nd dose coverage	96%	97%	98%
DTaP-IPV/Hib 3 - Measles 1st dose drop-out rate	<10%	5%	2%
Diarrhea case fatality rate	1.9%	1.8%	1.7%
Pneumonia case fatality rate	1.8%	1.75%	1.7%
Severe acute malnutrition case fatality rate	6.5%	6%	5.5%
School Grade 1 learners screening	84 352	92 020	95 885
School Grade 8 learners screening	36 095	38 890	43 211
Delivery in 10-19 years in facility rate	4.6%	4.4%	4.2%
Couple year protection rate	50%	65%	70%
Cervical cancer screening Coverage 20 years and older	60%	65%	70%
Human Papilloma Virus Vaccine 1st dose	80 850	80 850	80 850
Human Papilloma Virus Vaccine 2nd dose	80 850	80 850	80 850
Vitamin A dose 12 - 59 months coverage	65%	70%	70%
Infant exclusively breastfed at HepB 3rd dose rate	65%	70%	75%
Maternal mortality in facility ratio	100	90	85
Neonatal death in facility rate	9.5	9.0	8.5
Disease Prevention and Control			
Cataract surgery rate	10 834	1000/mil	1000/mil
Malaria case fatality rate	1%	0.4%	0.4%

PROGRAMME 3: EMERGENCY MEDICAL SERVICES

Programme description

The rendering of pre-hospital EMS including inter-hospital transfers and planned patient transport.

Programme objectives

- Render EMS including ambulance services, special operations, communications and air ambulance services; and
- Render pre-hospital EMS including inter-hospital transfers and planned patient transport.

Policies and priorities

- Improve all facilities to minimum infrastructure operational standards and requirements;
- Strategically position bases for EMS resources in order to achieve set response times;
- Promote proactive programmes to reduce demand for services in various communities including using social media platforms;
- Improve comprehensive EMS services, staffed by qualified paramedics with the necessary equipment, integrated with hospital bed bureau management; and
- Complete integration of computer aided call taking and dispatching system.

TABLE 4.11 : SUMMARY OF PAYMENTS AND ESTIMATES: EMERGENCY MEDICAL SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Emergency Transport	798 148	723 165	830 415	1 036 179	1 076 179	1 058 622	1 105 388	1 171 747	1 237 365
2. Planned Patient Transport	138 130	124 396	109 904	161 042	121 042	121 042	169 694	179 839	189 911
Total payments and estimates	**936 278**	**847 561**	**940 319**	**1 197 221**	**1 197 221**	**1 179 664**	**1 275 082**	**1 351 587**	**1 427 276**

TABLE 4.12 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EMERGENCY MEDICAL SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	**537 280**	**467 718**	**566 378**	**755 126**	**709 126**	**692 708**	**797 417**	**845 262**	**892 598**
Compensation of employees	313 509	330 910	388 834	465 538	465 538	448 046	494 128	523 774	553 105
Goods and services	223 771	136 808	177 544	289 588	243 588	244 662	303 289	321 488	339 493
Interest and rent on land									
Transfers and subsidies to:	**320 218**	**362 136**	**330 942**	**333 295**	**333 295**	**332 050**	**349 835**	**370 825**	**391 592**
Provinces and municipalities	318 919	361 321	330 063	330 795	330 795	330 795	347 335	368 175	388 793
Non-profit institutions									
Households	1 299	815	879	2 500	2 500	1 255	2 500	2 650	2 799
Payments for capital assets	**78 780**	**17 669**	**42 960**	**108 800**	**154 800**	**154 800**	**127 830**	**135 500**	**143 086**
Buildings and other fixed structures	510								
Machinery and equipment	78 270	17 669	42 960	108 800	154 800	154 800	127 830	135 500	143 086
Payments for financial assets		**38**	**39**			**106**			
Total economic classification	**936 278**	**847 561**	**940 319**	**1 197 221**	**1 197 221**	**1 179 664**	**1 275 082**	**1 351 587**	**1 427 276**

The increase in compensation of employees over the MTEF is as a result of the filling of critical EMS posts, absorption of emergency care technicians trained at Lebone College with its OSD implications and the provincialisation of Sedibeng and West Rand EMS. The budget for machinery and equipment increases by R19 million from 2016/17 to 2017/18. The department will continue to invest in the recapitalisation and replacement of ambulances with the aim of improving response times of P1 patients. The department plans to procure 120 new ambulances to augment the current fleet procured in the previous financial year as well response vehicles to be distributed across the province.

SERVICE DELIVERY MEASURES

PROGRAMME 3: EMERGENCY MEDICAL SERVICES

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
EMS P1 urban response under 15 minutes rate	85%	87%	90%
EMS P1 rural response under 40 minutes rate	100%	100%	100%
EMS inter-facility transfer rate	25%	20%	15%

PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

Programme description
Delivery of hospital services, which are accessible, appropriate, effective and provide general specialist services, including a specialized rehabilitation service, as well as a platform for training health professionals and research.

Programme objectives
- Render hospital services at a general specialist level and provide a platform for training of health workers and for research;
- Convert present TB hospitals into strategically placed centres of excellence for isolation during the intensive level of treatment, and standardized implementation of multi-drug resistant (MDR) protocols;
- Render a specialist psychiatric hospital service to people with mental illness and intellectual disability and provide a platform for training health workers; and
- Provide medium to long term care to patients who require rehabilitation and/or a minimum degree of active medical care
- Render an affordable and comprehensive oral health service and training, based on the primary health care approach.

Policy and priorities
- Compliance with the National Health Act;
- Implement revitalisation of hospital services;

- Implementation of Lean Management Project and other programmes to reduce waiting times;
- Compliance with national core standards;
- Strengthen bed bureau management; and
- Intensify implementation of the Mental Health Act at secondary level of care; and strengthen decentralized MDR-TB management at Sizwe TB Hospital.

TABLE 4.13 : SUMMARY OF PAYMENTS AND ESTIMATES: PROVINCIAL HOSPITAL SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. General Hospitals	3 642 601	4 241 858	4 597 721	4 912 317	5 004 656	5 273 151	5 277 821	5 594 831	5 908 141
2. Tuberculosis Hospitals	157 939	205 810	284 768	383 629	383 629	309 992	395 594	419 329	442 813
3. Psychiatric/Mental Hospital	919 845	1 069 675	1 032 466	1 038 185	1 028 145	1 033 935	1 081 125	1 156 241	1 220 991
4. Dental Training Hospitals	375 909	407 374	443 190	503 869	503 869	499 825	535 374	567 587	599 371
5. Other Specialised Hospitals	58 030	62 597	73 920	72 146	75 767	77 980	77 754	87 419	92 314
Total payments and estimates	**5 154 324**	**5 987 314**	**6 432 065**	**6 910 146**	**6 996 066**	**7 194 883**	**7 367 668**	**7 825 406**	**8 263 630**

TABLE 4.14 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL HOSPITAL SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**4 867 144**	**5 570 168**	**6 125 505**	**6 697 664**	**6 781 024**	**6 970 960**	**7 163 559**	**7 608 892**	**8 034 989**
Compensation of employees	3 856 710	4 251 671	4 722 697	5 113 298	5 186 081	5 288 880	5 549 300	5 897 782	6 228 057
Goods and services	1 010 189	1 318 425	1 402 808	1 584 366	1 594 943	1 682 080	1 614 259	1 711 110	1 806 932
Interest and rent on land	245	72							
Transfers and subsidies to:	**231 469**	**342 996**	**218 293**	**71 905**	**84 865**	**94 585**	**72 170**	**76 659**	**80 952**
Provinces and municipalities									
Departmental agencies and accounts	18	4							
Non-profit institutions	218 536	323 713	198 725	61 972	74 932	78 172	54 832	58 281	61 545
Households	12 915	19 279	19 568	9 933	9 933	16 413	17 338	18 378	19 407
Payments for capital assets	**53 831**	**72 742**	**86 123**	**140 577**	**130 177**	**127 793**	**131 939**	**139 856**	**147 689**
Buildings and other fixed structures		631							
Machinery and equipment	53 814	72 111	86 123	140 577	130 177	127 793	131 939	139 856	147 689
Software and other intangible assets	17								
Payments for financial assets	**1 880**	**1 408**	**2 144**			**1 545**			
Total economic classification	**5 154 324**	**5 987 314**	**6 432 065**	**6 910 146**	**6 996 066**	**7 194 883**	**7 367 668**	**7 825 406**	**8 263 630**

A major portion of the budget is allocated to general hospitals providing level two services, and to ensure that regional hospitals comply with statutory obligations. The programme is also funded through the Health Professions Training and Development Grant with the aim of expanding the teaching and training platform in various institutions.

The budget for compensation of employees grows from R5.1 billion in 2016/17 to R6.2 billion in 2019/20, in order to make provision for all salary-related costs. Funds were reprioritised within the programme between compensation of employees, goods and services and machinery and equipment to ensure continued support of operational services.

SERVICE DELIVERY MEASURES

PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
REGIONAL HOSPITALS			
Hospital achieved 75% and more on National Core Standards self-assessment rate (Regional Hospitals)	88%	88%	100%
Average Length of Stay (Regional hospitals)	5.4 days	5.3 days	5.2 days

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Inpatient Bed Utilisation Rate (Regional hospitals)	83%	84%	84%
Expenditure per patient day equivalent (PDE) (Regional hospitals)	R3 000	R3 000	R3 000
Complaints resolution rate (Regional hospitals)	95%	95%	>95%
Complaint Resolution within 25 working days rate (Regional hospitals)	95%	95%	>95%
SPECIALISED HOSPITALS			
Hospital achieved 75% and more on National Core Standards self-assessment rate (specialized hospitals)	50%	83%	100%
Complaint resolution rate (Specialised Hospitals)	95%	95%	>95%
Complaint Resolution within 25 working days rate (Specialised Hospitals)	85%	90%	>95%

PROGRAMME 5: CENTRAL HOSPITAL SERVICES

Programme description

Provide a highly specialised health care service, a platform for training health workers and a place of research, and to enable these hospitals to serve as specialist referral centres for regional hospitals and neighbouring provinces.

Programme objectives

- Render highly specialized medical health and quaternary services on a national basis and provide a platform for the training of health workers and research;
- Provision of a platform for the training of health workers; and
- Serve as specialist referral centres for regional hospitals and neighbouring provinces.

Policy objectives

- Implement the National Health Act;
- Implement national policies on conditional grants and revitalisation of hospital services;
- Implement MoUs with universities;
- Render and implement tertiary services;
- Implement the Electronic Record Management System;
- Comply with National Core Standards and certification of health care facilities by the Office of Health Standards Compliance; and
- Implement Lean Management and other programmes to reduce waiting times.

TABLE 4.15 : SUMMARY OF PAYMENTS AND ESTIMATES: CENTRAL HOSPITAL SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Central Hospitals	8 079 935	9 198 127	10 067 806	9 537 174	9 620 978	10 824 082	10 884 918	11 537 998	12 773 921
2. Provincial Tertiary Hospital Services	2 157 860	2 386 515	2 514 476	3 072 453	3 072 473	3 031 622	3 326 280	3 525 929	3 723 382
Total payments and estimates	**10 237 795**	**11 584 642**	**12 582 282**	**12 609 627**	**12 693 451**	**13 855 704**	**14 211 198**	**15 063 927**	**16 497 303**

TABLE 4.16 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CENTRAL HOSPITAL SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**10 061 298**	**11 293 793**	**12 244 775**	**12 085 295**	**12 169 860**	**13 317 628**	**13 341 158**	**14 094 839**	**15 393 526**
Compensation of employees	7 176 189	7 817 483	8 584 959	8 716 095	8 799 839	9 486 855	9 363 957	9 907 431	10 584 470
Goods and services	2 884 069	3 476 310	3 659 816	3 369 200	3 370 021	3 830 773	3 977 201	4 187 408	4 809 056
Interest and rent on land	1 040								
Transfers and subsidies to:	**36 182**	**49 073**	**37 823**	**20 807**	**20 807**	**33 008**	**196 448**	**247 640**	**341 929**
Provinces and municipalities									
Departmental agencies and accounts	12	48							
Non-profit institutions							150 000	200 000	291 620
Households	36 170	49 025	37 823	20 807	20 807	33 008	46 448	47 640	50 309
Payments for capital assets	**139 849**	**239 300**	**296 127**	**503 525**	**502 784**	**502 784**	**673 592**	**721 448**	**761 848**

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Buildings and other fixed structures									
Machinery and equipment	139 836	239 300	296 127	503 525	502 784	502 784	673 592	721 448	761 848
Software and other intangible assets	13								
Payments for financial assets	**466**	**2 476**	**3 557**			**2 284**			
Total economic classification	**10 237 795**	**11 584 642**	**12 582 282**	**12 609 627**	**12 693 451**	**13 855 704**	**14 211 198**	**15 063 927**	**16 497 303**

The programme budget increases from R12.6 billion in 2016/17 to R14.2 billion in the 2017/18 financial year. The largest portion of the budget is allocated to the Sub-programme: Central Hospitals. The programme is mainly funded through conditional grants: the National Tertiary Services and the Health Professions Training and Development Grants. The programme also introduces the newly commissioned Nelson Mandela Children's hospital which will provide specialized paediatric services in the country and the SADC region. These specialized services will be introduced through a phased-in approach and the hospital is funded through the National Tertiary Services grant.

Over the MTEF, the programme budget grows by 16 per cent or R2.2 billion; this is to ensure that non-negotiable budget line items such as medicine and medical supplies are adequately funded. In 2017/18, the department will continue to provide funding for operationalization of the three tertiary hospitals, i.e. Helen Joseph, Kalafong and Tembisa.

The budget for compensation of employees increases from R8.7 billion in 2016/17 to R9.3 billion in the 2017/18 financial year, due to additional funding for health professionals and creation of posts for nursing personnel. Comparing the budgets of 2016/17 and 2017/18, goods and services increases by 18 per cent to ensure that non-negotiable and municipal services items are funded adequately. Additional funding was made towards medical supplies and medicine to increase funding for non-negotiable items. The programme is funded through the National Tertiary Service Grant and the Health Professional Training and Development Grant and budget reprioritisation was effected to align business plans between economic class.

SERVICE DELIVERY MEASURES

PROGRAMME 5: CENTRAL HOSPITAL SERVICES

Performance measures	Estimated Annual Targets		
TERTIARY HOSPITALS (Helen Joseph, Kalafong and Tembisa)	**2017/18**	**2018/19**	**2019/20**
Hospital achieved 75% and more on National Core Standards self-assessment rate (Tertiary Hospitals)	66%(2)	100% (3/3)	100% (3/3)
Average Length of Stay (Tertiary hospitals)	5.7 DAYS	5.6 DAYS	<5 DAYS
Inpatient Bed Utilisation Rate (Tertiary hospitals)	82%	82%	82%
Expenditure per patient day equivalent (PDE) (Tertiary hospitals)	R2 900	R2 900	R2 900
Complaint Resolution rate (Tertiary hospitals)	95%	95%	>95%
Complaint Resolution within 25 working days rate (Tertiary hospitals)	95%	95%	>95%
ACADEMIC HOSPITALS			
Hospital achieved 75% and more on National Core Standards self-assessment rate (Central Hospitals)	100%	100%	100%
Average Length of Stay (Central hospitals)	6.8 DAYS	6.7 DAYS	<5 DAYS
Inpatient Bed Utilisation Rate (Central hospitals)	78%	79%	80%
Expenditure per patient day equivalent (PDE) (Central hospitals)	R3 700	R4 000	R4 000
Complaints resolution rate (Central hospitals)	95%	95%	>95%
Complaint Resolution within 25 working days rate (Central hospitals)	95%	95%	>95%

PROGRAMME 6: HEALTH SCIENCES AND TRAINING

Programme description

Rendering of training and development opportunities for clinical and non-clinical employees of the GDoH through sub-programmes Nurse Training college, Emergency Medical Services Training College, Bursaries, and Other Training.

Programme objectives

- Training of nurses at undergraduate and post-basic level. Target group includes actual and potential employees
- Training of rescue and ambulance personnel. Target group includes actual and potential employees
- Provision of bursaries for health science training programmes at undergraduate and postgraduate levels. Target group includes actual and potential employees
- Provision of PHC related training for personnel. Target group includes actual and potential employees
- Provision of skills development interventions for all occupational categories in the Department.

Policies and priorities

- Implement the national Human Resource Framework;
- Implement the Skills Development Act including Expanded Public Works Programmes;
- Implement the Human Resource Development Strategy, policy and strategic plan;
- Expand the teaching and learning platform in line with MoUs with institutions of higher learning;
- Implement the Cuban Doctor programme in line with the Bilateral Cooperation Agreement between South Africa and Cuba
- Training of nurses and community health workers; and
- Provision of learnership programme; and provision of bursaries to health professionals.

TABLE 4.17 : SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH SCIENCES AND TRAINING

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Nurse Training Colleges	674 696	645 135	666 886	817 298	782 298	750 862	819 069	868 234	916 856
2. EMS Training Colleges	27 829	27 811	28 381	38 944	38 944	36 056	39 961	42 359	44 728
3. Bursaries	52 606	132 717	180 373	54 458	54 458	223 583	57 546	60 999	64 415
4. Other Training	74 354	56 268	63 194	65 752	70 752	72 489	73 587	78 002	82 370
Total payments and estimates	**829 485**	**861 931**	**938 834**	**976 452**	**946 452**	**1 082 990**	**990 163**	**1 049 594**	**1 108 369**

TABLE 4.18 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH SCIENCES AND TRAINING

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**717 639**	**702 125**	**728 829**	**898 475**	**869 465**	**834 672**	**909 565**	**964 159**	**1 018 150**
Compensation of employees	680 787	654 032	675 562	840 081	810 081	771 560	848 862	899 791	950 180
Goods and services	36 852	48 093	53 267	58 394	59 384	63 112	60 703	64 368	67 970
Interest and rent on land									
Transfers and subsidies to:	**101 209**	**150 215**	**198 885**	**68 034**	**68 034**	**238 093**	**72 553**	**76 906**	**81 213**
Provinces and municipalities									
Departmental agencies and accounts	16 085	17 131	17 919	18 869	18 869	18 869	19 812	21 001	22 177
Higher education institutions	958		1 824	1 963	1 963	1 963	2 061	2 185	2 307
Non-profit institutions									
Households	84 166	133 084	179 142	47 202	47 202	217 261	50 680	53 720	56 729
Payments for capital assets	**10 588**	**8 801**	**9 726**	**9 943**	**8 953**	**8 953**	**8 045**	**8 528**	**9 006**
Buildings and other fixed structures									
Machinery and equipment	10 588	8 801	9 726	9 943	8 953	8 953	8 045	8 528	9 006
Software and other intangible assets									
Payments for financial assets	**49**	**790**	**1 394**			**1 272**			
Total economic classification	**829 485**	**861 931**	**938 834**	**976 452**	**946 452**	**1 082 990**	**990 163**	**1 049 594**	**1 108 369**

The budget for compensation of employees increases from R840 million in 2016/17 to R848 million in the 2017/18 financial year. The sub-programme: Bursaries reflects an increase from R54 million in 2016/17 to R57 million in 2017/18 to provide bursaries to address scarce skills such as medical professionals, assistant pharmacists and pharmacists. This initiative includes the Cuban Doctor Programme.

EMS colleges are mainly utilised to provide the department with emergency care technicians (mid-level workers), thus ensuring that EMS norms and standards are met. The sub-programme: Other Training grows from R65.7 million in 2016/17 to R73.5 million in 2017/18, thus ensuring that capacity for the health sector is available.

SERVICE DELIVERY MEASURES

PROGRAMME 6: HEALTH SCIENCES AND TRAINING

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of bursaries awarded to first year medicine students	50	100	100
Number of bursaries awarded to first year nursing students	1 000	1 000	1 000

PROGRAMME 7: HEALTH CARE SUPPORT SERVICES

Programme description
The purpose of this programme is to render support services required by the department to realise its aims through sub-programmes Laundry Services and Food Supply Services.

Programme objectives
- Rendering a laundry service to hospitals, care and rehabilitation centres and certain local authorities;
- Managing the supply of pharmaceuticals and medical sundries to hospitals, community health centres and local authorities;
- Render food supply services to hospitals and community health centres; and
- Increase the efficacy of the SCM system.

Policies and priorities
- Implement SCM policy and preferential procurement policy framework, including the BBBEE framework;
- Create a platform for women cooperatives to supply linen to the department;
- Strengthen the management of laundries and food supply;
- Ensure sustainability of direct delivery of medicines to healthcare facilities; and
- Roll out central and remote automated dispensing units to all districts.

TABLE 4.19 : SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH CARE SUPPORT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Laundries	151 214	158 418	175 605	195 706	195 706	195 706	204 845	217 136	229 294
2. Food Supply Services	43 420	53 124	47 894	73 040	73 040	73 040	76 692	81 293	85 846
3. Medicine Trading Account	236			1	1	1	1	1	1
Total payments and estimates	**194 870**	**211 542**	**223 499**	**268 747**	**268 747**	**268 747**	**281 538**	**298 430**	**315 141**

TABLE 4.20 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH CARE SUPPORT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**190 355**	**205 901**	**216 242**	**255 441**	**260 241**	**259 953**	**272 506**	**288 856**	**305 030**
Compensation of employees	121 428	124 875	140 147	163 124	163 124	163 124	174 054	184 496	194 828
Goods and services	68 927	81 026	76 095	92 317	97 117	96 829	98 452	104 359	110 202
Interest and rent on land									
Transfers and subsidies to:	**729**	**658**	**646**	**536**	**536**	**742**	**608**	**645**	**681**
Provinces and municipalities									
Departmental agencies and accounts	1								

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Non-profit institutions									
Households	728	658	646	536	536	742	608	645	681
Payments for capital assets	**3 747**	**4 964**	**6 556**	**12 770**	**7 970**	**7 970**	**8 424**	**8 930**	**9 430**
Buildings and other fixed structures									
Machinery and equipment	3 747	4 964	6 556	12 770	7 970	7 970	8 424	8 930	9 430
Payments for financial assets	**39**	**19**	**55**			**82**			
Total economic classification	**194 870**	**211 542**	**223 499**	**268 747**	**268 747**	**268 747**	**281 538**	**298 430**	**315 141**

The budget of this programme is allocated to five laundries throughout the province that provide cleaning services and purchase linen for health facilities as well to one cook-freeze facility that provide pre-packed food service supplies to health facilities. The 2017/18 budget has increased when compared with the 2016/17 financial year by R12.7 million.

The compensation of employees budget increased from R163.1 million in 2016/17 to R174 million in 2017/18. In the outer year, the personnel budget grows to R194.8 million to make provision for the cost of living adjustment and filling of vacancies.

The goods and services budget increases from R92.3 million in 2016/17 to an estimated R98.4 million for the 2017/18 financial year as part of the improvement in hygiene and for the replacement of linen.

PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

Programme description
The purpose of this programme is to plan, provide and equip new facilities/assets, upgrade and rehabilitate community health centres, clinics, district, provincial, specialized and academic hospitals, and other health-related facilities, and also to undertake life cycle management of immovable assets through maintenance of all health facilities.

Programme objectives
- Construction of new, and refurbishment, upgrading and maintenance of existing, CHCs, PHCs and district hospitals;
- Construction of new, and refurbishment, upgrading and maintenance of existing, EMS facilities;
- Construction of new, and refurbishment, upgrading and maintenance of existing, regional hospitals and specialised hospitals, tertiary and central hospitals; and
- Construction of new, and refurbishment, upgrading and maintenance of other, health facilities including forensic pathology facilities and nursing colleges.

Policies and priorities
- Improved health infrastructure design, delivery and maintenance;
- Medical supplies depot standards to comply with the South African Health Products Authority (SAHPRA) licensing criteria;
- Maintenance improved through adequate budget allocation and average completion for minor maintenance within 48 hours
- Reduce under-spending on infrastructure budget; and
- Ensure compliance with all statutory requirements.

TABLE 4.21 : SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH FACILITIES MANAGEMENT

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
1. Community Health Facilities	133 050	145 238	263 022	447 225	329 448	329 448	493 437	31 217	44 088
2. Emergency Medical Rescue Services	1 501	1 108	1 126	5 400	3 700	3 700	4 576		
3. District Hospital Services	201 983	209 253	299 793	346 226	385 549	385 549	453 306	581 958	659 594
4. Provincial Hospital Services	384 383	464 429	545 898	491 415	552 776	552 776	126 484		
5. Central Hospital Services	242 822	398 392	511 780	443 681	473 890	473 890	242 929	103 800	91 668
6. Other Facilities	157 727	165 675	243 032	283 983	306 367	306 367	337 904	208 957	182 515
Total payments and estimates	**1 121 466**	**1 384 095**	**1 864 651**	**2 017 930**	**2 051 730**	**2 051 730**	**1 658 636**	**925 932**	**977 865**

TABLE 4.22 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH FACILITIES MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	**666 714**	**858 884**	**1 072 796**	**668 421**	**834 462**	**834 462**	**434 266**	**79 957**	**84 436**
Compensation of employees	10 408	10 167	11 999	38 680	38 680	38 680	35 677	37 869	39 989
Goods and services	656 306	848 717	1 060 797	629 741	795 782	795 782	398 589	42 088	44 447
Interest and rent on land									
Transfers and subsidies to:	**39**	**22**	**15**						
Provinces and municipalities									
Departmental agencies and accounts									
Non-profit institutions									
Households	39	22	15						
Payments for capital assets	**454 713**	**525 189**	**791 835**	**1 349 509**	**1 217 268**	**1 217 268**	**1 224 370**	**845 975**	**893 429**
Buildings and other fixed structures	413 088	364 769	784 988	1 235 355	1 104 764	1 104 764	1 153 570	845 975	893 429
Machinery and equipment	41 625	160 420	6 847	114 154	112 504	112 504	70 800		
Payments for financial assets			**5**						
Total economic classification	**1 121 466**	**1 384 095**	**1 864 651**	**2 017 930**	**2 051 730**	**2 051 730**	**1 658 636**	**925 932**	**977 865**

The bulk of the budget for this programme is paid to the Department of Infrastructure Development for major capital works programmes performed on behalf of the department. This includes new facilities, and the rehabilitation, upgrading and maintenance of facilities.

The goods and services budget has decreased by 36.7 per cent from 2016/17 to 2017/18 due to revised project plans.

SERVICE DELIVERY MEASURES

PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of health facilities that have undergone major and minor refurbishment in NHI Pilot District[1]	2	5	8
Number of health facilities that have undergone major and minor refurbishments outside NHI pilot district (excluding facilities in NHI Pilot District)	2	5	6

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 4.23 : PERSONNEL NUMBERS AND COSTS: HEALTH

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	1 587	1 591	1 793	1 816	1 758	1 748	1 747
2. District Health Services	18 149	18 384	19 183	21 203	20 964	22 828	24 177
3. Emergency Medical Services	1 470	1 513	1 629	1 848	1 998	2 281	2 319
4. Provincial Hospital Services	18 858	19 158	19 735	21 724	21 302	21 281	21 289
5. Central Hospital Services	18 673	18 710	19 060	20 230	20 422	22 646	25 564
6. Health Sciences And Training	4 489	3 957	3 345	4 050	5 593	5 681	5 642
7. Health Care Support Services	680	702	934	757	974	1 173	1 314
8. Health Facilities Management	33	39	34	33	61	114	70
Direct charges							
Total provincial personnel numbers	**63 939**	**64 054**	**65 713**	**71 661**	**73 072**	**77 752**	**82 122**
Total provincial personnel cost (R thousand)	17 096 854	18 654 909	20 648 000	23 115 663	23 815 004	25 228 708	26 763 735
Unit cost (R thousand)	267	291	314	323	326	324	326

TABLE 4.24: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	38 072	4 850	38 107	5 717 098	38 502	6 898 119	40 352	1 372	41 724	7 096 954	42 727	6 953 846	44 587	6 762 883	46 071	7 249 387	3.4%	0.7%	28.1%
7 – 10	17 579	5 281	17 609	6 333 470	18 510	7 199 930	19 646	839	20 485	7 272 248	20 590	7 274 741	21 997	7 774 776	23 413	8 577 653	4.6%	5.7%	31.5%
11 – 12	6 520	6 497	6 611	6 185 856	6 747	6 302 805	6 093	1 333	7 426	7 930 158	7 711	8 482 418	8 921	9 645 800	10 230	9 845 807	11.3%	7.5%	36.5%
13 – 16	100	162	117	108 259	116	118 718	117	2	119	134 680	121	249 008	188	221 768	249	299 923	27.9%	30.6%	0.9%
Other	1 668	307	1 610	263 521	1 838	306 790	1 355	552	1 907	681 622	1 923	854 991	2 059	823 481	2 159	790 966	4.2%	5.1%	3.1%
Total	**63 939**	**17 097**	**64 054**	**18 608 204**	**65 713**	**20 826 361**	**67 563**	**4 098**	**71 661**	**23 115 663**	**73 072**	**23 815 004**	**77 752**	**25 228 708**	**82 122**	**26 763 735**	**4.6%**	**5.0%**	**100.0%**
Programme																			
1. Administration	1 587	274 797	1 591	301 841	1 793	324 030	1 784	32	1 816	360 061	1 758	415 550	1 748	442 621	1 747	467 407	(1.3%)	9.1%	1.7%
2. District Health Services	18 149	4 663 026	18 384	5 163 930	19 183	5 799 772	19 965	1 238	21 203	6 558 457	20 964	6 933 476	22 828	7 334 943	24 177	7 745 699	4.5%	5.7%	28.8%
3. Emergency Medical Services	1 470	313 509	1 513	330 910	1 629	388 834	1 846	2	1 848	448 046	1 998	494 128	2 281	523 774	2 319	553 105	7.9%	7.3%	2.0%
4. Provincial Hospital Services	18 858	3 856 710	19 158	4 251 671	19 735	4 722 697	20 036	1 688	21 724	5 288 880	21 302	5 549 300	21 281	5 897 782	21 289	6 228 057	(0.7%)	5.6%	23.2%
5. Central Hospital Services	18 673	7 176 189	18 710	7 817 483	19 060	8 584 959	19 102	1 128	20 230	9 486 855	20 422	9 363 957	22 646	9 907 431	25 564	10 584 470	8.1%	3.7%	39.9%
6. Health Sciences And Training	4 489	680 787	3 957	654 032	3 345	675 562	4 049	1	4 050	771 560	5 593	848 862	5 681	899 791	5 642	950 180	11.7%	7.2%	3.5%
7. Health Care Support Services	680	121 428	702	124 875	934	140 147	757		757	163 124	974	174 054	1 173	184 496	1 314	194 828	20.2%	6.1%	0.7%
8. Health Facilities Management	33	10 408	39	10 167	34	11 999	24	9	33	38 680	61	35 677	114	37 869	70	39 989	28.5%	1.1%	0.2%
Direct charges																			
Total	**63 939**	**17 096 854**	**64 054**	**18 654 909**	**65 713**	**20 648 000**	**67 563**	**4 098**	**71 661**	**23 115 663**	**73 072**	**23 815 004**	**77 752**	**25 228 708**	**82 122**	**26 763 735**	**4.6%**	**5.0%**	**100.0%**
Employee dispensation classification																			

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Public Service Act appointees not covered by OSDs	25 078	3 355 452	24 699	3 602 729	24 704	4 639 714	25 312	4 467 538	4 492 850	4 467 538	26 594	5 012 287	27 725	4 593 547	28 858	5 097 968	(81.4%)	4.5%	19.0%
Public Service Act appointees still to be covered by OSDs	201	40 857	173	36 972	176	105 700	169	39 456	39 625	39 456	173	42 588	199	42 172	223	46 749	(82.2%)	5.8%	0.2%
Professional Nurses, Staff Nurses and Nursing Assistants	25 913	5 753 033	26 074	6 160 753	27 220	8 085 856	30 376	8 021 035	8 051 411	8 021 035	30 838	8 121 824	32 440	8 614 926	33 836	9 347 268	(83.9%)	5.2%	34.9%
Legal Professionals	3	1 368	5	1 758	8	3 271	9	4 068	4 077	4 068	9	4 253	9	4 530	9	4 802	(87.0%)	5.7%	0.0%
Social Services Professions	295	81 057	307	90 634	307	107 364	347	116 970	117 317	116 970	358	130 907	407	143 126	451	165 112	(84.3%)	12.2%	0.6%
Engineering Professions and related occupations	2	1 304	3	1 926	46	23 831	90	52 255	52 345	52 255	105	54 736	221	71 862	267	109 854	(82.8%)	28.1%	0.3%
Medical and related professionals	5 315	6 149 659	5 515	6 887 085	5 592	5 673 491	6 033	6 858 532	6 864 565	6 858 532	6 371	7 187 000	7 348	8 485 083	8 448	8 426 445	(89.3%)	7.1%	32.0%
Therapeutic, Diagnostic and other related Allied Health Professionals	5 514	1 481 918	5 668	1 635 477	5 822	1 893 896	6 542	2 177 796	2 184 338	2 177 796	6 701	2 406 421	7 344	2 449 981	7 871	2 774 571	(84.7%)	8.4%	10.0%
Educators and related professionals																			
Others such as interns, EPWP, learnerships, etc.	1 618	232 206	1 610	237 575	1 838	3 290	1 827	623 940	625 767	623 940	1 923	854 991	2 059	823 481	2 159	790 966	(84.9%)	8.2%	3.0%
Total	**63 939**	**17 096 854**	**64 054**	**18 654 909**	**65 713**	**20 536 413**	**70 705**	**22 361 590**	**22 432 295**	**22 361 590**	**73 072**	**23 815 007**	**77 752**	**25 228 707**	**82 122**	**26 763 734**	**(84.6%)**	**6.2%**	**100.0%**

The decision to keep the Head Office staff numbers low is still in force and therefore there is no growth in numbers of Programme 1 employees.

The department plans to increase the numbers of personnel in the district health services because of the re-engineering of PHC and the introduction of NHI. The numbers will depend on the complete implementation of Workload Indicators for Staffing Needs (WISN). The provincialisation of district health services will further increase personnel number in the affected districts.

The EMS will increase due to their provincialisation in West Rand and the preparation of the same in Tshwane District as employees will be taken from the Municipality to the department's staff establishment.

Some of the district hospitals like Mamelodi Hospital have been recently upgraded to provincial hospitals. New services such as Mother and Child have been introduced in Leratong Hospital which increases the number of personnel. Termination of Selby introduced increased services for step down beds in hospitals around Johannesburg District.

Tertiary hospitals such as Tembisa still have the regional level staff establishment whilst they are providing tertiary level services. The staff establishments have to be amended to reflect this fact. The increased demand for health services due to population growth also has an effect on the number of personnel.

Programme 6 is responsible for the training of health professionals. The target of increasing intake of nurses requires that the colleges must have sufficient capacity in terms of lecturers.

9.2 Training

TABLE 4.25 : INFORMATION ON TRAINING: HEALTH

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Number of staff	63 939	64 054	65 713	71 661	71 661	71 661	73 072	77 752	82 122
Number of personnel trained	10 000	10 905	18 180	11 754	11 412	12 400	21 615	23 631	24 954
of which									
Male	2 500	3 177	3 180	3 275	3 180	3 300	3 465	3 666	3 871
Female	7 500	7 728	15 000	8 479	8 232	9 100	18 150	19 965	21 083
Number of training opportunities	12 500	13 500	30 089	14 216	13 800	14 316	36 395	40 025	42 266
of which									
Tertiary	33	33	15	34	33	34	20	20	21
Workshops	12 064	12 982	15 000	13 670	13 270	13 762	18 150	19 965	21 083
Seminars	2	5	74	5	5	5	75	75	79
Other	401	480	15 000	507	492	515	18 150	19 965	21 083
Number of bursaries offered	4 650	4 659	4 943	4 943	4 943	5 415	5 686	6 016	6 353
Number of interns appointed	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 056
Number of learnerships appointed	500	500	500	500	500	500	500	500	528
Number of days spent on training	180	210	235	235	235	242	245	245	259
Payments on training by programme									
1. Administration	4 141	1 047	3 495	1 755	1 755	1 195	1 175	1 246	1 316
2. District Health Services	7 216	13 577	12 229	22 879	22 879	20 494	36 500	37 880	40 002
3. Emergency Medical Services	26		31	1 654	1 654	1 654	687	728	769
4. Provincial Hospital Services	401	413	617	7 298	7 298	8 118	3 464	3 673	3 879
5. Central Hospital Services	878	851	914	2 080	2 080	2 080	2 573	2 724	2 877
6. Health Sciences And Training	8 680	11 840	9 212	22 759	22 759	5 988	5 141	5 451	5 756
7. Health Care Support Services		1	31	68	68	68	78	83	88
8. Health Facilities Management	3 010	2 904	3 160			5 459	2 000		
Total payments on training	**24 352**	**30 633**	**29 689**	**58 493**	**58 493**	**45 056**	**51 618**	**51 785**	**54 687**

The department will over the 2017 MTEF continue to offer bursaries and support to students in the Nelson Mandela/ Fidel Castro (formerly SA/Cuban) Medical Doctor Training Programme to address the shortage of skills in the province. The department will offer 17 117 bursaries to students over the MTEF. The Human Resource Development plan will continue to be implemented by the department including training programmes for midwives to improve maternity and neonatal services. The department will also continue to train clinical engineers and address staff shortages especially in obstetrics and gynecology, accident and emergency, PHC, ICU and advanced midwifery.

The increased funding to District Health Services is attributed to the department's focus on the re-engineering and rationalisation of PHC services. The increase is also as a result of the training of community health workers, medical and support staff, who will be appointed under the HIV and AIDS programme. Over the MTEF, the department will continue to up-skill and develop employees in various key areas towards health systems efficiency.

The department has introduced new programmes that are customized for the production of health specific strategic and executive leadership and management. Training programmes for NHI implementation readiness support have been designed to ensure that the department is ready to implement the NHI from pilot to full roll-out.

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 4.26: SPECIFICATION OF RECEIPTS: HEALTH

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Tax receipts									
Sales of goods and services other than capital assets	**471 332**	**451 636**	**433,650**	**555 741**	**555 741**	**559 559**	**449 820**	**475 335**	**502 355**
Sale of goods and services produced by department (excluding capital assets)	469 882	450 433	432 128	554 126	554 126	557 674	448 125	473 540	500 460
Sales by market establishments	19,281	20 045	36 853	21 283	21 283	22 338	22 347	23 644	24 968
Administrative fees	3 689	3 965							
Other sales	446 912	426 423	395 275	532 843	532 843	535 336	425 777	449 897	475 492
Of which									
Health patient fees	413,318	375,174	339,511	473 830	473 830	473 830	367 697	391 801	415 039
Boarding services	35,868	33,822	34,230	39 187	39 187	39 187	37 320	38 036	39 559
Commission	16,282	12,587	12,779	11 846	11,846	12 012	12 438	13 160	13 897
Special Events (Ambulance services)		731	8,755	6 626	6 626	10 307	6 626	6 900	6 997
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	1 450	1 203	1 522	1 615	1 615	1 885	1 696	1 794	1 895
Transfers received from:						**3 045**			
Other governmental units						3 045			
Households and non-profit institutions									
Fines, penalties and forfeits	**47**	**52**	**56**	**53**	**53**	**53**	**55**	**58**	**62**
Interest, dividends and rent on land	**6 188**	**397**	**939**	**1 280**	**1 280**	**1 280**	**1 344**	**1 422**	**1 502**
Interest	6 188	397	939	1 280	1 280	1 280	1 344	1 422	1 502
Dividends									
Rent on land									
Sales of capital assets									
Land and sub-soil assets									
Other capital assets									
Transactions in financial assets and liabilities	**50 143**	**71 966**	**44 651**	**28 026**	**28 026**	**30 262**	**29 427**	**31 134**	**32 877**
Total departmental receipts	**527 710**	**524 051**	**479 296**	**585 100**	**585 100**	**594 199**	**480 647**	**507 949**	**536 796**

TABLE 4.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**565 776**	**514 261**	**744 416**	**819 146**	**878 445**	**924 475**	**655 887**	**697 380**	**736 434**
Compensation of employees	274 797	301 841	324 030	395 762	395 762	360 061	415 550	442 621	467 407
Salaries and wages	242 782	266 052	284 496	318 701	318 701	318 701	339 636	360 040	380 202
Social contributions	32 015	35 789	39 534	77 061	77 061	41 360	75 914	82 581	87 205
Goods and services	290 748	212 420	420 386	423 384	482 683	564 414	240 337	254 759	269 027
Administrative fees	2 360	2 236	3 140	1 310	1 310	1 310	1 451	1 538	1 624
Advertising	1 445	3 643	2 351	2 456	2 456	2 456	2 456	2 603	2 749
Minor assets	66	318	516	264	164	164	210	223	235
Audit cost: External	21 883	23 976	18 453	20 991	20 991	20 991	22 368	23 710	25 038
Bursaries: Employees	340	(5)	64						
Catering: Departmental activities	542	484	1 408	624	474	474	628	666	704
Communication (G&S)	14 431	17 264	31 102	15 075	15 075	17 049	15 786	16 733	17 670

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Computer services	68 898	76 490	248 146	318 894	364 209	331 974	132 407	140 351	148 211
Consultants and professional services: Business and advisory services	40 015	36 466	26 301	20 210	36 210	37 238	21 572	22 866	24 147
Infrastructure and planning									
Laboratory services	77 490	304							
Scientific and technological services									
Legal services	4 251	26 948	61 798	14 526	14 526	123 005	15 252	16 167	17 072
Contractors	3 491	1 312	141	247	347	2 832	354	376	397
Agency and support / outsourced services	10 870	598	223						
Entertainment									
Fleet services (including government motor transport)	2 571	1 524	2 778	4 031	3 953	3 953	2 557	2 710	2 862
Housing									
Inventory: Clothing material and accessories	6 897	2							
Inventory: Farming supplies									
Inventory: Food and food supplies	43	109	18	26	26	26	27	29	31
Inventory: Fuel, oil and gas	1	43	1						
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	54	195	61	35	35	35	37	39	42
Inventory: Medical supplies	1 227	1 754	754						
Inventory: Medicine			144						
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	12 298	655	445	657	557	557	689	731	772
Consumable: Stationery, printing and office supplies	2 927	4 571	4 918	8 150	7 348	7 348	7 493	7 944	8 388
Operating leases	(239)	4	1 468	1 381	1 381	1 381	1 381	1 464	1 546
Property payments	2 760	4 913	4 648	2 840	3 920	3 920	5 840	6 190	6 536
Transport provided: Departmental activity	156	41	25	2	2	2	2	2	2
Travel and subsistence	12 003	6 884	6 520	9 646	8 090	8 090	8 288	8 785	9 277
Training and development	3 801	1 052	3 431	1 755	1 195	1 195	1 175	1 246	1 316
Operating payments	107	44	67						
Venues and facilities	55	591	725	81	231	231	181	192	204
Rental and hiring	5	4	740	183	183	183	183	193	204
Interest and rent on land	231								
Interest	231								
Rent on land									
Transfers and subsidies	**1 897**	**2 158**	**4 288**	**2 203**	**2 203**	**7 504**	**2 313**	**2 450**	**2 587**
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households	1 897	2 158	4 288	2 203	2 203	7 504	2 313	2 450	2 587
Social benefits	1 897	1 899	1 571	1 203	1 203	1 203	1 013	1 074	1 134
Other transfers to households		259	2 717	1 000	1 000	6 301	1 300	1 376	1 453
Payments for capital assets	**16 449**	**42 191**	**57 681**	**8 546**	**24 046**	**24 046**	**11 761**	**12 466**	**13 164**
Buildings and other fixed structures									
Buildings									
Other fixed structures									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Machinery and equipment	16 449	42 191	57 681	8 546	24 046	24 046	11 761	12 466	13 164
Transport equipment		5 502	7 323	4 485	4 485	4 708	4 485	4 753	5 020
Other machinery and equipment	16 449	36 689	50 358	4 061	19 561	19 338	7 276	7 713	8 144
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	**29**	**6 471**	**973**			**266**			
Total economic classification	**584 151**	**565 081**	**807 358**	**829 895**	**904 694**	**956 291**	**669 961**	**712 296**	**752 185**

TABLE 4.28: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DISTRICT HEALTH SERVICES

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**7 551 460**	**8 777 412**	**10 206 384**	**11 476 238**	**11 520 736**	**11 575 092**	**12 587 737**	**13 608 291**	**14 549 381**
Compensation of employees	4 663 026	5 163 930	5 799 772	6 476 312	6 502 486	6 558 457	6 933 476	7 334 943	7 745 699
Salaries and wages	4 073 909	4 519 329	5 045 998	5 609 333	5 641 014	5 720 291	6 000 606	6 341 139	6 696 243
Social contributions	589 117	644 601	753 774	866 979	861 472	838 166	932 870	993 804	1 049 456
Goods and services	2 888 427	3 613 482	4 406 612	4 999 926	5 018 250	5 016 635	5 654 261	6 273 348	6 803 682
Administrative fees	227	184	234	1 302	1 783	1 783	930	995	1 051
Advertising	3 519	8 572	2 153	2 647	1 303	1 303	2 218	2 351	2 482
Minor assets	8 274	14 999	26 449	66 186	65 496	42 323	40 580	43 098	45 511
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	2 637	3 821	4 554	3 028	2 528	2 528	3 260	3 508	3 705
Communication (G&S)	30 686	35 712	38 347	42 378	44 297	42 323	42 391	44 924	47 440
Computer services	24	329	437						
Consultants and professional services: Business and advisory services	340	751	9 307	35 612	35 612	34 584	28 814	30 687	32 406
Infrastructure and planning									
Laboratory services	301 906	630 516	681 775	702 923	701 393	650 999	685 324	767 426	810 402
Scientific and technological services									
Legal services	5 651	22 841	45 725			32 240			
Contractors	17 667	304 646	324 410	366 734	401 817	319 261	369 572	409 072	431 980
Agency and support / outsourced services	21 253	33 609	43 553	73 268	55 606	55 416	65 181	69 217	73 093
Entertainment	6								
Fleet services (including government motor transport)	23 081	13 297	36 113	39 095	39 090	35 174	46 821	49 664	52 444
Housing	10								
Inventory: Clothing material and accessories	2 232	4 200	4 804						
Inventory: Farming supplies									
Inventory: Food and food supplies	22 530	42 785	49 335	82 072	86 062	56 692	85 492	90 602	95 676
Inventory: Fuel, oil and gas	19 055	36 694	66 541	72 303	88 594	86 711	85 376	90 473	95 539
Inventory: Learner and teacher support material	15	6	25	56	56	56	43	45	48
Inventory: Materials and supplies	9 668	8 786	11 512	31 047	17 243	17 243	19 652	20 829	21 994

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Inventory: Medical supplies	184 526	279 482	399 433	489 501	519 983	497 852	562 400	642 009	677 962
Inventory: Medicine	1 732 581	1 708 803	2 100 007	2 291 931	2 258 113	2 516 482	2 798 460	3 124 241	3 478 227
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	50 072	64 049	99 828	146 824	138 006	102 939	155 192	182 230	192 435
Consumable: Stationery, printing and office supplies	27 715	42 692	49 388	58 677	62 626	55 516	69 233	73 369	77 477
Operating leases	24 001	16 110	13 827	33 053	43 597	30 427	26 198	27 776	29 331
Property payments	238 384	303 383	368 053	412 623	413 710	393 448	471 643	502 848	531 008
Transport provided: Departmental activity	208	722	554	2 062	1 440	1 440	2 095	2 220	2 345
Travel and subsistence	13 633	10 551	11 720	18 920	14 350	14 350	11 400	11 914	12 581
Training and development	7 216	13 577	12 229	23 104	20 494	20 494	36 500	37 880	40 002
Operating payments	129 806	3 441	3 423	3 308	3 729	3 729	40 074	40 255	42 508
Venues and facilities	11 348	8 183	2 515	1 222	1 272	1 272	5 360	5 660	5 977
Rental and hiring	156	741	361	50	50	50	52	55	58
Interest and rent on land	7								
Interest	7								
Rent on land									
Transfers and subsidies	**731 303**	**663 494**	**676 301**	**845 963**	**833 003**	**836 635**	**884 577**	**937 497**	**989 998**
Provinces and municipalities	288 758	310 721	327 379	344 531	344 531	344 531	361 769	383 475	404 950
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	288 758	310 721	327 379	344 531	344 531	344 531	361 769	383 475	404 950
Municipalities	288 758	310 721	327 379	344 531	344 531	344 531	361 769	383 475	404 950
Municipal agencies and funds									
Departmental agencies and accounts	1								
Social security funds									
Provide list of entities receiving transfers	1								
Non-profit institutions	421 917	328 990	324 493	482 058	469 098	469 098	493 776	523 245	552 548
Households	20 627	23 783	24 429	19 374	19 374	23 006	29 032	30 777	32 500
Social benefits	20 627	23 738	24 360	19 304	19 304	21 502	28 961	30 702	32 421
Other transfers to households		45	69	70	70	1 504	71	75	79
Payments for capital assets	**74 206**	**120 643**	**190 181**	**275 838**	**244 757**	**234 807**	**280 486**	**295 462**	**312 005**
Buildings and other fixed structures	1 537	13 554							
Buildings	1 537	13 554							
Other fixed structures									
Machinery and equipment	72 511	107 089	190 181	275 838	244 757	234 807	280 486	295 462	312 005
Transport equipment		34 524	63 633	60 367	33 642	43 205	67 036	71 061	75 040
Other machinery and equipment	72 511	72 565	126 548	215 471	211 115	191 602	213 450	224 401	236 965
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	158								

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Payments for financial assets	**463**	**1 497**	**2 681**			**1 780**			
Total economic classification	**8 357 432**	**9 563 046**	**11 075 547**	**12 598 039**	**12 598 496**	**12 648 314**	**13 752 800**	**14 841 250**	**15 851 384**

TABLE 4.29: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EMERGENCY MEDICAL SERVICES

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**537 280**	**467 718**	**566 378**	**755 126**	**709 126**	**692 708**	**797 417**	**845 262**	**892 598**
Compensation of employees	313 509	330 910	388 834	465 538	465 538	448 046	494 128	523 774	553 105
Salaries and wages	263 252	279 233	327 723	383 749	383 749	377 336	407 664	432 123	456 322
Social contributions	50 257	51 677	61 111	81 789	81 789	70 710	86 464	91 651	96 783
Goods and services	223 771	136 808	177 544	289 588	243 588	244 662	303 289	321 488	339 493
Administrative fees	1 174	616	1 120	2 012	2 312	2 312	1 611	1 709	1 805
Advertising					1 500	1 500	1 500	1 500	1 584
Minor assets	1 728	147	1 864	9 057	9 057	6 672	8 610	9 126	9 637
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	8	2	27	61	61	61	71	75	80
Communication (G&S)	5 756	6 487	4 304	6 508	6 508	6 508	6 734	7 138	7 537
Computer services	54			385	385	385	504	534	564
Consultants and professional services: Business and advisory services	32								
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services	402	324	50			564			
Contractors	3 551	2 638	1 420	4 033	4 033	4 033	4 234	4 488	4 740
Agency and support / outsourced services	153	541	303	1 932	932	932	2 028	2 150	2 270
Entertainment									
Fleet services (including government motor transport)	102 088	66 085	93 063	116 393	116 393	121 587	121 812	129 121	136 352
Housing									
Inventory: Clothing material and accessories	5 980	1 488	3 067						
Inventory: Farming supplies									
Inventory: Food and food supplies	7	6	8	12	12	12	15	16	17
Inventory: Fuel, oil and gas	1 654	1 894	699	2 143	1 843	1 843	2 400	2 544	2 687
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	585	984	1 564	2 202	3 202	3 202	2 212	2 344	2 476
Inventory: Medical supplies	5 923	2 870	12 520	6 215	13 015	13 015	6 826	7 235	7 640
Inventory: Medicine	783	504	430	2 084	1 284	1 284	3 588	3 803	4 016
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	1 385	1 955	1 844	10 472	10 472	8 173	10 643	11 282	11 914
Consumable: Stationery,printing and office supplies	2 098	3 263	5 189	6 050	6 050	6 050	6 353	6 734	7 111
Operating leases	16 554	16 379	12 461	37 153	23 653	23 653	36 904	39 209	41 404
Property payments	3 531	7 927	12 412	22 084	22 084	22 084	16 588	17 583	18 568
Transport provided: Departmental activity	70 118	22 548	25 007	57 629	17 629	17 629	68 910	73 045	77 136
Travel and subsistence	181	150	161	1 009	1 009	1 009	1 059	1 123	1 186
Training and development	26		31	1 654	1 654	1 654	687	728	769
Operating payments									
Venues and facilities				250	250	250			
Rental and hiring				250	250	250			
Interest and rent on land									

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Interest									
Rent on land									
Transfers and subsidies	**320 218**	**362 136**	**330 942**	**333 295**	**333 295**	**332 050**	**349 835**	**370 825**	**391 592**
Provinces and municipalities	318 919	361 321	330 063	330 795	330 795	330 795	347 335	368 175	388 793
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	318 919	361 321	330 063	330 795	330 795	330 795	347 335	368 175	388 793
Municipalities	318 919	361 321	330 063	330 795	330 795	330 795	347 335	368 175	388 793
Municipal agencies and funds									
Departmental agencies and accounts									
Non-profit institutions									
Households	1 299	815	879	2 500	2 500	1 255	2 500	2 650	2 799
Social benefits	1 299	735	879	2 500	2 500	1 255	2 500	2 650	2 799
Other transfers to households		80							
Payments for capital assets	**78 780**	**17 669**	**42 960**	**108 800**	**154 800**	**154 800**	**127 830**	**135 500**	**143 086**
Buildings and other fixed structures	510								
Buildings	510								
Other fixed structures									
Machinery and equipment	78 270	17 669	42 960	108 800	154 800	154 800	127 830	135 500	143 086
Transport equipment		15 472	35 919	60 000	104 000	104 000	81 000	85 860	90 668
Other machinery and equipment	78 270	2 197	7 041	48 800	50 800	50 800	46 830	49 640	52 418
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets		**38**	**39**			**106**			
Total economic classification	**936 278**	**847 561**	**940 319**	**1 197 221**	**1 197 221**	**1 179 664**	**1 275 082**	**1 351 587**	**1 427 276**

TABLE 4.30: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL HOSPITAL SERVICES

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**4 867 144**	**5 570 168**	**6 125 505**	**6 697 664**	**6 781 024**	**6 970 960**	**7 163 559**	**7 608 892**	**8 034 989**
Compensation of employees	3 856 710	4 251 671	4 722 697	5 113 298	5 186 081	5 288 880	5 549 300	5 897 782	6 228 057
Salaries and wages	3 411 168	3 770 502	4 169 945	4 371 010	4 570 325	4 671 208	4 907 060	5 205 822	5 497 348
Social contributions	445 542	481 169	552 752	742 288	615 756	617 672	642 240	691 960	730 709
Goods and services	1 010 189	1 318 425	1 402 808	1 584 366	1 594 943	1 682 080	1 614 259	1 711 110	1 806 932
Administrative fees	241	113	77	225	184	184	172	181	190
Advertising	284	1 177	440	885	202	202	284	302	318
Minor assets	3 706	4 751	7 902	19 420	16 860	15 450	12 853	13 619	14 383
Audit cost: External				10					
Bursaries: Employees									
Catering: Departmental activities	97	106	148	240	230	230	158	168	177
Communication (G&S)	12 637	12 421	12 083	12 873	11 833	11 833	12 863	13 634	14 396
Computer services	412	280	2 576				660	700	739
Consultants and professional services: Business and advisory services	2 550	2 195	1 737	7 234	5 720	5 720	7 640	8 099	8 552
Infrastructure and planning									
Laboratory services	36 703	77 813	48 682	153 269	141 706	115 586	153 433	164 939	174 175

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Scientific and technological services									
Legal services	59 199	100 614	111 424			150 192			
Contractors	55 649	52 657	37 818	35 543	39 673	37 890	41 006	43 465	45 899
Agency and support / outsourced services	38 410	48 190	58 005	48 845	51 529	68 290	53 651	56 872	60 057
Entertainment	1	2							
Fleet services (including government motor transport)	5 005	3 612	9 812	13 564	13 864	12 586	12 055	12 777	13 493
Housing									
Inventory: Clothing material and accessories	2 988	3 516	7 846						
Inventory: Farming supplies									
Inventory: Food and food supplies	56 906	62 915	89 076	96 264	98 853	98 853	107 301	113 739	120 109
Inventory: Fuel, oil and gas	14 474	28 318	28 471	35 307	36 831	34 521	40 848	43 301	45 725
Inventory: Learner and teacher support material	49	146	682	131	110	110	122	130	137
Inventory: Materials and supplies	5 176	4 437	5 761	9 766	8 307	8 307	9 960	10 557	11 148
Inventory: Medical supplies	321 076	414 032	419 689	467 080	474 685	450 955	487 700	517 960	546 966
Inventory: Medicine	148 221	175 382	179 046	289 698	283 499	256 494	235 471	251 597	265 686
Medsas inventory interface		2							
Inventory: Other supplies									
Consumable supplies	63 228	87 204	92 065	98 228	102 485	107 646	119 733	126 916	134 024
Consumable: Stationery,printing and office supplies	16 312	18 414	21 422	21 965	22 065	23 452	19 383	20 546	21 697
Operating leases	8 513	6 177	11 029	18 516	17 049	18 181	21 093	22 360	23 613
Property payments	155 159	207 123	253 407	242 619	256 489	252 629	270 611	281 548	297 315
Transport provided: Departmental activity	70	3 102	694	670	670	670	628	667	703
Travel and subsistence	956	1 272	863	2 454	2 454	2 454	1 886	2 000	2 112
Training and development	401	413	617	8 298	8 118	8 118	3 464	3 673	3 879
Operating payments	934	588	930	862	1 127	1 127	784	831	879
Venues and facilities	431	1 118	49	400	400	400			
Rental and hiring	401	335	457				500	530	560
Interest and rent on land	245	72							
Interest	245								
Rent on land		72							
Transfers and subsidies	**231 469**	**342 996**	**218 293**	**71 905**	**84 865**	**94 585**	**72 170**	**76 659**	**80 952**
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	18	4							
Social security funds									
Provide list of entities receiving transfers	18	4							
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	218 536	323 713	198 725	61 972	74 932	78 172	54 832	58 281	61 545
Households	12 915	19 279	19 568	9 933	9 933	16 413	17 338	18 378	19 407
Social benefits	12 915	18 860	19 568	9 933	9 933	16 413	17 338	18 378	19 407

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Other transfers to households		419							
Payments for capital assets	**53 831**	**72 742**	**86 123**	**140 577**	**130 177**	**127 793**	**131 939**	**139 856**	**147 689**
Buildings and other fixed structures		631							
Buildings		631							
Other fixed structures									
Machinery and equipment	53 814	72 111	86 123	140 577	130 177	127 793	131 939	139 856	147 689
Transport equipment		5 549	13 926	13 355	13 043	13 043	10 938	11 595	12 244
Other machinery and equipment	53 814	66 562	72 197	127 222	117 134	114 750	121 001	128 262	135 445
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	17								
Payments for financial assets	**1 880**	**1 408**	**2 144**			**1 545**			
Total economic classification	**5 154 324**	**5 987 314**	**6 432 065**	**6 910 146**	**6 996 066**	**7 194 883**	**7 367 668**	**7 825 407**	**8 263 630**

TABLE 4.31: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CENTRAL HOSPITAL SERVICES

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**10 061 298**	**11 293 793**	**12 244 775**	**12 085 295**	**12 169 860**	**13 317 628**	**13 341 158**	**14 094 839**	**15 393 526**
Compensation of employees	7 176 189	7 817 483	8 584 959	8 716 095	8 799 839	9 486 855	9 363 957	9 907 431	10 584 470
Salaries and wages	6 436 281	7 026 508	7 688 155	6 757 638	7 536 354	8 494 279	7 898 413	8 366 405	8 957 146
Social contributions	739 908	790 975	896 804	1 958 457	1 263 485	992 576	1 465 544	1 541 026	1 627 324
Goods and services	2 884 069	3 476 310	3 659 816	3 369 200	3 370 021	3 830 773	3 977 201	4 187 408	4 809 056
Administrative fees	66	68	330	181	110	110	158	168	178
Advertising	952	512	692	710	628	628	667	708	748
Minor assets	8 826	11 816	13 085	44 579	39 216	30 707	51 082	54 046	57 073
Audit cost: External									
Bursaries: Employees		15							
Catering: Departmental activities	22	63	152	70	70	70	64	68	72
Communication (G&S)	18 253	25 273	18 186	15 521	15 511	15 511	18 122	18 122	19 137
Computer services	579	210	1 025				10 097	10 621	11 215
Consultants and professional services: Business and advisory services	231	378	12 603	811	711	711	1 481	1 570	1 658
Infrastructure and planning									
Laboratory services	176 662	349 357	235 071	454 470	457 970	380 905	436 337	452 498	527 838
Scientific and technological services									
Legal services	109 305	87 586	349 868			394 773			
Contractors	160 808	250 136	180 497	169 496	163 996	152 687	177 126	187 757	198 272
Agency and support / outsourced services	234 901	188 567	186 453	77 345	75 945	99 072	82 498	87 443	92 340
Entertainment	100	3							
Fleet services (including government motor transport)	4 512	2 769	5 190	10 265	5 865	5 865	6 375	6 772	7 152
Housing									
Inventory: Clothing material and accessories	6 057	5 348	7 720						
Inventory: Farming supplies									
Inventory: Food and food supplies	71 248	89 564	101 444	145 692	135 692	135 692	143 596	152 273	160 801
Inventory: Fuel, oil and gas	40 691	38 869	44 390	44 005	49 678	53 871	53 260	56 437	59 597
Inventory: Learner and teacher support material	52								

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Inventory: Materials and supplies	10 279	9 282	16 261	15 074	13 374	13 374	11 921	12 637	13 345
Inventory: Medical supplies	1 075 719	1 252 342	1 238 754	1 170 884	1 183 576	1 278 526	1 396 857	1 449 853	1 709 030
Inventory: Medicine	330 123	501 962	523 817	506 480	514 700	609 107	846 853	894 013	1 044 077
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	191 164	213 229	244 131	179 315	183 070	225 504	242 918	240 824	263 477
Consumable: Stationery,printing and office supplies	25 620	36 779	39 929	35 268	32 343	38 066	51 385	54 209	57 244
Operating leases	57	8 167	2 190	14 846	15 138	15 138	5 572	5 979	6 314
Property payments	412 322	399 806	434 978	478 792	477 192	375 220	431 099	491 107	568 610
Transport provided: Departmental activity	412	15	93	504	344	344	1 390	1 472	1 555
Travel and subsistence	2 017	1 436	1 353	1 427	1 427	1 427	1 716	1 819	1 921
Training and development	878	836	914	2 080	2 080	2 080	2 573	2 724	2 876
Operating payments	2 211	1 922	690	1 385	1 385	1 385	4 054	4 286	4 526
Venues and facilities	1								
Rental and hiring	1								
Interest and rent on land	1 040								
Interest	1 040								
Rent on land									
Transfers and subsidies	**36 182**	**49 073**	**37 823**	**20 807**	**20 807**	**33 008**	**196 448**	**247 640**	**341 929**
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	12	48							
Social security funds									
Provide list of entities receiving transfers	12	48							
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions							150 000	200 000	291 620
Households	36 170	49 025	37 823	20 807	20 807	33 008	46 448	47 640	50 309
Social benefits	36 170	47 508	36 824	19 807	19 807	32 008	46 448	47 640	50 309
Other transfers to households		1 517	999	1 000	1 000	1 000			
Payments for capital assets	**139 849**	**239 300**	**296 127**	**503 525**	**502 784**	**502 784**	**673 592**	**721 448**	**761 848**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	139 836	239 300	296 127	503 525	502 784	502 784	673 592	721 448	761 848
Transport equipment		6 048	10 845	2 700	2 800	6 033	5 475	5 843	6 170
Other machinery and equipment	139 836	233 252	285 282	500 825	499 984	496 751	668 117	715 605	755 678
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	13								

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Payments for financial assets	**466**	**2 476**	**3 557**			**2 284**			
Total economic classification	**10 237 795**	**11 584 642**	**12 582 282**	**12 609 627**	**12 693 451**	**13 855 704**	**14 211 198**	**15 063 927**	**16 497 303**

TABLE 4.32: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH SCIENCES AND TRAINING

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**717 639**	**702 125**	**728 829**	**898 475**	**869 465**	**834 672**	**909 565**	**964 159**	**1 018 150**
Compensation of employees	680 787	654 032	675 562	840 081	810 081	771 560	848 862	899 791	950 180
Salaries and wages	579 368	561 479	582 589	703 537	675 537	670 159	705 474	747 799	789 676
Social contributions	101 419	92 553	92 973	136 544	134 544	101 401	143 388	151 992	160 504
Goods and services	36 852	48 093	53 267	58 394	59 384	63 112	60 703	64 368	67 970
Administrative fees	14	33	38	15	15	15	73	75	78
Advertising	261	244		250	65	65	280	297	313
Minor assets	960	701	353	1 554	1 029	1 029	296	313	331
Audit cost: External									
Bursaries: Employees	3 359	1 388	2 902	8 500	8 500	8 500	8 622	9 139	9 651
Catering: Departmental activities	138	206	144	198	198	198	180	191	201
Communication (G&S)	1 282	1 305	1 375	1 716	1 716	1 716	1 446	1 534	1 620
Computer services	5	4	8						
Consultants and professional services: Business and advisory services	1	12	70	330	330	330	255	270	285
Infrastructure and planning									
Laboratory services							50	53	56
Scientific and technological services									
Legal services	37	507	165						
Contractors	510	498	388	1 050	995	995	92	98	103
Agency and support / outsourced services	193	592	80	60	60	60	646	685	723
Entertainment									
Fleet services (including government motor transport)	1 394	1 067	1 551	2 287	2 287	2 287	2 117	2 244	2 370
Housing									
Inventory: Clothing material and accessories	407	261	373					1	
Inventory: Farming supplies									
Inventory: Food and food supplies	169	78	39	127	147	147	115	121	129
Inventory: Fuel, oil and gas	15	28	12	82	82	82	32	34	36
Inventory: Learner and teacher support material	668	943	742	1 670	1 320	1 320	1 487	1 576	1 664
Inventory: Materials and supplies	1 324	748	210	453	1 023	1 023	877	929	981
Inventory: Medical supplies	869	161	838	729	389	389	422	448	473
Inventory: Medicine	42	58	555	101	681	681	800	849	896
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	5 424	4 920	4 673	3 321	3 711	5 019	6 378	6 761	7 140
Consumable: Stationery,printing and office supplies	2 326	2 442	3 221	3 612	3 612	3 612	2 817	3 009	3 177
Operating leases	97		45	920	1 640	1 640	2 100	2 226	2 351
Property payments	10 652	13 518	18 402	11 864	12 064	14 484	13 300	14 098	14 888
Transport provided: Departmental activity									
Travel and subsistence	1 218	7 466	10 716	13 002	13 002	13 002	12 877	13 649	14 413
Training and development	5 321	10 452	6 310	6 023	5 988	5 988	5 141	5 451	5 756
Operating payments	116	322	31	500	500	500	300	318	335
Venues and facilities	50	139	26	30	30	30			
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Transfers and subsidies	**101 209**	**150 215**	**198 885**	**68 034**	**68 034**	**238 093**	**72 553**	**76 906**	**81 213**
Provinces and municipalities									
Provinces									
Departmental agencies and accounts	16 085	17 131	17 919	18 869	18 869	18 869	19 812	21 001	22 177
Social security funds									
Provide list of entities receiving transfers	16 085	17 131	17 919	18 869	18 869	18 869	19 812	21 001	22 177
Higher education institutions	958		1 824	1 963	1 963	1 963	2 061	2 185	2 307
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	84 166	133 084	179 142	47 202	47 202	217 261	50 680	53 720	56 729
Social benefits	35 033	2 020	3 430	1 244	1 244	2 178	1 756	1 861	1 965
Other transfers to households	49 133	131 064	175 712	45 958	45 958	215 083	48 924	51 859	54 764
Payments for capital assets	**10 588**	**8 801**	**9 726**	**9 943**	**8 953**	**8 953**	**8 045**	**8 528**	**9 006**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	10 588	8 801	9 726	9 943	8 953	8 953	8 045	8 528	9 006
Transport equipment		4 153	5 571	4 196	3 616	3 616	3 920	4 154	4 387
Other machinery and equipment	10 588	4 648	4 155	5 747	5 337	5 337	4 125	4 374	4 619
Heritage Assets									
Specialised military assets									
Software and other intangible assets									
Payments for financial assets	**49**	**790**	**1 394**			**1 272**			
Total economic classification	**829 485**	**861 931**	**938 834**	**976 452**	**946 452**	**1 082 990**	**990 163**	**1 049 594**	**1 108 369**

TABLE 4.33: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH CARE SUPPORT SERVICES

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**190 355**	**205 901**	**216 242**	**255 441**	**260 241**	**259 953**	**272 506**	**288 856**	**305 030**
Compensation of employees	121 428	124 875	140 147	163 124	163 124	163 124	174 054	184 496	194 828
Salaries and wages	102 012	104 884	116 200	136 331	136 331	135 419	143 986	152 625	161 172
Social contributions	19 416	19 991	23 947	26 793	26 793	27 705	30 068	31 871	33 656
Goods and services	68 927	81 026	76 095	92 317	97 117	96 829	98 452	104 359	110 202
Administrative fees									
Advertising									
Minor assets	152	272	334	642	642	642	588	623	657
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	1		1						
Communication (G&S)	873	512	569	873	873	873	809	858	906
Computer services									
Contractors	30	130	7	714	664	664	420	446	471

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Agency and support / outsourced services		511	153	13	13	13	543	576	608
Entertainment									
Fleet services (including government motor transport)	2 156	930	3 820	2 472	2 472	2 472	3 036	3 218	3 398
Housing									
Inventory: Clothing material and accessories	1 184	930	465						
Inventory: Farming supplies									
Inventory: Food and food supplies	18 506	27 710	16 494	27 150	27 150	27 150	27 350	28 991	30 615
Inventory: Fuel, oil and gas	131	17	399	929	1 429	1 429	1 857	1 969	2 079
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	69	101	184	292	292	292	356	377	399
Inventory: Medical supplies	247	378	204	359	359	359	435	461	487
Inventory: Medicine			17						
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	35 173	33 420	34 097	43 196	46 096	45 808	42 113	44 639	47 139
Consumable: Stationery,printing and office supplies	186	250	422	589	469	469	529	561	592
Operating leases				190	210	210			
Property payments	10 219	15 692	18 400	14 765	16 315	16 315	20 303	21 520	22 725
Transport provided: Departmental activity									
Travel and subsistence				65	65	65	35	37	39
Training and development		1	31	68	68	68	78	83	87
Operating payments		172	498						
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**729**	**658**	**646**	**536**	**536**	**742**	**608**	**645**	**681**
Provinces and municipalities									
Provinces									
Departmental agencies and accounts	1								
Social security funds									
Provide list of entities receiving transfers	1								
Households	728	658	646	536	536	742	608	645	681
Social benefits	728	658	646	536	536	742	608	645	681
Other transfers to households									
Payments for capital assets	**3 747**	**4 964**	**6 556**	**12 770**	**7 970**	**7 970**	**8 424**	**8 930**	**9 430**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	3 747	4 964	6 556	12 770	7 970	7 970	8 424	8 930	9 430
Transport equipment		2 705	4 349	7 262	5 862	5 862	4 550	4 823	5 093
Other machinery and equipment	3 747	2 259	2 207	5 508	2 108	2 108	3 874	4 107	4 337
Software and other intangible assets									
Payments for financial assets	**39**	**19**	**55**			**82**			
Total economic classification	**194 870**	**211 542**	**223 499**	**268 747**	**268 747**	**268 747**	**281 538**	**298 430**	**315 141**

TABLE 4.34: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH FACILITIES MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	**666 714**	**858 884**	**1 072 796**	**668 421**	**834 462**	**834 462**	**434 266**	**79 957**	**84 436**
Compensation of employees	10 408	10 167	11 999	38 680	38 680	38 680	35 677	37 869	39 989
Salaries and wages	8 907	8 834	10 463	26 520	26 520	26 520	24 736	26 293	27 765
Social contributions	1 501	1 333	1 536	12 160	12 160	12 160	10 941	11 576	12 224
Goods and services	656 306	848 717	1 060 797	629 741	795 782	795 782	398 589	42 088	44 447
Administrative fees									
Advertising		551	333	317	317	317	333	352	372
Minor assets	9 710	4 694	(151)	1 398	1 498	1 498	491	519	549
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	12	393		105	105	105	111	117	124
Communication (G&S)	847	359	23	667	667	667	176	186	196
Computer services	1 439	27 474							
Legal services									
Contractors	4 479	8 634	2 021	2 000	2 000	2 000	2 000		
Agency and support / outsourced services	8								
Entertainment									
Fleet services (including government motor transport)	22	2		1 670	1 670	1 670	615	650	687
Housing									
Inventory: Clothing material and accessories	166						500		
Inventory: Farming supplies									
Inventory: Food and food supplies	24	13							
Inventory: Fuel, oil and gas	3 507	30							
Inventory: Learner and teacher support material	1								
Inventory: Materials and supplies	648	1 868							
Inventory: Medical supplies	17 935	13 366	705		350	350			
Inventory: Medicine	1 806								
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	16 359	5 982	1 683	350	350	350			
Consumable: Stationery,printing and office supplies	681	283		300	300	300	316	334	353
Operating leases	15 980	30 729	32 499	31 525	31 525	31 525	37 530	39 707	41 931
Property payments	575 888	746 868	1 020 370	583 209	748 341	748 341	354 307		
Transport provided: Departmental activity		45							
Travel and subsistence	513	536	153	2 200	2 200	2 200	210	222	235
Training and development	3 010	2 904	3 161	5 000	5 459	5 459	2 000		
Operating payments	3 271	13							
Venues and facilities		20		1 000	1 000	1 000			
Rental and hiring		3 953							
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**39**	**22**	**15**						
Provinces and municipalities									
Provinces									
Non-profit institutions									
Households	39	22	15						
Social benefits	39	22	15						
Other transfers to households									
Payments for capital assets	**454 713**	**525 189**	**791 835**	**1 349 509**	**1 217 268**	**1 217 268**	**1 224 370**	**845 975**	**893 429**
Buildings and other fixed structures	413 088	364 769	784 988	1 235 355	1 104 764	1 104 764	1 153 570	845 975	893 429

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Buildings	413 088	364 769	784 988	1 235 355	1 104 764	1 104 764	1 153 570	845 975	893 429
Other fixed structures									
Machinery and equipment	41 625	160 420	6 847	114 154	112 504	112 504	70 800		
Transport equipment				1 200					
Other machinery and equipment	41 625	160 420	6 847	112 954	112 504	112 504	70 800		
Heritage Assets									
Software and other intangible assets									
Payments for financial assets			**5**						
Total economic classification	**1 121 466**	**1 384 095**	**1 864 651**	**2 017 930**	**2 051 730**	**2 051 730**	**1 658 636**	**925 932**	**977 865**

VOTE 5

DEPARTMENT OF EDUCATION

To be appropriated by vote in 2017/18	R 40 843 869
Responsible MEC	MEC for Education
Administering Department	Department of Education
Accounting Officer	Head of Department

1. OVERVIEW

Vision
Every learner feels valued and inspired in our innovative education system.

Mission
We are committed to providing functional and modern schools that enable quality teaching and learning to protect and promote the right of every learner to quality, equitable and relevant education.

Strategic Goals

To achieve these goals, the department will continue to work closely with other provincial departments such as the Department of Social Development, Department of Health, Department of Infrastructure Development, Department of Sport, Arts, Culture and Recreation and Department of Economic Development. This partnership will include those private sector organisations that share these goals and would like to come on board and invest their resources to ensure that the goal of quality education is achieved.

Core functions and responsibilities
The department will continue to work to ensure that people of all ages and backgrounds have the education, skills and opportunities to pursue activities that promote their wellbeing and build strong communities. We are primarily responsible for the delivery and regulation of pre-tertiary public and private schooling and we are a delivery agent for skills development in the province. The department's plans and service delivery areas are aligned with national and provincial imperatives with a special focus on curriculum delivery, teaching and learning support material, infrastructure, ICT and teacher placements.

Main services
The department provides the following education programmes:
- Public ordinary schooling: this involves the provision of ordinary schooling to all learners (primary and secondary schools)
- Independent schools: this involves providing subsidies to qualifying independent schools and monitoring the conditions that are pre-requisites for continued funding
- Special schools education: this involves providing schooling to all learners with special education needs from Grade 1 to Grade 12, and non-formal education programmes
- Early Childhood Development: this programme focuses on providing Grade R in state, private and community centres. The programme also provides support for pre-Grade R learners
- Skills Development: this entails the improvement of skills in the province.

Underpinning the provision of the services above are the following education services:
- Improving Teaching: curriculum development, implementation of support systems to teachers, learners and management, and assessment of learning. This includes specialist support to learners by therapists and educational psychologists.
- Improving Curriculum and School Management: institutional development and support to schools through school development planning, subsidies, monitoring of institutional performance and monitoring and developing school governance
- Human Capital Development: provision of in-service programmes, management development and pre-service bursaries
- In-School/In-College Sport and Culture: provision of extra-curricular activities in the form of sport, arts and culture in schools
- Provision of Resources: resource management and provision including the procurement of goods and services for schools that are not self-managing, and provision of learner and teacher support materials (LTSM), administrative

equipment and labour saving devices
- National Senior Certificate examinations for Grade 12 and standardised testing for Grades 3, 6, 9: setting-up standards and benchmarking a form of a school evaluation service established to measure and report on institutional and learner performance per school
- Parental Support: providing necessary support to parents so that they can support and monitor their children's education through partnering with school governing bodies and schools.

Ten pillar programme of transformation, modernisation and re-industrialisation

The 2017/18 Annual Performance Plan addresses the Gauteng Provincial Government's strategy of Transformation Modernisation and Reindustrialisation (TMR) whose vision is to transform the province into "a seamlessly integrated, socially cohesive, economically inclusive City Region; a leading economy on the African continent underpinned by smart, innovation-driven, knowledge-based and sustainable industries; an accountable, responsive, transparent and clean government and an active citizenry". The department's programmes respond to four provincial pillars as per the TMR programme: Pillar 1: Radical economic transformation; Pillar 3: Accelerated social transformation; Pillar 4: Transformation of the state and governance and Pillar 5: Modernisation of the Public Service

- **Pillar 1: Radical Economic Transformation promotes youth employment.** The province through the Gauteng City Region Academy will continue to focus on skills development specifically to promote youth employment. As part of the Master Skills Plan, the Gauteng Department of Education together with the Department of Economic Development will introduce a range of skills development programmes and training opportunities, internship and learnership programmes that will give the youth of this province the edge when entering the job market.

- **Pillar 3: Accelerated Social Transformation using quality education as a lever to accelerate social transformation.** The modernisation of classroom practice is critical to achieving quality education in the classroom. The department is focusing on bringing education into the 21st century by ensuring that all educators and learners have progressive access to broadband and smart learning and teaching tools. The GDE, the Department of Social Development, Department of Health, Department of Infrastructure Development, Department of Sport, Arts, and Culture and Recreation and Department of Economic Development will work closely together to achieve the delivery of quality education in the province.

- **Pillar 4: Transformation of the state and governance to achieve the GCR capacity and skills development programme.** The Gauteng City Region Academy's focal area remains skills development of the province's public servants to lead the transformation of services and interventions. The focus will be on integrating the training of provincial and local government officials to support the creation of a seamless public service to support in the province.

- **Pillar 5: Modernisation of the public service:** as part of the department's vision of modernising the delivery of public education, the GDE will make greater efforts to harness ICT in schools and the education system as a whole. This is consistent with the province's vision of building a smart, knowledge-based and innovation-driven economy.

Acts, rules and regulations
- Policy on Screening, Identification, Assessment and Support (SIAS) (December 2014);
- Government Immoveable Asset Management Act, 2007 (Act No. 19 of 2007);
- White Paper on e-Education (September 2004);
- South African Council for Educators Act, 2001 (Act 31 of 2001), as amended;
- Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000);
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000);
- Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended;
- National Policy on HIV/AIDS for Learners and Educators in Public Schools and Further Education and Training Institutions (General Notice 1926 of 1999);
- Employment of Educators Act, 1996 (Act 76 of 1998);
- Gauteng Education Policy Act, 1998 (Act No. 12 of 1998), as amended;
- Skills Development Act, 1998 (Act No. 97 of 1998), as amended;
- Batho Pele "People First": White Paper on Transforming Public Service Delivery (September 1997);
- Admissions Policy for Ordinary Public Schools (General Notice 2432 of 1998)Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), as amended;
- National Education Policy Act, 1996 (Act 27 of 1996) (NEPA), as amended;
- South African Schools Act, 1996 (Act 84 of 1996), as amended;
- Gauteng Schools Education Act, 1995 (Act No. 6 of 1995), as amended;
- White Paper on Education and Training (March 1995);
- Public Service Act , 1994 (Proclamation 103, published in GG 15791 of 3 June 1994), as amended;
- Occupational Health and Safety Act, 1993 (Act 85 of 1993); and
- Interim Policy for Early Childhood Development (undated)

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

In terms of the specific deliverables of the department, the following has been achieved:

Goal 1: Deliver quality education in a conducive learning environment

Pillar 1: Curriculum and assessment development
Mainstreaming of the Primary Schools Language and Mathematics Interventions
The Gauteng Primary Schools Intervention Strategy has been implemented to provide additional support and create a sound knowledge foundation for learners at an early stage of their cognitive development. In the year under review, the department focused on the development of language proficiency as a critical element of cognitive development in learners. The department expanded the Incremental Introduction of African Languages project from six to twelve schools at First Additional Level in Grades 1, 2 and 3. The following languages were selected for implementation in the year under review: IsiZulu, Sesotho, Setswana, Sepedi, IsiXhosa and Xitsonga at Second Additional Language level in 198 schools in Grade 1 across the province.

Primary School Interventions
Primary school interventions continued to focus on improving learner performance in language and mathematics. Although the interventions are mainstreamed into the line function of district facilitators, head office officials and professional learning groups constantly support the principles and strategies of curriculum implementation and assessment. The overall focus of support includes assessment, teaching, learning, learner support and school management.

Mathematics Intervention
A special intervention programme has been developed to support and improve mathematics across all phases, with a specific emphasis on the Intersen phase (Grades 4-9). Lesson plans were developed to support content delivery and bridge the gap experienced in these grades. The additional support given to these teachers included the use of mental maths kits, the scaffolding of content and how to manage and complete classwork as well as homework activities. To further develop learner performance, priority schools received DVDs that provided extra content and pedagogical training for teachers. Special support was aimed at school management and district officials in supporting mathematics teachers in their schools.

Standardised Testing
While the Annual National Assessment (ANA) tests were not written in 2016, the trends up to 2014 show tremendous gains in learner proficiency in home and first additional languages across Grades 3, 6 and 9. This province especially in the early grades was above the 70 per cent mark. In respect of Numeracy and Mathematics, the trends in the lower grades showed great improvements. The department has noted some need for intervention in Grade 9 and a province-wide intervention to improve learner performance in Mathematics is being implemented.

Grade 3 ANA: Against a target of 60 per cent, 73.4 per cent of learners were functioning at the required level in numeracy and 70.8 per cent of learners in literacy. Both targets were thus achieved and exceeded.
Grade 6 ANA: Against a target of 60 per cent, 51.7 per cent of learners were functioning at the required level in mathematics and 79.8 per cent of learners in language. While the language target was achieved and exceeded, the mathematics target was not met.
Grade 9 ANA: 48.3 per cent of the learners were found to be functioning at the required level in home language, while for first additional language only 25 per cent of learners in the province were found to be functioning at the required level. Grade 9 Mathematics is still not functioning on par, as only 4 per cent of learners were found to be functioning at the required level. This is a problem found not only in Gauteng but across South Africa.

Trends in International Mathematics and Science
The Human Science Research Council (HSRC) published a report titled "Trends in International Mathematics and Science Study 2015, Grade 9 and Grade 5 Performance" on 29 November 2016. The TIMSS achievement scale is set with a centre point of 500 and a standard deviation of 100. All learners who score below 400 points are considered to have not achieved at the lowest achievement standard. The report also presented the Grade 5 and 9 results, obtained from all nine South African provinces, as follows:

- **Grade 9 performance (Mathematics)**
  For Mathematics, the top country in Mathematics was Singapore (621), with South Africa (372) second from the bottom and Saudi Arabia (368) faring the worst.

- **Grade 9 Performance (Science)**
  For Science, Singapore (597) fared the best with South Africa (358) coming in last place. Overall, in the TIMMS assessment

Gauteng outperformed all other provinces in the 2015 edition. Compared to the national scores and those obtained by other African countries, Gauteng performed better with 408 and 405 in Maths and Science respectively.

- **Grade 5 Performance (Mathematics)**
  Since South Africa was first included in TIMMS, this was the first time that it participated in the Grade 5 assessments. Gauteng performed above 400 in Grade 5 Mathematics, coming in second place in the country, 20 points behind the Western Cape.

- **Grade 5 Performance**
  The top ranked country was Singapore (618) with South Africa (376) coming in second from the bottom and Kuwait (354) in last place.

2016 National Senior Certificate (NSC) Examination
The province sustained its overall increase in the matric pass rate. 88 381 learners passed the NSC in 2016. This represents 20 per cent of all learners who passed nationally. There was an improvement in the number of Bachelor passes obtained (37 582 candidates) in 2016. This represented 23 per cent of all Bachelors passes obtained nationally. Over 26 542 learners passed Mathematics in 2016 compared with 25 789 in 2015. The province also showed an increase in the number of Grade 12 learners with a score of 50 per cent or more in Mathematics and Physical Science.

Secondary School Improvement Programme
Through the Secondary School Intervention Programme (SSIP), the department continued to provide additional tuition and materials to Grade 12 learners from underperforming schools. Over 66 262 grade 12 learners across 167 SSIP sites benefited from this programme. In 2016, the department offered SSIP classes to 27 more sites than originally targeted, providing support to 11 262 more learners. It is important to note that the number of underperforming schools i.e. schools that obtained an aggregate pass rate below 60 per cent has decreased from over 270 in 2013 to 30 in 2016.

Gender comparison
In the 2016 examinations, there was a deviation of -4.9 per cent in learner performance in achieving the target of 70 per cent among female learners passing Mathematics. Females achieved an aggregate pass rate of 65.1 per cent in these examinations. There was also a deviation of -6.98 per cent in female learners achieving the target of 73 per cent passing Physical Science. They achieved 66.2 per cent in the 2016 NSC examinations.

Quality of Passes
In the 2016 Grade 12 NSC examination, the aggregate pass rate target of 86 per cent was not achieved. There was a deviation of -0.9 per cent with performance recorded at 85.1 per cent (that included progressed learners). If progressed learners were omitted from the aggregate, the matric pass target for 2016 would have been exceeded by 1 per cent. Learners in the 2016 examinations exceeded the target for Bachelor passes of 36 per cent by 0.2 per cent. There was a deviation of -1.4 per cent in achieving the 2016 target of 70 per cent in learners passing Physical Science. Learner achievement for the NCS examination was 68.6 per cent with a deviation of -1.03 per cent in achieving the 2016 target of 70 per cent of learners passing Mathematics.

Pillar 2: Teacher Development and Support
The department introduced a new Teacher Development Strategy aimed at promoting qualitative improvements in Mathematics, Science and Technology, Literacy, School Safety, Inclusion and Grade R. The strategy assumes a demand-driven, decentralised training approach in which educators are primarily responsible for their own professional development. This envisioned development is a first-level response and takes place at schools with the support of heads of department, mentors and coaches and within the over-arching support of the Professional Learning Communities. At the second level of response, all those developmental needs that could not be addressed at school level are taken care of at District Teacher Development Centres, supported by subject facilitators and Professional Learning Communities. Additional accredited courses in partnership with higher education institutions have been established for educators ranging from the Foundation to the FET Phase to improve educator skills and knowledge.

A key focus for the in-service training programmes is to get classroom-ready, with an emphasis on improving teaching and learning and adapting to ICT. Since the start of 2014, a total of 25 828 educators (including school managers) have received training to improve their competency. In addition, over 200 teaching aides have been appointed and more than 400 special school educators trained over the past two years.

Pillar 3: Leadership and Management
Review and implementation of the new departmental structure
The department has finalised the re-design of its new structure, with five virtual districts aligned to the five corridors, and this is already being implemented. The department has continued to provide quality education across all schools in the province in line with the constitutional imperatives and educational mandates to improve and develop human capital

through education. Through the implementation of the realigned structure, the department improved accountability to support the quality of teaching and learning and ultimately learner performance. The department's management provided the necessary support and leadership to schools to improve efficiency in functionality and learner performance.

School Governing Body (SGB) support and training
To improve efficiency in the functionality of the system and to ensure that schools comply with good governance and legislation, the department conducted continuous training for elected members of school governing bodies. That made a significant contribution to guiding school governing bodies to deepen their understanding of the expected roles and responsibilities of school governors.

Public servant capacity programmes
To improve core and generic management competencies and government performance in the province, 335 public servants across the province were awarded bursaries to enhance their competency in various levels of functionality. 687 existing educators received refresher training on integrated quality management systems.

Goal 2: Provide an administrative service that supports modern and innovative schools

Pillar 4: Infrastructure Development and Maintenance
Key Infrastructure progress to date (2014/15-2016/17)
Since the 2014/15 financial year, the department has prioritised infrastructure development in schools, with a particular focus on ensuring that all schools have running water, electricity and functional toilets and that all blocked toilets are cleared. To date, 2 081 public ordinary schools have been provided with basic services such as water, electricity and proper sanitation to ensure that there is effective teaching and learning irrespective of the socio-economic conditions that characterise the school and its surroundings.

Gauteng has experienced an annual increase in learner numbers over the last decade. In responding to the increased demand for learning spaces, the department has built 1 424 classrooms in public ordinary schools since 2014/15. This has ensured that over 49 840 learners have access to quality education in modern and conducive classrooms. Since 2014/15, the department has built 125 specialist rooms in public schools, equipped according to the requirements of the school curriculum to cater for technical drawing, music, metalwork, laboratories etc. Through specialist rooms, the department provides a broad school curriculum that is responsive to the diverse needs of learners. Rapid spatial development has increased the demand for learning spaces in newly developed areas to ensure that quality education is accessible to all learners. This has resulted in the construction of a further 33 new schools. The construction of new schools has impacted positively on the reduction of pressure in schools with high learner enrolment. The newly constructed schools include both new and replacement schools that have been completed through the Accelerated Schools Infrastructure Development Initiative (ASIDI). This has resulted in the provision of appropriate school infrastructure that is fully compliant with the norms and standards for school infrastructure.

In managing the allocation of resources to maintain infrastructure, the department ensured that 178 schools underwent scheduled maintenance whilst 180 were rehabilitated. Regular maintenance of school infrastructure prolongs the life span of the learning institution in a cost effective manner. The department made a commitment to reaching the goals of Transformation, Modernisation and Reindustrialisation. In translating that into reality, it refurbished 2 247 classrooms as smart classrooms with interactive boards loaded with learning material to ensure that educational information is easily accessible and meaningful. The department also refurbished all ablution facilities in 373 secondary schools.

Pillar 5: Planning, Financing and Resourcing
On an annual basis, the department provides schools with their budget allocations to procure learner and teacher support material and other basic requirements to enable teaching and learning for the following academic year. It also makes payments for the day-to-day running of schools and payment of basic services. The department has endeavoured to improve on procurement practices and ensure payment within 30 days from receipt of invoice. Over the last four financial years, the department has experienced some challenges in paying suppliers within this timeframe. On average for the financial years 2013/14 to 2016/17, the department has managed to pay 83 per cent, 76 per cent, 69 per cent and 83 per cent of its suppliers within 30 days. The relatively stable performance has been as a result of key control measures having been put into place to ensure compliance with the 30 days payment requirement.

Pillar 6: ICT in Education
In 2015, seven schools of the future were established to pilot the use of ICT in improving the quality of teaching and learning. These schools continue to make progress in the use of ICT in the classroom. Due to budget constraints and the cost of ICT, the GDE agreed to roll out the facilities progressively in Grades 11 and 12 in township no-fee schools, beginning with Grade 12. In 2015/16, over 1 800 Grade 12 classes were converted and upgraded. All Grade 12 learners in the targeted schools received tablets and classrooms received smart boards, content servers and laptops for teachers. During 2016/17, the department's focus was on Grade 11 teachers and learners. The department completed 24 schools of the future or full

ICT schools. The department has connected 377 schools to ICT infrastructure and 2200 are smart enabled. The department has also distributed 120 000 devices to schools.

Goal 3: Transform public schooling by addressing barriers to access, equity and redress

Pillar 7: Social Cohesion
No-fee schools: 1 280 308 learners benefited from the implementation of the no-fee policy, in terms of which learners are not required to pay any school fees.

School nutrition: Through the National School Nutrition Programme (NSNP), 1 431 254 learners received meals in 1 631 Quintile 1-5 primary, secondary and identified special schools.

Scholar transport: the department provided scholar transport to 102 092 learners. This exceeded the target of 70 000 learners.

Implementation of Extra School Support Programme: Through homework supervisors, the department provided additional support and guidance to learners in performing their learning activities and projects. 1192 homework assistants were provided to schools to ensure that learners received additional support with their educational activities. The department recruited 941 sports assistants for the priority schools.

School Safety Programme: The safety of all learners, teachers and support staff on school premises remains one of the department's key priorities. The department employs 5 794 patrollers to assist in creating a safe and secure school environment. The collaborative agreement with the Department of Community Safety, South African Police Services and the Department of Social Development continued.

Special Needs Education: In relation to the expansion of the Inclusive Education System as well as provision of adequate support, 30 ordinary schools were converted to full service schools and 105 educators were trained in South African Sign Language. The department established additional special schools to create a learning environment that was conducive to effective learning and teaching. Seven new schools opened in January 2016 and seven more opened in 2017. These schools have full access for learners using wheelchairs. 71 819 learners from 959 identified schools were screened and tested for learning barriers. The department is in the process of allocating additional funding to Special Schools for learners who are physically disabled, deaf and blind. The additional funding is to procure assistive devices for such learners. It also focuses on expanding ICT to enhance access to the curriculum in Special Schools.

Racism in schools: A Summit to address issues of racism in schools was held on 30th March 2016. Progress in implementing the summit's resolutions has been sluggish. Plans are currently underway to prepare a 2017 Summit to further address this critical issue.

Independent school sector transformation charter: As a new 2016/17 indicator, the target involved the need to formulate an independent school transformation charter by the end of the first quarter of that financial period. However, the department experienced delays in finalising the terms of reference of the charter. The full process will be concluded in the 2017/18 financial period.

School health: The department participated in various sporting events in the year to ensure that learners develop holistically. 180 school health teams were established as reported by the Department of Health.

School sport: 2 047 schools participated in various school sports such as soccer, rugby, cricket and athletics. These are activities conducted throughout the year during winter, spring and summer games in partnership with the Department of Sport, Arts, Culture and Recreation. In addition, over 400 secondary schools participated in debates as a means of encouraging learners to participate in dialogue on current affairs and to formulate their own opinions. Through participating in debates learners would deepen their critical thinking and problem solving skills.

Pillar 8: School functionality including community involvement
Reorganisation of schools
In addressing the historical imbalances in the education sector based on race and class, the reorganisation of schools strategy includes closing schools and repurposing facilities. This project aims at making Gauteng the best-performing and most cohesive schooling system. The programme intends improving the overall performance of township schools; enhancing basic infrastructure to make schools clean and safe; and harnessing ICT to build the "classroom of the future". Amongst the key objectives of the reorganisation of schools strategy is the promotion of social cohesion as part of the mandate to accelerate social transformation. Some of the key components of the reorganisation of schools strategy include the schools twinning programme, the renaming of schools with offensive or insensitive names, the use of the SA flag as a symbol of unity on school uniforms and promoting active parental support in the quest for quality education.

Goal 4: Increase access to quality pre- and post-schooling educational opportunities.

Pillar 9: Skills Development
Career guidance: Over the last two years, over 272 650 Grade 8 and 9 learners have had access to career guidance and counselling. Over 650 youth have been employed as lay counsellors to assist learners to make informed decisions on career pathing at an early age. 18 128 Grade 8 and 9 learners had access to career guidance and counselling through lay career counsellors in the period under review.

Bursary programme: The province continues to provide access to bursaries to the top three learners from no-fee schools. In the year under review, 2 834 bursaries were allocated to qualifying learners from various schools.

Schools of Specialisation: The introduction of the first school of specialisation, Curtis Nkondo School of Specialisation, begins to introduce alignment of schooling with various economic sector developments across the provincial nodal points and regions.

Career-pathing: 1 713 learners were adopted and supported by partner organisations. The said organisations strategically focussed on expanding career and employment opportunities for such learners.

The department also has adopted a number of leading programmes to enhance the skills profile of the province. The Skills Development Programme offers vocational and technical skills in high schools. The continued roll-out of the learnership and internship programme coupled with the experiential learning programme also offers expanded opportunities for enhanced career development for Gauteng youth.

Pillar 10: Access to quality Early Childhood Development
Universalization of Grade R
To ensure that all learners entering the schooling system have participated in ECD regardless of their socio-economic status, GPG has been expanding and including Grade R as part of mainstream public school education in the foundation phase. In addition, private Grade R sites will be registered through the introduction of provincial regulations. This is being done to ensure that there is an adequate mix of public, private and community based Grade R sites. The province is currently at 95 per cent of the universalisation of Grade R access target, comprising 160 000 learners by 2019. The department has achieved enrolment of 143 929 Grade R learners.

Practitioner training
1 218 Grade R practitioners are enrolled for training at NQF Level 6, year 2 programme which commenced in 2015. 469 Grade R practitioners and 242 pre-Grade R practitioners were trained in the year under review. To meet the demand of the expansion, the procurement of additional classrooms is being planned based on demand. Consultation and meetings with local government and ECD providers are being initiated to update the Grade R database and facilitate expansion.

Regulatory framework
The department has developed draft regulations to improve the management and administration of Grade R at public and independent schools as well as community based sites. The purpose of these regulations is to provide for the registration requirements of Grade R sites and determine the conditions under which registration is withdrawn; and set out the post-registration conditions that Grade R sites must comply with after being granted registration and the conditions and criteria under which the subsidies are allocated, reduced, withdrawn or terminated. These draft regulations were broadly consulted with stakeholders and published for public comment in October 2016. Inputs received from the public have been captured and are currently being considered. Once finalised, the regulations will be sent to the State Law Advisors to check legal compliance and thereafter to the Gauteng Provincial Legislature for approval before being gazetted.

Early Identification Programme
As part of ensuring quality education, Grade R learners continue to be tested under the policy on Screening, Identification, Assessment and Support (SIAS) to identify learning barriers such as dyslexia and psychomotor disorders and to provide simple assistive devices to such learners.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

The department's current plans as mandated by the NDP focus on creating a new system to meet the educational and training needs of the information age. The new curriculum responds to the demands of an information economy, where the majority of jobs entail knowledge work that requires learners to master skills such as communication, problem-solving, critical thinking and teamwork.

Goal 1: Deliver quality education in a conducive learning environment

Pillar 1: Curriculum and assessment development
Improve learner performance (Grades 3, 6 and 9)
The aim is to improve learner test scores in School Based Assessments (SBA) in Language and Mathematics for Grades 3, 6 and 9 through the implementation of the Language and Numeracy Strategy. The strategy intends to lock-in gains made in Language and Mathematics and to close curriculum gaps identified through ANA, Common Assessments and SBA analysis. This will be done through monitoring and supporting the utilisation of the Mathematics and Language lesson plans provided; supporting teachers to optimally use resources provided such as wordlists, readers, posters, charts, workbooks, learner multi-lingual workbooks, and Mathematics multilingual dictionaries; the use of Annual Teaching Plans (ATPs) monitor curriculum coverage and SBA coverage; providing guidance on how to catch up with work not covered; and through management workshops to build capacity to monitor and support curriculum and SBA coverage, workbook utilisation and quality control of assessment tasks.

In 2017/18, the strategy will be extended to cover Grade 1 to Grade 9 with the focus on support in all 1 500 primary schools. The strategy will centre on the training of teachers, management teams and district support staff in all the phases. Another key component of the strategy will be the monthly monitoring and accountability sessions. Management workshops will include school principals and their deputies and approximately three heads of department per school. The department envisages training 7 500 management members across the 1 500 schools. These workshops will be held per subject and per grade and will focus on managing curriculum coverage per subject and per phase.

Mathematics intervention
The 2016 Grade 8 and 9 Mathematics strategy strives to strengthen the provision of quality public education as envisaged by the reorganisation of schools and by the strategic direction of the department. The Mathematics intervention strategy is focused around the following strategic goals:
- The average percentage pass of learners in Mathematics in Grade 8 and 9 should be above 60 per cent relative to both the internal and external assessments
- Educators in Grades 8 and 9 should master Mathematics content as laid out in Annual Teaching Plans (ATPs)
- Educators should adhere to notional times by teaching, assessing, diagnosing and intervening and/or remediating
- Heads of Mathematics departments and Mathematics district facilitators should constantly monitor and support educators in areas of development.

The Grade 8 and 9 Mathematics Strategy will be rolled out in 469 secondary schools within the province. All identified schools will be prioritised to participate in this strategy. All participating schools will receive lesson plans and resources available to SSIP schools. All non-participating schools across the province will have access to the SSIP material, at no cost, from the department, Sci-Bono and the Matthew Goniwe School of Leadership and Governance websites.

Incremental introduction of African languages (IIAL)
The Incremental Introduction of African Languages has been rolled out in 12 pilot schools since the 2015 academic year and will be continued in another 12 schools with the incremental introduction of IsiZulu, Sesotho, Setswana, Sepedi, Xitsonga and Afrikaans. The Department of Basic Education's Curriculum and Assessment Policy Statement and the workbooks are available for both the home and first additional language levels for all official languages. The consultative sessions and training will continue as the department continues to procure LTSM for advancement of the pilot project.

Improve the pass rate and quality of exit results for matric
The department will strive and allocate resources to improve the matric pass rate as well as the quality of passes for the province by implementing the following programmes: **Secondary School Improvement programme:** this is offered at 140 SSIP sites catering for 60 000 learners during week day afternoons, Saturdays and school holidays and offering **standardised tests to** improve learner test scores for school based assessments in Language and Mathematics at Grades 3, 6 and 9 to replace the Annual National Assessments. The shift to standardised tests will be based on a national decision. However, the policy on additional testing needs to be ratified.

The department will be enhancing public education by not only converting schools of focused learning into specialised school but also by accelerating the improvement of existing Dinaledi, Technical and Magnet schools in Gauteng. It will implement a strategy to reorganise and turnaround the province's schools by changing the quality of education especially in the townships to turn around what were historically labour reservoirs for unskilled labour into zones of hope, development and transformation. Schools of Specialisation seek to accelerate the development of top talent. The department has planned 29 Schools of Specialisation to be phased in over the period 2016/17-2018/19. The location and specialisation of the schools will be informed by the development corridors defined in Gauteng's programme of Transformation, Modernisation and Re-industrialisation:

- Central Corridor (Johannesburg): financial services, pharmaceuticals and services
- Northern Corridor (Tshwane): automotive, research, innovation and public administration
- Eastern Corridor (Ekurhuleni): manufacturing, transport and logistics
- Southern Corridor (Sedibeng): tourism and entertainment, agro-processing and hydro-industry
- Western Corridor (West Rand): agro-processing, tourism and logistics.

Pillar 2: Teacher Development and Support
The teacher development and support initiative will form part of the System-Wide School Improvement Strategy. A Teacher Development Steering Committee has already been established to provide strategic direction, management, oversight and coordination of all teacher development activities. In the coming year, teacher training will focus on content, quality of assessments, teaching and learning methodologies, ICT training and support, and institutionalisation of ICT in schools.

Pillar 3: Leadership and Management
The district model has been redesigned and will be implemented to give deepened and direct support to school management by the introduction of virtual districts. School Management Teams play a central role in achieving the department's goal of realising the schools of the future. To this end, the department envisages training teams from 300 schools on the management of e-learning at their schools. This will help to bring these selected schools closer to achieving the vision of schools of the future. HR and Finance functions will be centralised in the new model and this will be enhanced by the use of ICT in offices.

Goal 2: Provide an administrative service that supports modern and innovative schools

Pillar 4: Infrastructure Development and Maintenance
Improve enabling conditions at schools through focus on functionality of schools
The bedrock of this pillar is to provide and maintain the education infrastructure that supports teaching and learning in all public schools in the province. The national priority in relation to education infrastructure remains the implementation of the regulations relating to the minimum uniform norms and standards for public school infrastructure as per Government Gazette No. 37081. The objectives of the regulations are:

(a) To provide minimum uniform norms and standards for public schools infrastructure
(b) To ensure that there is compliance with the minimum uniform norms and standard in the design and construction of new schools and additions, alterations and improvements to schools which existed when the these regulations were published
(c) To provide timeframes within which school infrastructure backlogs must be eradicated.

The department's priorities for this financial year are to overcome the identified challenges in the delivery of infrastructure and put intervention strategies in place to overcome the issues of access to Early Childhood Development programmes; access for learners with special needs; lack of resources for basic education; and redressing basic education that is not aligned to address youth unemployment and provides a poor transition to higher education or place of work. To address the challenges, the department will focus on improving infrastructure and learning materials to support effective education and implement smart classrooms with access to computers and broadband internet. In addition, it will continue with its maintenance and rehabilitation programme.

Pillar 5: Planning, Financing and Resourcing
This pillar is structured around three areas: strategic and operational planning; financial management; and human resources (HR) management. It is the department's culture to ensure that the management of all resources, financial and non-financial, is effective and within the prescripts of all application legislation to ensure that there is good corporate governance and an improvement of audit outcomes. The department will facilitate macro-education planning to ensure alignment between statutory mandates, plans, budgets and resource utilisation. It is in the process of establishing a media complaints unit. The purpose of this unit will be to track and monitor complaints in the media for incorrect information and to engage the Ombudsman. Fairness must be entrenched where there is unfair or incorrect reporting on government. The department will facilitate the prudent spending of resources according to spending plans and cash flow requirements and will improve procurement practices and ensure payment within 30 days from invoice. HR management will accelerate recruitment processes to ensure that there are no vacant posts in human resources, finance and ICT. The department also plans on organising and managing the rendering of legal services to ensure effective discipline, grievance and dispute management systems as well as setting up a tribunal to deal speedily with grievances and disputes to ensure effective operations.

Pillar 6: ICT in Education
Ensure e-Learning capabilities are available in classrooms
The department is continuing to modernise and improve the offering of public education. The e-Learning strategy is in line with the DBE's e-Education guidelines and their requirements are the cornerstone of ICT transformation in the province. The department has introduced ICT to create a technology-driven teaching and learning environment to improve education outcomes. The use of technology will enhance teaching quality by giving teachers and learners access to extensive learning

material through the use of smart boards, tablet devices and smart software in the classroom. The department envisages that this tech-enabled learning environment will be fully rolled-out by 2019 in all high schools.

The department will continue with the e-Learning strategy implementation by refurbishing 1 100 classrooms as smart classrooms with the necessary ICT devices and equipment. The project covers Grades 11 and 12 and will be extended to Grade 11 in 2017/18 and to Grade 10 in 2018/19. A targeted number of schools including primary schools will be adopted, especially at senior grades, as the roll-out to classes in lower grades might yield minimal results. Emphasis will be placed on using technology for assessment and diagnostic and mediation to improve learner performance.

To achieve the ultimate vision of a "paperless" classroom, the department plans to further develop the teachers and learners in its institutions. Teacher training, improvements to school infrastructure and distribution of educational devices are key to achieving this vision. An intensive educator/principal training programme is being developed to orientate and train them on the integrated use of technology to improve curriculum delivery in the classroom. In keeping with the e-Learning strategy, the department foresees connecting 1 118 classrooms with broadband infrastructure via e-Governance.

Goal 3: Transform public schooling by addressing barriers to access, equity and redress

Pillar 7: Social Cohesion
Improving School Nutrition
The department contributes to the provincial poverty alleviation programmes currently in place through the nutrition programme in all public schools. In the 2017/18 financial year, the department will provide nutritious meals to all learners in all no-fee and selected fee-paying public schools, totalling approximately 1 445 567. The department will continue to work with the Department of Agriculture and Rural Development to maintain and sustain food gardens at schools.

Increasing access to schooling
The department is currently funding 1 393 no-fee public with an enrolment of 1 293 111 learners.

Scholar transport
To further improve access to schools, free learner transportation from home to school will be provided; the department will optimise and ensure proper monitoring of the utilised routes. 101 844 learners will be eligible to benefit from learner transport in 2017/18. The department, the Department of Roads and Transport and the metropolitan police have committed to assist with monitoring the roadworthiness of vehicles transporting learners.

Extra School Support Programme (ESSP)
The ESSP programme will continue in the province. The department will be employing 1 500 homework assistants to provide homework support to Grade 1-7 learners in priority schools and a further 1 500 sport assistants in priority schools to assist with coordinating school sports.

School Safety Programme
School safety will continue to be a provincial priority to ensure that safety of all learners, teachers and support staff on school premises. The department will be employing 4 500 patrollers to assist in creating a safe and secure school environment. The collaborative agreement with the Department of Community Safety, SAPS and the Department of Social Development will continue at 60 prioritised schools during the year. The province has developed a comprehensive and integrated strategy that involves various stakeholders, and various measures have been identified and will be implemented in all schools and the surrounding places perceived to have a direct influence on school safety.

School sports
The department will be continuing with the Wednesday sports programme at 1 731 schools. This will include athletics, swimming, winter sport codes, cross country and summer sport codes. The department will focus on sporting codes in special schools. LSEN school sports will focus on multiple-discipline learners with special education needs, athletics competition, football and sporting programmes for the physically impaired, blind, deaf and intellectually impaired learners.

Learners with special education needs
The department will focus on improving special education in the province. Its commitment to special education has changed over the years. New teaching methods, changing perspectives and an emphasis on inclusion have shifted ideas and introduced new concepts. In implementing this policy, special education will serve as a support system and special educators can assist regular school personnel in managing the education of children with exceptionalities. The department will continue to strive to increase access to special schools and to ensure that all required services and equipment are available so that learners experiencing barriers to learning and development are accommodated.

Pillar 8: School functionality including community involvement
Parental support
In making education a societal priority, the department will ensure stakeholder involvement in schools in a manner that assists with attaining the core outcomes. It will mobilise civil society, faith-based organisations and the private sector to support the inputs and outcomes of a quality education system, and will urge young learners to participate actively in school programmes to change their attitudes and commitment to school work. The department will train over 60 000 parents as part of the family support programme.

Reorganisation of Schools
The Reorganisation of Schools Strategy (ROS) will promote the development of relevant skills sets to support the economic initiatives of the province while simultaneously optimising and repurposing school infrastructure.

System Wide School Improvement Strategy (SWSIS)
The SWSIS is a systemic intervention and methodology designed to turn schools around to perform consistently at the level that 'great' achieving schools do. SWSIS will attempt to progressively enhance school performance so that schools are shifted along a spectrum from poor and fair towards good and great.

Pillar 9: Skills Development
Facilitate transition to post school opportunities
The Master Skill Plan 2 will respond to the skills needs of the province given the economic realities of South Africa generally and those of the province in particular.

The Master Skill Plan 2 provides a clear agenda for skills development for the province and its private sector and non-profit sector partners across the entire skills value chain. This chain includes Early Childhood Development; Basic and General Education; Technical and Vocational Education and Training; Universities and Universities of Technology; workplace skills development; Sector Education and Training Authorities; Recognition of Prior Learning; Community Colleges and non-profit organisation training activities; and public sector supported employment programmes.

The vision of the Master Skill Plan 2 is to create an inclusive, facilitative and pro-active skills planning and implementation framework for the province that demonstrates government's commitment to the development of the skills required to support the bold economic growth and employment creation targets set out in the TMR strategy. Because the province is experiencing rapid in-migration of generally low-skilled and unemployed people on the one hand, and is exporting skills to the rest of South Africa and the Southern African sub-region on the other hand, the Master Skill Plan 2 aims to ensure that the province continues to generate a net surplus of skills.

These skills priority areas will underpin the development of the province's social and economic infrastructure base, assist in realising strategic sectoral growth priorities and competitive advantages set out in the TMR for each city, and support the implementation of game changer projects identified in each municipality. This in turn will contribute to driving the major economic impact required for the province to increase economic growth to 4 per cent per annum, to facilitate the creation of up to two million employment and job opportunities and to return the provincial economy to improved international competitiveness by 2020.

Pillar 10: Access to quality Early Child Development
Universalization of Grade R
Gauteng is committed to improving early childhood development and more children are accessing this crucial building block of learning. Investment in early childhood development is known to be one of the most effective, long-term strategies for poverty eradication. Children learn the skills that will help them flourish, early in life, when the brain has the maximum capacity to develop. Across government policies, early childhood development is a national priority programme included to support the principle of investment in young children. The department envisages increasing the number of learners enrolled in registered Grade R sites to 150 000 by end of the 2017/18 academic year.

To ensure that all learners entering the schooling system have participated in early childhood development regardless of their socio-economic status, the department will be expanding Grade R to all public schools. In addition, private Grade R sites will be registered through the introduction of provincial regulations. This is being done to ensure that there is an adequate mix of public, private and community-based Grade R sites.

4. REPRIORITISATION

The department will continue to develop and implement procurement plans for the financial year 2017/18 to ensure that the needs of the organisation are in line with the pillars underpinning the department's strategy as well as with its allocated budget. R18.2 million was reprioritised to make provision for the final relocation phase of head office to new buildings.

ICT allocation was increased by R224.7 million to reduce budget pressures relating to implementation of the ICT strategy. Furthermore, R29.8 million was reprioritised to examinations services activities to minimise budget shortfalls which are driven by an increase in learner numbers. The department has contracted service providers for the major core services such as school maintenance, LTSM, e-learning solutions, school furnishings, school nutrition, scholar transport and other various basic requirements needed to support the provision of quality basic education.

5. PROCUREMENT

The department will continue to develop and implement procurement plans for the financial year 2017/18 to ensure that the needs of the organisation are in line with the pillars underpinning the department's strategy as well as with its allocated budget. The department has contracted service providers for the major core services such as school maintenance, LTSM, e-learning solutions, school furnisher, school nutrition and scholar transport.

The department will also ensure that local suppliers are supported through these projects as part of the province's initiative to support small medium and micro enterprises (SMMEs). Business opportunity conferences will be held to ensure that service providers are provided with information about how to access opportunities presented by the department, how and where to get funding and how to ensure that their tax matters are in order. Designated sectors and compliance with local content will be publicised.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 5.1: SUMMARY OF RECEIPTS: EDUCATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	28 743 459	31 008 626	34 649 970	36 875 475	37 292 555	37 292 555	38 502 209	42 072 402	44 320 657
Conditional grants	1 274 738	1 478 428	2 202 701	2 211 751	2 216 095	2 216 095	2 341 660	2 505 869	2 434 299
Dinaledi Schools Grant	21 244	22 458							
Education Infrastructure Grant	537 892	623 602	1 335 725	1 385 737	1 385 737	1 385 737	1 468 146	1 376 435	1 453 515
National School Nutrition Programme	616 516	640 541	678 974	712 955	717 299	717 299	762 848	807 454	847 827
Recapitalization of Tech HS	35 609	29 567							
Maths, Science and Technology Grant			47 842	49 810	49 810	49 810	51 270	54 840	57 931
HIV & Aids	34 803	30 195	29 945	32 449	32 449	32 449	34 436	36 433	38 472
Social Sector EPWP Incentive Grant	25 674	36 016	44 784	28 661	28 661	28 661	9 791		
EPWP Integrated Grant for Provinces	3 000	2 450	2 409	2 139	2 139	2 139	2 537		
Occupational Specific Dispensation for Ed Sect Therapists		93 599	49 003						
Provincial disaster grant			14 019						
Learners with Profound Intellectual Disabilities Grant							12 632	30 707	36 554
Total receipts	**30 018 197**	**32 487 054**	**36 852 671**	**39 087 226**	**39 508 650**	**39 508 650**	**40 843 869**	**44 578 271**	**46 754 956**

The department receives funds from national and provincial revenue funds in the form of the equitable share and conditional grants. The department will receive R38.5 billion for the 2017/18 financial year in equitable share and R2.3 billion in conditional grants. Departmental allocations will grow by 4.5 per cent from a main appropriation of R39 billion in 2016/17 to R40.8 billion in the 2017/18, a Rand value increase of R1.7 billion. The increase in funds is due to the increase in demand for learning space and improvement in the quality of education in the province. The 4.5 per cent budget increase is a direct result of funds being allocated mainly towards compensation of employees and the improvement in conditions of service, and additional funds from the province for implementation of the school nutrition and scholar transport programmes as a form of ensuring that the baseline budgets of these programmes are adequately funded. Additional funds have been earmarked to deliver on government's priorities including universalisation of Grade R, the introduction of e-education and the improvement of quality learning strategies. The department's budget will have increased by R11.6 billion from 2013/14 to 2017/18, that is, an increase from R29.2 billion to R40.8 billion. The budget growth can be attributed to the growing demand for quality education and learning in the province.

6.2 Departmental receipts

TABLE 5.2 : SUMMARY OF DEPARTMENTAL RECEIPTS: EDUCATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		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	24 359	25 042	24 723	26 013	26 013	25 663	26 663	27 330	28 013
Transfers received									
Fines, penalties and forfeits	74	30	65	38	38	38	39	41	42
Interest, dividends and rent on land	1 315	173	263	187	187	363	192	197	202
Sales of capital assets			19 940						
Transactions in financial assets and liabilities	15 231	10 795	6 417	4 061	4 061	10 409	4 162	4 403	4 513
Total departmental receipts	**40 979**	**36 040**	**51 408**	**30 299**	**30 299**	**36 473**	**31 056**	**31 971**	**32 770**

The main source of revenue collection is from examination processes including re-marking and rechecking of Grade 12 scripts and reissuing matriculation certificates. Additional funds are collected from administrative fees for collection of insurance premiums from employees, official housing (rental income) and financial transactions in assets and liabilities relating to the departmental debt account and receivables relating to previous financial year expenditure.

7. PAYMENT SUMMARY

7.1 Key assumptions

The following key assumptions were taken into account when determining the personnel budget for the 2017/18 MTEF:

- Number of staff and possible addition of personnel over the 2017 MTEF;
- Basic salary costs including condition of service adjustments from 1 April 2017 and projections for the medium-term;
- Pension fund contributions, thirteenth cheque and overtime linked to the basic salary cost;
- Guidelines on the implementation of occupation-specific dispensation and grades and level of each staff member; increased take-up of benefits such as medical aid and housing allowance;
- Contract employees, merit bonuses;
- Appointment of additional educators (growth posts) to accommodate learner growth;
- Medical aid contributions which normally increase more rapidly than inflation; and
- Skills development and technical and vocational skills.

The department aims to maintain at least an 80:20 split of personnel and non-personnel costs although an increase in personnel costs is evident. The following key assumptions were considered when determining the budget for the 2017 MTEF in order to meet the goal of improving quality of learning:

- Infrastructure development and maintenance of school buildings with the aim of eradicating the backlog of learning space and preventative maintenance projects;
- Transfers and subsidies to institutions and schools;
- Implementation of the National School Nutrition Policy;
- Provision of LTSM, workbooks and lesson plans for learners;
- District development and support;
- Reduction of class size;
- Provision of therapists and social workers to schools to support learners; and
- Implementation and maintenance of intervention strategies such as mainstreaming the Gauteng Primary Language and Mathematics Strategy, Secondary School Improvement Programme, Teacher Development Strategy and Extra School Support Programme.

7.2 Programme summary

TABLE 5.3 : SUMMARY OF PAYMENTS AND ESTIMATES: EDUCATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	2 466 703	2 527 337	2 637 966	2 713 306	2 758 613	2 758 613	2 887 755	3 057 570	3 237 227
2. Public Ordinary School Education	21 225 396	23 304 740	26 405 175	28 624 341	28 982 941	29 083 011	31 092 723	33 473 445	35 714 505
3. Independent School Subsidies	452 967	515 059	592 600	580 498	609 823	610 160	691 636	731 752	774 194
4. Public Special School Education	1 587 210	1 804 844	1 968 339	2 021 733	2 111 114	2 111 114	2 343 748	2 518 378	2 685 111
5. Early Childhood Development	485 303	572 017	705 735	811 339	771 339	771 339	765 459	809 855	856 827
6. Infrastructure Development	1 628 548	1 760 629	2 796 043	3 010 234	3 010 234	3 010 234	1 742 829	2 404 056	2 023 651
7. Examination And Education Related Services	1 363 280	1 151 614	1 190 664	1 307 775	1 264 586	1 245 557	1 319 719	1 383 215	1 463 441
Total payments and estimates	**29 209 407**	**31 636 240**	**36 296 522**	**39 069 226**	**39 508 650**	**39 590 028**	**40 843 869**	**44 378 271**	**46 754 956**

7.3 Summary of economic classification

TABLE 5.4: SUMMARY OF ECONOMIC CLASSIFICATION: EDUCATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**25 129 771**	**27 267 237**	**30 126 478**	**32 000 928**	**32 771 752**	**32 711 823**	**35 020 508**	**37 792 042**	**40 118 029**
Compensation of employees	21 812 522	23 734 110	25 981 867	28 214 940	28 367 460	28 343 375	30 247 916	32 581 683	34 774 341
Goods and services	3 316 049	3 530 901	4 143 950	3 785 988	4 404 292	4 368 364	4 772 592	5 210 359	5 343 688
Interest and rent on land	1 200	2 226	661			84			
Transfers and subsidies to:	**3 003 795**	**3 348 634**	**4 007 867**	**4 316 323**	**3 984 235**	**4 118 201**	**4 227 708**	**4 473 514**	**4 730 571**
Provinces and municipalities									
Departmental agencies and accounts	12 520	60 247	75 345	80 531	80 531	80 531	84 639	89 548	94 742
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	2 716 922	2 953 402	3 571 656	3 886 478	3 554 390	3 664 278	3 776 826	3 996 482	4 225 871
Households	274 353	334 985	360 866	349 314	349 314	373 392	366 243	387 484	409 958
Payments for capital assets	**1 044 349**	**1 010 581**	**2 150 749**	**2 751 975**	**2 752 663**	**2 752 839**	**1 595 653**	**2 112 715**	**1 906 356**
Buildings and other fixed structures	988 387	929 570	2 067 452	2 661 454	2 585 342	2 585 196	1 456 259	1 975 924	1 758 371
Machinery and equipment	42 583	39 504	73 135	74 921	116 785	116 874	99 037	104 675	110 746
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets	12 521	41 507	9 499	15 000	46 614	46 614	36 357	30 000	35 000
Software and other intangible assets	858		663	600	3 922	4 155	4 000	2 116	2 239
Payments for financial assets	**31 492**	**9 788**	**11 428**			**7 165**			
Total economic classification	**29 209 407**	**31 636 240**	**36 296 522**	**39 069 226**	**39 508 650**	**39 590 028**	**40 843 869**	**44 378 271**	**46 754 956**

The department's total allocated budget for the 2017/18 financial year amounts to R40.8 billion. The budget will have grown by 4.5 per cent from the main appropriation of R39 billion in 2016/17. The increase in the budget for compensation of employees is primarily to provide for the recruitment of additional educators and support staff for public primary and secondary schools respectively. The 2017/18 budget for goods and services increased by 26.1 per cent, from R3.7 billion in 2016/17 to R4.7 billion in 2017/18. This is due to funds being reprioritised from interventions budget from transfers and subsidies to goods and services to offset budget pressures in the implementation of the ICT strategy. There are additional funds allocated for school nutrition and scholar transport programme. The goods and services budget includes key cost drivers such as LTSM, scholar transport, school nutrition, municipal services and examinations services.

The department's transfer and subsidy allocation will decrease from R4.3 billion in 2016/17 to R4.2 billion in 2017/18, a decrease of 2.1 per cent due to funds reprioritised from interventions budget, implemented by third parties or entities. The funds are reclassified from transfers to goods and services as Sci-Bono Discovery Centre will no longer perform activities and funds that were initially set aside for coaches are shifted to the implementation of ICT strategy. The department continues to make provision for transfers to schools in accordance with the norms and standards. The increase in the budget for transfers to schools is a direct result of the department's no-fee policy; more schools are applying for no-fee status which increases transfers to schools. Transfers will also increase to the Matthew Goniwe School of Governance and Leadership (MGSGL) that will be focussing on most of the teacher development initiatives for the department, and the Gauteng City Region Academy that will focus on skills development and training for the province.

The largest portion of the budget is allocated to public ordinary school education. Budget growth in Programme 2: Public Ordinary Schools is as a result of increases in budgets for transfers and subsidies for schools' operations, school maintenance, LTSM, ICT and intervention programmes in schools. Programme 5: Early Childhood Development's budget has an increase in the transfers and subsidies item.

7.4 Infrastructure payments

7.4.1 Departmental Infrastructure Payment

For information on Infrastructure refer to the estimate of capital expenditure (ECE).

7.5 Departmental Public-Private-Partnership (PPP) Projects

N/A

7.6 Transfers

7.6.1 Transfers to public entities

N/A

7.6.2 Transfers to other entities

TABLE 5.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES: EDUCATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Public Ordinary Schools	1 320 566	1 444 792	1 570 153	1 733 727	1 751 880	1 868 235	1 975 382	2 089 956	2 211 174
Sci-Bono Discovery Centre	159 938	93 982	642 008	652 576	435 542	428 731	297 126	314 954	333 132
Matthew Goniwe School of Leadership and Governance	166 250	458 697	248 358	404 662	270 016	268 929	292 273	309 226	324 842
Independent Schools	452 837	498 597	592 600	580 498	609 823	610 160	691 636	731 752	774 194
Special Schools	277 619	288 991	323 646	315 866	315 866	316 960	333 760	353 119	373 600
University of the Witwatersrand (Examinations)	23 133	23 365	11 524	7 324	8 763	8 763	10 601	11 216	11 867
Households Social Benefits	130 622	156 816	144 356	113 252	113 252	137 330	118 915	125 811	133 108
Households Other Transfers GCRA Bursaries to learners)	144 813	178 169	216 502	236 062	236 062	236 062	247 328	261 673	276 850
Department Agencies	1	1							
Seta	20 151	60 246	75 345	80 531	80 531	80 531	84 639	89 548	94 742
Abet Centres									
Grade R Sites/ Centers	113 838	135 154	144 775	148 617	148 617	148 617	156 048	165 099	174 675
Gauteng Education Development Trust	214 934	9 824							
FET Colleges			38 600	43 208	13 883	13 883	20 000	21 160	22 387
Total departmental transfers	**3 024 702**	**3 348 634**	**4 007 867**	**4 316 323**	**3 984 235**	**4 118 201**	**4 227 708**	**4 473 514**	**4 730 571**

Transfers made to public ordinary schools amount to R1.9 billion for section 21 schools. These funds are intended to cover those requirements that schools procure on their own: for example, payments for municipal services, procurement of LTSM, school nutrition and other social upliftment programmes. The allocations made to public ordinary schools are increased in line with the per capita allocations as guided by norms for school funding.

Independent school subsidies are directly linked to the per capita expenditure allocations of public ordinary schools. Independent subsidised schools will receive R691 million in the 2017/18 financial year. Special schools will receive R376 million and ECD R191 million. A further transfer will be made to Sci-Bono Discovery Centre and Mathew Goniwe School of Leadership and Governance for the delivery of intervention strategies including the mainstreaming of the Gauteng Primary

Language and Mathematics Strategy, the Secondary School Improvement Programme, teacher development and the Master Skills Plan.

7.6.3 Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme objectives

- To provide for the functioning of the office of the MEC for Education;
- To provide management services which are not education specific for the education system;
- To provide education management services for the education system;
- To provide HR development for office-based staff;
- To provide an education management information system in accordance with the national Education; and
- Information Policy.

Key policies, priorities and outputs

The department will focus on the following targets and interventions to ensure that the set goals are met:

- It will improve its HR functions by accelerating its recruitment and appointment processes to ensure transparency and accountability of personnel.
- It will deepen support to school management by head office and district offices by introducing the notion of virtual districts.
- It will ensure the production of education information through the collection of data/information and timeous completion and submission of the Annual Performance Plan.

TABLE 5.6 : SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office of the MEC	3 304	3 607	6 896	4 228	4 228	4 228	4 439	4 698	4 970
2. Corporate Services	1 535 922	1 538 654	1 607 504	1 569 563	1 612 101	1 608 159	1 687 294	1 787 481	1 893 474
3. Education Management	884 520	968 405	991 564	1 091 445	1 091 214	1 094 652	1 145 544	1 211 986	1 282 281
4. Human Resource Management	4 481	11 671	15 488	28 355	28 355	28 859	29 777	31 504	33 331
5. Education Management Information System(Emis)	38 476	5 000	16 514	19 715	22 715	22 715	20 701	21 901	23 171
6. Conditional Grants									
Total payments and estimates	**2 466 703**	**2 527 337**	**2 637 966**	**2 713 306**	**2 758 613**	**2 758 613**	**2 887 755**	**3 057 570**	**3 237 227**

TABLE 5.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**2 413 309**	**2 490 293**	**2 599 090**	**2 690 599**	**2 731 298**	**2 718 669**	**2 866 706**	**3 035 302**	**3 213 668**
Compensation of employees	1 900 390	1 922 118	1 991 320	2 173 724	2 173 724	2 168 582	2 285 124	2 417 660	2 557 884
Goods and services	512 069	567 687	607 167	516 875	557 574	550 003	581 582	617 642	655 784
Interest and rent on land	850	488	603			84			
Transfers and subsidies to:	**10 398**	**13 284**	**13 749**	**5 250**	**5 250**	**10 392**	**5 513**	**5 832**	**6 170**
Provinces and municipalities									
Departmental agencies and accounts	1	2							
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	10 397	13 282	13 749	5 250	5 250	10 392	5 513	5 832	6 170
Payments for capital assets	**11 504**	**13 972**	**13 699**	**17 457**	**22 065**	**22 387**	**15 536**	**16 436**	**17 389**
Buildings and other fixed structures									
Machinery and equipment	10 646	13 972	13 186	16 857	18 143	18 232	13 536	14 320	15 150

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	858		513	600	3 922	4 155	2 000	2 116	2 239
Payments for financial assets	**31 492**	**9 788**	**11 428**			**7 165**			
Total economic classification	**2 466 703**	**2 527 337**	**2 637 966**	**2 713 306**	**2 758 613**	**2 758 613**	**2 887 755**	**3 057 570**	**3 237 227**

The Administration budget for the 2017/18 financial year amounts to R2.8 billion, an increase of R174 million or 6.4 per cent from the 2016/17 main appropriation of R2.7 billion. Compensation of employees increases by R111 million. The department has maintained the budget in this programme and growth relates to provision for improvement in conditions of service within compensation of employees whereas the increase in goods and services is related to provision for price inflation.

District Administration will receive R67.5 million for the 2017/18 financial year. In support of the intervention strategies supporting language and mathematics development, the department is allocating a further R4.6 million to a Library Information System. This will provide access to learners in schools that do not have libraries. The department's information management systems will receive R20.7 million to ensure connectivity in schools and to enable schools to utilise the South African School Administration Management System (SA-SAMS) to provide learner data to the national learner tracking system.

The Office of the MEC receives an allocation for administrative costs only. The budget increases from R4.2 million in 2016/17 to R4.4 million in 2017/18, an increase of 5 per cent. The budget has remained stable over the past five years and is largely influenced by the increase in administration costs and salary increases.

The budget for Corporate Services is the largest under Programme 1 as it manages all the financial, administrative and corporate support services which are key to the broad management of the department. The budget increases by 7.5 per cent from 2016/17 to 2017/18, a Rand value increase of R117 million. The Virtual District Model of the department aims to streamline the business processes which will ensure that most of the administration costs are reduced and funds reprioritised to core programmes.

Education Management has the second largest budget, with an increase of R54 million or 5 per cent between 2016/17 and 2017/18. The sub-programme's functions include Quality Assurance, Policy Development, Monitoring and Evaluation, Research Coordination, Education Planning and Information.

Administration expenditure increases by R421 million from R2.4 billion in 2013/14 to R2.8 billion in 2017/18. The largest spending share is on current payments which is influenced by increases in the cost of living, goods and services, HR administration costs and communication costs

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Performance Measures	Estimated Annual Targets 2017/18	2018/19	2019/20
PM101: Number of public schools that use schools administration and management systems to electronically provide data	2 098	2 108	2 128
PM102: Number of public schools that can be contacted electronically (e-mail)	2 171	2 193	2 215
PM103: Percentage of education current expenditure going towards non-personnel items	25.9% (10 595 954)	26.6% (11 826 588)	25.6% (11 980 615)
PM104: Number of schools visited by district officials for monitoring and support purposes	2 098	2 132	2 166

PROGRAMME 2: PUBLIC ORDINARY SCHOOL EDUCATION

Programme description
To provide public ordinary education from Grades 1 to 12, in accordance with the South African Schools Act.

Programme objectives
- Provide specific public primary ordinary schools with the resources required for the Grade 1 to 7 phases;
- Provide specific public secondary ordinary schools with resources required for the Grades 8 to 12 levels;

- Provide departmental services for the professional and other development of educators and non-educators in public ordinary schools;
- Provide additional and departmentally managed sporting and cultural activities in public ordinary schools; and
- Provide for projects under Programme 2 specified by the Department of Basic Education and funded by conditional grants.

Key policies, priorities and outputs

The department will focus on the following targets and interventions to ensure that the goals set are met:

- Expansion of the school nutrition programme;
- Expansion of learner educator support material;
- Introduction of the CAPS roll and Intersen Strategy;
- Improved learning in poor communities to urgently address growing class sizes in schools;
- Implementation of no-fee schools;
- Leadership skills and capacity building programmes for managing learning through effective governance and management of schools;
- Implementation of a province-wide literacy and numeracy programme to improve basic writing, reading and arithmetic. This will include the promotion of the use of mother tongue instruction as an enabler of learner performance;
- Improvement of the quality and competence of teachers in the foundation phase and review of all textbooks and learning support materials utilised in the phase;
- Improvement of the quality of learning in all other grades and in languages, mathematics, science, technology and the economic and management sciences;
- Increase in the role of SGBs and society at large in supporting and monitoring schools and the quality of learning that they provide; and
- Enhancing vocational and technical skills in learners.

TABLE 5.8: SUMMARY OF PAYMENTS AND ESTIMATES: PUBLIC ORDINARY SCHOOL EDUCATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Public Primary Schools	11 762 967	12 325 850	14 644 912	15 469 718	15 431 787	15 496 161	16 670 719	17 983 405	19 210 132
2. Public Secondary Schools	8 652 265	10 142 584	10 862 953	12 201 047	12 593 234	12 628 930	13 406 971	14 415 178	15 373 792
3. Human Resource Development	100 652	111 472	141 545	156 477	156 477	156 477	164 500	174 041	184 136
4. School Sport, Culture And Media Services	504	816	436	1 885	1 885	1 885	1 979	2 094	2 215
5. Conditional Grants	709 008	724 018	755 329	795 214	799 558	799 558	848 554	898 727	944 230
Total payments and estimates	**21 225 396**	**23 304 740**	**26 405 175**	**28 624 341**	**28 982 941**	**29 083 011**	**31 092 723**	**33 473 445**	**35 714 505**

TABLE 5.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC ORDINARY SCHOOL EDUCATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**19 621 067**	**21 489 562**	**23 903 070**	**25 963 292**	**26 536 047**	**26 510 102**	**28 551 408**	**30 784 137**	**32 869 305**
Compensation of employees	18 129 998	19 769 461	21 618 167	23 618 636	23 701 171	23 684 700	25 269 816	27 312 803	29 215 008
Goods and services	1 490 719	1 719 417	2 284 845	2 344 656	2 834 876	2 825 402	3 281 592	3 471 334	3 654 297
Interest and rent on land	350	684	58						
Transfers and subsidies to:	**1 557 320**	**1 784 879**	**2 481 878**	**2 648 507**	**2 434 289**	**2 560 304**	**2 539 678**	**2 687 576**	**2 843 367**
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	1 444 489	1 649 356	2 358 281	2 543 070	2 328 852	2 438 396	2 428 969	2 570 446	2 719 443
Households	112 831	135 523	123 597	105 437	105 437	121 908	110 709	117 130	123 924
Payments for capital assets	**47 009**	**30 299**	**20 227**	**12 542**	**12 605**	**12 605**	**1 637**	**1 732**	**1 833**
Buildings and other fixed structures	25 508	11 852	119						
Machinery and equipment	21 501	18 447	20 108	12 542	12 605	12 605	1 637	1 732	1 833
Heritage Assets									
Specialised military assets									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**21 225 396**	**23 304 740**	**26 405 175**	**28 624 341**	**28 982 941**	**29 083 011**	**31 092 723**	**33 473 445**	**35 714 505**

The increase in the public school allocations can be ascribed to the no-fee school policy, the increase in compensation of employees and the implementation of national and provincial interventions to improve the quality of education. The intervention programmes include resourcing of schools to improve learner performance in literacy and numeracy in the foundation phase and languages and mathematics in the intermediate and Intersen phases. Resource interventions have increased for both primary and secondary schools over the MTEF.

The public ordinary schools budget increased from R28.6 billion in 2016/17 to R31.1 billion in 2017/18, an increase of 8.6 per cent. The programme delivers services to 2 081 public ordinary schools, benefiting 2 150 718 learners. The increase in the budget provides for the cost of living adjustment and covers the effects of inflation. Compensation of employees constitutes the largest budget in the programme, at 81.5 per cent in 2017/18, due to the nature of the service which is labour intensive. The budget increases by 7.7 per cent from 2016/17 to 2017/18 to make provision for the cost of living adjustment and additional personnel.

The goods and services budget increases from R2.3 billion in 2016/17 to R3.2 billion in 2017/18 showing an increase of 40 per cent or a Rand value of R936 million. This increase is sufficient to ensure that the department can procure quality inputs for its schools. The budget provides for procurement of LTSM for Section 20 schools, provision for scholar transport, municipal costs for schools, allocations for school furniture and other administrative costs within the programme. The increase in the allocation for scholar transport and school nutrition programme supports the department's quality upliftment programmes to improve the level of learner attainment in the province. The above inflation increase is due to funds being reprioritised for the implementation of the ICT strategy of creating paperless classrooms.

The transfer to the institution's budget for 2017/18 amounts to R2.5 billion, a decrease of 4.1 per cent or R108 million. This is due to funds allocated for interventions being reprioritised to accelerate the implementation of the ICT strategy through goods and services. In terms of providing access to schooling, the department has budgeted just over R1.2 billion to give effect to the no-fee school policy. A further R563 million will be allocated to transport over 100 000 learners to 360 schools in the province. To improve learning in schools and to alleviate poverty, the department has allocated R873 million to school nutrition that will feed over one million learners in the no-fee schools. R110 million of the funding for school nutrition is from the equitable share and R762 million from the NSNP conditional grant.

There is also a marked increase in conditional grant budgets which consist of the Mathematics, Science and Technology Grant, HIV and AIDS Grant and the National School Nutrition Programme that constitute 5.7 per cent of the 2017/18 programme budget. These grants continue to grow over the MTEF to ensure that learner performance improves through the provision of nutritious meals to children in no-fee schools and to improve overall performance in Mathematics and Science. Public ordinary schools programme expenditure increases by 46.5 per cent from R21.2 billion in 2013/14 to R31 billion in 2017/18. The increase is influenced by expansion in the education sector, increased learner enrolment, opening of new schools, employment of more educators, and implementation of departmental priorities and procurement of educational resources. The department recorded higher spending on compensation of employees as a result of learner growth and opening of new schools. Goods and services will increase due to spending on LTSM, increased access to scholar transport by children living 5 km or more from schools, increase in fuel costs, expansion of the national school nutrition programme, and municipal costs for schools, procurement of and replacement of school furniture, and inflationary costs.

SERVICE DELIVERY MEASURES

PROGRAMME 2: PUBLIC ORDINARY SCHOOLS

Performance Measures	Estimated Annual Targets 2017/18	2018/19	2019/20
PM201: Number of full service schools servicing learners with learning barriers	25	30	35
PM202: The percentage of children who turned 9 in the previous year and who are currently enrolled in Grade 4 (or a higher grade)	80.0%	80.0%	80.0%
PM203 : The percentage of children who turned 12 in the preceding year and who are currently enrolled in Grade 7 (or a higher grade)	75.0%	75.0%	75.0%
PM204: Number of schools provided with media resources	375	375	375
PM205: Learner absenteeism rate	5.0%	5.0%	5.0%
PM206: Teachers absenteeism rate	4.0%	4.0%	4.0%
PM207: Number of learners in public ordinary schools benefiting from the "No Fee School" policy	1 293 111	1 306 042	1 319 103

Performance Measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
PM208: Number of educators trained in Literacy/Language content and methodology	750	750	750
PM209: Number of educators trained in Numeracy/Mathematics content and methodology	750	750	750

PROGRAMME 3: INDEPENDENT SCHOOL SUBSIDIES

Programme description

To provide independent ordinary education from Grades 1 to 12, in accordance with the South African Schools Act.

Programme objectives

- To support independent schools in accordance with the South African Schools Act;
- To support independent schools in Grades 1 to 7; and
- To support independent schools in Grades 8 to 12.

Key policies, priorities and outputs

In achieving the broad outcomes of the programme, the department will:

- Increase its inspection, audit and oversight capacity to ensure that all subsidised schools use state funds to achieve the educational outcomes set out in the curriculum framework;
- Monitor the compliance of all independent schools with the conditions of registration;
- Enforce the regulation of all relocations to new sites by owners of independent schools;
- Process all new applications for registration on time;
- Train all independent schools on CAPS and the writing of standardised tests; and
- Train and support independent schools in the implementation of assessment policy statements.

TABLE 5.10: SUMMARY OF PAYMENTS AND ESTIMATES: INDEPENDENT SCHOOL SUBSIDIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Primary Phase	277 500	283 257	330 904	345 643	363 238	364 853	412 193	436 101	461 395
2. Secondary Phase	175 467	231 802	261 696	234 855	246 585	245 307	279 443	295 651	312 799
Total payments and estimates	**452 967**	**515 059**	**592 600**	**580 498**	**609 823**	**610 160**	**691 636**	**731 752**	**774 194**

TABLE 5.11 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INDEPENDENT SCHOOL SUBSIDIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**130**	**16 462**							
Compensation of employees									
Goods and services	130	16 462							
Interest and rent on land									
Transfers and subsidies to:	**452 837**	**498 597**	**592 600**	**580 498**	**609 823**	**610 160**	**691 636**	**731 752**	**774 194**
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	452 837	498 597	592 600	580 498	609 823	610 160	691 636	731 752	774 194
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**452 967**	**515 059**	**592 600**	**580 498**	**609 823**	**610 160**	**691 636**	**731 752**	**774 194**

The independent school sector has grown significantly as a result of the growth in the number of schools that meet the qualifying requirements for registration with the department. The expenditure outcome shows an increase of R238 million from 2013/14 to 2017/18. This is due to the increase in number of schools subsidised and the increase in the per capita subsidy rate for learners. Subsidies to independent schools increase by R111.1 million from R580.5 million in 2016/17 to R691.6 million in 2017/18, a percentage increase of 13.1 per cent. The subsidies to independent schools are directly linked to increased expenditure in Programme 2, as the budget for independent schools is derived from the per capita expenditure on public ordinary schools. The department has a total of 211 independent subsidised schools. Subsidies to primary and secondary schools are split: R412 million and R279 million to primary and secondary schools respectively.

The Independent School Directorate monitors all subsidised independent schools and ensures that norms and standards are implemented in the interests of the learners. Independent school monitors are funded through compensation in Programme 1. Subsidies will be paid to institutions within the stipulated time-frame and the department will increase its capacity to register new independent schools or deregister schools that do not fulfil stipulated requirements.

SERVICE DELIVERY MEASURES

PROGRAMME 3: INDEPENDENT SCHOOL SUBSIDIES

Performance Measures	Estimated Annual Targets 2017/18	2018/19	2019/20
PM301: Percentage of registered independent schools receiving subsidies	25.0%	25.0%	25.0%
PM302: Number of subsidised learners in registered Independent Schools	109 092	110 183	111 285
PM303: Percentage of registered independent schools visited for monitoring and support	20.0%	20.0%	20.0%

PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION

Programme description
To provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on inclusive education.

Programme objectives
- To provide specific public special schools with resources;
- To provide educators and learners in public special schools with departmentally managed support services;
- To provide departmental services for the professional and other development of educators and non-educators in public special schools; and
- To provide additional and departmentally managed sporting and cultural activities in public special schools.

Key policies, priorities and outputs
The Gauteng Strategy for Early Identification and Support Provisioning to learners experiencing barriers to learning will focus on three key areas:
- Screening of learners to identify barriers to learning and development;
- Staff at full service schools and special schools resource centres as well as school-based support teams and district-based support teams will be trained and skilled to screen all learners in terms of screening, identification, assessment and support (SIAS); and
- Identifying learners in need of alternative placement and finding appropriate placement, through district- and school-based support teams that will be trained to identify learners with moderate to high level needs that need placement in full service and special schools resource centres.

TABLE 5.12: SUMMARY OF PAYMENTS AND ESTIMATES: PUBLIC SPECIAL SCHOOL EDUCATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Schools	1 587 210	1 730 383	1 922 190	2 018 535	2 105 535	2 106 365	2 327 758	2 484 118	2 644 797
2. Human Resource Development				1 948	1 948	1 118	2 045	2 164	2 290
3. School Sport, Culture and Media Services		990	410	1 250	3 631	3 631	1 313	1 389	1 470
4. Conditional Grants		73 471	45 739				12 632	30 707	36 554
Total payments and estimates	**1 587 210**	**1 804 844**	**1 968 339**	**2 021 733**	**2 111 114**	**2 111 114**	**2 343 748**	**2 518 378**	**2 685 111**

TABLE 5.13: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC SPECIAL SCHOOL EDUCATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	**1 288 778**	**1 498 360**	**1 637 764**	**1 665 217**	**1 754 554**	**1 752 324**	**1 967 443**	**2 120 246**	**2 263 887**
Compensation of employees	1 278 391	1 483 359	1 627 135	1 662 097	1 734 562	1 732 332	1 938 236	2 072 003	2 208 779
Goods and services	10 387	15 001	10 629	3 120	19 992	19 992	29 207	48 243	55 108
Interest and rent on land									
Transfers and subsidies to:	**298 431**	**306 328**	**330 352**	**356 386**	**356 386**	**358 616**	**376 305**	**398 132**	**421 224**
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	292 119	298 391	323 646	353 821	353 821	353 828	373 612	395 283	418 210
Households	6 312	7 937	6 706	2 565	2 565	4 788	2 693	2 849	3 014
Payments for capital assets	**1**	**156**	**223**	**130**	**174**	**174**			
Buildings and other fixed structures									
Machinery and equipment	1	156	223	130	174	174			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**1 587 210**	**1 804 844**	**1 968 339**	**2 021 733**	**2 111 114**	**2 111 114**	**2 343 748**	**2 518 378**	**2 685 111**

Public special school education receives an allocation of R2.3 billion in 2017/18, an increase of R322 million from the main budget of R2 billion in 2016/17. The budget is to finance resource requirements and support 128 Special Schools and 25 Full-Service Schools. A portion of the budget is earmarked to be spent on the provision of various assistive devices used at special schools.

The increase in compensation of employees amounts to 16.6 per cent from R1.7 billion in 2016/17 to R1.9 billion in the 2017/18 financial year. The increase is to make provision for the appointment of additional educators and improvements in the conditions of service for employees. The budget for goods and services will increase significantly from R3.1 million in 2016/17 to R29.2 million in 2017/18. The increase in the main budget to the adjusted budget is mainly to revise the baseline and provide for adequate level of funding, given the interventions needed in these schools.

Transfer payments to public special schools increases from R356 million in 2016/17 to R376 million in 2017/18, or by R19.9 million. The increase can be attributed to the implementation of the department's inclusion strategy and the establishment and resourcing of Full Service Schools and teacher development.

The expansion programme which includes early identification of learners in need of assistive devices in public special schools is allocated a budget of R39.9 million. A further R2 million has been allocated to teacher development to improve the performance of educators in the special schools in the province.

Spending on special schools will increase from R1.5 billion in 2013/14 to R2.3 billion in 2017/18, an increase of 47.7 per cent or R756 million. This is as a result of the department's responsibility to ensure that all learners with special educational needs are suitably accommodated in institutions that are appropriately resourced.

SERVICE DELIVERY MEASURES

PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION

Performance Measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
PM401: Percentage of special schools serving as Resource Centres	7%	7%	7%
PM 402: Number of learners in public special schools	44 868	45 317	45 770
PM 403: Number of therapists/specialist staff in special schools	586	592	598

PROGRAMME 5: EARLY CHILDHOOD DEVELOPMENT

Programme description
To provide early childhood development education at Grade R and earlier levels in accordance with White Paper 5.

Programme objectives
- To provide specific public ordinary schools with the resources required for Grade R;
- To support particular community centres at Grade R level;
- To provide particular sites with resources required for pre-Grade R; and
- To provide educators and learners in ECD sites with departmentally managed support services.

Key policies, priorities and outputs
- The department will expand Grade R to all public schools as well as registering new Grade R sites and procuring additional classrooms to meet demand;
- The department will work with the Department of Social Development to recognise private Grade R in centres registered with them and those at local government;
- The department will identify 750 Grade R practitioners for training to improve the quality of teaching and learning in the classroom;
- As part of quality education, the department will continue testing Grade R learners with learning difficulties to identify barriers such as dyslexia and psycho-motor disorders and provide simple assistive devices; and
- The Early Childhood Development Institute (ECDI) and the Department of Social Development will broaden access to Grade R and pre-Grade R programmes in all communities.

TABLE 5.14: SUMMARY OF PAYMENTS AND ESTIMATES: EARLY CHILDHOOD DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Grade R In Public Schools	447 567	511 626	640 359	730 652	714 652	714 652	687 037	726 885	769 044
2. Grade R In Community Centres	600	33	15 331	17 426	17 426	17 426	18 297	19 358	20 481
3. Pre-Grade R Training	37 136	43 826	35 556	48 004	24 004	24 004	44 105	46 663	49 370
4. Human Resource Development		16 532	14 489	15 257	15 257	15 257	16 020	16 949	17 932
5. Conditional Grants									
Total payments and estimates	**485 303**	**572 017**	**705 735**	**811 339**	**771 339**	**771 339**	**765 459**	**809 855**	**856 827**

TABLE 5.15: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EARLY CHILDHOOD DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**336 330**	**377 029**	**511 125**	**570 867**	**588 031**	**588 031**	**572 914**	**606 142**	**641 298**
Compensation of employees	190 046	243 765	322 781	409 960	409 960	409 960	410 885	434 715	459 927
Goods and services	146 284	133 264	188 344	160 907	178 071	178 071	162 029	171 427	181 371
Interest and rent on land									
Transfers and subsidies to:	**148 935**	**194 988**	**194 469**	**240 116**	**182 708**	**182 708**	**191 844**	**202 971**	**214 744**
Provinces and municipalities									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	148 935	194 913	194 264	240 116	182 708	182 708	191 844	202 971	214 744
Households		75	205						
Payments for capital assets	**38**		**141**	**356**	**600**	**600**	**701**	**742**	**785**
Buildings and other fixed structures									
Machinery and equipment	38		141	356	600	600	701	742	785
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**485 303**	**572 017**	**705 735**	**811 339**	**771 339**	**771 339**	**765 459**	**809 855**	**856 827**

The budget decreases from R811 million in 2016/17 to R765 million in 2017/18, a decrease of R45.8 million or 5.7 per cent. The department reprioritised funding from the programme to augment budget shortfalls for the examination services and to make provision for the procurement of assets within goods and services as part the ICT strategy.

The compensation of employees budget increases from R409 million to R410 million in 2017/18. Goods and services shows an increase of R1.1 million from R160 million in 2016/17 to R162 million in 2017/18. R120 million has been allocated for purchasing start-up kits for all new Grade R centres in the province. Teacher development of pre-Grade R practitioners will receive R19.7 million while training Grade R practitioners will receive R16 million.

Expenditure for the programme increases from R485 million in 2013/14 to R765 million in 2017/18. This increase is evident in sub-programme Grade R in public schools which has increased by 57.7 per cent from 2013/14 to 2017/18. This can be attributed to the expansion of Grade R by providing remuneration and training to Grade R practitioners due to the province's stance on universalisation of early childhood development. The department envisages having 150 000 learners in Grade R by the end of the 2017/18 financial year.

There is a steady increase in funding of community centres from R17.4 million in 2016/17 to R18.2 million in 2017/18 as the department wants all private sites to be registered and monitored to improve the quality of education. Pre-Grade R training development receives a budget of R44.1 million. This is utilised to offer training and skills development to pre- grade R practitioners. Most of the training will focus on management of the centres, training of ECD practitioners, and development and implementation of teaching and learning.

SERVICE DELIVERY MEASURES

PROGRAMME 5: EARLY CHILDHOOD DEVELOPMENT

Performance Measures	Estimated Annual Targets 2017/18	2018/19	2019/20
PM501: Number of public schools that offer Grade R	1 384	1 398	1 412
PM502: Percentage of Grade 1 learners who have received formal Grade R education in public ordinary and/or special schools and registered independent schools/ECD sites.	73%	74%	74%

PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT

Programme description
To provide and maintain infrastructure facilities for administration and schools.

Programme objectives
- Infrastructure development and maintenance of buildings;
- Office infrastructure development and maintenance;
- Infrastructure development and maintenance in public ordinary schools (main stream and full service schools);
- Special schools infrastructure development and maintenance; and
- Infrastructure development and maintenance for ECD.

Key policies, priorities and outputs
- The department's infrastructure programme for the 2017/18 MTEF will focus on school maintenance using maintenance teams, the building of schools and providing of mobiles in high pressure areas, and completing fencing of all priority schools in line with the department's safety strategy;
- The department is working in partnership with the DID to identify and purchase land for the development and completion of turnkey schools;
- The department will implement the norms and standards for school infrastructure to ensure a conducive learning environment in all schools;
- To bring education into the 21st century, the department aims to develop a model of a smart school that includes infrastructure, ICT and smart education;
- The department plans to ensure that all schools have functional clean and hygienic toilets to ensure an environment conducive to teaching and learning;
- The department will also pilot the cleaning of schools through the establishment of cooperatives and through the EPWP; and
- The department endeavours to ensure that all teachers, learners and administrative staff on school property are safe and secure at all times.

TABLE 5.16: SUMMARY OF PAYMENTS AND ESTIMATES: INFRASTRUCTURE DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	35 378	69 228	36 762	36 603	104 815	104 815	80 474	75 000	55 000
2. Public Ordinary Schools	1 485 033	1 630 461	2 517 678	2 396 238	2 541 593	2 541 593	1 340 123	2 022 844	1 678 695
3. Special Schools	40 305	54 382	186 796	356 012	239 499	239 499	104 888	148 615	152 676
4. Early Childhood Development	67 832	6 558	54 807	221 381	124 327	124 327	217 344	157 597	137 280
Total payments and estimates	**1 628 548**	**1 760 629**	**2 796 043**	**3 010 234**	**3 010 234**	**3 010 234**	**1 742 829**	**2 404 056**	**2 023 651**

TABLE 5.17: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**652 959**	**801 404**	**719 211**	**333 780**	**378 078**	**378 224**	**248 113**	**398 132**	**230 280**
Compensation of employees				36 598	34 118	34 118	34 266	30 000	
Goods and services	652 959	801 404	719 211	297 182	343 960	344 106	213 847	368 132	230 280
Interest and rent on land									
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets	**975 589**	**959 225**	**2 076 832**	**2 676 454**	**2 632 156**	**2 632 010**	**1 494 716**	**2 005 924**	**1 793 371**
Buildings and other fixed structures	962 879	917 718	2 067 333	2 661 454	2 585 342	2 585 196	1 456 259	1 975 924	1 758 371
Machinery and equipment	189				200	200	100		

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets	12 521	41 507	9 499	15 000	46 614	46 614	36 357	30 000	35 000
Software and other intangible assets							2 000		
Payments for financial assets									
Total economic classification	**1 628 548**	**1 760 629**	**2 796 043**	**3 010 234**	**3 010 234**	**3 010 234**	**1 742 829**	**2 404 056**	**2 023 651**

Infrastructure development receives a budget of R1.7 billion for the 2017/18 financial year. The Infrastructure Development budget decreases by R1.2 billion from R3 billion in 2016/17 to R1.7 billion in 2017/18, a 42.1 per cent decrease.

The budget for compensation of employees decreases from R36.5 million from 2016/17 to 34.2 million in 2017/18. The goods and services budget decreases by R83.3 million or 28 per cent from R297 million in the 2016/17 financial year to R213 million in 2017/18.

Payments for capital assets items, which include buildings and other fixed assets, decreased by R1.1 billion and constitute 44.2 per cent of the budget. This decrease can be attributed to most of the projects still being in the planning phase to be implemented in the outer years and the shift in focus to refurbishment of fixed structures and maintenance of existing structures in line with the ICT strategy as well as provision of mobile classrooms for Grade R and other pressure areas. Capex for special schools decreases from R356 million in 2016/17 to R104 million in 2017/18. This budget caters for building specialist rooms in ordinary schools in line with the inclusion strategy.

SERVICE DELIVERY MEASURES

PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT

Performance Measures	Estimated Annual Targets 2017/18	2018/19	2019/20
PM601: Number of public ordinary schools provided with water supply.	2 081	2 103	2 115
PM602: Number of public ordinary schools provided with electricity supply.	2 081	2 103	2 115
PM603: Number of public ordinary schools supplied with sanitation facilities.	2 081	2 103	2 115
PM604: Number of additional classrooms built in, or provided for, existing public ordinary schools (includes replacement schools).	592	350	350
PM605: Number of additional specialist rooms built in public ordinary schools (includes replacement schools).	42	40	40
PM606: Number of new schools completed and ready for occupation (includes replacement schools)	13	12	12
PM607: Number of new schools under construction (includes replacement schools)	23	22	22
PM608: Number of new or additional Grade R classrooms built (includes those in replacement schools).	200	200	200
PM609: Number of hostels built	N/A	N/A	N/A
PM610: Number of schools where scheduled maintenance projects were completed.	34	33	33

PROGRAMME 7: EXAMINATION AND EDUCATION RELATED SERVICES

Programme description
To provide training and support to all education institutions.

Programme objectives
- Provide employee human resources development in accordance with the Skills Development Act;
- Provide for special departmentally-managed intervention projects within the education system;
- Provide educators and learners in public ordinary schools with departmentally managed support services; and
- Provide departmentally managed examination services.

TABLE 5.18: SUMMARY OF PAYMENTS AND ESTIMATES: EXAMINATION AND EDUCATION RELATED SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Payments to Seta	12 519	60 245	75 345	80 531	80 531	80 531	84 639	89 548	94 742
2. Professional Services	817 485	488 461	365 194	491 400	401 997	382 968	453 731	480 044	507 886
3. Special Projects	278 855	316 566	395 069	444 057	462 137	462 137	465 253	492 238	520 788
4. External Examinations	225 604	249 513	307 863	260 987	289 121	289 121	303 768	321 385	340 025
5. Conditional Grants	28 817	36 829	47 193	30 800	30 800	30 800	12 328		
Total payments and estimates	**1 363 280**	**1 151 614**	**1 190 664**	**1 307 775**	**1 264 586**	**1 245 557**	**1 319 719**	**1 383 215**	**1 463 441**

TABLE 5.19: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXAMINATION AND EDUCATION RELATED SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**817 198**	**594 127**	**756 218**	**777 173**	**783 744**	**764 473**	**813 924**	**848 083**	**899 591**
Compensation of employees	313 697	315 407	422 464	313 925	313 925	313 683	309 589	314 502	332 743
Goods and services	503 501	277 666	333 754	463 248	469 819	450 790	504 335	533 581	566 848
Interest and rent on land		1 054							
Transfers and subsidies to:	**535 874**	**550 558**	**394 819**	**485 566**	**395 779**	**396 021**	**422 732**	**447 251**	**470 872**
Provinces and municipalities									
Departmental agencies and accounts	12 519	60 245	75 345	80 531	80 531	80 531	84 639	89 548	94 742
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	378 542	312 145	102 865	168 973	79 186	79 186	90 765	96 030	99 280
Households	144 813	178 168	216 609	236 062	236 062	236 304	247 328	261 673	276 850
Payments for capital assets	**10 208**	**6 929**	**39 627**	**45 036**	**85 063**	**85 063**	**83 063**	**87 881**	**92 978**
Buildings and other fixed structures									
Machinery and equipment	10 208	6 929	39 477	45 036	85 063	85 063	83 063	87 881	92 978
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets			150						
Payments for financial assets									
Total economic classification	**1 363 280**	**1 151 614**	**1 190 664**	**1 307 775**	**1 264 586**	**1 245 557**	**1 319 719**	**1 383 215**	**1 463 441**

Examination and Education Related Services receive an allocated budget of R1.3 billion in the 2017/18 financial year, an increase of R11.9 million. Compensation of employees decreases, from R313 million in 2016/17 to R309 million in 2017/18. This is due to the EPWP integrated conditional grant and social sector EPWP integrated grants allocated on a year-to-year basis and not incrementally over the MTEF, where the basis of allocation is on performance.

Goods and services increase from R463 million in 2016/17 to R504 million in 2017/18, an increase of 8.9 per cent. The transfers and subsidies budget decreased from R485 million in 2016/17 main budget to R422 million in 2017/18. This decrease amounts to R62.8 million or 12.9 per cent.

R13.8 million will be spent on school safety in the 2017/18 financial year. This includes advocacy and development of school safety plans in all priority schools and training of occupational health and safety officers. R68.5 million will be invested in psycho-social services that cater for early identification of learners with minor learning barriers and the distribution of assistive devices to primary school learners. R29.8 million is allocated to After School Services and the homework programme.

The GCR Academy will receive an allocation of R465 million. This is for the continued expansion of the MSP and includes provision of bursaries to the top three learners from no-fee schools and other learners based on their performance. Examinations will receive an administration budget of R132 million with R171 million for examination markers and moderators who are paid a stipend as per the Personal Administration Measures.

SERVICE DELIVERY MEASURES

PROGRAMME 7: EXAMINATION AND EDUCATION RELATED SERVICES

Performance Measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
PM701: Percentage of learners who passed National Senior Certificate (NSC)	86.5%	88%	90%
PM702: Percentage of Grade 12 learners passing at Bachelor level	37%	39%	40%
PM703: Percentage of Grade 12 learners achieving 50% or more in Mathematics	35%	36%	37%
PM704: Percentage of Grade 12 learners achieving 50% or more in Physical Science	32%	33%	34%
PM 705: Number of secondary schools with National Senior Certificate (NSC) pass rate of 60% and above	820	825	830

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 5.20: 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	6 180	5 024	4 992	5 506	7 435	7 535	7 585
2. Public Ordinary School Education	69 060	68 888	69 553	67 884	77 845	79 402	80 990
3. Independent School Subsidies							
4. Public Special School Education	5 162	5 432	5 702	5 768	6 888	7 026	7 238
5. Early Childhood Development	3 294	3 132	3 950	3 948	4 276	4 676	4 676
6. Infrastructure Development				70	72	60	
7. Examination And Education Related Services	18 783	11 917	18 291	16 865	16 865	16 865	16 865
Direct charges							
Total provincial personnel numbers	**102 479**	**94 393**	**102 488**	**100 041**	**113 381**	**115 564**	**117 354**
Total provincial personnel cost (R thousand)	21 812 522	23 734 110	25 981 867	28 343 375	30 247 916	32 581 683	34 774 341
Unit cost (R thousand)	213	251	254	283	267	282	296

The personnel numbers of the department indicate the dedication to keep class sizes to the policy norms of 1:40 in primary schools and 1:35 in secondary school. The increase in personnel numbers at school level is an attempt to rectify the divergence in numbers in the classroom and to maintain the current averages, simultaneously accommodating the growth in learner numbers in the schools. The increase in personnel costs can be attributed to the cost of living increases and other costs related to the Personnel Administration Measures relating to prolonged sick leave, study leave or maternity leave.

The department's increase in personnel numbers over the last three years is an attempt to meet policy targets for public primary and secondary schools with respect to Learner: Educator ratio.

TABLE 5.21: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	22 314	2 983 229	22 686	3 244 416	21 864	3 815 689	21 185		21 185	3 854 560	22 444	4 310 854	22 848	4 608 303	23 308	4 912 451	3.2%	8.4%	14.0%
7 – 10	54 434	16 961 788	54 090	18 447 361	53 984	19 753 372	54 691		54 691	21 799 787	65 387	23 276 133	66 616	25 156 447	67 830	26 897 015	7.4%	7.3%	77.2%
11 – 12	2 380	1 278 527	2 447	1 390 463	4 302	1 566 084	2 248		2 248	1 610 825	1 489	1 057 428	1 512	1 130 391	1 599	1 204 996	(10.7%)	(9.2%)	4.1%
13 – 16	103	85 235	109	92 698	97	101 477	97		97	100 082	112	123 577	112	132 104	112	140 823	4.9%	12.1%	0.4%
Other	23 248	503 743	15 061	559 172	22 241	745 245	21 820		21 820	978 121	23 949	1 479 924	24 476	1 554 439	24 505	1 619 056	3.9%	18.3%	4.3%
Total	**102 479**	**21 812 522**	**94 393**	**23 734 110**	**102 488**	**25 981 867**	**100 041**		**100 041**	**28 343 375**	**113 381**	**30 247 916**	**115 564**	**32 581 683**	**117 354**	**34 774 341**	**5.5%**	**7.1%**	**100.0%**
Programme																			
1. Administration	6 180	1 900 390	5 024	1 922 118	4 992	1 991 320	5 506		5 506	2 168 582	7 435	2 285 124	7 535	2 417 660	7 585	2 557 884	11.3%	5.7%	7.5%
2. Public Ordinary School Education	69 060	18 129 998	68 888	19 769 461	69 553	21 618 167	67 884		67 884	23 684 700	77 845	25 269 816	79 402	27 312 803	80 990	29 215 008	6.1%	7.2%	83.8%
3. Independent School Subsidies																			
4. Public Special School Education	5 162	1 278 391	5 432	1 483 359	5 702	1 627 135	5 768		5 768	1 732 332	6 888	1 938 236	7 026	2 072 003	7 238	2 208 779	7.9%	8.4%	6.3%
5. Early Childhood Development	3 294	190 046	3 132	243 765	3 950	322 781	3 948		3 948	409 960	4 276	410 885	4 676	434 715	4 676	459 927	5.8%	3.9%	1.4%
6. Infrastructure Development							70		70	34 118	72	34 266	60	30 000			(100%)	(100%)	0.1%
7. Examination And Education Related Services	18 783	313 697	11 917	315 407	18 291	422 464	16 865		16 865	313 683	16 865	309 589	16 865	314 502	16 865	332 743		2.0%	1.0%
Direct charges																			
Total	**102 479**	**21 812 522**	**94 393**	**23 734 110**	**102 488**	**25 981 867**	**100 041**		**100 041**	**28 343 375**	**113 381**	**30 247 916**	**115 564**	**32 581 683**	**117 354**	**34 774 341**	**5.5%**	**7.1%**	**100.0%**
Employee dispensation classification																			

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Public Service Act appointees not covered by OSDs					16 822	3 062 561	14 124		14 124	2 601 282	16 422	2 979 691	16 798	3 207 269	16 912	3 388 927	6.2%	9.2%	9.6%
Professional Nurses, Staff Nurses and Nursing Assistants					528	25 354	528		528	74 040	614	84 813	625	90 437	632	96 462	6.2%	9.2%	0.3%
Legal Professionals					10	5 150	9		9	4 974	10	5 698	11	6 076	11	6 480	6.9%	9.2%	0.0%
Social Services Professions					43	11 043	45		45	10 696	52	12 252	53	13 065	54	13 932	6.3%	9.2%	0.0%
Engineering Professions and related occupations					37	20 383	53		53	20 456	62	23 432	63	24 986	63	26 651	5.9%	9.2%	0.1%
Therapeutic, Diagnostic and other related Allied Health Professionals					412	74 978	461		461	160 604	536	183 973	546	196 172	552	209 240	6.2%	9.2%	0.6%
Educators and related professionals					62 395	21 989 917	64 008		64 008	24 746 243	74 421	26 194 442	75 755	28 271 513	76 639	30 188 179	6.2%	6.9%	86.9%
Others such as interns, EPWP, learnerships, etc.					22 241	792 481	20 813		20 813	725 080	21 264	766 712	21 713	772 165	22 491	844 470	2.6%	5.2%	2.4%
Total					**102 488**	**25 981 867**	**100 041**		**100 041**	**28 343 375**	**113 381**	**30 251 013**	**115 564**	**32 581 683**	**117 354**	**34 774 341**	**5.5%**	**7.1%**	**100%**

9.2 Training

TABLE 5.22: INFORMATION ON TRAINING: EDUCATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	102 479	94 393	102 488	100 041	100 041	100 041	113 258	115 392	116 404
Number of personnel trained	47 308	40 808	43 665	51 519	51 519	43 505	45 659	47 992	50 391
of which									
Male	22 056	19 339	18 097	19 923	19 923	17 997	18 876	19 870	20 863
Female	25 252	21 469	25 568	31 596	31 596	25 508	26 783	28 122	29 528
Number of training opportunities	35 008	35 808	49 976	51 726	51 726	42 417	52 826	53 512	56 508
of which									
Tertiary	1 525	1 625	1 350	2 600	2 600	3 200	3 200	3 386	3 575
Workshops	33 483	34 183	48 626	49 126	49 126	39 217	49 626	50 126	52 933
Seminars									
Other									
Number of bursaries offered	4 283	3 655	2 820	3 370	3 370	516	700	700	739
Number of interns appointed	1 600	150	480	500	500	417	800	900	950
Number of learnerships appointed	4 500	4 500	3 531	10 000	10 000	4	10 000	10 000	10 560
Number of days spent on training	36 900								
Payments on training by programme									
1. Administration	4 481	11 671	26 868	28 355	28 355	28 355	29 777	31 504	33 268
2. Public Ordinary School Education	100 652	111 472	146 109	156 477	156 477	156 477	164 500	174 041	183 787
3. Independent School Subsidies									
4. Public Special School Education			1 850	1 948	1 948	1 948	2 045	2 164	2 285
5. Early Childhood Development		16 532	14 489	15 257	15 257	15 257	16 020	16 949	17 898
6. Infrastructure Development									
7. Examination And Education Related Services	157 332	238 413	298 939	316 593	316 593	316 593	331 967	351 221	371 592
Total payments on training	**262 465**	**378 088**	**488 255**	**518 630**	**518 630**	**518 630**	**544 309**	**575 879**	**608 830**

The department provides a range of training programs, formal qualifications and skills development to support educators and public service staff. The programmes are designed to address continuous professional development with the main focus on critical and scare skills and other skills-specific areas. Training needs emanates from needs identification processes.

The teacher development programs are implemented by the Matthew Goniwe School of Leadership; Sci-Bono Discovery Trust and Gauteng City Region Academy with the main focus being Mathematics, Science & Technology and CAPS as informed by ANA results, IQMS and school evaluation, moderators report, school improvement plans and district improvement plans. The department is also developing the youth through learnerships and internships which provide experiential learning. Bursaries are awarded to enable the employees to obtain partial or full qualifications. All training programmes are provided to address gaps and improve the performance of office-based and school based employees as shown in needs identifications.

9.3 Reconciliation of structural changes

N/A

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 5.23: SPECIFICATION OF RECEIPTS: EDUCATION

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	**24 359**	**25 042**	**24 723**	**26 013**	**26 013**	**25 663**	**26 663**	**27 330**	**28 013**
Sale of goods and services produced by department (excluding capital assets)	24 267	25 042	24 723	26 013	26 013	25 663	26 663	27 330	28 013
Sales by market establishments	2 354								
Administrative fees									
Other sales	21 913	25 042	24 723	26 013	26 013	25 663	26 663	27 330	28 013
Of which									
Health patient fees	21 913	25 042	24 723	26 013	26 013	25 663	26 663	27 330	28 013
Other (Specify)									
Other (Specify)									
Other (Specify)									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	92								
Transfers received from:									
Other governmental units									
Households and non-profit institutions									
Fines, penalties and forfeits	**74**	**30**	**65**	**38**	**38**	**38**	**39**	**41**	**42**
Interest, dividends and rent on land	**1 315**	**173**	**263**	**187**	**187**	**363**	**192**	**197**	**202**
Interest	1 315	173	263	187	187	363	192	197	202
Dividends									
Rent on land									
Sales of capital assets			**19 940**						
Land and sub-soil assets									
Other capital assets			19 940						
Transactions in financial assets and liabilities	**15 231**	**10 795**	**6 417**	**4 061**	**4 061**	**10 409**	**4 162**	**4 403**	**4 513**
Total departmental receipts	**40 979**	**36 040**	**51 408**	**30 299**	**30 299**	**36 473**	**31 056**	**31 971**	**32 770**

TABLE 5.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EDUCATION

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**25 129 771**	**27 267 237**	**30 126 478**	**32 000 928**	**32 771 752**	**32 711 823**	**35 020 508**	**37 792 042**	**40 118 029**
Compensation of employees	21 812 522	23 734 110	25 981 867	28 214 940	28 367 460	28 343 375	30 247 916	32 581 683	34 774 341
Salaries and wages	18 759 332	20 514 013	22 327 532	24 380 558	24 531 085	24 525 425	26 132 695	28 151 463	30 043 663
Social contributions	3 053 190	3 220 097	3 654 335	3 834 382	3 836 375	3 817 950	4 115 220	4 430 220	4 730 678
Goods and services	3 316 049	3 530 901	4 143 950	3 785 988	4 404 292	4 368 364	4 772 592	5 210 359	5 343 688
Administrative fees	3 084	7 773	16 281	9 553	5 634	8 726	4 702	4 975	5 263
Advertising	5 579	14 629	46 365	18 300	15 691	13 985	16 924	17 905	18 869
Minor assets	3 458	3 439	2 134	19 152	17 349	4 721	6 502	6 866	7 263
Audit cost: External	14 449	13 593	14 490	17 364	17 364	17 364	20 000	21 164	22 392
Bursaries: Employees	3 494	5 116	817	10 439	10 439	10 439	8 000	8 464	8 955

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Catering: Departmental activities	5 062	8 297	8 528	14 310	10 715	10 915	11 040	11 679	12 357
Communication (G&S)	53 664	53 560	55 058	35 507	57 786	70 858	68 103	69 481	71 192
Computer services	53 392	105 803	98 156	81 942	113 912	102 658	139 095	149 482	160 473
Consultants and professional services: Business and advisory services	13 245	48 938	39 925	44 671	44 466	44 466	44 055	46 621	49 326
Infrastructure and planning		232							
Laboratory services									
Scientific and technological services									
Legal services	65 487	27 406	42 374	11 160	11 160	14 370	11 250	11 903	12 593
Contractors	8 658	11 649	7 723	3 957	20 567	21 643	8 561	9 056	9 581
Agency and support / outsourced services	628 039	684 740	779 673	786 458	780 830	759 564	991 809	1 049 693	1 104 116
Entertainment									
Fleet services (including government motor transport)	15 167	15 418	14 315	32 547	23 638	22 574	21 451	22 697	24 015
Housing									
Inventory: Clothing material and accessories	46	20							
Inventory: Farming supplies									
Inventory: Food and food supplies	3								
Inventory: Fuel, oil and gas	12 208								
Inventory: Learner and teacher support material	819 637	490 421	819 426	929 671	936 416	537 142	810 686	857 707	907 455
Inventory: Materials and supplies	467	224							
Inventory: Medical supplies	1 780								
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies	345 094	343 278	266 806	72 556	455 320	776 160	633 018	669 733	708 577
Consumable supplies	9 638	21 590	16 414	32 280	44 653	42 737	48 662	51 482	54 467
Consumable: Stationery, printing and office supplies	18 652	21 150	20 080	34 716	35 499	35 034	37 574	39 756	42 062
Operating leases	174 837	177 979	212 330	131 721	133 746	165 256	147 357	155 904	164 945
Property payments	554 819	846 684	900 519	628 847	745 248	737 038	512 222	686 242	557 320
Transport provided: Departmental activity	312 865	423 989	550 340	551 325	548 211	616 170	790 325	836 165	884 663
Travel and subsistence	75 748	83 431	95 369	86 799	95 361	87 821	115 689	138 956	153 401
Training and development	56 841	53 413	45 886	110 597	131 301	129 584	218 420	231 088	244 491
Operating payments	54 134	57 042	71 407	95 154	117 770	108 738	92 396	97 732	103 400
Venues and facilities	5 565	10 282	18 103	24 768	29 056	27 513	12 249	12 959	13 710
Rental and hiring	937	805	1 431	2 194	2 160	2 888	2 504	2 649	2 802
Interest and rent on land	1 200	2 226	661			84			
Interest	1 200	2 226	661			84			
Rent on land									
Transfers and subsidies	**3 003 795**	**3 348 634**	**4 007 867**	**4 316 323**	**3 984 235**	**4 118 201**	**4 227 708**	**4 473 514**	**4 730 571**
Provinces and municipalities									
Provinces									
Departmental agencies and accounts	12 520	60 247	75 345	80 531	80 531	80 531	84 639	89 548	94 742

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Social security funds									
Provide list of entities receiving transfers	12 520	60 247	75 345	80 531	80 531	80 531	84 639	89 548	94 742
Non-profit institutions	2 716 922	2 953 402	3 571 656	3 886 478	3 554 390	3 664 278	3 776 826	3 996 482	4 225 871
Households	274 353	334 985	360 866	349 314	349 314	373 392	366 243	387 484	409 958
Social benefits	129 540	156 817	144 109	113 252	113 252	137 281	118 915	125 811	133 108
Other transfers to households	144 813	178 168	216 757	236 062	236 062	236 111	247 328	261 673	276 850
Payments for capital assets	**1 044 349**	**1 010 581**	**2 150 749**	**2 751 975**	**2 752 663**	**2 752 839**	**1 595 653**	**2 112 715**	**1 906 356**
Buildings and other fixed structures	988 387	929 570	2 067 452	2 661 454	2 585 342	2 585 196	1 456 259	1 975 924	1 758 371
Buildings	988 387	929 570	2 067 333	2 661 454	2 585 342	2 585 196	1 456 259	1 975 924	1 758 371
Other fixed structures			119						
Machinery and equipment	42 583	39 504	73 135	74 921	116 785	116 874	99 037	104 675	110 746
Transport equipment	189				7	7			
Other machinery and equipment	42 394	39 504	73 135	74 921	116 778	116 867	99 037	104 675	110 746
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets	12 521	41 507	9 499	15 000	46 614	46 614	36 357	30 000	35 000
Software and other intangible assets	858		663	600	3 922	4 155	4 000	2 116	2 239
Payments for financial assets	**31 492**	**9 788**	**11 428**			**7 165**			
Total economic classification	**29 209 407**	**31 636 240**	**36 296 522**	**39 069 226**	**39 508 650**	**39 590 028**	**40 843 869**	**44 378 271**	**46 754 956**

TABLE 5.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**2 413 309**	**2 490 293**	**2 599 090**	**2 690 599**	**2 731 298**	**2 718 669**	**2 866 706**	**3 035 302**	**3 213 668**
Compensation of employees	1 900 390	1 922 118	1 991 320	2 173 724	2 173 724	2 168 582	2 285 124	2 417 660	2 557 884
Salaries and wages	1 631 014	1 654 249	1 703 798	1 856 533	1 856 533	1 851 335	1 951 942	2 065 154	2 184 933
Social contributions	269 376	267 869	287 522	317 191	317 191	317 247	333 181	352 506	372 951
Goods and services	512 069	567 687	607 167	516 875	557 574	550 003	581 582	617 642	655 784
Administrative fees	1 608	1 647	1 799	215	270	1 498	1 208	1 279	1 352
Advertising	2 321	11 006	22 136	4 814	6 448	5 236	5 902	6 244	6 606
Minor assets	462	2 990	1 320	3 456	2 924	2 549	3 064	3 241	3 428
Audit cost: External	14 414	12 658	14 490	17 364	17 364	17 364	20 000	21 164	22 392
Bursaries: Employees			817	10 439	10 439	10 439	8 000	8 464	8 955
Catering: Departmental activities	539	1 107	1 031	1 420	1 205	1 205	1 402	1 482	1 568
Communication (G&S)	37 512	44 511	29 333	17 128	19 047	26 911	16 626	17 592	18 613
Computer services	47 791	100 256	95 435	73 044	106 852	95 598	130 803	140 709	151 191
Consultants and professional services: Business and advisory services	12 368	22 517	8 452	26 671	26 466	26 466	25 055	26 508	28 045
Legal services	64 238	25 535	41 861	11 160	11 160	14 370	11 250	11 903	12 593
Contractors	934	915	2 745	2 383	6 316	6 316	4 702	4 974	5 262
Agency and support / outsourced services	65 447	67 010	74 887	84 362	80 436	47 505	90 446	95 690	101 239
Entertainment									
Fleet services (including government motor transport)	11 596	11 253	10 708	17 632	9 845	8 874	8 561	9 059	9 585

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Housing									
Inventory: Clothing material and accessories		2							
Inventory: Farming supplies									
Inventory: Food and food supplies	2								
Inventory: Learner and teacher support material	137	165	435	665	711	711	629	666	704
Inventory: Materials and supplies	40								
Inventory: Other supplies			10 897	12 173	19 998	19 998	4 782	5 059	5 352
Consumable supplies	2 020	4 326	4 233	15 103	14 781	11 343	6 780	7 173	7 589
Consumable: Stationery, printing and office supplies	8 121	7 578	8 063	14 498	14 198	13 715	15 625	16 537	17 496
Operating leases	164 159	165 526	195 194	109 396	112 964	143 712	120 607	127 602	135 003
Property payments	30 969	33 689	39 261	54 937	55 879	47 669	66 258	70 100	74 166
Transport provided: Departmental activity	2	122	33	124	110	128	200	212	224
Travel and subsistence	34 764	35 106	28 884	16 013	17 455	26 581	16 817	17 792	18 826
Training and development	414	4 170	6 177	7 496	6 944	6 944	9 475	10 025	10 606
Operating payments	9 955	11 992	6 796	11 838	11 802	10 183	9 305	9 844	10 415
Venues and facilities	2 256	3 581	1 497	3 214	2 630	2 630	1 986	2 101	2 223
Rental and hiring		25	683	1 330	1 330	2 058	2 100	2 222	2 351
Interest and rent on land	850	488	603			84			
Interest	850	488	603			84			
Rent on land									
Transfers and subsidies	**10 398**	**13 284**	**13 749**	**5 250**	**5 250**	**10 392**	**5 513**	**5 832**	**6 170**
Provinces and municipalities									
Provinces									
Departmental agencies and accounts	1	2							
Provide list of entities receiving transfers	1	2							
Public corporations									
Non-profit institutions									
Households	10 397	13 282	13 749	5 250	5 250	10 392	5 513	5 832	6 170
Social benefits	10 397	13 282	13 711	5 250	5 250	10 392	5 513	5 832	6 170
Other transfers to households			38						
Payments for capital assets	**11 504**	**13 972**	**13 699**	**17 457**	**22 065**	**22 387**	**15 536**	**16 436**	**17 389**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	10 646	13 972	13 186	16 857	18 143	18 232	13 536	14 320	15 150
Transport equipment									
Other machinery and equipment	10 646	13 972	13 186	16 857	18 143	18 232	13 536	14 320	15 150
Heritage Assets									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Software and other intangible assets	858		513	600	3 922	4 155	2 000	2 116	2 239
Payments for financial assets	**31 492**	**9 788**	**11 428**			**7 165**			
Total economic classification	**2 466 703**	**2 527 337**	**2 637 966**	**2 713 306**	**2 758 613**	**2 758 613**	**2 887 755**	**3 057 570**	**3 237 227**

TABLE 5.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC ORDINARY SCHOOL EDUCATION

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**19 621 067**	**21 489 562**	**23 903 070**	**25 963 292**	**26 536 047**	**26 510 102**	**28 551 408**	**30 784 137**	**32 869 305**
Compensation of employees	18 129 998	19 769 461	21 618 167	23 618 636	23 701 171	23 684 700	25 269 816	27 312 803	29 215 008
Salaries and wages	15 537 687	17 020 373	18 490 773	20 328 094	20 412 877	20 412 877	21 752 538	23 516 457	25 157 127
Social contributions	2 592 311	2 749 088	3 127 394	3 290 542	3 288 294	3 271 823	3 517 278	3 796 346	4 057 881
Goods and services	1 490 719	1 719 417	2 284 845	2 344 656	2 834 876	2 825 402	3 281 592	3 471 334	3 654 297
Administrative fees	6	71		10	10	314	10	11	12
Advertising	2 219	614	1 770	805	608	608	1 273	1 346	1 350
Minor assets	2 297	13	39	10 294	10 276	270	200	212	224
Audit cost: External	35	935							
Bursaries: Employees	3 494	5 102							
Catering: Departmental activities	1 429	122	680	1 131	1 475	1 675	1 370	1 450	1 534
Communication (G&S)	11 646	4 454	21 210	8 384	29 259	34 467	40 833	40 881	40 932
Computer services		12	13						
Consultants and professional services: Business and advisory services		31							
Infrastructure and planning		232							
Laboratory services									
Scientific and technological services									
Legal services	909	1 871	148						
Contractors	7 584	86	902	33	10 049	10 049	42	44	47
Agency and support / outsourced services	551 826	596 414	666 380	670 254	674 884	674 198	869 078	919 845	966 737
Entertainment									
Fleet services (including government motor transport)	15	578	77	1 447	1 429	1 336	651	688	728
Housing									
Inventory: Clothing material and accessories	46	18							
Inventory: Farming supplies									
Inventory: Food and food supplies	1								
Inventory: Fuel, oil and gas	12 208								
Inventory: Learner and teacher support material	339 673	305 546	623 786	743 093	740 672	354 383	633 452	670 192	709 063
Inventory: Materials and supplies	338	224							
Inventory: Medical supplies	1 780								
Inventory: Medicine									
Medsas inventory interface									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Inventory: Other supplies	23 200	68 825	91 024	59 683	432 792	750 891	628 173	664 607	703 154
Consumable supplies	7 365	14 014	9 902	2 895	3 587	5 405	9 778	10 345	10 944
Consumable: Stationery, printing and office supplies	3 174	4 538	1 703	2 897	4 239	4 257	3 619	3 827	4 049
Operating leases	270	896	272	545	599	1 361	791	837	885
Property payments	191 921	280 369	301 930	274 137	346 493	346 493	230 609	245 355	250 065
Transport provided: Departmental activity	308 033	416 243	544 281	538 381	538 381	606 322	779 992	825 233	873 097
Travel and subsistence	4 406	5 859	5 427	8 933	9 067	9 201	11 963	12 658	13 393
Training and development	7 939	4 846	3 255	7 623	16 395	16 395	67 229	71 128	75 254
Operating payments	7 570	6 359	7 383	12 235	12 299	4 729	752	795	841
Venues and facilities	435	989	3 918	1 026	1 632	2 318	1 427	1 510	1 597
Rental and hiring	900	156	745	850	730	730	350	370	391
Interest and rent on land	350	684	58						
Interest	350	684	58						
Rent on land									
Transfers and subsidies	**1 557 320**	**1 784 879**	**2 481 878**	**2 648 507**	**2 434 289**	**2 560 304**	**2 539 678**	**2 687 576**	**2 843 367**
Provinces and municipalities									
Provinces									
Non-profit institutions	1 444 489	1 649 356	2 358 281	2 543 070	2 328 852	2 438 396	2 428 969	2 570 446	2 719 443
Households	112 831	135 523	123 597	105 437	105 437	121 908	110 709	117 130	123 924
Social benefits	112 831	135 523	123 380	105 437	105 437	121 859	110 709	117 130	123 924
Other transfers to households			217			49			
Payments for capital assets	**47 009**	**30 299**	**20 227**	**12 542**	**12 605**	**12 605**	**1 637**	**1 732**	**1 833**
Buildings and other fixed structures	25 508	11 852	119						
Buildings	25 508	11 852							
Other fixed structures			119						
Machinery and equipment	21 501	18 447	20 108	12 542	12 605	12 605	1 637	1 732	1 833
Transport equipment									
Other machinery and equipment	21 501	18 447	20 108	12 542	12 605	12 605	1 637	1 732	1 833
Heritage Assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**21 225 396**	**23 304 740**	**26 405 175**	**28 624 341**	**28 982 941**	**29 083 011**	**31 092 723**	**33 473 445**	**35 714 505**

TABLE 5.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INDEPENDENT SCHOOL SUBSIDIES

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**130**	**16 462**							
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services	130	16 462							
Administrative fees									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Consultants and professional services: Business and advisory services		16 460							
Consumable: Stationery, printing and office supplies	32								
Operating leases		2							
Property payments									
Travel and subsistence	98								
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**452 837**	**498 597**	**592 600**	**580 498**	**609 823**	**610 160**	**691 636**	**731 752**	**774 194**
Provinces and municipalities									
Provinces									
Non-profit institutions	452 837	498 597	592 600	580 498	609 823	610 160	691 636	731 752	774 194
Households									
Social benefits									
Other transfers to households									
Payments for capital assets									
Buildings and other fixed structures									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**452 967**	**515 059**	**592 600**	**580 498**	**609 823**	**610 160**	**691 636**	**731 752**	**774 194**

TABLE 5.28: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC SPECIAL SCHOOL EDUCATION

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**1 288 778**	**1 498 360**	**1 637 764**	**1 665 217**	**1 754 554**	**1 752 324**	**1 967 443**	**2 120 246**	**2 263 887**
Compensation of employees	1 278 391	1 483 359	1 627 135	1 662 097	1 734 562	1 732 332	1 938 236	2 072 003	2 208 779
Salaries and wages	1 086 888	1 281 867	1 389 947	1 436 270	1 506 487	1 506 480	1 675 440	1 791 184	1 909 514
Social contributions	191 503	201 492	237 188	225 827	228 075	225 852	262 796	280 819	299 265
Goods and services	10 387	15 001	10 629	3 120	19 992	19 992	29 207	48 243	55 108
Administrative fees									
Advertising		142	75	630	1 221	727	2	2	2
Minor assets		31	34	30	30	30			
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	2	138	40	370	620	620	172	182	193
Communication (G&S)	291	290	163	142	140	140			
Computer services			1						
Contractors	8								
Agency and support / outsourced services		695	309	121	398	398	400	423	448

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Entertainment									
Fleet services (including government motor transport)	168	1 278	629	146	102	102			
Housing									
Inventory: Learner and teacher support material	6 896	7 705	5 681			296			
Inventory: Other supplies			52		600	1 094			
Consumable supplies	1	60	276	17	14 017	13 721	15 412	16 306	17 252
Consumable: Stationery, printing and office supplies	215	538	665	196	192	192	3	3	3
Operating leases	1 585	2 402	1 435	87	87	87			
Property payments		78		108					
Transport provided: Departmental activity		67		140	585	585	60	63	67
Travel and subsistence	707	578	833	609	1 476	1 476	13 098	31 201	37 076
Training and development	30	730	380	447	447	290			
Operating payments	484	269	42	17	17	174			
Venues and facilities			14	60	60	60	60	63	67
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**298 431**	**306 328**	**330 352**	**356 386**	**356 386**	**358 616**	**376 305**	**398 132**	**421 224**
Provinces and municipalities									
Provinces									
Non-profit institutions	292 119	298 391	323 646	353 821	353 821	353 828	373 612	395 283	418 210
Households	6 312	7 937	6 706	2 565	2 565	4 788	2 693	2 849	3 014
Social benefits	6 312	7 937	6 706	2 565	2 565	4 788	2 693	2 849	3 014
Other transfers to households									
Payments for capital assets	**1**	**156**	**223**	**130**	**174**	**174**			
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	1	156	223	130	174	174			
Transport equipment									
Other machinery and equipment	1	156	223	130	174	174			
Heritage Assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**1 587 210**	**1 804 844**	**1 968 339**	**2 021 733**	**2 111 114**	**2 111 114**	**2 343 748**	**2 518 378**	**2 685 111**

TABLE 5.29: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EARLY CHILDHOOD DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**336 330**	**377 029**	**511 125**	**570 867**	**588 031**	**588 031**	**572 914**	**606 142**	**641 298**
Compensation of employees	190 046	243 765	322 781	409 960	409 960	409 960	410 885	434 715	459 927
Salaries and wages	190 046	243 764	322 685	409 960	409 960	409 747	410 885	434 715	459 927
Social contributions		1	96			213			
Goods and services	146 284	133 264	188 344	160 907	178 071	178 071	162 029	171 427	181 371
Administrative fees									
Advertising									
Minor assets	600	12	7				12		
Audit cost: External									
Catering: Departmental activities				6	8	8	18	19	20
Communication (G&S)	10	5	1	67	255	255	312	330	349
Computer services									
Consultants and professional services: Business and advisory services		9 881	26 484	18 000	18 000	18 000	19 000	20 113	21 281
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services									
Contractors				8	8	8	1 265	1 338	1 416
Agency and support / outsourced services	880		66	2 640	1 140	1 140	250	265	280
Entertainment									
Fleet services (including government motor transport)				4	4	4	79	84	89
Housing									
Inventory: Learner and teacher support material	144 310	121 738	161 445	136 593	155 501	155 501	138 401	146 429	154 923
Consumable supplies		123	13	788	196	196	40	42	44
Consumable: Stationery, printing and office supplies	420	94	123	172	170	170	270	286	303
Operating leases	3			168	168	168	168	178	188
Property payments		30	145	477	657	657	360	381	403
Transport provided: Departmental activity									
Travel and subsistence	1	2		294	634	634	544	576	609
Training and development									
Operating payments	60	1 329	60	1 690	1 330	1 330	1 310	1 386	1 466
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**148 935**	**194 988**	**194 469**	**240 116**	**182 708**	**182 708**	**191 844**	**202 971**	**214 744**
Provinces and municipalities									
Provinces									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Non-profit institutions	148 935	194 913	194 264	240 116	182 708	182 708	191 844	202 971	214 744
Households		75	205						
Social benefits		75	205						
Other transfers to households									
Payments for capital assets	**38**		**141**	**356**	**600**	**600**	**701**	**742**	**785**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	38		141	356	600	600	701	742	785
Transport equipment									
Other machinery and equipment	38		141	356	600	600	701	742	785
Heritage Assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**485 303**	**572 017**	**705 735**	**811 339**	**771 339**	**771 339**	**765 459**	**809 855**	**856 827**

TABLE 5.30: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**652 959**	**801 404**	**719 211**	**333 780**	**378 078**	**378 224**	**248 113**	**398 132**	**230 280**
Compensation of employees				36 598	34 118	34 118	34 266	30 000	
Salaries and wages				36 598	32 125	32 125	32 820	30 000	
Social contributions					1 993	1 993	1 446		
Goods and services	652 959	801 404	719 211	297 182	343 960	344 106	213 847	368 132	230 280
Administrative fees									
Advertising									
Communication (G&S)							240		
Computer services					1 200	1 200			
Legal services	340		365						
Contractors					1 500	1 646			
Agency and support / outsourced services			59						
Entertainment									
Inventory: Other supplies	321 894	270 682	161 225						
Consumable supplies									
Operating leases									
Property payments	330 725	530 722	557 562	297 182	340 180	340 180	212 846	368 132	230 280
Transport provided: Departmental activity									
Travel and subsistence					960	960	740		
Training and development									
Operating payments					120	120	21		
Rental and hiring									
Interest and rent on land									

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Interest									
Rent on land									
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Payments for capital assets	**975 589**	**959 225**	**2 076 832**	**2 676 454**	**2 632 156**	**2 632 010**	**1 494 716**	**2 005 924**	**1 793 371**
Buildings and other fixed structures	962 879	917 718	2 067 333	2 661 454	2 585 342	2 585 196	1 456 259	1 975 924	1 758 371
Buildings	962 879	917 718	2 067 333	2 661 454	2 585 342	2 585 196	1 456 259	1 975 924	1 758 371
Other fixed structures									
Machinery and equipment	189				200	200	100		
Transport equipment	189								
Other machinery and equipment					200	200	100		
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets	12 521	41 507	9 499	15 000	46 614	46 614	36 357	30 000	35 000
Software and other intangible assets							2 000		
Payments for financial assets									
Total economic classification	**1 628 548**	**1 760 629**	**2 796 043**	**3 010 234**	**3 010 234**	**3 010 234**	**1 742 829**	**2 404 056**	**2 023 651**

TABLE 5.31: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXAMINATION AND EDUCATION RELATED SERVICES

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**817 198**	**594 127**	**756 218**	**777 173**	**783 744**	**764 473**	**813 924**	**848 083**	**899 591**
Compensation of employees	313 697	315 407	422 464	313 925	313 925	313 683	309 589	314 502	332 743
Salaries and wages	313 697	313 760	420 329	313 103	313 103	312 861	309 070	313 953	332 162
Social contributions		1 647	2 135	822	822	822	519	549	581
Goods and services	503 501	277 666	333 754	463 248	469 819	450 790	504 335	533 581	566 848
Administrative fees	1 470	6 055	14 482	9 328	5 354	6 914	3 484	3 685	3 899
Advertising	1 039	2 867	22 384	12 051	7 414	7 414	9 747	10 313	10 911
Minor assets	99	393	734	5 372	4 119	1 872	3 226	3 413	3 611
Audit cost: External									
Bursaries: Employees		14							
Catering: Departmental activities	3 092	6 930	6 777	11 383	7 407	7 407	8 078	8 546	9 042
Communication (G&S)	4 205	4 300	4 351	9 786	9 085	9 085	10 092	10 678	11 298
Computer services	5 601	5 535	2 707	8 898	5 860	5 860	8 292	8 773	9 282
Consultants and professional services: Business and advisory services	877	49	4 989						
Infrastructure and planning									
Contractors	132	10 648	4 076	1 533	2 694	3 624	2 552	2 700	2 856
Agency and support / outsourced services	9 886	20 621	37 972	29 081	23 972	36 323	31 635	33 470	35 412
Entertainment									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Fleet services (including government motor transport)	3 388	2 309	2 901	13 318	12 258	12 258	12 160	12 866	13 613
Housing									
Inventory: Learner and teacher support material	328 621	55 267	28 079	49 320	39 532	26 251	38 204	40 420	42 765
Inventory: Materials and supplies	89								
Inventory: Other supplies		3 721	3 608	700	1 930	4 177	63	67	71
Consumable supplies	252	3 067	1 990	13 477	12 072	12 072	16 651	17 616	18 638
Consumable: Stationery, printing and office supplies	6 690	8 402	9 526	16 953	16 700	16 700	18 057	19 103	20 211
Operating leases	8 820	9 153	15 429	21 525	19 928	19 928	25 791	27 287	28 869
Property payments	1 204	1 796	1 621	2 006	2 039	2 039	2 149	2 274	2 406
Transport provided: Departmental activity	4 830	7 557	6 026	12 680	9 135	9 135	10 073	10 657	11 275
Travel and subsistence	35 772	41 886	60 225	60 950	65 769	48 969	72 527	76 729	83 497
Training and development	48 458	43 667	36 074	95 031	107 515	105 955	141 716	149 935	158 631
Operating payments	36 065	37 093	57 126	69 374	92 202	92 202	81 008	85 707	90 678
Venues and facilities	2 874	5 712	12 674	20 468	24 734	22 505	8 776	9 285	9 823
Rental and hiring	37	624	3	14	100	100	54	57	60
Interest and rent on land		1 054							
Interest		1 054							
Rent on land									
Transfers and subsidies	**535 874**	**550 558**	**394 819**	**485 566**	**395 779**	**396 021**	**422 732**	**447 251**	**470 872**
Provinces and municipalities									
Provinces									
Departmental agencies and accounts	12 519	60 245	75 345	80 531	80 531	80 531	84 639	89 548	94 742
Social security funds									
Provide list of entities receiving transfers	12 519	60 245	75 345	80 531	80 531	80 531	84 639	89 548	94 742
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	378 542	312 145	102 865	168 973	79 186	79 186	90 765	96 030	99 280
Households	144 813	178 168	216 609	236 062	236 062	236 304	247 328	261 673	276 850
Social benefits			107			242			
Other transfers to households	144 813	178 168	216 502	236 062	236 062	236 062	247 328	261 673	276 850
Payments for capital assets	**10 208**	**6 929**	**39 627**	**45 036**	**85 063**	**85 063**	**83 063**	**87 881**	**92 978**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	10 208	6 929	39 477	45 036	85 063	85 063	83 063	87 881	92 978
Transport equipment					7	7			
Other machinery and equipment	10 208	6 929	39 477	45 036	85 056	85 056	83 063	87 881	92 978

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Heritage Assets									
Software and other intangible assets			150						
Payments for financial assets									
Total economic classification	**1 363 280**	**1 151 614**	**1 190 664**	**1 307 775**	**1 264 586**	**1 245 557**	**1 319 719**	**1 383 215**	**1 463 441**

VOTE 6

DEPARTMENT OF SOCIAL DEVELOPMENT

To be appropriated by vote in 2017/18	R4 442 331 000
Responsible MEC	MEC for Social Development
Administering Department	Department of Social Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision
A caring and self-reliant society.

Mission
To transform our society by building conscious and capable citizens through the provision of integrated social development services.

Strategic Goals
- To provide support to core business in rendering effective and efficient services to 21 365 beneficiaries by the 2019/20 financial year;
- Efficient and effective integrated developmental social welfare services to 7 522 198 social service recipients focussing on children, youth, older persons, persons with disabilities and women by the 2019/20 financial year; and
- Efficient, effective anti-poverty community interventions, youth development and women empowerment services to 5 202 971 beneficiaries promoting sustainable livelihoods by the 2019/20 financial year.

Core functions and responsibilities
- Rendering management and administration to the network of social development services within Gauteng;
- Provision, in partnership with relevant stakeholders, of prevention, early intervention, rehabilitation and after-care services to people abusing substances;
- Provision of community and home-based care, residential and all other protection services for the frail, vulnerable older persons at risk, and people with disabilities;
- Provision of secure care facilities, home-based services, and assessment and referral services for children found to be in conflict with the law;
- Provision of services for children through the construction and funding of Early Childhood Development (ECD) facilities throughout the province;
- Provision of child care and protection services and implementation of the Children's Act;
- Provision of shelters and counseling services for women and children who are victims of domestic violence and abuse;
- Provision, through home and community-based care (HCBC) centres, of psycho-social support services to people who are infected and affected by HIV and AIDS, especially orphans and vulnerable children;
- Provision of reunification and preservation services for families; and
- Provision of youth development and sustainable livelihood services to poor households through the implementation of the War on Poverty (WoP) programme.

Main services
- Reforming the welfare sector through legislative and policy reforms: we seek to expand services by ensuring adequate numbers and training of social service professionals and review of funding models and the roles assigned to non-profit organisations (NPOs);
- Improving access to quality ECD through provision of comprehensive ECD services as an instrument to undertake investments in health, development of capabilities, mitigation of vulnerabilities, and to serve as the building blocks for future resilience. This will also ensure equitable participation of women in the labour force and secure the productive and social life of communities;

- Deepening social assistance and extending the scope for social security to address issues of coverage;
- Implementing policies that create a social protection platform that provides a minimum set of guarantees in support of the realisation of rights as enshrined in the legislative frameworks;
- Enhancing the capabilities of select groups and communities to achieve sustainable livelihoods and household food and nutrition security through a combination of income, direct provision and support to local economies through local procurement; and
- Establishing social protection systems and strengthening of monitoring and evaluation of services to ensure that such interventions are responsive and yield sustainable outcomes.

Ten Pillar programme of Transformation, Modernisation and Reindustrialisation

The department's response to Pillar 3: Accelerated Social Transformation includes:

- Reforming the welfare sector through transformation of services in and by previously advantaged communities and NPOs for inclusion of vulnerable groups;
- Modernisation through the introduction of the National Integrated Social Information System (NISIS) for household profiling and the Supatsela Information Technology system for NPO payment, social work services case management and reindustrialisation;
- Improving access to quality ECD primarily by the social cluster is a critical component of the millennium development goals (MDGs) in terms of universal access to education;
- Ensuring the design of child friendly and child responsive human settlements in the province's urban development planning processes by including social development;
- Combating substance abuse and gender-based violence and ensuring integration of interventions with the programmes of the Department of Community Safety;
- Expanding the WoP programme to ensure comprehensive profiling of all households in the 50 poorest wards and fighting urban poverty through the food security programmes;
- Increasing the scale of operations to include the Coloured and Indian communities by partnering with community development workers (CDWs), municipal street workers and community health care workers in profiling households; and
- Upscaling the Welfare to Work programme by making extensive use of the co-operative model and Expanded Public Works programme (EPWP) opportunities (including the Lulaway project and the Tshepo 500 000 programme).

National Development Plan

The department aligned its plans and policies with the NDP 2030 in terms of the eradication of poverty and addressing inequality through inclusive social dialogue and an active and engaged citizenry.

The department's interventions are concentrated in the area of expanded social protection (including social insurance, social assistance, social and productive inclusion), contributing to the improvement of the quality of life for the poor, the marginalised, the vulnerable and those with special needs.

Acts, rules and regulations

- Draft National Early Childhood Development Policy 2015;
- Broad-Based Black Economic Empowerment Act, No. 46 of 2013;
- Basic Conditions of Employment Amendment Act, No. 20 of 2013;
- Prevention and Combating of Trafficking in Persons Act, No. 7 of 2013;
- Cooperatives Amendment Act, No. 6 of 2013;
- Protection of Personal Information Act, No. 4 of 2013;
- Women Empowerment and Gender Equality Bill, November 2013;
- White Paper on Families approved by Cabinet on 26 June 2013;
- National Strategic Plan (NSP) 2007-2011;
- Child Justice Act, No. 75 of 2008;
- Prevention of and Treatment for Substance Abuse Act, No. 70 of 2008;
- Criminal Law (Sexual Offences and Related Matters) Amendment Act, No. 32 of 2007;
- Older Persons Act, No. 13 of 2006;
- Children's Act, No. 38 of 2005;
- South African Social Security Agency Act, No. 9 of 2004;
- Advisory Board on Social Development Act, No. 3 of 2001;
- Public Finance Management Act, No. 1 of 1999;
- Domestic Violence Act, No. 116 of 1998;
- Maintenance Act, No. 99 of 1998;
- Welfare Laws Amendment Act, No. 106 of 1997;
- Non-Profit Organisations Act, No. 71 of 1997;
- White Paper for Social Welfare 1997;
- The Constitution of the Republic of South Africa Act, No. 108 of 1996;

- Child Care Amendment Act, No. 96 of 1996;
- Prevention and Treatment of Drug Dependency Act, No. 20 of 1992;
- Probation Service Act, No. 116 of 1991;
- Adoption Matters Amendment Act, No. 56 of 1988;
- Mediation in Certain Divorce Matters Act, No. 24 of 1987;
- Social Service Professions Act, No. 110 of 1978;
- National Welfare Act, No. 100 of 1978;
- Criminal Procedures Act, No. 51 of 1971;
- Gauteng Strategic Policy Framework on Gender Equality and Women Empowerment;
- Policy Framework on Orphans and other Children made vulnerable by HIV;
- Gauteng Provincial Government Strategic Policy Framework on Disability Rights;
- Gauteng AIDS Strategic Plan;
- Policy on Residential Facilities to Persons with Disabilities;
- Minimum Standards on Residential Facilities for Persons with Disabilities;
- Policy on the Management and Transformation of Protective;
- South African Policy for Older;
- Protocol on Management of Elder Abuse; and
- South African Charter for Older Persons and the United Nations Declaration on the Rights of Older Persons.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

Pillar 3: Accelerated social transformation

Output 1: Services to Older Persons
At the end of the 3rd quarter of the 2016/17 financial year, 20 327 older persons were reached through services provided by more than 250 funded community-based care and support facilities (inclusive of service centres, luncheon clubs and home-based care facilities) for older persons. A total of 25 905 older persons participated in active-ageing programmes provided by government and NPOs to improve their health. A total of 26 facilities for older persons were provided with gym equipment which benefited 1 568 older persons. Furthermore, a total of 22 730 people were reached through the elder abuse prevention programmes throughout the province.

Output 2: Services to Persons with Disabilities
A total of 2 096 persons with disabilities were accessing services in residential facilities at the end of the 3rd quarter of the financial year under review, and 71 companies owned by persons with disabilities benefitted from the preferential procurement direction of the department. Furthermore, 4 449 persons with disabilities accessed services in protected workshops managed by funded NPOs, and 28 522 beneficiaries were reached through disability prevention programmes.

Output 3: HIV and AIDS
More than 34 490 vulnerable households and 83 805 beneficiaries received psychosocial support services. A total of 6 900 work opportunities were created in Home and Community-Based Care through the EPWP. In order for the department to alleviate food insecurity and malnutrition, food parcels were provided to 82 888 beneficiaries in HCBC organisations and a total of 34 752 beneficiaries received daily meals at drop-in centres.

Output 4: Integrated Child Care and Protection Services

Access to Child and Youth Care Centres (CYCCs)
The department funded more than 111 CYCCs (children's homes, shelters, places of safety and schools of industry) which were jointly managed by government and NPOs in the 2016/17 financial year, to provide access to 5 080 children. A total of 4 798 children had accessed services through these 111 CYCCs by the end of the 3rd quarter of the 2016/17 financial year.

Foster Care
A total of 3 962 children were newly placed in foster care; 41 723 children placed in foster care received social work services and 57 308 children in need of care and protection had been provided with psychosocial support services by the end of the 3rd quarter. Furthermore, 201 Child and Youth Care Worker (CYCW) trainees received training through the Isibindi model, and 17 274 children accessed services through this model.

The Bana Pele Programme
The department facilitated a basket of services in respect of children, in conjunction with various stakeholders. At school level, the services comprised of the provision of school uniforms, scholar transport, no-fee schools, free health care as well as dignity packs. The latter are designed to target boys, girls and children with albinism. In the 2016/17 financial year, the department planned to distribute 251 849 dignity packs. However, by the end of the 3rd quarter, 183 904 children had received the packs. By the end of the financial year, this number will have significantly increased.

Food Security
It was planned that the department would issue 75 992 food parcels and 147 840 beneficiaries of food relief would receive food from food banks in the 2016/17 financial year. By the end of the 3rd quarter of the financial year, 82 888 food parcels had been issued by HCBC organizations and 119 108 beneficiaries of food relief received food from food banks, while 35 771 household accessed food through DSD food security programmes.

Output 5: Early Childhood Development
In the 2016/17 financial year, it was planned that 97 215 children would have access to services from 1 376 funded partial care sites, and also to register 2 221 partial care sites. A total of 99 200 children were accessing funded ECD programmes as at the end of the 3rd quarter. Furthermore, a total of 2 186 partial-care sites were registered and 1 919 children reached through non-centre based services.

Output 6: Crime Prevention and Support
It was planned that by end of the 2016/17 financial year, the department would have expanded the social crime awareness and prevention programmes, reaching out to 147 247 beneficiaries (children included). Furthermore, it was also planned that 920 children in conflict with the law awaiting trial would be provided with access to secure care centres, and 3 102 children in conflict with the law would participate in diversion programmes.

The department rendered social crime awareness and prevention programmes reaching 167 186 beneficiaries by the end of the 3rd quarter. The department also manages 2 secure care centres (CYCCs) and 1 secure care centre is managed by NPOs; a total of 969 children benefitted from these centres. A further 1 195 children in conflict with the law participated in diversion programmes and 648 children completed the diversion programme.

Output 7: Victim Empowerment Services (VEP)
By the 2016/17 financial year, the department planned to expand its funding to 24 service sites managed by funded NPOs for 2 107 victims of crime and violence. A total of 62 706 victims planned to be reached through the programme of no-violence against women and children, including 16 days of activism. A further 26 208 victims of crime would access victim empowerment programmes (VEPs) through NPOs funded by the department.

By the end of the 3rd quarter of 2016/17 financial year, the department had reached 1 906 victims of crime and violence through services rendered at 23 shelters managed by funded NPOs. A total of 174 931 beneficiaries were reached through the programme of no-violence against women and children, including 16 days of activism. A further 34 665 victims of crime accessed victim empowerment programme (VEP) services through 50 NPOs funded by the department.

Output 8: Substance Abuse Prevention, Treatment and Rehabilitation
As reported at the end of the 3rd quarter, the department reached out to 15 373 service users who accessed funded substance abuse treatment centres and community based services; 459 148 children and youth were reached through Ke Moja drug prevention programmes; and a total of 405 408 people benefitted from the substance abuse prevention programmes. Aftercare programmes were provided to 4 455 persons who had received assistance from substance abuse treatment centres. The department also established 169 local drug action committees in the poorest wards and other prioritised hot spots. A total of 1 424 beneficiaries were counselled through mobile counselling service busses during the quarter.

Output 9: Community development through sustainable livelihoods strategies
Ward-based Model
The department approved a ward-based model that seeks to co-ordinate and align programmes that maximise impact, and avoid wastage and duplication in the delivery of services to communities and households.

War on Poverty
It was planned in the 2016/17 financial year, that the department would increase the number of beneficiaries of food relief from food banks by 147 840 and a total of 29 712 households would access food through DSD food security programmes. The department also planned to refer 165 000 beneficiaries to sector departments for appropriate support and interventions. A total of 119 108 people benefited from food relief from food banks and 35 771 households had accessed food through the DSD food security programme at the end of the 3rd quarter. A total of 178 112 beneficiaries were referred for intervention through the NISIS system.

Output 10: Youth Development
By the end of the 3rd quarter of the 2016/17 financial year, the department had provided opportunities for 11 180 youth to participate in entrepreneurship programmes, and 37 146 youth participated in skills development programmes provided by funded NPOs. In addition, a total of 62 131 youth participated in social change programmes and 201 youth participated in learnership programmes.

Output 11: Women Development
The department planned to ensure that 1 607 women on child support grant would be linked to economic opportunities in the 2016/17 financial year; and 8 109 women participate in empowerment programmes. A total of 4 130 women on child support grants were linked to economic opportunities and 11 092 women participated in empowerment programmes by the end of the 3rd quarter.

Output 12: Sustainable employment creation
Expanded Public Works Programme
In the 2016/17 financial year, the department planned to provide work opportunities created through EPWP to 6 710 beneficiaries.

At the end of the 3rd quarter of financial year under review, a total of 6 900 job opportunities were created through the EPWP within the HCBC programme.

Support to Cooperatives
It was planned in the 2016/17 financial year that the department would empower a total of 490 cooperatives to provide goods and services to the department and other service users. A total of 543 cooperatives were empowered by the department as at the end of the 3rd quarter of the 2016/17 financial year.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

Pillar 3: Accelerated social transformation
The department will continue to contribute to addressing the challenges of unemployment, poverty and inequality in response to Pillar 3: Accelerated Social Transformation.

Output 1: Services to Older Persons
The department plans to fund 264 community-based care and support facilities, inclusive of service centres, luncheon clubs and home based care facilities, for older persons, to provide access to 23 404 older persons in the 2017/18 financial year. It is also planned that 24 918 older persons will participate in active-ageing programmes during activities arranged by government and NPOs.

Output 2: Services to Persons with Disabilities
In the 2017/18 financial year, the department plans to support 74 companies owned by persons with disabilities participating in the preferential procurement spend, support 117 NPOs providing services for persons with disabilities, and ensure that 4 672 persons with disabilities access services in funded protective workshops managed by NPOs. Furthermore, 32 253 beneficiaries will be reached through disability prevention programmes.

Output 3: HIV and AIDS
The department plans to fund 253 NPOs delivering HIV and AIDS services, and reach out to 84 871 beneficiaries receiving psychosocial support services from HCBC organisations in the 2017/18 financial year. The department will further ensure that 35 938 vulnerable households receive psychosocial support services, 75 992 beneficiaries receive food parcels from HCBC organizations and 40 515 beneficiaries receive daily meals.

Output 4: Integrated Child Care and Protection services

Foster care
In the 2017/18 financial year, the department will ensure that a total of 4 974 children are newly placed in foster care; 52 791 children will be placed in foster care that receive social work services and a further 23 571 children in need of care and protection will be provided with psychosocial support services.

Access to child and youth care centres
The department plans to fund 111 CYCCs (children' homes, shelters, places of safety and schools of industry) managed by government and NPOs, to provide access to 5 011 children in the 2017/18 financial year.

Bana Pele Programme
The department plans to expand the provision of school uniform packs to a total of 143 325 learners in the 2017/18 financial year.

Dignity packs
In the 2017/18 financial year, the department will provide dignity packs to 264 444 children.

Output 5: Early childhood development
The department will continue to improve ECD social infrastructure and appropriate programme design focusing on 50 prioritized areas. In the 2017/18 financial year, it plans to ensure that 101 665 children will access ECD services from 1 426 funded partial care sites, and to register 2 225 partial care sites.

Output 6: Crime prevention and support
The department will continue to strengthen the implementation of the Social Crime Prevention Strategy to reduce the incidence and impact of social crimes in the 2017/18 financial year. This will be done through the expansion of social crime awareness and prevention programmes reaching 198 745 beneficiaries (children included). Furthermore, 980 children will be provided with access to secure care centres. The department will also ensure that the number of children who participate in diversion programmes reaches 3 152.

Output 7: Integrated victim empowerment services (VEP)
In the 2017/18 financial year, the department plans to increase its funding to 22 service sites for victims of crime and violence managed by funded NPOs, and 2 107 victims of crime and violence managed by funded NPOs will have access to these service sites. A further 30 760 victims of crime will access VEP services through NPOs funded by the department.

Output 8: Integrated substance abuse prevention, treatment and rehabilitation
In the 2017/18 financial year, the department plans to fund 51 substance abuse treatment centres managed by government and NPOs; reach out to 25 403 service users accessing treatment centres managed by funded NPOs; and reach 516 575 children and youth through the Ke-Moja drug prevention programme. A further 9 701 beneficiaries of aftercare programmes will receive treatment for substance abuse.

Output 9: Community Development services through sustainable livelihoods strategies
The department in partnership with civil society continues to assist in setting up community advice centres. Young people will continue to be trained as advice agents to serve the community by giving people easier access to social services.

In the 2017/18 financial year, the department plans to reach 31 050 people through community mobilisation programmes.

War on Poverty
The department continues to make steady progress in the battle to end hunger among households in Gauteng through food banks. It plans to increase the number of beneficiaries of food relief from food banks to 156 119, with a total of 46 088 households accessing food through DSD food security programmes in the 2017/18 financial year.

Output 10: Youth Development
In the 2017/18 financial year, the department plans to reach out to 37 651 youth participating in skills development programmes, with 7 430 youth participating in entrepreneurship programmes and 91 000 in social change programmes.

The department also plans to expand the number of youth participating in learnership programmes to 323, while 27 unemployed youth will be provided with external bursaries and 291 young people will participate in internship programmes.

Output 11: Women Development
The department plans to ensure that 1 687 women on child support grants will be linked to economic opportunities in the 2017/18 financial year; and 8 514 women will participate in empowerment programmes.

Output 12: Sustainable employment creation

Expanded Public Works Programme
The EPWP continues to make an important contribution towards the sustainable development goals. The department will create a total of 8 393 work opportunities through the EPWP in the 2017/18 financial year.

Support to cooperatives
Social cooperatives are organs of civil society intended to stimulate social cohesion and local economic development amongst organised communities.

In the 2017/18 financial year, the department will continue to empower a total of 543 cooperatives to provide goods and services to the department and other service users.

4. REPRIORITISATION

The department reprioritised the budget within goods and services to fund contractual obligations such as existing outsourced services, newly awarded contracts and annual software licenses requirements over the 2017 MTEF period.

Reprioritisation amounting to R71.4 million in the 2017/18 financial year is done within compensation of employees between sub-programmes to align the budget to the staff establishment of the department.

The budget allocation for NPOs is reprioritised to align the budget with priorities and the Ten Pillar Programme. Funds amounting to R50 million in 2017/18 are reprioritised from the Care and Services to Older Persons sub-programme to the HIV and AIDS sub-programme as a result of continued streamlining of food parcels by food banks at all home based care sites. A total of R10 million is also reprioritised to the Poverty and Sustainable livelihoods sub-programme to address the issue of deliverology programmes such as Welfare to Work and the dignity packs programme.

5. PROCUREMENT

The department will continue to strengthen supply chain management (SCM) through interventions including:
- Continuous training of the SCM unit on new frameworks, guidelines and policies;
- Strengthening quarterly SCM forums and quarterly supplier forums;
- Capacitating the demand management unit; and
- Monitoring compliance with legislative requirements.

Major procurement to be undertaken by the department over the 2017 MTEF relates to:
- The provision of security services at head office, regions, service points and institutions;
- The provision of gardening and laundry services at the regions and institutions;
- The improvement of information technology infrastructure;
- Continued implementation of the township economy revitalisation strategy;
- The continuous training of departmental staff;
- Empowerment of cooperatives to participate in the departmental procurement opportunities; and
- Implementation of open tender processes in partnership with Provincial Treasury on identified projects.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 6.1: SUMMARY OF RECEIPTS: SOCIAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	2 916 748	3 412 095	3 978 354	4 222 254	4 258 494	4 258 494	4 390 005	4 633 658	4 914 773
Conditional grants		22 267	18 785	13 108	13 108	13 108	52 326	64 538	68 212
Social Sector EPWP Incentive Grant		20 267	16 785	13 108	13 108	13 108	9 384		
EPWP Integrated Grant		2 000	2 000				2 000		
Early Childhood Development Grant							38 489	61 883	65 343
Social Worker Employment Grant							2 453	2 655	2 869
Total receipts	**2 916 748**	**3 434 362**	**3 997 139**	**4 235 362**	**4 271 602**	**4 271 602**	**4 442 331**	**4 698 196**	**4 982 985**

The department's budget increased from R2.9 billion in 2013/14 financial year to R4 billion in 2015/16 financial year. This growth is attributed to the increase in the distribution of dignity packs, skills development centres and food banks to an increased number of beneficiaries who were identified from the poorest wards. The increase in budget is also attributed to the department funding the NPOs and community-based care and support facilities for older persons. The department's budget also increased as a result of funds received for the implementation of GCR anti-substance abuse social movement introduced in 2015/16 financial year.

The overall budget increase from R4.4 billion in 2017/18 financial year to R5 billion in the 2019/20 financial year. The increased budget over the 2017 MTEF period is attributed to additional funds received to increase bed capacity at Randfontein and Sedibeng Treatment centres. The department received additional allocation for the establishment of Centres of Excellence in Johannesburg and Sedibeng Regions. A further additional allocation is received over the 2017 MTEF to fund inflationary adjustments on the personnel cost.

The department received an allocation of R11.4 million towards the EPWP conditional grants in the 2017/18 financial year. The aim of the conditional grant is to create additional work opportunities for unemployed South Africans in a manner that will enable them to gain skills and increase their capacity to earn income when they exit the programme.

The ECD conditional grant has been allocated over the MTEF to expand the subsidy to poor children in registered ECD

programmes and to improve the conditionally registered ECD centres to meet the basic requirements in order to become fully registered.

6.2. Departmental receipts

TABLE 6.2: SUMMARY OF DEPARTMENTAL RECEIPTS: SOCIAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Sales of goods and services other than capital assets	2 017	2 468	2 589	2 520	2 520	2 520	2 645	2 798	2 956
Transfers received									
Fines, penalties and forfeits	1	1							
Interest, dividends and rent on land	(2)	15	69	25	25	27	26	28	29
Sales of capital assets									
Transactions in financial assets and liabilities	2 675	2 334	1 318	525	525	1 118	551	583	616
Total departmental receipts	**4 691**	**4 818**	**3 976**	**3 070**	**3 070**	**3 665**	**3 222**	**3 409**	**3 601**

Departmental revenue decreased from R4.6 million in the 2013/14 financial year to R3.9 million in the 2015/16 financial year. The decrease in revenue over the past three financial years is due to a decrease in the recovery of the previous year's expenditure, primarily receivables (debtors) and refund of the previous year's unspent funds by NPOs. The decrease in recovery of the unspent funds by the NPOs is as a direct result of implementation of the monitoring and reporting strategy of the NPO sector by the department.

The significant part of revenue collection in 2016/17 financial year comes from sales of goods and services other than capital assets. This revenue source includes garnishee orders, parking fees collected from employees and boarding fees from officials who occupy official residence at the departmental institutions.

Over the 2017 Medium-Term Revenue Framework (MTRF), revenue increases from R3.2 million in the 2017/18 financial year to R3.6 million in the 2019/20 financial year, increasing by R379 000 at an annual average growth of 5.7 per cent. The revenue increase is attributable to inflationary effects whilst the departmental revenue sources have not changed.

7. PAYMENT SUMMARY

7.1. Key assumptions

The following key assumptions were considered when formulating the budget over the 2017 medium term:

- Ten Pillar Programme;
- Absorption of social work graduates over the MTEF period;
- Improvement in cost of living adjustment;
- Establishment of centres of excellence (skills development centres);
- Integrated substance abuse intervention across the province;
- The cost of outsourced services and the annual increase on existing contracts;
- Expansion of early childhood development centres and home-based care services;
- Expansion of provision of dignity packs, school uniforms and food banks projects;
- Implementation of non-centre based programmes such as toy libraries, mobile toy libraries and mobile ECD facilities;
- Continued services to children in conflict with the law and the poverty alleviation programmes;
- Implementation of social infrastructure projects and continued implementation of welfa+re to work programme; and
- Projects and programmes identified through the Ntirhisano programme.

7.2. Programme summary

TABLE 6.3: SUMMARY OF PAYMENTS AND ESTIMATES: SOCIAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	401 470	442 905	480 121	519 462	517 799	515 372	551 235	582 484	616 333
2. Social Welfare Services	554 970	625 311	697 285	733 925	734 334	735 073	759 847	795 193	839 367
3. Children And Families	1 351 564	1 629 765	1 925 638	2 080 636	2 051 036	2 052 369	2 078 062	2 129 384	2 267 522
4. Restorative Services	303 098	348 538	407 075	446 879	463 164	463 215	506 117	609 523	644 087
5. Development And Research	288 581	362 286	432 122	454 461	505 269	505 573	547 071	581 613	615 676
Total payments and estimates	**2 899 683**	**3 408 805**	**3 942 241**	**4 235 362**	**4 271 602**	**4 271 602**	**4 442 331**	**4 698 196**	**4 982 985**

7.3. Summary of economic classification

TABLE 6.4: SUMMARY OF ECONOMIC CLASSIFICATION: SOCIAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**1 243 445**	**1 403 658**	**1 674 373**	**1 845 587**	**1 846 893**	**1 846 769**	**1 884 124**	**1 975 150**	**2 117 685**
Compensation of employees	903 194	1 018 431	1 233 601	1 338 081	1 347 021	1 347 021	1 382 798	1 438 090	1 533 168
Goods and services	340 251	385 227	440 772	507 506	499 872	499 748	501 326	537 060	584 517
Transfers and subsidies to:	**1 583 526**	**1 869 455**	**2 104 668**	**2 221 844**	**2 265 209**	**2 265 209**	**2 471 133**	**2 707 498**	**2 850 857**
Provinces and municipalities									
Departmental agencies and accounts	74	67	67	100	6 684	6 684	80	84	89
Non-profit institutions	1 576 738	1 861 312	2 095 086	2 212 842	2 249 623	2 249 623	2 461 466	2 697 282	2 840 066
Households	6 714	8 076	9 515	8 902	8 902	8 902	9 587	10 132	10 702
Payments for capital assets	**71 735**	**135 452**	**162 734**	**167 931**	**159 449**	**159 549**	**87 074**	**15 549**	**14 443**
Buildings and other fixed structures	45 972	89 981	114 154	155 860	147 379	147 379	74 400	2 000	
Machinery and equipment	24 233	45 120	48 533	12 070	12 070	12 070	12 674	13 549	14 443
Software and other intangible assets	1 530	351	47			100			
Payments for financial assets	**977**	**240**	**466**		**51**	**75**			
Total economic classification	**2 899 683**	**3 408 805**	**3 942 241**	**4 235 362**	**4 271 602**	**4 271 602**	**4 442 331**	**4 698 196**	**4 982 985**

The department's expenditure increased from R2.9 billion in the 2013/14 financial year to R3.9 billion in the 2015/16 financial year. The growth in expenditure is attributed to the increase in the distribution of dignity packs, skills development centres and food banks to an increased number of beneficiaries. The increased expenditure in the 2015/16 financial year is attributed to the establishment of the Gauteng City Region anti-substance abuse social movement campaign and strengthening of substance abuse preventive programmes which focus on reducing demand, harm and supply of drugs in communities.

Expenditure on compensation of employees increased due to the appointment of Community Development Workers for implementing the ward-based model and the continued absorption of Social Work graduates. It also assists the department to employ the needed social work supervisors to enable the department to address the foster care backlog.

The overall budget increased from R4.4 billion in 2017/18 financial year to R5 billion in the 2019/20 financial year. A greater percentage of the department's budget is allocated to NPIs to continue with the implementation of departmental programmes in partnership with NPOs. The department received an additional allocation on NPIs to fund the Randfontein and Sedibeng Treatment Centres to accommodate the required increase in bed capacity and the continued funding of the establishment of Centres of Excellence in Johannesburg and Sedibeng Regions. These centres are a replica of the Father Smangaliso Mkhatshwa model, where young recovering substance abuse service users are capacitated and empowered with skills and development programmes that will render them employable upon completion of their treatment programme. This will ultimately contribute to their positive participation in the mainstream economy. The centres offer skills development training such as carpentry, tiling, bricklaying, plumbing, welding and computer literacy.

The department received additional allocation for compensation of employees to fund inflationary increases over the MTEF period. This budget received an additional allocation from the Social Worker Employment Grant. The aim of the grant is to strengthen high priority social welfare service delivery through the employment of social workers who benefitted from the Department of Social Development's Social Work Scholarship.

7.4. Infrastructure payments

7.4.1. Departmental infrastructure payments

Please refer to the 2017 Estimates of Capital Expenditure (ECE).

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

N/A

7.5. Transfers

7.5.1. Transfers to public entities

N/A

7.5.2. Transfers to other entities

TABLE 6.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES (NGOS)

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Care and Services to Older Persons	173 379	199 030	235 550	253 933	226 276	226 276	217 105	229 797	242 665
2. Services to Persons with Disabilities	79 029	83 614	88 464	94 901	94 901	94 901	101 146	107 010	113 002
3. HIV and AIDS	232 274	264 906	273 237	283 958	306 615	306 615	343 777	353 687	373 494
4. Care and Support Services to Families	112 860	118 228	122 189	125 060	125 060	125 060	133 813	141 569	149 497
5. Child Care and Protection	11 797	21 206	16 655	23 000	23 000	23 000	19 150	20 271	21 406
6. ECD and Partial Care	290 629	315 028	336 914	359 265	359 265	359 265	412 150	456 903	473 856
7. Child and Youth Care Centres	140 153	144 420	154 060	159 194	159 194	159 194	167 154	176 849	186 752
8. Community- Based Care Services for Children	217 748	294 659	411 794	417 054	417 054	417 054	437 907	463 305	489 250
9. Crime Prevention and Support	75 809	108 562	92 551	87 990	87 990	87 990	85 390	90 358	95 418
10. Victim Empowerment	46 515	52 331	57 226	68 254	68 254	68 254	67 767	71 705	75 721
11. Substance Abuse, Prevention and Rehabilitation	55 187	61 440	88 764	106 080	135 861	135 861	192 991	279 170	295 173
12. Institution Capacity and Support to NPOs	13 000	20 000	20 000	21 348	21 348	21 348	20 190	21 365	22 562
13. Poverty Alleviation and Sustainable Livelihoods	121 691	149 004	174 671	180 677	192 677	192 677	224 543	244 692	258 395
14. Youth Development	6 667	16 627	17 261	23 128	23 128	23 128	24 035	25 429	26 853
15. Women Development		12 257	5 750	9 000	9 000	9 000	14 350	15 172	16 022
Total departmental transfers	**1 576 738**	**1 861 312**	**2 095 086**	**2 212 842**	**2 249 623**	**2 249 623**	**2 461 466**	**2 697 282**	**2 840 066**

The audited expenditure for transfer to non-profit institutions increased from R1.6 billion in the 2013/14 financial year to R2.1 billion in the 2015/16 financial year. The majority of the expenditure was incurred in the Community-Based Care Services for Children sub-programme, followed by ECD and the Partial Care sub-programme.

The budget for non-profit institutions grows from R2.5 billion in the 2017/18 financial year to R2.8 billion in the 2019/20 financial year. This increase is informed by an additional allocation received for the substance abuse programme. This has been allocated to fund an increase in bed capacity in the Randfontein Life Recovery Treatment Centre, the establishment of a treatment centre in the Sedibeng region and the continued establishment of centres of excellence in the Sedibeng and Johannesburg regions.

In the 2017/18 financial year, R69 million is reprioritised within the non-profit institution budget allocation. The amount consists of R50 million to fund the spending pressures in the HIV and Aids sub-programme as a result of continued streamlining of food parcels by food banks implemented from 1 April 2016 at all Home-Based Care sites. An amount of R10 million is also shifted to Poverty Alleviation and Sustainable Livelihoods sub-programme to expand programmes such as Welfare to Work and dignity packs, as part of the deliverology programme.

An amount of R5 million received in the Woman Development sub-programme is due to the high number of young women receiving child support grants and in an effort to equip them with skills and graduate them from financial dependence on social security system. R2.5 million is allocated to the Care and Services to Families sub-programme to cover the inflationary increment for social professional posts and new family programmes including the parenting and fatherhood programme. Lastly, R1.5 million is reprioritised to the Services to Persons with Disabilities sub-programme to fund protective workshops and residential facilities and to cover the increment in social work professionals.

7.5.3. Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description
To provide political and strategic direction and leadership, and to guide and support the development policy frameworks and guidelines for the implementation of priority programmes.

Programme objectives
- To provide effective and efficient human resource management and development services to 16 282 beneficiaries towards the 2019/20 financial year;
- To provide infrastructure support services to 88 projects in the 2017 MTEF;
- To provide Gender, Youth and Disability (GEYODI) mainstreaming capacity building sessions to 918 officials of the department including NPO officials by the 2019/20 financial year;
- To provide risk management and internal control services through the provision of 10 risk assessments towards the 2019/20 financial year;
- To provide preferential procurement to 3 957 companies of historically disadvantaged individuals (HDIs); small, medium and micro enterprises; persons with disabilities and youth-owned enterprises;
- To provide legal services to the department through 32 legislative compliance audits, litigation and contract management;
- To provide effective and efficient financial management to ensure that 95 per cent of suppliers are paid within 30 days in the 2015-20 financial years; and
- To provide services to 100 per cent (809) cases received via the Hotline and other stakeholders.

Key Policies, Priorities and Outputs
Support services provide administrative and financial support to accomplish the mandate of the department which is social work services. The programme's key priorities include effective and efficient human resources management, financial management services, infrastructure support services, internal control and risk management services, gender youth and disability mainstreaming, legal services and district management services.

TABLE 6.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office Of The MEC	1 067	3 441	6 474	6 790	9 760	9 799	8 003	8 053	8 503
2. Corporate Management Services	204 504	221 411	233 515	250 011	262 875	264 478	272 324	287 192	303 481
3. District Management	195 899	218 053	240 132	262 661	245 164	241 095	270 908	287 239	304 349
Total payments and estimates	**401 470**	**442 905**	**480 121**	**519 462**	**517 799**	**515 372**	**551 235**	**582 484**	**616 333**

TABLE 6.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**376 682**	**405 697**	**436 965**	**500 642**	**494 866**	**494 341**	**531 940**	**561 943**	**594 507**
Compensation of employees	186 368	210 991	231 413	242 179	252 130	252 130	267 808	283 024	298 874
Goods and services	190 314	194 706	205 552	258 463	242 736	242 211	264 132	278 918	295 633
Transfers and subsidies to:	**4 257**	**5 201**	**6 669**	**6 750**	**12 965**	**12 658**	**6 621**	**6 992**	**7 383**
Provinces and municipalities									
Departmental agencies and accounts	74	67	67	100	6 684	6 684	80	84	89
Households	4 183	5 134	6 602	6 650	6 281	5 974	6 541	6 908	7 294
Payments for capital assets	**20 188**	**31 940**	**36 364**	**12 070**	**9 962**	**8 360**	**12 674**	**13 549**	**14 443**
Buildings and other fixed structures									
Machinery and equipment	18 658	31 589	36 317	12 070	9 962	8 260	12 674	13 549	14 443
Software and other intangible assets	1 530	351	47			100			
Payments for financial assets	**343**	**67**	**123**		**6**	**13**			
Total economic classification	**401 470**	**442 905**	**480 121**	**519 462**	**517 799**	**515 372**	**551 235**	**582 484**	**616 333**

The programme's expenditure increased from R401.4 million in the 2013/14 financial year to R480.1 million in the 2015/16 financial year. The increase in spending is attributed to the payment of Microsoft licenses and fleet services. The increase is also due to procurement of office equipment and furniture and installation of network points for the absorbed Social Work graduates.

Over the MTEF period, the budget in this programme increases from R551.2 million in the 2017/18 financial year to R616.3 million in the 2019/20 financial year. The District Management sub-programme receives an earmarked allocation amounting to R50.4 million over the 2017 MTEF for providing tools of trade to Social Workers who are absorbed annually. The overall increase in the administration programme is due to outsourced payments, G-Fleet, external bursaries and increased Microsoft license fees as a result of the new contract.

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of people participating in internship programmes	291	294	297
Number of learners in learnership programmes	323	341	380
Number of new bursars participating in external bursary programmes	27	29	30
Number of social Workers Professionals employed by the department	2 172	2 281	2 399
Number of Community Development Workers employed by the department	162	167	172
Number of social worker bursary holder graduates	135	138	140
Percentage of social worker bursary holder graduates employed	100% (135)	100% (138)	100% (140)
Number of community based care, including day care facilities for older persons constructed in Gauteng	7 Projects – G7 1 Project – G6B	7 Projects - G8 1 Project – G7	1 Projects – G8
Number of ECD centres constructed in Gauteng	6 Projects- G7 6 Projects- G8 1 Project - G6B	6 Projects- G9 7 Project – G7	7 Project – G8
Number of shelters for vulnerable women and children constructed in Gauteng	1 Project-G7	1 Project – G8	1 Project – G9
Number of service delivery accommodation facilities constructed in Gauteng	8 Projects-G7 4 Projects- G8 2 Projects-G6B	12 Projects-G8 2 Projects– G7	2 Projects – G8
Number of in-patient substance abuse rehabilitation centres constructed in Gauteng	3 Projects-G7 1 Project-G6B	4 Projects- G7	4 Projects– G7
Number of companies owned by persons with disabilities participating in preferential procurement	74	78	82
Number of companies owned by youth participating in preferential procurement	317	335	353

PROGRAMME 2: SOCIAL WELFARE SERVICES

Programme description
To provide integrated developmental social welfare services to the poor and vulnerable beneficiaries in partnership with stakeholders and civil society.

Programme objectives
- To provide integrated developmental social welfare services for the care, support and protection of 243 572 older persons;
- To provide integrated developmental social welfare services to facilitate the care, social inclusion and economic empowerment of 125 397 persons with disabilities;
- To provide integrated community-based care programmes aimed at mitigating the social and economic impact of HIV and AIDS on 1 168 005 people living with and affected by HIV and AIDS; and
- To respond to emergency needs identified in communities affected by disasters not declared, and or any other social condition resulting in undue hardship to 9 395 beneficiaries.

Key Policies, Priorities and Outputs
- To ensure the provision of social protection and statutory services aiming to safeguard the wellbeing of individuals and families;
- To ensure a safe living and nurturing environment where the rights are protected and respected; and
- To ensure that designated people and/or institutions take required action necessary to protect the wellbeing of vulnerable groups. The key priorities include services to Persons with Disabilities, Services to Older Persons and social relief of distress.

TABLE 6.8: SUMMARY OF PAYMENTS AND ESTIMATES: SOCIAL WELFARE SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Management And Support	2 569	3 222	4 262	3 413	4 653	4 662	4 871	4 754	5 013
2. Care And Services To Older Persons	218 959	246 816	299 273	314 863	285 803	286 498	275 702	292 248	308 376
3. Services To Persons With Disabilities	97 442	106 291	114 946	127 720	132 164	132 199	130 025	138 682	146 315
4. HIV And AIDS	236 000	268 982	278 804	287 929	311 714	311 714	349 249	359 509	379 663
Total payments and estimates	**554 970**	**625 311**	**697 285**	**733 925**	**734 334**	**735 073**	**759 847**	**795 193**	**839 367**

TABLE 6.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL WELFARE SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**65 334**	**70 995**	**92 483**	**98 650**	**103 060**	**103 060**	**97 069**	**103 896**	**109 353**
Compensation of employees	41 150	42 917	58 500	62 121	64 401	64 401	61 185	64 652	68 340
Goods and services	24 184	28 078	33 983	36 529	38 659	38 659	35 884	39 243	41 013
Transfers and subsidies to:	**485 152**	**548 029**	**597 902**	**633 275**	**628 275**	**628 369**	**662 777**	**691 297**	**730 014**
Provinces and municipalities									
Non-profit institutions	484 682	547 550	597 251	632 792	627 792	627 792	662 027	690 494	729 161
Households	470	479	651	483	483	577	750	804	853
Payments for capital assets	**4 461**	**6 282**	**6 900**	**2 000**	**2 987**	**3 632**			
Buildings and other fixed structures	3 621	3 682	4 955	2 000	2 795	3 090			
Machinery and equipment	840	2 600	1 945		192	542			
Software and other intangible assets									
Payments for financial assets	**23**	**5**			**12**	**12**			
Total economic classification	**554 970**	**625 311**	**697 285**	**733 925**	**734 334**	**735 073**	**759 847**	**795 193**	**839 367**

The programme's expenditure increased from R555 million in the 2013/14 financial year to R697.3 million in the 2015/16 financial year. The increase in expenditure is attributed to the department funding NPOs and community-based care and support facilities for older persons, service centres, luncheon clubs and home based care facilities which continue to benefit older persons living in these communities. The department continued to market services to persons with disabilities in an effort to improve access. It will strive to achieve its full and equitable integration and inclusion into mainstream society through the implementation of community based and residential programmes to improve the quality of life for persons with disabilities.

Over the MTEF, the budget increases from R759.8 million in the 2017/18 to R839.4 million in the 2019/20 financial years. The department will continue to fund community based care and support facilities for older persons and support older person's participation in active aging programmes.

The department allocated R3 million in relation to persons with disability initiatives such as the independent living model, special needs for people with disabilities and the establishment of a disability forum to provide support to protected workshops. The department strives to support companies owned by persons with disabilities, participating in preferential procurement spend, and supports NPOs providing services to persons with disabilities and ensuring that they have access to services in funded protective services managed by NPOs.

In the 2017/18 financial year, R50 million is reprioritised to the HIV and Aids sub-programme to address spending pressures as a result of continued streamlining of food parcels by food banks implemented from April 2016 at all Home-Based Care sites.

SERVICE DELIVERY MEASURES

PROGRAMME 2: SOCIAL WELFARE SERVICES

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Sub-programme 2.2: Services to Older Persons			
Percentage of residential facilities for older persons managed by funded NPOs	100% (71)	100% (75)	100% (79)
Number of older persons accessing funded residential facilities	6 505	6 869	7 254
Number of residential facilities for older persons managed by Government	1	1	1
Number of older persons in residential facilities managed by Government	110	116	123
Percentage of community based care and support facilities (home based care) for older persons managed by funded NPOs	100% (85)	100% (90)	100% (95)
Number of older persons accessing community based care and support services (home based care) managed by funded NPOs	6 922	7 310	7 719
Number of older persons participating in active aging programmes by Government	9 918	10 473	11 060
Number of older persons participating in active aging programmes by NPOs	15 000	15 840	16 727
Percentage of community based care and support facilities (service centres and luncheon clubs) for older persons managed by funded NPOs	100% (166)	100% (175)	100% (185)
Number of older persons accessing community based care and support facilities (service centres and luncheon clubs) managed by funded NPOs	16 482	17 405	18 380
Number of facilities for older persons in the 50 poorest wards and other prioritised areas provided with gym equipment.	26	27	29
Number of older persons in 50 poorest wards and other prioritised areas utilising gym facilities	1 540	1 626	1 717
Number of beneficiaries reached through elder abuse prevention programmes	27 760	29 315	30 956
Sub-programme 2.3: Services to Persons with Disabilities			
Number of beneficiaries reached through disability prevention programmes	32 253	34 059	35 966
Number of residential facilities for persons with disabilities managed by Government	2	2	2
Number of persons with disabilities in residential facilities managed by Government	180	190	201
Percentage of residential facilities for persons with disabilities managed by funded NPOs	100% (31)	100% (33)	100% (35)
Number of persons with disabilities accessing funded residential facilities	1 948	2 057	2 172
Percentage of assisted living facilities for persons with disabilities managed by funded NPOs	100% (7)	100% (7)	100% (8)
Number of persons with disabilities accessing assisted living facilities managed by funded NPOs	55	58	61
Percentage of protective workshops for persons with disabilities managed by funded NPOs	100% (78)	100% (82)	100% (87)
Number of persons with disabilities accessing services in protective workshops managed by funded NPOs	4 672	4 934	5 210
Number of persons with disabilities receiving psycho- social support services	7 866	8 306	8 772
Sub-programme 2.4: HIV and AIDS			
Percentage of funded NPOs delivering HIV and AIDS services	100% (244)	100% (258)	100% (272)
Number of food parcels issued by HCBC organizations	75 992	80 248	84 741
Number of beneficiaries receiving daily meals at HCBC organizations	40 515	42 784	45 180
Number of vulnerable households receiving psychosocial support services	35 938	37 951	40 076
Number of beneficiaries receiving psychosocial support services	84 871	89 624	94 642
Number of beneficiaries reached through Social and Behaviour Change Programmes	41 594	43 923	46 383
Number of work opportunities created by DSD through EPWP	8 393	8 863	9 359
Sub-programme 2.5: Social Relief			
Number of social relief applications recommended for approval by SASSA	3 413	3 604	3 806

PROGRAMME 3: CHILDREN AND FAMILIES

Programme description

To provide comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organisations.

Programme objectives

- To provide integrated developmental social welfare services promoting functional families to 410 706 families/service recipients;
- To provide alternative care and support to 552 850 vulnerable children;

- To provide ECD and partial care services to 481 621 children;
- To provide integrated developmental social welfare services for the care and protection of 28 107 children in CYCCs; and
- To provide community-based care support programmes for the care and protection of 53 238 orphans and vulnerable children through the Isibindi programme.

Key Policies, Priorities and Outputs

- To ensure the provision of social protection and statutory services aiming to safeguard the wellbeing of individuals and families;
- To ensure a safe living and nurturing environment where the rights are protected and respected;
- To ensure that designated people and/or institutions take required action necessary to protect the wellbeing of the vulnerable groups; and
- The key priorities include protection of Children's Rights as outlined in the Child Protection Act, provision and regulation of ECDs, promoting functional families and provision of community based care and protection services to orphans and vulnerable children.

TABLE 6.10: SUMMARY OF PAYMENTS AND ESTIMATES: CHILDREN AND FAMILIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Management And Support	5 288	5 141	5 891	5 724	7 628	7 628	7 514	7 941	8 387
2. Care And Services To Families	114 246	120 812	124 756	127 282	126 816	126 827	135 566	143 518	151 558
3. Child Care And Protection	260 283	403 861	483 862	560 601	528 266	528 216	520 141	531 186	538 333
4. ECD And Partial Care	291 371	368 784	413 354	433 610	446 903	446 903	485 062	464 305	479 559
5. Child And Youth Care Centres	462 628	436 508	485 981	536 365	524 369	525 741	491 871	519 129	600 435
6. Community-Based Care Services For Children	217 748	294 659	411 794	417 054	417 054	417 054	437 907	463 305	489 250
Total payments and estimates	**1 351 564**	**1 629 765**	**1 925 638**	**2 080 636**	**2 051 036**	**2 052 369**	**2 078 062**	**2 129 384**	**2 267 522**

TABLE 6.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CHILDREN AND FAMILIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**550 428**	**646 033**	**772 231**	**860 965**	**827 899**	**828 248**	**831 887**	**866 795**	**944 974**
Compensation of employees	470 494	535 558	650 193	734 528	691 554	691 554	707 795	729 026	782 762
Goods and services	79 934	110 475	122 038	126 437	136 345	136 694	124 092	137 769	162 212
Transfers and subsidies to:	**774 856**	**895 063**	**1 043 318**	**1 084 810**	**1 084 960**	**1 085 082**	**1 171 775**	**1 260 589**	**1 322 548**
Provinces and municipalities									
Non-profit institutions	773 187	893 541	1 041 612	1 083 573	1 083 573	1 083 573	1 170 174	1 258 896	1 320 761
Households	1 669	1 522	1 706	1 237	1 387	1 509	1 601	1 693	1 787
Payments for capital assets	**25 958**	**88 549**	**109 754**	**134 860**	**138 153**	**138 998**	**74 400**	**2 000**	
Buildings and other fixed structures	21 460	80 786	101 804	134 860	136 433	136 138	74 400	2 000	
Machinery and equipment	4 498	7 763	7 950		1 720	2 860			
Software and other intangible assets									
Payments for financial assets	**322**	**120**	**335**		**24**	**41**			
Total economic classification	**1 351 564**	**1 629 765**	**1 925 638**	**2 080 636**	**2 051 036**	**2 052 369**	**2 078 062**	**2 129 384**	**2 267 522**

The programme's expenditure grows from R1.3 billion in the 2013/14 financial year to R1.9 billion in the 2015/16 financial year. The increase in expenditure is due to the toy library introduced by the department and to parenting programmes, as alternatives to the ECD programmes, to ensure that children are stimulated and mentally developed and that their physical abilities reach their full potential. The department has also introduced the non-centre based ECD model to ensure that children who are not able to attend an ECD centre participate in the programme.

The overall budget increases from R2.1 billion in the 2017/18 financial year to R2.3 billion in the 2019/20 financial year, with the higher percentage of the programme's budget allocated to NPIs to continue with the implementation of ECD services in partnership with the NPOs. The ECD conditional grant has been allocated over the MTEF to increase the number of poor children accessing subsidised ECD services through partial care facilities and to assist existing conditionally registered partial care facilities providing ECD programmes to attain full registration.

The department is allocated R7.9 million from the Social Worker Employment grant over the MTEF to appoint social worker graduates who benefitted from the Social Work Scholarship programme.

SERVICE DELIVERY MEASURES

PROGRAMME 3: CHILDREN AND FAMILIES

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Sub-programme 3.2: Care and Services to Families			
Number of family members participating in family preservation programmes provided by Government	32 932	34 776	36 724
Number of family members participating in family preservation programmes provided by funded NPOs	41 572	43 900	46 358
Number of families participating in re-unification programmes by Government	2 862	3 022	3 192
Number of families participating in re-unification programmes by funded NPOs	3 444	3 637	3 841
Number of families participating in the parenting skills programme	15 531	16 401	17 319
Number of families receiving crisis intervention services (social work services)	19 244	20 322	21 460
Percentage of funded NPOs providing care and support services to families	100% (121)	100% (128)	100% (135)
Number of family members reunited with their families through services provided by Government	847	894	945
Number of family members reunited with their families through services provided by funded NPOs	275	290	307
Sub-programme 3.3: Child Care and Protection			
Number of children placed in foster care (newly placed)	4 974	5253	5 547
Number of children placed in foster care that receive social work services	52 791	55 747	58 869
Number of children in need of care and protection receiving Psychosocial Support Services	23 571	24 891	26 285
Number of children awaiting foster care placement (new)	9 483	10 014	10 575
Sub-programme 3.4: ECD and Partial Care			
Percentage of funded partial care sites (ECDs)	100% 1 401	100% (1 479)	100% (1 562)
Number of children accessing funded ECD programmes	101 665	107 358	113 370
Percentage of newly funded partial care sites (ECDs) managed by funded NPOs	100% (116)	100% (122)	100% (129)
Number of registered partial care site (ECDs)	2 225	2 350	2 481
Percentage of non-centre based sites funded	100% (34)	100% (36)	100% (38)
Number of children accessing non-centre based services	3 000	3 168	3 345
Sub-programme 3.5: Child and Youth Care Centres			
Number of child and youth care centres(children's homes) managed by Government	1	1	1
Number of children in need of care and protection placed in CYCCs (children's homes) managed by Government	200	211	223
Number of child and youth care centres (places of safety) managed by Government	7	7	8
Number of children in need of care and protection placed in CYCCs (places of safety) managed by Government	655	692	730
Number of child and youth care centres(Schools of Industry) managed by Government	2	2	2
Number of children in need of care and protection placed in CYCCs (Schools of Industry) managed by Government	80	84	89
Percentage of child and youth care centres (children's homes) managed by funded NPOs	100% (89)	100% (94)	100% (99)
Number of children in need of care and protection placed in CYCCs (children's homes) managed by funded NPOs	3 760	3 971	4 193
Percentage of child and youth care centres (shelters) managed by funded NPOs	100% (12)	100% (13)	100% (13)
Number of children in need of care and protection placed in CYCCs (shelters) managed by funded NPOs	.316	334	352
Number of child and youth care centres (CYCCs) capacitated to meet compliance to transformation in line with norms and standards of the Children's Act	106	112	118
Sub-programme 3.6: Community-Based Care Services for Children			
Number of CYCW trainees receiving training through the Isibindi model	100	106	112
Number of CYCW who completed in-services training through the Isibindi model	100	106	112
Number of children accessing services through the Isibindi model	15182	16 032	16 930
Number of NPOs capacitated to implement prevention, early intervention and protection services through Isibindi Model	63	67	70

PROGRAMME 4: RESTORATIVE SERVICES

Programme description

To provide integrated developmental social crime prevention and anti-substance abuse services and victim empowerment programme to the most vulnerable, in partnership with stakeholders and civil society organisations.

Programme objectives

- To provide integrated social crime prevention programmes, probation and after-care services to 797 307 children, youth and adults in conflict with the law;
- To provide integrated developmental social welfare services for the care, support and protection of 221 475 victims of gender based violence and crime; and
- To provide integrated developmental social welfare services for substance abuse prevention, treatment and after-care to 3 430 525 beneficiaries.

Key Policies, Priorities and Outputs

- To ensure the provision of social protection and statutory services to safeguard the well-being of individuals and families;
- To ensure a safe living and nurturing environment where the rights are protected and respected; and
- To ensure that designated people and/or institutions take required action necessary to protect the wellbeing of vulnerable groups. The key priorities include provision of social crime prevention, victim empowerment and substance abuse services and programmes.

TABLE 6.12: SUMMARY OF PAYMENTS AND ESTIMATES: RESTORATIVE SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Management And Support	830	1 040	1 129	1 405	1 230	1 230	1 195	1 260	1 329
2. Crime Prevention And Support	158 607	183 242	165 856	185 210	168 453	165 222	154 789	163 033	172 355
3. Victim Empowerment	51 497	59 061	66 764	87 114	80 346	78 520	74 615	78 909	83 328
4. Substance Abuse, Prevention And Rehabilitation	92 164	105 195	173 326	173 150	213 135	218 243	275 518	366 320	387 075
Total payments and estimates	**303 098**	**348 538**	**407 075**	**446 879**	**463 164**	**463 215**	**506 117**	**609 523**	**644 087**

TABLE 6.13: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: RESTORATIVE SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**104 331**	**117 184**	**159 384**	**165 113**	**162 410**	**162 410**	**159 470**	**167 762**	**177 218**
Compensation of employees	65 736	70 449	85 923	88 432	88 432	88 432	93 859	98 976	104 591
Goods and services	38 595	46 735	73 461	76 681	73 978	73 978	65 611	68 786	72 627
Transfers and subsidies to:	**177 621**	**222 709**	**238 743**	**262 766**	**292 547**	**292 547**	**346 647**	**441 760**	**466 869**
Provinces and municipalities									
Non-profit institutions	177 511	222 333	238 541	262 324	292 105	292 105	346 147	441 233	466 312
Households	110	376	202	442	442	442	500	527	557
Payments for capital assets	**21 054**	**8 601**	**8 940**	**19 000**	**8 198**	**8 249**			
Buildings and other fixed structures	20 891	5 513	7 395	19 000	8 151	8 151			
Machinery and equipment	163	3 088	1 545		47	98			
Software and other intangible assets									
Payments for financial assets	**92**	**44**	**8**		**9**	**9**			
Total economic classification	**303 098**	**348 538**	**407 075**	**446 879**	**463 164**	**463 215**	**506 117**	**609 523**	**644 087**

Expenditure in this programme increased from R303.1 million in 2013/14 financial year to R407.1 million in the 2015/16 financial year. The growth in expenditure is attributed to an increase in rendered social crime awareness and prevention programmes to reach previously disadvantaged communities.

The department funded treatment centres (in-patient and out-patient) which provided treatment service to communities. The department reached people through prevention and awareness programmes provided by government and NPOs. This includes children reached through the ''Ke-Moja" drug prevention programme.

The budget increase over the MTEF from R506.1 million in 2017/18 to R644.1 million in the 2019/20 financial year due to the additional allocation amount of R357 million received over the MTEF period within the Substance Abuse sub-programme to fund the increase in additional bed capacity in the Randfontein Recovery Treatment Centre and establishment of a treatment centre in the Sedibeng region. The department continues to implement anti-substance abuse social movements,

substance abuse preventive programmes and local drug actions committees which will be funded through the substance abuse, prevention and rehabilitation sub-programme.

The department will continue with the provision of shelters to Victims of Gender-Based Violence; in an effort to curb the prevalence of gender based violence in the communities. The department will continue to improve the effectiveness of diversion programmes and to reach previously disadvantaged communities. The approach will continue to emphasise the restorative approach and accountability on the part of the children in conflict with the law. The department will also strengthen the implementation of the social crime prevention strategy, which aims to reduce the incidence and impact of social crime.

SERVICE DELIVERY MEASURES

PROGRAMME 4: RESTORATIVE SERVICES

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Sub-programme 4.2: Crime Prevention and Support			
Number of beneficiaries of social crime awareness and prevention programmes (excluding children)	69 180	73 054	77 145
Percentage of adults in conflict with the law assessed	100% (4 292)	100% (4 532)	100% (4 786)
Percentage of children in conflict with the law assessed	100% (2 735)	100% (2 888)	100% (3 050)
Percentage of children in conflict with the law referred to diversion programmes	100% (1 416)	100% (1 495)	100% (1 579)
Percentage of children in conflict with the law who participate in diversion programmes	100% (3 152)	100% (3 329)	100% (3 515)
Percentage of children in conflict with the law who completed diversion programmes	100% (1 417)	100% (1 496)	100% (1 580)
Percentage of children in conflict with the law in home-based supervision	100% (1 431)	100% (1 511)	100% (1 596)
Number of secure care centres managed by Government	2	2	2
Percentage of children in conflict with the law awaiting trial in secure care centres managed by Government	100% (980)	100% (1 035)	100% (1 093)
Percentage of secure care centres managed by funded NPOs	100% (1)	100% (1)	100% (1)
Number of children benefiting from social crime awareness and prevention programmes	129 565	136 821	144 483
Percentage of funded NPOs implementing diversion and prevention programmes	100% (28)	100% (30)	100% (31)
Percentage of sentenced children in secure care centres	100% (250)	100% (264)	100% (279)
Sub-programme 4.3: Victim Empowerment			
Percentage of service sites (shelters) for victims of crime and violence managed by funded NPOs	100% (23)	100% (24)	100% (26)
Percentage of victims of crime and violence in VEP service sites (shelters) managed by funded NPOs	100% (2 107)	100% (2 225)	100% (2 350)
Number of beneficiaries reached through programme of no violence against children and women including 16 days of activism	198910	210 049	221 812
Percentage of Government funded NPOs delivering services on victim empowerment	100% (50)	100% (53)	100% (56)
Percentage of victims of crime accessing VEP services (excluding the services rendered at shelters)	100% (30 760)	100% (32 483)	100% (34 302)
Percentage of human trafficking victims who accessed social services	100% (66)	100% (70)	100% (74)
Percentage of perpetrators participating in programme for intimate partner violence (PIPV).	100% (1 280)	100% (1 352)	100% (1 427)
Sub-programme 4.4: Substance Abuse, Prevention and Rehabilitation			
Number of beneficiaries reached through substance abuse prevention programmes managed by Government	83 071	87 723	92 635
Number of beneficiaries reached through substance abuse prevention programmes by funded NPOs	437 289	461 777	487 637
Percentage of out-patient substance abuse treatment centres managed by funded NPOs	100% (19)	100% (20)	100% (21)
Number of service users who accessed out-patient treatment services	7 218	7 622	8 049
Percentage of private in-patient treatment centres funded by government	100% (10)	100% (11)	100% (11)
Number of service users who have accessed private in-patient treatment services at funded treatment centres	3 491	3 686	3 893
Number of public in-patient treatment centres	1	1	1
Number of service users who have accessed public in-patient substance abuse treatment centres	1 436	1 516	1 601
Number of children 18 years and below reached through the Ke-Moja drug prevention programme	394 175	416 249	439 559
Number of youth (19-35) reached through the Ke-Moja drug prevention programme	122 400	129 254	136 493
Percentage of persons who received substance abuse treatment participating in aftercare programme	100% (9 056)	100% (9 563)	100% (10 099)
Number of Anti-substance Abuse Half-way House established	1	1	1
Number of service users who completed inpatient treatment services at funded treatment centres	578	610	645
Percentage of funded substance abuse community based services	100% (21)	100% (22)	100% (23)
Number of service users who accessed substance abuse community based services	9 705	10 248	10 822
Percentage of beneficiaries counselled through the mobile counselling busses	100% (752)	100% (794)	100% (839)
Number of local drug action committees supported in the poorest wards and other prioritised hot spots	162	171	181

PROGRAMME 5: DEVELOPMENT AND RESEARCH

Programme description
To provide sustainable development programmes which facilitate empowerment of communities, based on empirical research and demographic information.

Programme objectives
- Build safe and sustainable communities through the creation of strong community networks, based on principles of trust and respect for local diversity, and nurturing a sense of belonging and confidence in local people to 55 922 recipients;
- Support NPO registration and compliance monitoring, NPO stakeholder liaison and communication, provide institutional capacity building, manage NPO funding and monitoring and create a conducive environment for all NPOs to flourish;
- Provide poverty alleviation and sustainable livelihood services to 3 987 217 recipients;
- Provide community-based research and planning to 922 721 households;
- Create an environment to help 185 618 young people to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities;
- Create an environment to help 51 493 women to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities; and
- Promote the implementation of the Population Policy within all spheres of government and civil society through population research, advocacy, capacity building and monitoring and evaluating the implementation of the policy.

Key Policies, Priorities and Outputs
The key priorities include women and youth empowerment programmes, community mobilisation, support to NPOs, poverty alleviation and sustainable livelihoods programmes, community based research and population policy promotion services.

TABLE 6.14: SUMMARY OF PAYMENTS AND ESTIMATES: DEVELOPMENT AND RESEARCH

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Management And Support	4 900	5 782	5 932	4 436	5 200	5 218	6 558	6 896	7 282
2. Community Mobilisation	5 115	6 672	8 641	10 256	10 434	11 203	15 611	16 427	17 345
3. Institutional Capacity And Support For NPOs	121 640	137 621	154 213	161 950	191 200	189 062	197 125	202 908	214 270
4. Poverty Alleviation And Sustainable Livelihoods	143 208	176 664	232 042	235 503	255 630	255 759	277 730	302 406	320 835
5. Community Based Research And Planning	3 134	3 722	5 124	5 566	5 562	5 562	5 942	6 222	6 572
6. Youth Development	8 977	18 017	18 571	25 078	25 043	25 054	26 119	27 751	29 305
7. Women Development		12 257	5 750	9 000	9 000	9 000	14 350	15 172	16 022
8. Population Policy Promotion	1 607	1 551	1 849	2 672	3 200	4 715	3 634	3 831	4 045
Total payments and estimates	**288 581**	**362 286**	**432 122**	**454 461**	**505 269**	**505 573**	**547 071**	**581 613**	**615 676**

TABLE 6.15: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND RESEARCH

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**146 670**	**163 749**	**213 310**	**220 217**	**258 658**	**258 710**	**263 758**	**274 754**	**291 633**
Compensation of employees	139 446	158 516	207 572	210 821	250 504	250 504	252 151	262 412	278 601
Goods and services	7 224	5 233	5 738	9 397	8 154	8 206	11 607	12 343	13 032
Transfers and subsidies to:	**141 640**	**198 453**	**218 036**	**234 243**	**246 462**	**246 553**	**283 313**	**306 859**	**324 043**
Provinces and municipalities									
Non-profit institutions	141 358	197 888	217 682	234 153	246 153	246 153	283 118	306 659	323 832
Households	282	565	354	90	309	400	195	200	211
Payments for capital assets	**74**	**80**	**776**		**149**	**310**			
Buildings and other fixed structures									
Machinery and equipment	74	80	776		149	310			
Software and other intangible assets									
Payments for financial assets	**197**	**4**							
Total economic classification	**288 581**	**362 286**	**432 122**	**454 461**	**505 269**	**505 573**	**547 071**	**581 613**	**615 676**

The programme expenditure increases from R288.6 million in the 2013/14 financial year to R432.1 million in the 2015/16 financial year. The growth in expenditure is attributed to the increase in the distribution of dignity packs, skills development centres, food banks and the implementation of the ward based model from the 2014/15 financial year.

The overall budget over the 2017 MTEF increases from R547.1 million in the 2017/18 financial year to R615.7 million in the 2019/20 financial year. This growth is attributable to reprioritisation of the compensation of employees' allocation from Children and families programme to align the budget with current staff establishment.

The department will continue to make steady progress to end hunger among households in Gauteng through food banks. The department will reach out to the youth through participating in entrepreneurship programmes. A partnership between the department and civil society will assist in setting up community advice centres, where young people will be trained as advice agents to serve the community by giving people easier access to social services.

In the 2017/18 financial year, an amount of R10 million is reprioritised to Poverty Alleviation and Sustainable Livelihood sub programme to cover deliverology programmes such as Welfare to Work and dignity packs to deal with the adverse effects of slow growth of the economy. An amount of R5 million is reprioritised within non-profit institution allocation to Woman Development sub-programme. This is due to the high number of young women receiving child support grants and is an effort to equip them with skills and graduate them from financial dependence on the social security system.

An additional amount of R95 million is received over the MTEF in the Poverty Alleviation and Sustainable Livelihood sub-programme to continue with the implementation of centres of excellence in the Sedibeng and Johannesburg Regions. These centres are a replica of the Father Smangaliso Mkhatshwa's Centre of Excellence in Soshanguve; in an effort to empower and capacitate young recovering substance abuse service users by providing skills and development programmes that will render them employable upon completion of their treatment programme. This will ultimately contribute to their positive participation in the mainstream economy.

SERVICE DELIVERY MEASURES

PROGRAMME 5: DEVELOPMENT AND RESEARCH

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Sub-programme 5.2: Community Mobilisation			
Number of people reached through community mobilisation programmes	31 050	32 789	34 625
Sub-programme 5.3: Institutional Capacity Building and support for NPOs			
Number of NPOs capacitated according to capacity building guidelines	1 000	1 056	1 115
Total percentage of funded NPOs	100% (2 607)	100% (2 753)	100% (2 907)
Sub-programme 5.4 Poverty Alleviation and Sustainable Livelihood			
Number of cooperatives empowered to provide goods and services to the Department and other service users	543	570	599
Number of beneficiaries of food relief from food banks	155 232	163 925	173 105
Number of households accessing food through DSD food security programmes	46 088	48 669	51 394
Number of dignity packs distributed	264 444	279 253	294 891
Number of people participating in income generating programmes	20 000	21 120	22 303
Number of school uniform packs distributed	143 325	151 351	159 827
Number of community development interventions conducted in 50 poorest wards and other prioritised areas	49	52	55
Number of beneficiaries referred for intervention via the NISIS	165 000	174 240	183 997
Number of beneficiaries Participating in the Welfare to Work programme	6 300	6 653	7 025
Sub-programme 5.5: Community Based Research and Planning			
Number of households profiled	165 000	174 240	183 997
Number of wards profiled	13	14	14
Number of community-based plans developed	13	14	14
Sub-programme 5.6: Youth Development			
Number of youth participating in skills development programmes	37 651	39 759	41 985
Number of youth participating in entrepreneurship programmes	7 430	7 846	8 285
Number of youth participating in social change programmes	91 000	96 096	101 477
Number of youth accessing economic opportunities	15 903	16 793	17 734
Percentage of funded youth development structures supported	100% (104)	100% (110)	100% (116)
Sub-programme 5.7:Women Development			
Number of women participating in empowerment programmes	8 514	8 991	9 494
Number of women on child support grant linked to economic opportunities	1 687	1 781	1 881

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Sub-programme 5.8: Population Policy Promotion			
Number of research projects completed	3	3	3
Number of dissemination workshops for population and development conducted	8	8	9
Number of stakeholders (individuals) who participated in capacity building training	154	163	172
Number of demographic profiles completed	34	36	38
Number of population policy monitoring and evaluation thematic reports produced	3	3	3
Number of population capacity development sessions conducted	2	2	2

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 6.16: PERSONNEL NUMBERS AND COSTS: SOCIAL DEVELOPMENT

Personnel numbers	As at 31 March 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	612	642	651	676	676	676	676
2. Social Welfare Services	182	193	182	165	165	165	165
3. Children And Families	2 062	2 543	2 559	2 421	2 430	2 430	2 430
4. Restorative Services	176	171	168	219	219	219	219
5. Development And Research	498	639	638	719	719	719	719
Total provincial personnel numbers	**3 530**	**4 188**	**4 198**	**4 200**	**4 209**	**4 209**	**4 209**
Total provincial personnel cost (R thousand)	903 194	1 018 431	1 233 601	1 347 021	1 382 798	1 438 090	1 533 168
Unit cost (R thousand)	256	243	294	321	329	342	364

TABLE 6.17: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: SOCIAL DEVELOPMENT

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	1 856	300 210	2 182	314 503	2 189	328 138	1 521	479	2 000	479 521	2 000	454 347	2 000	463 472	2 000	479 798	0.0%	0.0%	32.9%
7 – 10	1 530	496 329	1 844	585 964	1 848	780 106	1 367	651	2 018	704 894	2 027	773 478	2 027	812 468	2 027	868 573	0.1%	7.2%	55.3%
11 – 12	110	74 906	122	83 187	122	88 366	117	21	138	121 263	138	107 536	138	112 108	138	131 828	0.0%	2.8%	8.5%
13 – 16	34	31 749	40	34 777	39	36 991	44		44	41 343	44	47 438	44	50 042	44	52 970	0.0%	8.6%	3.3%
Other																			
Total	**3 530**	**903 194**	**4 188**	**1 018 431**	**4 198**	**1 233 601**	**3 049**	**1 151**	**4 200**	**1 347 021**	**4 209**	**1 382 798**	**4 209**	**1 438 090**	**4 209**	**1 533 168**	**0.1%**	**4.4%**	**100.0%**
Programme																			
1. Administration	612	186 368	642	210 991	651	231 413	618	58	676	252 130	676	267 808	676	283 024	676	298 874	0.0%	5.8%	19.3%
2. Social Welfare Services	182	41 150	193	42 917	182	58 500	133	32	165	64 401	165	61 185	165	64 652	165	68 340	0.0%	2.0%	4.6%
3. Children And Families	2 062	470 494	2 543	535 558	2 559	650 193	1 770	651	2 421	691 554	2 430	707 795	2 430	729 026	2 430	782 762	0.1%	4.2%	51.0%
4. Restorative Services	176	65 736	171	70 449	168	85 923	209	10	219	88 432	219	93 859	219	98 976	219	104 591	0.0%	5.8%	6.8%
5. Development And Research	498	139 446	639	158 516	638	207 572	319	400	719	250 504	719	252 151	719	262 412	719	278 601	0.0%	3.6%	18.3%
Total	**3 530**	**903 194**	**4 188**	**1 018 431**	**4 198**	**1 233 601**	**3 049**	**1 151**	**4 200**	**1 347 021**	**4 209**	**1 382 798**	**4 209**	**1 438 090**	**4 209**	**1 533 168**	**0.1%**	**4.4%**	**100.0%**
Employee dispensation classification																			
Public Service Act appointees not covered by OSDs	1 184	312 048	1 217	334 146	1 217	279 520	817	475	1 292	304 990	1 272	369 737	1 342	379 716	1 372	424 622	2.0%	11.7%	25.7%
Public Service Act appointees still to be covered by OSDs																			
Professional Nurses, Staff Nurses and Nursing Assistants	103	39 902	99	25 214	99	2 255	115		115	2 466	115	2 634	115	2 787	115	2 943	0.0%	6.1%	0.2%
Legal Professionals	2	845	3	1 873	3	1 350	6	6	12	1 559	6	1 665	6	2 808	6	2 965	(20.6%)	23.9%	0.2%
Social Services Professions	2 239	549 320	2 863	648 168	2 873	939 240	2 105	665	2 770	1 036 213	2 810	1 006 847	2 740	1 050 753	2 710	1 100 499	(0.7%)	2.0%	73.8%
Therapeutic, Diagnostic and other related Allied Health Professionals	2	1 079	6	9 030	6	11 236	6	5	11	1 793	6	1 915	6	2 026	6	2 139	(18.3%)	6.1%	0.1%
Educators and related professionals																			
Others such as interns, EPWP, learnerships, etc																			
Total	**3 530**	**903 194**	**4 188**	**1 018 431**	**4 198**	**1 233 601**	**3 049**	**1 151**	**4 200**	**1 347 021**	**4 209**	**1 382 798**	**4 209**	**1 438 090**	**4 209**	**1 533 168**	**0.1%**	**4.4%**	**100.0%**

The increase in the compensation of employees' budget over the 2017 MTEF period is to cover inflationary increases on the current number of employees appointed on the staff establishment.

An increase in personnel numbers is based on the additional funds received for the absorption of social work graduates who received scholarships from the department. The department receives a social work employment grant amounting to R7.9 million over the MTEF to appoint social work graduates who benefited from the departmental scholarship programme.

9.2. Training

TABLE 6.18: INFORMATION ON TRAINING: SOCIAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	3 530	4 188	4 198	4 200	4 200	4 200	4 209	4 209	4 209
Number of personnel trained	1 906	1 554	1 786	1 901	1 901	1 901	2 091	2 213	2 336
of which									
Male	459	396	429	480	480	480	528	559	590
Female	1 447	1 158	1 357	1 421	1 421	1 421	1 563	1 654	1 746
Number of training opportunities	66	73	74	70	74	74	74	77	81
of which									
Tertiary	6	6	6	6	6	6	6	6	6
Other	60	67	68	64	68	68	67	71	75
Number of bursaries offered	585	510	342	363	241	241	301	361	421
Number of interns appointed	215	237	261	276	276	276	291	308	325
Number of learnerships appointed	165	182	200	211	211	211	223	235	247
Number of days spent on training									
Payments on training by programme									
1. Administration	8 137	12 287	11 937	13 113	12 916	12 916	13 846	14 647	15 467
2. Social Welfare Services									
3. Children And Families									
4. Restorative Services									
5. Development And Research									
Total payments on training	**8 137**	**12 287**	**11 937**	**13 113**	**12 916**	**12 916**	**13 846**	**14 647**	**15 467**

The number of bursaries declines and is adjusted annually based on the number of graduates and drop-out rates. The department conducts bursary audits which informs the decline as well as the costing attached to study fees. In addition, the department grants internal departmental bursaries based on the number of applications received per annum and the costs attached to them.

The department is currently conducting a skills audit focussing on the core occupations to inform a new Human Resource Plan over the MTEF. This will result in different priorities that will be aligned to the department's strategic plan, government priorities and sector priorities.

In addition, the budget for the MTEF will focus on priorities such as an increase in bursaries for formal studies for occupational categories such as Child and Youth Care Work and Community Development. This is with the aim of professionalisation and putting into effect key strategic priorities informed by the Government Capacity Building Audit that may increase the bursaries amongst all core occupations: Social Workers, Social Auxiliary Work, Community Development Workers and Child and Youth Care Workers at all levels.

The projected costs for a compulsory induction programme based on the current backlog challenges will be catered for within the allocated training budget as well as the focus that has been placed on the continuous professional development of social service professionals as required by the professional body. In addition, the implementation of management development programmes is catered for over the MTEF.

The department ensures the supply of social work graduates through the bursary and scholarship schemes on an annual basis to cater for the demand within the department and the sector. The employment of these graduates will have an impact on the compensation of employees' budget and on acquiring their tools of trade and infrastructure.

9.3. Reconciliation of structural changes

No structural change in the department.

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 6.19: SPECIFICATION OF RECEIPTS: SOCIAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Sales of goods and services other than capital assets	**2 017**	**2 468**	**2 589**	**2 520**	**2 520**	**2 520**	**2 645**	**2 798**	**2 956**
Sale of goods and services produced by department (excluding capital assets)	2 010	2 432	2 589	2 520	2 520	2 520	2 645	2 798	2 956
Sales by market establishments	1 096	1 355	1 509	1 386	1 386	1 582	1 455	1 539	1 626
Other sales	914	1 077	1 080	1 134	1 134	938	1 190	1 259	1 330
Of which									
Other Sales	18	24	36	38	38	93	39	41	44
Boarding Services	157	242	264	277	277	122	292	309	326
Commission	740	812	780	819	819	723	859	909	960
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	7	36							
Fines, penalties and forfeits	**1**	**1**							
Interest, dividends and rent on land	**(2)**	**15**	**69**	**25**	**25**	**27**	**26**	**28**	**29**
Interest	(2)	15	69	25	25	27	26	28	29
Sales of capital assets									
Transactions in financial assets and liabilities	**2 675**	**2 334**	**1 318**	**525**	**525**	**1 118**	**551**	**583**	**616**
Total departmental receipts	**4 691**	**4 818**	**3 976**	**3 070**	**3 070**	**3 665**	**3 222**	**3 409**	**3 601**

TABLE 6.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	**1 243 445**	**1 403 658**	**1 674 373**	**1 845 587**	**1 846 893**	**1 846 769**	**1 884 124**	**1 975 150**	**2 117 685**
Compensation of employees	903 194	1 018 431	1 233 601	1 338 081	1 347 021	1 347 021	1 382 798	1 438 090	1 533 168
Salaries and wages	770 706	874 974	1 055 248	1 154 470	1 152 327	1 152 327	1 180 129	1 226 987	1 312 830
Social contributions	132 488	143 457	178 353	183 611	194 694	194 694	202 668	211 103	220 338
Goods and services	340 251	385 227	440 772	507 506	499 872	499 748	501 326	537 060	584 517
Administrative fees	375	334	171	204	265	393	497	525	553
Advertising	4 194	5 437	5 269	6 808	7 497	7 297	5 289	6 127	6 472
Minor assets	2 885	5 948	3 880	3 355	3 356	3 356	3 269	3 459	3 653
Audit cost: External	3 154	3 225	3 492	3 647	3 471	3 471	3 829	4 051	4 277
Bursaries: Employees	3 455	3 806	3 045	3 551	3 334	3 334	3 728	3 937	4 157
Catering: Departmental activities	5 329	5 783	7 374	4 479	5 504	6 608	6 255	6 381	6 340
Communication (G&S)	25 511	25 753	31 246	35 603	32 295	33 282	35 495	37 350	39 497
Computer services	21 289	17 819	12 836	13 589	14 943	21 719	16 215	17 123	18 082
Consultants and professional services: Business and advisory services	939	328	2 051	2 132	1 514	1 514	2 972	3 085	3 256
Legal services	1 986	483	1 525	1 229	1 229	1 229	1 316	1 392	1 470
Contractors	3 683	3 687	6 268	3 069	2 967	3 470	6 345	4 601	4 864
Agency and support / outsourced services	15 358	17 935	21 424	23 483	23 556	26 126	30 295	32 223	34 151
Fleet services (including government motor transport)	22 130	22 095	22 700	70 997	56 669	50 629	67 302	71 668	76 170
Inventory: Clothing material and accessories	24	41	14		5	5	2	2	2
Inventory: Food and food supplies	11 512	13 399	12 591	13 697	11 904	10 976	9 414	10 064	10 728

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Inventory: Fuel, oil and gas	4		5						
Inventory: Learner and teacher support material	263	45	33		138	138	122	131	139
Inventory: Materials and supplies	229	116	563	161	406	430	256	273	290
Inventory: Medical supplies	1 047	1 554	1 651	1 486	1 437	1 205	1 921	2 053	2 187
Inventory: Medicine	187	415	232	106	321	348	300	320	339
Inventory: Other supplies	5 236	7 577	15 279	14 325	11 819	12 072	8 316	9 719	10 345
Consumable supplies	10 167	6 868	7 091	6 865	7 215	7 773	7 891	8 333	8 822
Consumable: Stationery,printing and office supplies	7 754	6 996	9 328	8 103	10 185	9 710	9 362	9 927	10 499
Operating leases	46 024	48 930	49 725	55 484	51 486	51 329	57 687	61 665	65 667
Property payments	116 874	147 325	180 568	193 317	206 746	202 806	178 608	196 965	224 204
Transport provided: Departmental activity	1 260	8 477	5 251	1 997	2 513	2 566	3 243	3 491	3 690
Travel and subsistence	9 154	7 261	8 093	8 914	9 904	9 158	10 307	10 062	10 671
Training and development	6 615	9 979	10 296	10 751	10 707	10 723	11 300	11 945	12 619
Operating payments	8 994	9 640	13 311	16 896	14 066	13 678	15 643	15 814	16 754
Venues and facilities	2 962	3 014	4 696	1 745	3 153	3 406	2 875	3 037	3 208
Rental and hiring	1 657	957	764	1 511	1 267	997	1 269	1 338	1 411
Transfers and subsidies	**1 583 526**	**1 869 455**	**2 104 668**	**2 221 844**	**2 265 209**	**2 265 209**	**2 471 133**	**2 707 498**	**2 850 857**
Provinces and municipalities									
Departmental agencies and accounts	74	67	67	100	6 684	6 684	80	84	89
Social security funds									
Provide list of entities receiving transfers	74	67	67	100	6 684	6 684	80	84	89
Non-profit institutions	1 576 738	1 861 312	2 095 086	2 212 842	2 249 623	2 249 623	2 461 466	2 697 282	2 840 066
Households	6 714	8 076	9 515	8 902	8 902	8 902	9 587	10 132	10 702
Social benefits	2 905	3 163	3 461	2 192	2 530	2 982	2 721	2 877	3 039
Other transfers to households	3 809	4 913	6 054	6 709	6 372	5 920	6 866	7 255	7 663
Payments for capital assets	**71 735**	**135 452**	**162 734**	**167 931**	**159 449**	**159 549**	**87 074**	**15 549**	**14 443**
Buildings and other fixed structures	45 972	89 981	114 154	155 860	147 379	147 379	74 400	2 000	
Buildings	45 972	89 981	114 154	155 860	147 379	147 379	74 400	2 000	
Other fixed structures									
Machinery and equipment	24 233	45 120	48 533	12 070	12 070	12 070	12 674	13 549	14 443
Transport equipment		24 944	30 202						
Other machinery and equipment	24 233	20 176	18 331	12 070	12 070	12 070	12 674	13 549	14 443
Software and other intangible assets	1 530	351	47			100			
Payments for financial assets	**977**	**240**	**466**		**51**	**75**			
Total economic classification	**2 899 683**	**3 408 805**	**3 942 241**	**4 235 362**	**4 271 602**	**4 271 602**	**4 442 331**	**4 698 196**	**4 982 985**

TABLE 6.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**376 682**	**405 697**	**436 965**	**500 642**	**494 866**	**494 341**	**531 940**	**561 943**	**594 507**
Compensation of employees	186 368	210 991	231 413	242 179	252 130	252 130	267 808	283 024	298 874
Salaries and wages	161 136	184 441	200 310	209 915	218 124	218 124	227 510	240 211	253 664
Social contributions	25 232	26 550	31 103	32 263	34 006	34 006	40 298	42 813	45 210
Goods and services	190 314	194 706	205 552	258 463	242 736	242 211	264 132	278 918	295 633
Administrative fees	290	244	165	202	152	141	420	444	468
Advertising	1 184	924	841	1 024	740	857	1 076	1 138	1 202

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Minor assets	2 131	3 118	2 945	3 114	2 374	1 956	3 269	3 459	3 653
Audit cost: External	3 154	3 225	3 492	3 647	3 471	3 471	3 829	4 051	4 277
Bursaries: Employees	3 455	3 806	3 045	3 551	3 334	3 334	3 728	3 937	4 157
Catering: Departmental activities	1 092	416	661	546	393	461	560	592	624
Communication (G&S)	20 194	20 311	24 889	24 836	24 962	25 549	26 769	28 175	29 785
Computer services	21 256	17 769	12 672	13 589	14 943	21 719	16 215	17 123	18 082
Consultants and professional services: Business and advisory services	287	63	52	552	21	21	142	150	158
Legal services	1 986	478	1 525	1 229	1 229	1 229	1 316	1 392	1 470
Contractors	3 091	2 526	3 119	2 353	1 764	2 162	3 130	3 304	3 491
Agency and support / outsourced services		49							
Fleet services (including government motor transport)	15 632	15 960	16 451	55 219	37 709	31 804	50 804	54 236	57 758
Inventory: Food and food supplies						41			
Inventory: Materials and supplies		3	1		21	31			
Inventory: Other supplies	70		70			256			
Consumable supplies	3 089	2 776	2 131	2 014	2 411	2 940	2 387	2 488	2 627
Consumable: Stationery,printing and office supplies	5 938	5 139	6 640	3 561	6 333	6 107	4 412	4 661	4 922
Operating leases	44 321	46 728	48 236	52 927	48 184	47 965	54 895	58 708	62 533
Property payments	53 418	58 732	65 681	76 667	79 870	77 457	74 273	78 432	82 824
Transport provided: Departmental activity	127		194		60	60	350	369	390
Travel and subsistence	2 729	1 826	2 111	1 395	2 840	2 623	2 842	2 444	2 620
Training and development	4 682	8 481	8 892	9 562	9 582	9 582	9 749	10 295	10 872
Operating payments	1 130	1 119	968	1 710	1 747	1 626	3 107	2 404	2 539
Venues and facilities	646	958	667	638	485	798	800	1 055	1 115
Rental and hiring	412	55	104	126	111	21	59	62	66
Transfers and subsidies	**4 257**	**5 201**	**6 669**	**6 750**	**12 965**	**12 658**	**6 621**	**6 992**	**7 383**
Provinces and municipalities									
Departmental agencies and accounts	74	67	67	100	6 684	6 684	80	84	89
Social security funds									
Provide list of entities receiving transfers	74	67	67	100	6 684	6 684	80	84	89
Non-profit institutions									
Households	4 183	5 134	6 602	6 650	6 281	5 974	6 541	6 908	7 294
Social benefits	954	703	1 225	843	579	618	542	572	603
Other transfers to households	3 229	4 431	5 377	5 806	5 702	5 356	6 000	6 336	6 691
Payments for capital assets	**20 188**	**31 940**	**36 364**	**12 070**	**9 962**	**8 360**	**12 674**	**13 549**	**14 443**
Buildings and other fixed structures									
Machinery and equipment	18 658	31 589	36 317	12 070	9 962	8 260	12 674	13 549	14 443
Transport equipment		17 781	22 105						
Other machinery and equipment	18 658	13 808	14 212	12 070	9 962	8 260	12 674	13 549	14 443
Software and other intangible assets	1 530	351	47			100			
Payments for financial assets	**343**	**67**	**123**		**6**	**13**			
Total economic classification	**401 470**	**442 905**	**480 121**	**519 462**	**517 799**	**515 372**	**551 235**	**582 484**	**616 333**

TABLE 6.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL WELFARE SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**65 334**	**70 995**	**92 483**	**98 650**	**103 060**	**103 060**	**97 069**	**103 896**	**109 353**
Compensation of employees	41 150	42 917	58 500	62 121	64 401	64 401	61 185	64 652	68 340
Salaries and wages	34 909	36 461	50 741	52 153	56 916	56 916	53 451	56 401	59 560
Social contributions	6 241	6 456	7 759	9 968	7 485	7 485	7 734	8 251	8 780
Goods and services	24 184	28 078	33 983	36 529	38 659	38 659	35 884	39 243	41 013
Administrative fees	2				38	38			
Advertising	61	180	14		1	81			
Minor assets	128	473	317		365	365			
Catering: Departmental activities	1 450	1 895	1 994	771	1 634	2 180	1 599	1 352	1 031
Communication (G&S)	524	487	594	614	541	541	574	597	627
Computer services		13							
Consultants and professional services: Business and advisory services	12	52	62						
Contractors	109	575	1 664	193	215	233	304	321	339
Agency and support / outsourced services	2 219	2 458	2 945	2 773	3 038	5 602	6 915	7 389	7 802
Fleet services (including government motor transport)	784	830	528	3 136	3 136	3 001	2 226	2 352	2 484
Inventory: Clothing material and accessories	1	22	14						
Inventory: Food and food supplies	2 003	2 234	2 308	2 541	2 116	1 134	5	6	6
Inventory: Fuel, oil and gas	4								
Inventory: Materials and supplies	21	52	5	21		1			
Inventory: Medical supplies	726	902	981	682	789	584	1 140	1 218	1 298
Inventory: Medicine	2			6	3	3	5	5	5
Inventory: Other supplies	1 267	856	923	1 870	1 507	1 361	1 900	2 031	2 157
Consumable supplies	2 285	1 611	2 072	1 195	1 582	1 616	2 300	2 435	2 571
Consumable: Stationery,printing and office supplies	151	72	124	515	243	227	467	496	524
Operating leases	323	614	460	1 201	871	871	498	523	555
Property payments	9 024	10 202	12 530	15 119	16 723	15 196	11 139	13 723	14 430
Transport provided: Departmental activity	648	958	1 034	855	885	640	661	760	803
Travel and subsistence	724	1 185	1 894	940	1 749	1 964	2 149	1 997	2 111
Training and development	1 165	737	895	1 079	758	758	1 124	1 199	1 271
Operating payments	327	994	2 098	2 613	2 084	1 966	2 227	2 365	2 498
Venues and facilities	177	317	264	203	68	68	384	196	207
Rental and hiring	47	359	263	203	313	229	268	279	294
Transfers and subsidies	**485 152**	**548 029**	**597 902**	**633 275**	**628 275**	**628 369**	**662 777**	**691 297**	**730 014**
Provinces and municipalities									
Non-profit institutions	484 682	547 550	597 251	632 792	627 792	627 792	662 027	690 494	729 161
Households	470	479	651	483	483	577	750	804	853
Social benefits	116	185	254	66	105	305	430	460	489
Other transfers to households	354	294	397	417	378	272	320	343	364
Payments for capital assets	**4 461**	**6 282**	**6 900**	**2 000**	**2 987**	**3 632**			
Buildings and other fixed structures	3 621	3 682	4 955	2 000	2 795	3 090			
Buildings	3 621	3 682	4 955	2 000	2 795	3 090			
Other fixed structures									
Machinery and equipment	840	2 600	1 945		192	542			
Transport equipment		925	1 166						
Other machinery and equipment	840	1 675	779		192	542			

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Software and other intangible assets									
Payments for financial assets	**23**	**5**			**12**	**12**			
Total economic classification	**554 970**	**625 311**	**697 285**	**733 925**	**734 334**	**735 073**	**759 847**	**795 193**	**839 367**

TABLE 6.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CHILDREN AND FAMILIES

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**550 428**	**646 033**	**772 231**	**860 965**	**827 899**	**828 248**	**831 887**	**866 795**	**944 974**
Compensation of employees	470 494	535 558	650 193	734 528	691 554	691 554	707 795	729 026	782 762
Salaries and wages	398 819	457 451	551 830	638 649	586 159	586 159	601 879	620 392	670 771
Social contributions	71 675	78 107	98 363	95 879	105 395	105 395	105 916	108 634	111 991
Goods and services	79 934	110 475	122 038	126 437	136 345	136 694	124 092	137 769	162 212
Administrative fees	7	60				139			
Advertising	298	1 681	2 421	810	2 898	2 501	2 714	3 406	3 598
Minor assets	444	1 591	478		487	853			
Catering: Departmental activities	1 184	1 923	1 750	937	1 391	1 810	1 851	2 062	2 177
Communication (G&S)	3 171	3 654	4 500	4 255	4 907	4 907	5 259	5 515	5 853
Consultants and professional services: Business and advisory services			805		23	23	11	12	12
Contractors	387	354	540	305	670	737	2 333	356	378
Agency and support / outsourced services	4 038	5 142	6 735	7 820	6 903	6 903	9 908	10 554	11 223
Fleet services (including government motor transport)	4 783	4 682	4 429	9 589	12 771	12 771	11 066	11 688	12 345
Inventory: Clothing material and accessories	23	19					2	2	2
Inventory: Food and food supplies	9 435	11 125	10 255	11 135	9 778	9 778	9 394	10 042	10 705
Inventory: Fuel, oil and gas			5						
Inventory: Learner and teacher support material	256	42	30		124	124	107	115	122
Inventory: Materials and supplies	84	61	139	44	79	90	180	192	205
Inventory: Medical supplies	303	633	663	615	515	488	709	758	808
Inventory: Medicine	99	282	232		171	198	225	241	256
Inventory: Other supplies	3 046	5 693	7 772	6 455	6 812	6 812	5 017	6 200	6 609
Consumable supplies	4 217	2 160	2 321	2 213	1 838	1 838	2 275	2 417	2 574
Consumable: Stationery,printing and office supplies	716	1 237	1 531	2 105	2 062	2 056	2 836	3 013	3 195
Operating leases	906	835	600	770	1 387	1 337	1 467	1 560	1 657
Property payments	36 715	55 567	67 422	68 531	74 892	74 892	59 515	69 833	90 093
Transport provided: Departmental activity	352	6 760	2 271	847	813	828	1 067	1 130	1 196
Travel and subsistence	3 185	2 086	1 921	3 030	2 129	2 018	2 518	2 667	2 821
Training and development	686	325	178	110	140	140	140	148	157
Operating payments	4 819	4 071	4 184	6 387	4 497	4 497	4 446	4 747	5 053
Venues and facilities	401	348	772	140	904	859	859	907	959
Rental and hiring	379	144	84	338	154	95	192	203	214
Transfers and subsidies	**774 856**	**895 063**	**1 043 318**	**1 084 810**	**1 084 960**	**1 085 082**	**1 171 775**	**1 260 589**	**1 322 548**
Provinces and municipalities									
Non-profit institutions	773 187	893 541	1 041 612	1 083 573	1 083 573	1 083 573	1 170 174	1 258 896	1 320 761
Households	1 669	1 522	1 706	1 237	1 387	1 509	1 601	1 693	1 787
Social benefits	1 472	1 362	1 465	1 028	1 188	1 310	1 381	1 461	1 542
Other transfers to households	197	160	241	209	199	199	219	232	245

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Payments for capital assets	**25 958**	**88 549**	**109 754**	**134 860**	**138 153**	**138 998**	**74 400**	**2 000**	
Buildings and other fixed structures	21 460	80 786	101 804	134 860	136 433	136 138	74 400	2 000	
Buildings	21 460	80 786	101 804	134 860	136 433	136 138	74 400	2 000	
Other fixed structures									
Machinery and equipment	4 498	7 763	7 950		1 720	2 860			
Transport equipment		5 193	6 133						
Other machinery and equipment	4 498	2 570	1 817		1 720	2 860			
Software and other intangible assets									
Payments for financial assets	**322**	**120**	**335**		**24**	**41**			
Total economic classification	**1 351 564**	**1 629 765**	**1 925 638**	**2 080 636**	**2 051 036**	**2 052 369**	**2 078 062**	**2 129 384**	**2 267 522**

TABLE 6.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: RESTORATIVE SERVICES

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**104 331**	**117 184**	**159 384**	**165 113**	**162 410**	**162 410**	**159 470**	**167 762**	**177 218**
Compensation of employees	65 736	70 449	85 923	88 432	88 432	88 432	93 859	98 976	104 591
Salaries and wages	55 464	60 058	73 352	75 735	77 289	77 289	81 174	85 580	90 372
Social contributions	10 272	10 391	12 571	12 697	11 143	11 143	12 685	13 396	14 219
Goods and services	38 595	46 735	73 461	76 681	73 978	73 978	65 611	68 786	72 627
Administrative fees	76	1	2	2	2	2	2	2	2
Advertising	2 651	2 652	1 993	4 974	3 843	3 843	1 500	1 584	1 672
Minor assets	32	664	127	241	105	105			
Catering: Departmental activities	772	983	2 488	1 295	1 217	1 288	1 175	1 232	1 302
Communication (G&S)	612	633	492	3 180	1 039	1 439	1 030	1 089	1 149
Computer services			134						
Consultants and professional services: Business and advisory services	4	5	22		6	6	7	8	8
Legal services		5							
Contractors	96	220	944	180	283	303	473	509	538
Agency and support / outsourced services	9 101	10 286	11 744	12 890	13 615	13 621	13 473	14 280	15 126
Fleet services (including government motor transport)	931	623	1 292	3 053	3 053	3 053	3 206	3 392	3 583
Inventory: Clothing material and accessories					5	5			
Inventory: Food and food supplies	74	40	28	21	10	23	15	16	17
Inventory: Learner and teacher support material	7	3	3		14	14	15	16	17
Inventory: Materials and supplies	124		418	96	306	308	76	81	85
Inventory: Medical supplies	18	19	7	189	133	133	72	77	81
Inventory: Medicine	86	133		100	147	147	70	74	78
Inventory: Other supplies	853	1 028	6 514	6 000	3 500	3 500	1 400	1 488	1 579
Consumable supplies	491	261	478	1 340	1 157	1 139	639	674	713
Consumable: Stationery,printing and office supplies	498	179	451	1 221	689	656	680	722	764
Operating leases	384	559	411	387	705	705	574	605	639
Property payments	17 717	22 824	34 935	33 000	35 261	35 261	33 682	34 977	36 857
Transport provided: Departmental activity	103	455	1 569		389	604	330	349	369
Travel and subsistence	530	479	371	1 733	1 396	869	615	648	684
Training and development	82	412	319		227	227	267	282	297
Operating payments	2 186	3 036	5 686	5 687	5 655	5 506	5 384	5 699	6 031
Venues and facilities	1 005	857	2 728	582	665	665	575	608	641
Rental and hiring	162	378	305	510	556	556	353	374	395

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Transfers and subsidies	**177 621**	**222 709**	**238 743**	**262 766**	**292 547**	**292 547**	**346 647**	**441 760**	**466 869**
Provinces and municipalities									
Non-profit institutions	177 511	222 333	238 541	262 324	292 105	292 105	346 147	441 233	466 312
Households	110	376	202	442	442	442	500	527	557
Social benefits	81	348	163	165	349	349	173	183	194
Other transfers to households	29	28	39	277	93	93	327	344	363
Payments for capital assets	**21 054**	**8 601**	**8 940**	**19 000**	**8 198**	**8 249**			
Buildings and other fixed structures	20 891	5 513	7 395	19 000	8 151	8 151			
Buildings	20 891	5 513	7 395	19 000	8 151	8 151			
Other fixed structures									
Machinery and equipment	163	3 088	1 545		47	98			
Transport equipment		1 045	798						
Other machinery and equipment	163	2 043	747		47	98			
Software and other intangible assets									
Payments for financial assets	**92**	**44**	**8**		**9**	**9**			
Total economic classification	**303 098**	**348 538**	**407 075**	**446 879**	**463 164**	**463 215**	**506 117**	**609 523**	**644 087**

TABLE 6.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND RESEARCH

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**146 670**	**163 749**	**213 310**	**220 217**	**258 658**	**258 710**	**263 758**	**274 754**	**291 633**
Compensation of employees	139 446	158 516	207 572	210 821	250 504	250 504	252 151	262 412	278 601
Salaries and wages	120 378	136 563	179 015	178 017	213 839	213 839	216 116	224 403	238 463
Social contributions	19 068	21 953	28 557	32 804	36 665	36 665	36 035	38 009	40 138
Goods and services	7 224	5 233	5 738	9 397	8 154	8 206	11 607	12 343	13 032
Administrative fees		29	4		73	73	75	79	83
Advertising					15	15			
Minor assets	150	102	13		25	77			
Catering: Departmental activities	831	566	481	930	869	869	1 070	1 142	1 206
Communication (G&S)	1 010	668	771	2 718	846	846	1 863	1 973	2 083
Computer services	33	37	30						
Consultants and professional services: Business and advisory services	636	208	1 110	1 581	1 464	1 464	2 811	2 915	3 078
Contractors		12	1	38	35	35	105	111	118
Inventory: Other supplies						143			
Consumable supplies	85	60	89	103	227	240	291	319	337
Consumable: Stationery, printing and office supplies	451	369	582	701	858	664	966	1 035	1 094
Operating leases	90	194	18	200	339	451	253	268	283
Transport provided: Departmental activity	30	304	183	295	366	434	836	883	932
Travel and subsistence	1 986	1 685	1 796	1 816	1 790	1 684	2 184	2 306	2 435
Training and development		24	12			16	20	21	22
Operating payments	532	420	375	499	83	83	479	599	633
Venues and facilities	733	534	265	182	1 031	1 016	257	271	286
Rental and hiring	657	21	8	334	133	96	396	419	442
Transfers and subsidies	**141 640**	**198 453**	**218 036**	**234 243**	**246 462**	**246 553**	**283 313**	**306 859**	**324 043**
Provinces and municipalities									
Non-profit institutions	141 358	197 888	217 682	234 153	246 153	246 153	283 118	306 659	323 832

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Households	282	565	354	90	309	400	195	200	211
Social benefits	282	565	354	90	309	400	195	200	211
Other transfers to households									
Payments for capital assets	**74**	**80**	**776**		**149**	**310**			
Buildings and other fixed structures									
Machinery and equipment	74	80	776		149	310			
Transport equipment									
Other machinery and equipment	74	80	776		149	310			
Software and other intangible assets									
Payments for financial assets	**197**	**4**							
Total economic classification	**288 581**	**362 286**	**432 122**	**454 461**	**505 269**	**505 573**	**547 071**	**581 613**	**615 676**

VOTE 7

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

To be appropriated by vote in 2017/18	R 470 218 000
Responsible MEC	MEC for Cooperative Governance and Traditional Affairs
Administering Department	Department of Cooperative Governance and Traditional Affairs
Accounting Officer	Head of Department

1. OVERVIEW

Vision
Globally competitive Gauteng City Region, putting people first with service delivery excellence and economic performance.

Mission
To facilitate and support cooperative governance across all spheres of government and associated institutions, and to promote the institution of traditional leadership for Gauteng.

Strategic Goals
The department is geared towards achieving the three strategic objectives which are to:
- Transform COGTA to a professional, impacting operational department with high performance;
- Ongoing environmental and customer diagnostics; and
- Facilitate Local Government to ascend to World Class GCR (to include Traditional Leadership).

Core functions and responsibilities
The mandate of the department highlights cooperative governance, and is essential for integrated development. The department provides support to and monitors municipalities and tribal authorities by:
- Monitoring the municipalities and traditional authorities' development and performance;
- Supporting local authorities where there are capacity constraints;
- Promoting capacity development in a systematic manner, to ensure that municipalities are able to manage their own affairs;
- Advising, commenting on and approving Integrated Development Plans (IDP's);
- Providing key support services to municipalities in implementing the Municipal Finance Management Act (No. 56 of 2003) (MFMA) and supporting Community Development Workers (CDW's);
- Intervening where local authorities fail to perform their designated functions and mandates; and
- Strengthening the functioning of Municipal Public Accounts Committees.

Main services
To assist the province's municipalities to achieve good governance and accountability through the implementation of the oversight model, the department continues to provide support to the same municipalities but there will now be 11 municipalities instead of 12 due to the merger of the Randfontein and Westonaria municipalities. It continues to monitor the effectiveness and impact of the Municipal Public Accounts Committees (MPACs') oversight and accountability functions. This enables MPACs to contribute to improved assessment of the municipalities' accountability and responsibility to render services to its communities, as per the mandate.

The main focus of the department in the 2017/18 financial year will be to continue strengthening ward-based planning and public participation through the induction and training of ward committees, as a result of the local government elections which will bring in new ward committees and councillors. The department will continue to monitor the effectiveness and the impact of MPAC in carrying out its oversight and accountability functions. The department has draft a 15-year review of Local Government report on the performance of the municipalities in line with their mandate to their constituencies. The report has been presented to the different forum and the comments have been effected into the report.

The department exercises oversight over the relationship between local municipalities' structures, traditional leadership structures and communities in the province. The Department will continue to monitor progress in achieving targets such as the implementation of waste water management systems, provincial sanitation and water demand management strategies, until the output is achieved. The department continues to monitor the implementation of the Sedibeng Regional Sanitation Scheme.

The integration of IDPs and dealing with municipal debt in respect of revenue management, are some of the specific areas in which the Department will provide support in the coming financial year. The department has supported the Municipal Demarcation Board's intention to finalise the merger of municipalities in the West Rand district to form a bigger municipality with an aim of utilising resources, optimally. The department played a key role in the preparation for the 2016 local government elections through voter education. A total of 2, 575, and 200 Voter education booklets special vote time tables were distributed through community engagements such as public meetings, Ntirhisano feedback campaigns and CDW outreach programmes.

Ten-Pillar programme

Transformation of state and governance

In line with the audit outcomes of the 2016/17 financial year, the department will allocate funding aimed at providing capacity-building support to municipalities in critical areas so that they comply with the province's Operation Clean Audit. To achieve this, it will support municipalities with asset management, financial management, revenue enhancement, performance management systems, project and contract management and skills development in scarce skills areas. Ten municipalities will be monitored and provided with advisory support for the implementation of audit response plans as per MFMA Section 131 based on the 2015/16 audit outcomes. Support will be provided for the implementation of the tariff models in Westonaria and Randfontein local municipalities and the Sedibeng Region, and the process will be monitored for implementation.

The establishment of a new municipality in the West Rand District through a merger between Westonaria and Randfontein is on course. The necessary structures have been established to ensure that the merger is a success and the preparatory work is 75 per cent to 100 per cent complete, except for the Communication Work Stream, which is lagging behind. The Section 12 notice has been finalised and consulted and implemented with the affected municipalities and stakeholders. A project management office with specialised skills has since been created to finalise the remaining issues. The department will continue to provide post-merger support to the new municipality.

The process of ensuring that 529 ward committees are in place will continue in the 2017/18 financial year. To assist with this, the department has allocated R2.9 million for training, auditing the skills of new members of ward committees and supporting their mandates, assessing the committees' impact; and strengthening public participation. The department will work with municipalities on their local economic development (LED) strategies which are intended to strengthen their economies in the context of an economically inclusive GCR.

Modernisation of the public service

Over and above monitoring the implementation of back to basics, the department will continue to investigate and recommend methods and ways that will improve access to municipal services and payment of the same.

The department has allocated substantial funding to improve access to basic services. This funding will ensure continuous provision of free basic services such as free electricity, water and sanitation by municipalities to indigent communities. However, the province continues to experience in-migration of people seeking better opportunities. The department plans to ensure that municipalities have support plans in place for the implementation of the Mega Human Settlements programmes.

National Development Plan

CoGTA is committed to playing a role in meeting the NDP goals of reducing unemployment and poverty while improving the lives of the citizens of our country. The department has embarked on job creation initiatives through the Tshepo 500 000 Programme and the Community Workers Programme (CWP). The plan is to create 750 job opportunities through Tshepo 500 000 with the 19 000 jobs on the CWP programme maintained. Support will be provided to municipalities to take them forward also taking into account the Outcome 9 as part of the national government priorities. The department will continue to support and monitor local government performance to ensure that municipalities become viable and sustainable and are able to carry out their constitutional mandate.

External activities and events relevant to Budget decisions

The expected promulgation of the national bill on traditional leadership, which will give Khoisan leaders the status of traditional leaders, will have an impact on the budget, including through the anticipated remuneration packages for traditional leaders.

Acts, rules and regulations – (Legislative Mandates)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005);
- Local Government: Municipal Property Rate Act (Act No. 6 of 2004);
- National Environmental Management Act (Act No. 107 of 1998), as amended by Act No. 8 of 2004;
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003);
- Local Government: Municipal Systems Act (Act N0. 32 of 2000);
- Public Finance Management Act (Act No. 1 of 1999);
- Local Government: Demarcation Act (Act No. 27 of 1998);
- Local Government: Municipal Structure Act (Act No. 117 of 1998);
- Extension of Security of Tenure Act (Act No. 62 of 1997);
- Land Administration Act (Act No. 2 of 1995);
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994);
- Expropriation Act (1951), as repealed by Act No. 63 of 1975;
- State Land Disposal Act (Act No. 48 of 1961); and
- Deeds Registries Act (Act No. 47 of 1937).

Provincial legislation
- Gauteng Traditional Leadership Act no of 2010;
- Gauteng Types of Municipality Act no 03 of 2000; and
- Gauteng City Improvement Act no 12 of 1997.

Good governance legislation
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003); and
- Public Finance Management Act (Act No. 1 of 1999).

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

Transformation of the state and governance

Three targeted local municipalities of Emfuleni, Rand-West City and Merafong, were supported through the Back to Basics programme 100 per cent of the Action Plans has been implemented. After the 3 August 2016 local government elections, following the merger of Randfontein and Westonaria into a single local municipality, Back to Basics support was confined to three local municipalities. In these municipalities, 100 per cent of invoices received were paid to service providers within the 30 days as prescribed by the PFMA.

The Midvaal induction was held on 3 December 2016 as part of ward establishment. The ward committees have been established in Gauteng to ensure adherence to national functionality criteria. 11 municipalities were supported with development of ward level databases with community concerns and remedial actions produced through the Premier's Hotline and Ntirhisano war room. Three main thematic programmes were supported across all wards.

CDWs continued to support government programmes through advocacy initiatives and democratic participatory processes, in particular the Integrated Development Plan (IDP) process. Support was provided to IDP/Community Based Planning (CBP). Twelve IDP meetings/initiatives and seven imbizos were supported during this reporting period. Through community mobilisation, CDWs played a role in initiating and supporting three programmes:
- Nine Heritage Month campaigns/initiatives were held in three municipalities (COJ, COT, Mogale City)
- Six Transport Month campaigns/initiatives were supported in five municipalities: (COJ, Rand-West City, Mogale City and Merafong)
- Three 16 Days of Activism campaigns/initiatives were supported in COT.

A report was produced detailing individual and community service delivery cases referred to municipalities, provincial and national departments. CDWs had dealt with 5 110 cases as at the end of quarter 3 of the 2016/17 financial year.

12 municipalities were monitored on the implementation of Audit Response Plans based on the 2015/16 audit outcomes as per MFMA section 131. This resulted in 74 per cent of the AG issues being resolved leaving only 16 per cent unresolved. All Gauteng municipalities received positive audit outcomes (unqualified and clean).

Four municipalities were supported with maintaining their Infrastructure Asset Registers in line with GRAP 17 requirements. This resulted in the elimination of findings in the area of Property, Plant and Equipment for all the supported municipalities with two of the municipalities improving from adverse audit opinions to unqualified audit outcomes.

A target of 80 per cent was planned on reducing the current municipal debt. However, only 91 per cent in arrears were collected. The total billed as current for the quarter under review amounted to R 283 million. The total amount collected including arrears was R 437 million as at the end of the third quarter 2016/17 financial year. The target was over-achieved as a result of the Department of Infrastructure Development's payments of arrears to COT and Ekurhuleni Metro.

A total of 80 per cent was planned for collection of top 500 business debtors where the total billed amounted to R6.7 billion and the total collected as at the third quarter of 2016/17 was R5.4 billion. This was an 81 per cent collection rate from the top 500 business debtors. 90 per cent of COJ billing queries were targeted to be resolved in the third quarter. A total of 40 703 queries were resolved, representing 92 per cent of COJ billing queries. A report was produced in which a Tariff Model was customized for Merafong Local Municipality.

The department is continuously monitoring the implementation of MIG and USDG to ensure that all resources meant for infrastructure development are used fully; municipalities are supported in delivering their service delivery programmes. Six local municipalities were supported with implementing MIG funding. One municipality was not supported due to the merger of Randfontein and Westonaria LMs after the 3 August 2016 local government elections into the single municipality of RandWest City.

Through the MISA support programme, three municipalities (Merafong, RandWest and Lesedi) were supported with preparing tender documents, and designing civil, electrical and mechanical works on water, sanitation road and electricity. In meeting the targets of the Community Works Programme (CWP), 19 452 employment opportunities were created. The over-achievement is as a result of the programme allowing 10 per cent additional participants at each site.

There are challenges in relation to water conservation. Municipalities were to implement technical and social interventions in relation to the Water Conservation and Demand Management Strategy to reduce water losses by 3.7 per cent by the end of the 2016/17 financial year. Challenges related to the ageing infrastructure in Lesedi and capacity constraints in other municipalities. The department is in the process of placing artisans in municipalities to address the water technical losses.

In facilitating and supporting the implementation of WC/WDM AMD interventions and rain water harvesting by municipalities and sector departments, the department is implementing WC/WDM by providing support through the installation of rain water harvesting systems in 12 schools and emergency works projects (short-term solutions) in the Eastern, Central and Western Basins, pumping and neutralising on average 86, 72 and 30 million litres AMD per day respectively.

Modernisation of the public service
A report has been produced indicating that five Municipal Disaster Centres are functional, with COT complying with the legislative requirements on disaster management (Enabler 3- Funding for disaster management function).

Transformation of the public service
Processes were put in place in order to ensure an easy transition of for the new administration after the elections and to ensure that capacity building interventions were put in place in municipalities. Ward committees are being established, with the process scheduled to be complete end by 31 March 2017. The induction of the established committees has moved without obstacles. There are areas where there were few challenges such as Tshwane COT where all of the ward committees were disestablished after the previous term. The department has intervened to ensure that new ward committees are established. 50 women councillors were trained on GEYODI as part of the process of ensuring that new councillors are ready for their new roles. The department continued to monitor the functionality of ward committees in the province and reported quarterly on the progress made. Six municipalities (COJ, Ekurhuleni, Merafong, Midvaal, Mogale and Westonaria) are adhering to the national functional criteria. 324 meetings were convened by ward councillors: COJ: 132; Ekurhuleni: 150; Merafong: 5 Midvaal: 4; Mogale City: 24; and Westonaria: 9.

12 municipalities were supported with implementing and institutionalising the Scarce and Critical Skills Strategy focusing on the areas of Finance; Management; Infrastructure and Oversight (S79) inclusive of MPACs. 30 officials were trained in technical skills and 20 in Finance as part of the rollout of the Scarce and Critical Skills Strategy.

Transformation of the state and governance
The department is committed to full implementation of B2B phase 2 based on the ten-point plan approved by Cabinet. The implementation plan has been developed and consultation with municipalities has already taken place to ensure synergy in execution. The department continues to support municipalities declared as being at risk; these are RandWest City, Emfuleni, Merafong and Lesedi local municipalities. Support plans have been developed for these municipalities and the department plans to continue providing this support in the 2017/18 financial year.

CDWs support government programmes through advocacy initiatives and participatory democracy processes, in particular with the IDP process, ward committees and imbizos. Individual and community service delivery cases were referred to the War Room, municipalities, provincial and national departments. Three main thematic programmes were supported during the current financial year: Freedom Month, Health Month and Workers Month. In addition, 225 ad hoc campaigns/

initiatives were supported. CDWs dealt with a total of 5 252 cases during the current year.

In relation to water conservation, municipalities are implementing technical and social interventions of the Water Conservation and Demand Management Strategy with the aim of reducing losses by 3.7 per cent by the end of the 2016/17 financial year. Phase 2 of the long term solution to Acid Mine Drainage (AMD) was launched by the Minister of Water and Sanitation on 18 May 2016. This will help reduce the impact of AMD on the environment. The department will support the DWS in this endeavour. Expenditure is currently at R320.939 million translating to 81.17 per cent of total funds up to the end of June 2016. The department is still committed to its plan to assist municipalities to reduce water losses by 15 per cent by 2018/2019. The present situation is as follows:

- Mogale City: currently water losses are 26 per cent against the target of 35 per cent;
- COT: non-revenue water losses is 25.4 per cent against the annual target of 25.06 per cent;
- Emfuleni: carrying out a smart meter pilot study in the Bedworth Park area;
- Randfontein: installed 100 smart meters in Mohlakeng;
- Midvaal: 28.77 per cent target of water losses; progress not reported to date; and
- Westonaria: water losses have been reduced to 10 per cent from 12.5 per cent after the installation of around 850 prepaid meters.

Modernisation of the public service

The restoration of the Provincial Disaster Management Centre (PDMC) is on course, with the plan approved by EXCO. An appropriate building to house the Centre has been secured and a fleet of vehicles, able to deal with any type of disaster in the province, has been branded. The building is located in Midrand and is currently in the process of being equipped. The department is currently working with the State Information Technology Agency (SITA) and other state entities to ensure a state of the art ICT system for the Centre. The Disaster Management Strategy is being developed to deal with current and future challenges

Transformation of the public service

To contribute to the transformation of the public service, the department achieved 57 per cent of its employment equity targets in the financial year. This was an overachievement.

To improve financial management, 12 municipalities will be monitored and provided with advisory support on implementing Audit Response Plans based on the 2015/16 audit outcomes as per MFMA Section 131. This will be done through municipal-based Operation Clean Audit (OPCA) steering committee meetings and quarterly OPCA Provincial Coordinating Committee (PCC) engagements.

The municipal debt management committee report indicates that municipalities' collection rate was 91 per cent due to strengthen implementation of credit control policies by municipalities and the fact that the Department of Infrastructure Development and the Department of Public Works were granted additional funds to pay for municipal services. Randfontein Municipality was given financial support to cascade (level 3-5) of the Automated Performance Management System (PMS) whilst Merafong, COT and COT received support in reviewing their HR Strategy and Plans.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

The department will, in line with intergovernmental relations (IGR) mandate to coordinate and collaborate and in line with the GCR imperatives, assist with achieving programmes that fall under the jurisdiction of other Pillars. COGTA has a strategic role to play in implementing the Ten-Pillar and GCR Game Changer Programmes, especially as coordinator of the Governance and Planning Cluster. CoGTA has the responsibility to deliver on the following three Pillars:

Pillar 4: Transformation of the State and Governance
Pillar 2: Decisive Spatial Transformation; and
Pillar 5: Modernisation of the Public Service.

The department also supports Pillar 7: Modernisation of Human Settlements in respect of supporting programme outcomes. These are: Expanding services infrastructure and Access to basic services. The department will also ensure that all municipalities have approved support plans in place for the Human Settlement Mega Projects.

Transformation of the state and governance

The department mainly contributes to this strategic Pillar through the following programme outcomes: Integrated & Participatory GCR Governance Strengthened; and Cooperative Governance Strengthened and Capacity of the State Enhanced. In relation to these outcomes, the department will continue to provide post-merger support to the newly established Rand-West City Local Municipality.

Community Development Workers (CDWs) will continue to support implementation of the Public Participation Framework through advocacy initiatives and the participatory democracy process and in particular the IDP process, ward committees and izimbizos. Service delivery cases will be managed through the War Room, municipalities, provincial and national departments and referred accordingly. In the coming financial year, the department will need to configure the Community Development Workers' Programme to provide it with more capacity, particularly so that, in each ward, engagement with communities is intensified as part of B2B programme.

Improving and sustaining sound financial management will require the department to provide support to the newly merged municipality with hands-on support for the rolling out and cascading of level 3-5 of the Automated Performance Management System. The municipality will also be provided with support in reviewing its medium- to long-term Human Resource Plans and Scarce and Critical Skills Strategies based on the municipalities' IDPs. They will also be supported with the development and design of a functional organisational structure so that they can carry out their service delivery mandates.

To contribute to the Gauteng City-Region, the Department will scrutinise and revitalise the IDP processes to strengthen the departments' participation while training will be provided to municipal officials and councillors to ensure that capacity building is imparted in the development of IDPs. Engagements with sector departments will continue to strengthen and validate the quality of IDPs in representing the needs of its communities. An analysis, which will include a review of the structures and processes of popular participation, will be conducted on the state of IDPs in the province to strengthen participatory governance and expand people's democracy.

As part of the Ntirhisano programme, the department will ensure the full roll-out of the Local Government Management Improvement Model (LGMIM) to municipalities, and full implementation of the B2B approach through its ten point plan; assist municipalities to develop credible, updated and well-maintained Infrastructure Asset registers and to improve their infrastructure development and maintenance; ensure that there is effective GCR-wide Disaster Management capacity and that the provincial Disaster Management Centre will be functional; and provide support for municipal scarce and critical skills, and key systems.

The target for reduction of total government debt collected to municipalities is at 91 per cent for the 2016/17 financial year. The collection rate for the top 500 business debtors is at 80% and it is anticipated that by 2018/19, municipalities will be able to collect at 90% or more.

Modernisation of the public service

The department contributes to the province's e-Governance strategy and has deployed IT technicians to municipalities to support and assist with ICT improvements.

Decisive spatial transformation

In contributing to province-wide infrastructure planning and performance, the department will organise and manage the provincial and municipal infrastructure development and service delivery coordinating structures. The aim of the structures is to facilitate the implementation of infrastructure projects that will influence the spatial planning of the province. The department will also coordinate the allocation of MIG funds to further the implementation of capital projects.

As part of its legislative duty in terms of the Municipal Structures Act No 32 of 2000 (MSA 2000) relating to vertical and horizontal alignment and to ensure the credibility of the IDPs, the department will continue with annual assessments of municipal IDP. In collaboration with sector departments in the province, the department will finalise the review of the Gauteng IDP Analysis Framework to foster integration of the TMR and Sustainable Development Goals (SDGs) in municipal IDPs. This will ensure effective planning and roll-out of development projects identified within the 5 Corridors of Development such as the Sedibeng Regional Sanitation Scheme, Aerotropolis and the Inland Port and Agritropolis.

The Ntirhisano programme offers the department an opportunity to identify community needs and concerns that will start transforming spatial planning in the province. Municipalities will be supported with developing ward level databases so that they can respond better to issues raised by the community. The department will analyse information collected from agencies such as the Auditor-General, Statistics South Africa and GCRO to cross check and authenticate the municipal reports as part of the B2B approach, and will target improvements in at risk municipalities. The department will also oversee and participate in the process of Section 57 appointments and municipalities will be assisted to comply with the MSA regulations to ensure that the correct processes are followed in the appointment of senior managers.

Over the short-to-medium term, the department will pursue strategic objectives which will shape the future of the province. These include Township Economies Revitalisation; Tshepo 500 000; the Community Workers Programme; the Gauteng Energy Plan; Welfare to Work; the Gauteng Safety Strategy; the Human Settlement Strategy and the e-Governance Strategy.

4. REPRIORITISATION

Reprioritised funds will assist with projects including procurement of ICT equipment for building acquired for the Provincial Disaster Management Centre (PDMC). The National Disaster Management Framework prescribes certain minimum infrastructural requirements for such a Centre. The department reprioritised funds within the baseline to cater for security systems/services and cleaning services at the Centre since ownership of the building has been taken over by the department. Included in the security systems to be procured will be cameras, metal detectors and scanners and a properly-equip security guard control room.

Reprioritised of the allocated budget 2017 MTEF period is mainly to support municipal projects such as implementation of Top 100 account data cleansing; province-wide revenue management strategies to deal with municipal debt, top 500 business debtors and top 700 residential debtors, including capacity building projects on project and contract management, technical skills and training for councillors; and the establishment of an interoperable radio communication system and a standardized Rank Insignia system for the Fire and Rescue Services. These requirements include a feasibility studies of the heritage sites of Amandebele Ndzunza Sokhumi and Amandebele Ba Lebelo.

5. PROCUREMENT

In the coming financial year, the department intends to undertake the following projects:

- Support municipalities with implementing the Scare and Critical Skills Strategy particularly in the areas of:
  - Finance and Project Management;
  - Executive Leadership Programme for Officials and Councillors;
- Provide capacity building on technical skills with reference to B2B;
- Provide ICT equipment for the Provincial Disaster Management Centre;
- Implement the public participation strategy for identifying functionality gaps in local municipalities;
- Support municipalities in developing and adopting their Public Participation Frameworks;
- Provide training and development for ward committees in all municipalities;
- Strengthen MPAC oversight within Mogale City and the West Rand District Municipality; and
- Provide training for municipal officials and councillors on IDP, budgets and the PMS.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 7.1: SUMMARY OF RECEIPTS: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	273 657	338 598	406 972	416 763	514 463	514 463	468 218	466 235	496 588
Conditional grants		2 000		2 000	2 000	2 000	2 000		
Total receipts	**273 657**	**340 598**	**406 972**	**418 763**	**516 463**	**516 463**	**470 218**	**466 235**	**496 588**

The expenditure of the department increased from R274 million in 2013/14 to R341 million in 2014/15 and subsequently to R407 million in 2015/16 which was to fund personnel requirements, provide support to municipalities and a conditional grant in 2014/15 for the expanded public works' programme (EPWP) of R2 million to support job creation in communities. In 2016/17, the department's allocation increased to R516 million in order to support the local government elections. The 2017/18 financial year's budget grows to R470 million and increases to R497 million for the outer year of the MTEF to fund key departmental programmes, namely: Municipal support activities, including operation clean audit initiatives, to update and maintain infrastructure asset registers in line with GRAP17 to identified municipalities, which is ongoing, the renovation of the Provincial Disaster Management Centre building including the procurement of ICT equipment and the provision of security, cleaning, garden service, telephone systems for the call centre and furniture. This budget will also cater for training of ward committees and councillors. The increase over the MTEF will assist the department to continue rolling out the Integrated Development Plan, training to newly elected councillors and officials for an in-depth understanding of how IDP processes unfold, assist in the resolution of top 100 defaulting residential debtors accounts through improving data quality in each municipality, including the development and implementation of cost effective tariff and funding model project, thus improving revenue.

6.2 Departmental receipts

TABLE 7.2: DEPARTMENTAL RECEIPTS: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Sales of goods and services other than capital assets	379	317	292	148	148	276	156	165	174
Interest, dividends and rent on land				27	27	27	29	30	32
Transactions in financial assets and liabilities	303	173	66	331	331	1 440	347	367	388
Total departmental receipts	**682**	**490**	**358**	**506**	**506**	**1 743**	**532**	**563**	**594**

The department generated revenue of R682 000 in 2013/14 and R490 000 in 2014/15. The revenue was generated from income on parking fees and tender documents sold. In the 2015/16 financial year, revenue declined to R358 000 (as a result of a decline in projects being advertised, that decrease the sale of tender documents) and increased to R594 000 in the outer year of the MTEF. The main sources of revenue are parking fees from staff members, third party transactions such as commissions, sale of tender documents, and interest from staff debts.

7. PAYMENT SUMMARY

7.1. Key assumptions

The assumptions that underpin the department's 2017 MTEF budget are summarized below. The department will implement a 7.2 percent wage increase for 2017/18, 6.9 percent for 2018/19 and 6.6 percent for the outer year of the MTEF. A 5.8 percent increase in goods and services is anticipated. This is in line with projected consumer price inflation (CPI). The following elements have been taken into consideration when determining budgets for personnel and other economic classification items for the 2017 MTEF:

- Number of staff, vacancies and possible changes over the MTEF;
- Basic salary costs including improvements in conditions of service adjustment from 1 April of each year;
- Salary increases for officials with occupation-specific dispensations (OSDs);
- Provision for filling vacant posts as a result of the approved structure of the department by DPSA;
- The need to fill CDW vacancies in all wards;
- The procurement of ICT equipment for the new PDMC building and procurement of security, cleaning and garden services, including the telephone system for the call centre in PDMC;
- The renovation of the new PDMC building and procurement of equipment for the temporary lease;
- Provision for the administration and functioning of merging municipalities after the 2016 municipal elections as per proclamation by the Municipal Demarcation Board (MDB); and
- Provision for Operation Clean Audit initiatives in relation to the 2016/17 audit outcomes.

7.2. Programme summary

TABLE 7.3: SUMMARY OF PAYMENTS AND ESTIMATES: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	80 766	82 819	105 531	123 862	123 863	123 862	129 090	137 997	145 581
2. Local Governance	158 629	162 712	206 287	203 090	203 092	203 090	224 108	227 132	239 986
3. Development Planning	27 780	31 418	50 231	80 788	178 986	178 988	105 957	89 692	98 968
4. Traditional Institutional Management	6 023	6 507	6 802	10 414	10 414	10 415	11 064	11 415	12 053
Total payments and estimates	**273 198**	**283 456**	**368 851**	**418 155**	**516 355**	**516 355**	**470 218**	**466 235**	**496 588**

7.3. Summary of economic classification

TABLE 7.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	**266 421**	**274 604**	**316 519**	**380 996**	**417 587**	**417 587**	**421 825**	**426 528**	**456 797**
Compensation of employees	200 300	222 104	247 479	281 298	281 299	281 299	302 359	319 895	341 648
Goods and services	66 121	52 500	69 040	99 698	136 288	136 288	119 466	106 632	115 149
Transfers and subsidies to:	**2 485**	**6 835**	**50 659**	**9 053**	**42 937**	**42 937**	**16 766**	**6 246**	**4 454**
Provinces and municipalities		5 000	48 988	7 000	40 884	40 884	15 136	4 500	3 000
Households	2 485	1 835	1 671	2 053	2 053	2 053	1 630	1 746	1 454
Payments for capital assets	**4 263**	**1 879**	**1 170**	**28 105**	**55 805**	**55 805**	**31 627**	**33 462**	**35 337**
Buildings and other fixed structures				8 000	35 700	35 700			
Machinery and equipment	4 263	1 865	1 170	20 105	20 105	20 105	31 627	33 462	35 337
Software and other intangible assets		14							
Payments for financial assets	**29**	**138**	**503**		**26**	**26**			
Total economic classification	**273 198**	**283 456**	**368 851**	**418 155**	**516 355**	**516 355**	**470 218**	**466 235**	**496 588**

The table above reflects departmental expenditure increased from R273 million in 2013/14 to R283 million in 2014/15 and to R369 million in the 2015/16 financial year the expenditure was for the support to municipalities and filling of vacant posts after the approval of organisational structure by the DPSA. An amount of R70 million was received during the 2016 adjustment budget in support for the municipalities with installation of a new water pump station for Emfuleni and electricity services for Rand West LM as part of Ntirhisano programme and a roll-over of R27 million for the purchase of the PDMC

The budget increases by R51 million from R419 million to R470 million between 2016/17 and 2017/18 with a further increase to R466 million in the 2018/19 financial year and to R496 million in the 2019/20 financial year. A proclamation was made in October 2016 to relocate the Land Management function to the Gauteng Department of Infrastructure Development in order to streamline Land Management matters in the province. An amount of R20 million has been allocated for 2017/18 to address the water infrastructure challenges in Khutsong as part of Ntirhisano project. The MTEF increase will fund the following programmes: renovations and operational requirements of the newly acquired PDMC, support municipal activities including operation clean audit initiatives, to maintain infrastructure asset register in line with GRAP 17, to enhance revenue management (business and residential debtors), and to assist the RandWest Municipality with post-merger challenges of salaries disparities and to develop the water demand management strategy. The funds will further assist with filling of vacant CDW positions in each ward as a result of natural attrition; to conduct feasibility studies for traditional heritage sites and to refurbish the building that will be made available to accommodate staff members.

Programme 1: The expenditure in this programme increased from R81 million in 2013/14 to R105 million in 2015/16. This was because of the administrative support provided to the department, filling of vacant posts and ICT requirements. The increase over the MTEF, in comparison to the 2016/17 main appropriation, is mainly due to the refurbishment of the building that will accommodate the department by April 2017, and the procurement of the ICT infrastructure equipment, training of staff and the provision of G-fleet services that will support the department's work, the settlement of legal fees, provision of the telephone system, security and cleaning services for the new building. Over the 2017 MTEF, the budget increases to R129 million in 2017/18 and R146 million in 2019/20.

Programme 2: The programme expenditure is R159 million in 2013/14; R163 million in 2014/15; and R206 million in 2015/16 the expenditure incurred was to support the merger of Westonaria LM and Randfontein LM by facilitating the implementation of the new boundaries. The budget grows from R203 million in 2016/17 to R240 million over the MTEF for support to municipalities. This includes automation and cascade of Performance Management System (PMS), implementation of revenue management strategies to deal with municipal debts, Municipal Rates Property Act (MRPA) and municipalities will be provided with continuous financial support to update and maintain infrastructure asset registers in line with GRAP 17 and the implementation of other critical activities as they arise and to assist the RandWest Municipality with post-merger challenges of disparities in salaries. Included in the budget will be the recourse to train new ward committees and councillors in all aspects of municipal competencies in relation to the recently held local government elections including the resolution of top 100 defaulting residential debtors' accounts through improving data quality integrity collection in all municipalities for revenue enhancement.

Programme 3: A proclamation made in October 2016 to relocate the Land Management function to the Gauteng Department of Infrastructure Development in order to streamline Land Management matters in the province. The programme expenditure was R23 million in 2013/14 and increased to R30 million in 2014/15. It increased to R45 million in 2015/16 the expenditure was for the provision of the installation of internal reticulation infrastructure services in Randfontein LM and further increase of R179 million in 2016/17 as result of additional allocation of R70 million for the disaster relief of floods and installation of new pump station at Emfuleni LM and to address challenges of electricity services in Mohlakeng Ext 5 and 11 as part of the Ntirhisano outreach programme with a further roll over funds amounting to R27 million for the procurement of the PDMC in line with National Disaster Management Framework of 2005.

The allocation decreases to R90 million in 2018/19 and to R98 million in 2019/20. The increase over the 2017 MTEF also relates to the renovation of the procured building including the equipment. Included in this allocation is the compliance to Sections 36 and 50 of the Disaster Management Act in compiling and printing of the annual report on all PDMC activities. Disaster Management awareness campaigns, in collaboration with municipalities, including public education sessions will be conducted to ensure compliance with disaster management legislative requirements on response and relief and the establishment of interoperable radio communication system and standardized Rank Insignia system for Fire & Rescue Services. This budget will also cater for the IDP engagements and education in all communities and the roll out of IDP framework. The budget will enable geysers to be continuously installed in communities within targeted municipalities the department received a conditional grant for expanded public works programme (EPWP) amounting to R2 million to support job creation in communities. For the forthcoming financial year, the programme has been allocated funds to facilitate the implementation of water conservation and water demand management strategy in order to reduce water losses with the implementation of a water and sanitation plan. The increase over the MTEF will assist with provision of training to newly elected councillors and officials and create awareness of IDP processes.

Programme 4: The Traditional Institutional Development budget grows over the 2017 MTEF, mainly to support and enhance the capacity of traditional leadership and local governance institutions in the City of Tshwane (Amendable Ba Lebelo and Amendable Ndzunza Sokhumi traditional councils). In addition, the budget will also enable department to conduct feasibility studies for the heritage sites and provision for heritage (commemoration) events for the traditional councils. Training will be provided to traditional council members as part of the transformation of the State and Governance. The Department of Traditional Affairs (DTA) and the Local Government Sector Education and Training Authority (LGSETA) will facilitate a national skills audit of traditional leaders and its councillors. Included in the budget over the MTEF will be administration and functioning of the amalgamated municipalities local government elections outcomes. This budget will also include conclusion of the framework on inter-governmental relations (IGR) within municipalities and traditional leadership structures.

The budget for compensation of employees increases from R281 million in 2016/17 to R302 million in 2017/18, with a further increase to R338 million over the 2017 MTEF. This increase mainly relates to filling critical vacant positions; implementing the Occupational Specific Dispensation (OSDs); Improvement in Condition of Service (ICS) and wage salary agreements; and ensuring the existence of CDWs in each ward and the filling of vacant positions.

The department's goods and services increases from R66 million in 2013/14 to R100 million in 2016/17 in order to cater for departmental operational requirements. It remains constant at R100 million in 2017/18 and increases to R107 million in 2019/20. The allocation will cater for work to be carried out in relation to the PDMC; refurbishment of the building that will accommodate the department; and ICT software licenses and servers for the new building. This increase over the MTEF will assist the department to continue to roll out Operation Clean Audit and to deal with audit issues to be raised by the Auditor-General during the 2015/16 audit outcomes; implement revenue management. This will assist the municipalities to improve finances, strategies and audit outcomes as part of the transformation of the State and Governance. Included in the budget for the coming financial year is the continuous training of ward committees and councillors in all aspects of municipal competences.

The total budget for machinery and equipment is R28 million in 2016/17 and increases to R35 million in the outer years of the MTEF period. The allocation for the coming year is earmarked for the refurbishment of the department's building that will be available in April 2017. The increase over the outer year of the MTEF is due to the procurement of ICT infrastructure equipment and the furniture for the PDMC.

Municipal Services

The department is currently housed by the Department of Infrastructure Development as well as the Department of Human Settlements. However, the department is in the process of acquiring its own building. The provision for property payments will provide for both the acquired building of the PMDC as well as the departmental head offices.

In line with the cost containment implementation, no funds were spent on catering for internal meetings, including meetings with municipalities, and other government departments. The number of hotel sleep overs were materially reduced with the exception of those sleep overs that met the criteria in accordance with the cost containment measure circular. Items such as admin fees, advertising, venues and facilities, consumable stationary and operating payments were also reduced drastically to fund items which support the core business such as property payments, which will fund the rates and taxes for the acquired building and the PDMC.

7.4 Infrastructure payments

N/A

7.4.1 Departmental infrastructure payments

N/A

7.4.2 Maintenance

N/A

7.4.3. Departmental Public-private-partnership (PPP) projects

N/A

7.5 Transfers

7.5.1. Transfers to public entities

N/A

7.5.2. Transfers to other entities

N/A

7.5.3. Transfers to local government

TABLE 7.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATAGORY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Category B		**5 000**	**48 988**	**7 000**	**40 884**	**40 884**	**14 136**	**4 500**	**3 000**
Emfuleni		1 500	13 588	1 000	18 384	18 384	1 500	1 500	500
Lesedi		500	1 500	1 500	1 500	1 500	1 000	500	500
Midvaal									500
Merafong City		500	5 400	500	1 000	1 000	1 000	500	500
Rand West		2 000	28 500	4 000	20 000	20 000	10 636	2 000	1 000
West Rand							1 000		
Total transfers to municipalities		**5 000**	**48 988**	**7 000**	**40 884**	**40 884**	**15 136**	**4 500**	**3 000**

The department transferred a total of R5 million during the 2014/15 financial year for support to municipal GRAP 17, PMS and EPWP projects. The department further transferred R49 million during the 2016/17 financial year to municipalities to support projects that were identified during the visit by the department: water infrastructure maintenance projects, a storm water and waste collection project for Emfuleni Local Municipality and a water loss and demand management project for Merafong Local Municipality and to support the merger of Randfontein and Westonaria local municipalities. The

department has received R8.6 million for 2017/18 to address Rand West municipality's post-merger challenges of salary disparities and a further R2 million for the Expanded Public Works Programme (EPWP) grant for job creation which aims to reduce poverty within communities. R2, 5 million was allocated in support of GRAP 17 and R2, 2 million was allocated for PMS project. During the 2017 MTEF period, the department will continue to transfer funds to support municipalities with GRAP 17 and PMS projects.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description
The main goal of this programme is to strengthen and align the department's organisational capacity and capability to deliver on its mandate. It enables the department's business units to perform efficiently by providing corporate support (HR, financial management, SCM, ICT, risk management and facilities management). The programme ensures effective and efficient leadership, management and administrative support to the core business of the department by refining organisational strategy and structure in compliance with appropriate legislation and practice. The programme's outputs reflect Pillar 5 (modernisation of the public service which seeks to achieve an efficient, effective and developmental oriented public service and an empowered, fair and inclusive citizenry).

Programme objectives are to:
- Ensure that HRM is a strategic partner with all units in the department
- Provide effective legal services to the department
- Provide efficient and effective facilities management to the department
- Provide efficient, effective and stable ICT infrastructure and support to the department
- Ensure prudent financial management, and efficient and effective SCM and systems to ensure that financial planning and budgeting are aligned with the department's Strategic Plan
- Maintain effective, efficient and transparent risk management and financial systems and controls to safeguard departmental assets
- Ensure good governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility within departmental operations.

Key policies, priorities and outputs
- Develop policies, provide strategic direction and monitor and evaluate the department's programmes, support services and operations;
- Render strategic and focused HRM support to ensure effective execution of the department's functions and strategy;
- Render effective and economic financial management services to the department; ensure the alignment of strategy and budget; manage expenditure, reporting, and the supply chain;
- Render corporate services within the department and ensure the efficient execution of the department's functions and strategy (structure; resources: budget, physical and human; systems);
- Manage the risk strategy of the department;
- Anti-corruption enforcement;
- Building capacity and capability to professionalise the department;
- Monitor and support legislative compliance;
- Facilitate access to information;
- Provide sound legal advice and support to the department; and
- Provide gender mainstreaming activities and women counsellors training and summit with skills development.

TABLE 7.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office Of The MEC	2 816	3 563	3 839	4 629	3 829	3 829	4 992	5 281	5 578
2. Corporate Services	77 950	79 256	101 692	119 233	120 034	120 033	124 098	132 716	140 003
Total payments and estimates	**80 766**	**82 819**	**105 531**	**123 862**	**123 863**	**123 862**	**129 090**	**137 997**	**145 581**

TABLE 7.7: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**73 989**	**78 967**	**102 187**	**117 704**	**117 679**	**117 678**	**121 889**	**130 357**	**137 903**
Compensation of employees	46 211	53 277	71 754	79 842	79 842	79 842	83 442	88 280	93 860
Goods and services	27 778	25 690	30 433	37 862	37 837	37 836	38 447	42 077	44 043
Interest and rent on land									
Transfers and subsidies to:	**2 485**	**1 835**	**1 671**	**2 053**	**2 053**	**2 053**	**1 630**	**1 746**	**1 454**
Provinces and municipalities									
Non-profit institutions									
Households	2 485	1 835	1 671	2 053	2 053	2 053	1 630	1 746	1 454
Payments for capital assets	**4 263**	**1 879**	**1 170**	**4 105**	**4 105**	**4 105**	**5 571**	**5 894**	**6 224**
Buildings and other fixed structures									
Machinery and equipment	4 263	1 865	1 170	4 105	4 105	4 105	5 571	5 894	6 224
Heritage Assets									
Software and other intangible assets		14							
Payments for financial assets	**29**	**138**	**503**		**26**	**26**			
Total economic classification	**80 766**	**82 819**	**105 531**	**123 862**	**123 863**	**123 862**	**129 090**	**137 997**	**145 581**

The programme's expenditure increased from R81 million to R105 million between 2013/14 and 2015/16. The programme's budget for 2016/17 amounted to R124 million. This amount caters for the envisaged procurement of ICT infrastructure, software licenses, refurbishment of the new building and marketing for the MEC's outreach programmes to municipalities. The budget allocation for 2017/18 amounts to R129 million which increases to R146 million over the MTEF period.

The increase in the budget of the MEC will enable the office to carry out its functions and activities. The expenditure increased from R3.6 million in 2014/15 to R3.8 million in 2015/16. The increase funded the MEC's municipal election programmes. The budget remains relatively constant at R6 million over the 2017 MTEF.

The sub-programme Corporate Services expenditure increased from R77 million to R102 million between 2013/14 and 2015/16. The increase was for the funding of recruitment processes and operational requirements in supporting core functions of the department. The allocation for 2016/17 is R120 million and it increases to R140 million in 2019/20. The increase in the allocation is to fund the refurbishment and maintenance of the department's building, ICT infrastructure, communication, software licenses and marketing of the MEC's events.

Expenditure on compensation of employees has increased from R72 million in 2015/16 to an estimated R94 million in the 2019/20 financial year. These increases are to cater for improvements in the conditions of service and funding of departmental capacity in line with the approved organisational structure.

The allocation for goods and services increases from R30 million in 2015/16 to R38 million in 2016/17. The allocation increases over the MTEF in line with the increase in the department's operational budget. The budget will cater for the procurement of ICT infrastructure, software licenses, refurbishment of the new envisaged building and marketing for the MEC's outreach programmes.

Expenditure on households remain relatively at R2 million for the respective years of the MTEF. The allocation over the MTEF is attributed to the beneficiaries who are still in the system with pension administration at the National Treasury. Allocations remain constant as result of beneficiaries passing on and others reaching pensionable age resulting in their transfer to the Department of Social Development for old age pensions.

Machinery and equipment increases marginally because of the refurbishment of the building that will accommodate the department from April 2017. This will also include the supply of the professional equipment which relates to the provision of capital assets for the appointment of new staff members.

PROGRAMME 2: LOCAL GOVERNANCE

Programme description

The Local Governance Programme seeks to strengthen the developmental state by enhancing participatory governance and institutional stability as well as by building the capacity and capability of local government to achieve its constitutional mandate. The goal of the programme is to promote and facilitate viable and sustainable local governance in line with Pillar 4: Transformation of State and Governance.

The objectives of this programme are to:

- Provide management and support services to local government within the regulatory framework;
- Monitor and support municipalities to ensure financially viable and sustainable municipalities in accordance with applicable Acts;
- Deepen democracy by promoting community participation through appropriate structures, processes and systems, and by facilitating access to government services;
- Co-ordinate, cooperate and integrate support and monitor capacity building initiatives;
- Improve municipal performance through enhanced monitoring, reporting and evaluation;
- Improve the image of local government;
- Implement a differentiated approach to local government in the province;
- Monitor and support legislative compliance;
- Establish and support viable and accountable governance structures;
- Promote intergovernmental and stakeholder relations, and improved integration and planning;
- Facilitate the devolution of powers and functions to ensure stable local government;
- Improve public participation;
- Implement an appropriate finance model for local government to promote sustainability and viability;
- Enforce anti-corruption measures in municipalities;
- Provide urban management and built environment planning;
- Build capacity and capability towards improving professionalism in local government;
- Develop policy towards differentiated approaches and social inclusivity;
- Enhance participatory governance through CDW programmes; and
- Facilitate access to basic services for poor communities.

TABLE 7.8: SUMMARY OF PAYMENT AND ESTIMATES: LOCAL GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Municipal Administration	10 519	11 576	27 104	14 366	14 364	14 364	14 123	14 069	15 857
2. Municipal Finance	10 726	8 849	10 876	11 603	10 654	10 652	11 755	12 437	11 493
3. Public Participation	116 017	121 176	130 964	145 931	145 233	145 233	155 892	164 636	174 853
4. Capacity Development	11 252	10 064	26 452	16 708	18 358	18 358	26 759	19 174	20 024
5. Municipal Performance Monitoring, Reporting And Evaluation	10 115	11 047	10 891	14 482	14 482	14 483	15 580	16 816	17 759
Total payments and estimates	**158 629**	**162 712**	**206 287**	**203 090**	**203 092**	**203 090**	**224 108**	**227 132**	**239 986**

TABLE 7.9: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LOCAL GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**158 629**	**158 712**	**168 299**	**198 090**	**194 707**	**194 706**	**210 971**	**222 631**	**236 985**
Compensation of employees	130 844	137 693	143 203	165 946	165 946	165 947	178 092	187 882	200 405
Goods and services	27 785	21 019	25 096	32 143	28 761	28 759	32 879	34 749	36 580
Interest and rent on land									
Transfers and subsidies to:		**4 000**	**37 988**	**5 000**	**8 384**	**8 384**	**13 136**	**4 500**	**3 000**
Provinces and municipalities		4 000	37 988	5 000	8 384	8 384	13 136	4 500	3 000
Departmental agencies and accounts									
Households									
Payments for capital assets								**1**	**1**

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Buildings and other fixed structures									
Machinery and equipment								1	1
Payments for financial assets									
Total economic classification	**158 629**	**162 712**	**206 287**	**203 090**	**203 092**	**203 090**	**224 108**	**227 132**	**239 986**

The programme's expenditure increased from R159 million to R203 million between the 2013/14 and 2016/17 financial years. The increase was for support provided to municipalities and to assist with the merger of Westonaria and Randfontein local municipalities with the systems and plans developed to enable the seamless transition to a new municipality. It was also for deployment of CDWs. The increase from R224 million in 2017/18 to R240 million in 2019/20 will support the transfer of funds to Rand West Municipality to assist with challenges of salary disparities. Included in the MTEF increase is funding to support municipalities in relation to achieving clean audits, training of new ward committees and councillors in all aspects of municipal competencies, deployment of CDWs to each ward, conducting of research, implementation of revenue management strategies to deal with municipal debts that have been escalating drastically in line with the Municipal Rates Property Act (MRPA) and other critical activities. The department will continue to support the municipalities with institutionalising of performance management systems, including capacity building interventions in respect of financial management, project management, contract management, technical skills and governance. The department will further assist with implementation and institutionalising of the Scarce and Critical Skills Strategy, focusing on financial management, infrastructure and oversight (S79, inclusive of MPACs). The department will also support the merged municipalities with the development and design of a functional organisational structure on macro and micro concept including the resolution of top 100 defaulting residential debtors accounts through improving data quality and integrity collection in all municipalities for revenue enhancement and debtor management.

Sub-programme: Municipal Administration: the budget increases from R11 million in 2013/14 to R27 million in 2015/16. The increase is due to the reprioritisation of funds to cater for the water sanitation project in Emfuleni Local Municipality. The allocation remains constant over the MTEF period and is for conducting research studies, to address powers and functions on inter-governmental relations and the development of the oversight and accountability model. The increased allocation is also to address the amalgamation of various municipalities, including coordinating and facilitating local government knowledge management; sharing and promoting effective and efficient evidence-based decision making on policy development; gender mainstreaming, with women councillors' training and skills development and the roll-out of the gender policy framework; development of disability management strategies.

Sub-programme: Municipal Finance Support: this sub-programme has a budget of R12 million in 2016/17 and it remains at R12 million over the 2017 MTEF period. The budget caters for continuous initiatives which include interventions on asset management, resolutions on Auditor-General outcomes, tariff modelling, Top 100 account data cleansing, and implementation of revenue management to deal with municipal debts that have been escalating drastically particularly the top 500 business debtors and top 700 residential debtors, including the implementation of the tariff model. GRAP 17 requirements for the following municipalities are also supported: Rand West City, Merafong, Lesedi and Emfuleni, training and research on policies, guidelines and legislation necessary for revenue enhancement. Included in the allocation is the implementation of smart metering reading within municipalities as part of the transformation of the state and governance. The department will support and strengthen good governance; financial management and viability; the quality of institutional and administrative capacity and practice of local government institutions, including municipalities to be monitored on the basis of the Audit Response Plan based on the 2015/16 audit outcomes.

Sub-programme: Public participation has an allocation that grows from R146 million in 2016/17 to R156 million in 2017/18, an increase of 18 per cent. There is a further increase to R175 million over the 2017 MTEF to provide for setting up ward committees in all municipalities. The allocation will fund the skills development and training of ward committees in municipalities which will improve their level of engagement in planning processes, and foster civic responsibility in planning and development. Part of the training will cover conflict management in order to empower ward committees to facilitate good community relations amongst ward stakeholders and to mitigate conflicts of interest within community groups over development issues. It is intended that relations will be continuously improved between ward committees and CDWs in order to foster coordination of activities and strengthen service delivery in communities. The CDW programme will continue to play a supporting role in the implementation of the framework by assisting with coordination between the spheres of government and monitoring service delivery points, including promoting and improving public trust in local government through active and deliberative citizen engagement, the creation of robust engagement spaces and innovative communication platforms in line with Pillar 5: Modernisation of the Public Service. The department has set aside funds within the allocated budget for training of new councillors and ward committees in partnership with SALGA in line with new municipalities and councillors.

Capacity Development: The budget increased from R11 million in 2013/14 to R26 million in 2015/16 which supported the merger of RandWest Municipality with systems and plans to enable the seamless transition to a new municipality. Also supported was the deployment of engineers from SAICE and chartered accountants from SAICA. The allocation increases to R27 million in 2017/18 due to the allocation of earmarked funds amounting to R8.6 million to assist the RandWest Municipality with post-merger salary disparities. The 2017 MTEF allocation remains constant at R20 million. This sub-programme will continue to provide hands-on support in improving service delivery within identified municipalities in line with the modernisation of the public service and strengthening of good governance. The allocation will also facilitate the development of specialised and technical skills to transform local government, including implementation of capacity building interventions to be conducted in municipalities in respect of financial management, project and contract management, technical skills and governance. The department will support the merged municipalities with the Development and Design of a Functional Organisational Structure on Macro and Micro Functional structure the sub-programme will facilitate the necessary financial and technical support to the newly created Rand West City municipality to automate and cascade the Performance Management System (PMS). Six capacity building interventions will be conducted in eleven municipalities focusing on finance, project and contract management, executive leadership, technical skills and training for councillors.

Municipal Performance Monitoring: The budget amounted to R14 million in 2016/17 and R16 million in 2017/18. Over the 2017 MTEF, the allocation increases to R18 million mainly due to inflationary adjustments. The allocation is mainly to implement the Municipal Property Rates Act (MPRA), ensure functional audit committees and internal audit units, and ensure active performance by the Valuation Appeals Boards (VABs) in all municipalities. This allocation includes the assessment of the determination of upper remuneration limits of municipal councillors in terms of Remuneration of Public Office Bearers (POBA). This allocation will also include support of the assessment report on the state of municipal performance.

Compensation of employee's expenditure has been fluctuating over the years. It increased from R138 million in 2014/15 to R143 million in 2015/16. There is a further increase to R166 million in 2016/17. The allocation over the MTEF further increases to R200 million. The increase will fund the deployment of CDWs and the filling of new positions as per the approved organisational structure.

Goods and services increased from R21 million in the 2014/15 financial year to R25 million in the 2015/16 financial year. It increases to R32 million in the 2016/17 financial year, due to reprioritisation of functions from the programme two to programmes one to align the functions within programmes. Allocations remain constant at R36 million over the MTEF. These sums will fund ward councillor training and research and will also assist development of a municipal recruitment and retention strategy, the human resources framework, meeting the continuing OPCA initiatives, and catering for municipal capacity building. They will also fund critical and scarce skills training, including the deployment of technical expertise in targeted municipalities in line with transformation of state and governance. The allocation will assist to implement the Municipal Property Rates Act (MPRA) in all municipalities and the assessment of determination of upper limits of remuneration of municipal councillors in terms of the POBA. Municipalities will be supported with implementation and institutionalising of the Scarce and Critical Skills Strategy focusing on financial management and infrastructure and oversight (S79, inclusive of MPACs). The funds will also support the merged municipalities with the Development and Design of a Functional Organisational Structure on Macro and Micro Functional structure and implementation of province-wide revenue management strategies to deal with municipal debts that have been escalating drastically particularly the top 500 business debtors and top 700 residential debtors. This will include the implementation of the tariff model.

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SERVICE DELIVERY MEASURES

PROGRAMME 2: LOCAL GOVERNANCE

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of reports produced on the extent to which municipalities comply with the implementation of anti-corruption measures	4	4	4
Number of reports on fraud, corruption and maladministration cases reported and investigated	4	4	4
Number of research reports produced on key local policy issues identified during the relevant financial year(s)	6	6	6
Sub-Programme: Municipal Finance			
Number of municipalities provided with hands-on support to maintain their infrastructure asset registers in line with GRAP 17 requirements	4	5	6
Number of municipalities monitored on the implementation of the Audit Response Plan based on the 2016/17 audit outcomes	11	11	11

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
% collection of outstanding current debtors and percentage collection of arrears government debt	90	90	90
Number of Top 500 Business Debtors resolved for Gauteng municipalities	3500	3500	3500
Sub-Programme Public Participation			
Number of advocacy initiatives undertaken to support participatory democracy	12	12	12
Number of ward committees in Gauteng adhering to national functionality criteria	Elections	New ward committees	New ward committees
Number of municipalities in which ward committees are trained	Induction of all new ward councillors	New capacity building programme for councillors and ward committees.	Implementation of new capacity building programme
Number of programmes supported through community mobilisation	12	12	12
Sub-programme Capacity Development			
Number of municipalities supported to institutionalise Performance Management System	1	1 newly merged municipality	1 newly merged municipality
Number of capacity building interventions conducted in municipalities	300 participants trained in 6 capacity interventions	300 participants trained in 6 capacity interventions	300 participants trained in 6 capacity interventions
Number of municipalities supported with implementing and institutionalising the Scarce and Critical Skills Strategy	11	11	11
Sub-programme Municipal performance monitoring, reporting and evaluation			
Number of monitoring reports on municipal compliance in terms of the Municipal Finance Management Act	3	3	3
Number of monitoring reports on conditional grants expenditure and municipal unauthorised, irregular, fruitless and wasteful expenditure reported	4	4	4
Number of monitoring reports on compliance with Municipal Property Rates Act (MPRA)	9	9	9
Number of municipalities complying with Annual National Gazette on the determination of upper limits for municipal councillors in terms of Remuneration of Public Office Bearers Act (POBA)	11	11	11
Number of reports on the implementation of the MSA Regulations on total remuneration packages payable to municipal managers and managers directly accountable to municipal managers	4	4	4

PROGRAMME 3: DEVELOPMENT AND PLANNING

Programme description

The purpose of the programme is to coordinate, facilitate and promote integrated development and planning in municipalities to ensure that services are delivered in an integrated and sustainable manner in line with transformation of the state and governance.

Programme objectives

- It facilitates and coordinates processes to ensure that municipal IDPs are credible, implementable and aligned with national and provincial outcomes, plans and strategies;
- It ensures strategic management of provincial land for economic and social purposes;
- It ensures accelerated delivery of municipal basic services and infrastructure delivery to meet national targets;
- It provides coordination and support for implementation of the National Disaster Management Act, the Fire Brigade Services Act and the Disaster Management Framework to ensure effective management of disasters at national, provincial and local level;
- It facilitates integrated urban management and planning;
- It improves integration and planning;
- It increases community-based planning; and
- It facilitates access to basic services for poor communities.

TABLE 7.10: SUMMARY OF PAYMENTS AND ESTIMATES: DEVELOPMENT AND PLANNING

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Land Use Management	4 308	1 663	4 755						

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
2. Idp Coordination	3 387	4 925	3 978	6 001	6 001	6 000	6 431	6 804	7 470
3. Disaster Management	12 363	13 817	21 669	58 262	105 960	105 962	62 925	67 406	73 503
4. Municipal Infrastructure	7 722	11 013	19 829	16 526	67 026	67 026	36 600	15 482	17 995
Total payments and estimates	**27 780**	**31 418**	**50 231**	**80 788**	**178 986**	**178 988**	**105 957**	**89 692**	**98 968**

TABLE 7.11: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND PLANNING

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**27 780**	**30 418**	**39 231**	**54 789**	**94 786**	**94 788**	**77 901**	**62 125**	**69 856**
Compensation of employees	19 355	26 249	28 007	30 315	30 315	30 315	34 060	36 866	40 131
Goods and services	8 425	4 169	11 224	24 474	64 471	64 473	43 841	25 259	29 725
Interest and rent on land									
Transfers and subsidies to:		**1 000**	**11 000**	**2 000**	**32 500**	**32 500**	**2 000**		
Provinces and municipalities		1 000	11 000	2 000	32 500	32 500	2 000		
Departmental agencies and accounts									
Households									
Payments for capital assets				**24 000**	**51 700**	**51 700**	**26 056**	**27 567**	**29 112**
Buildings and other fixed structures				8 000	35 700	35 700			
Machinery and equipment				16 000	16 000	16 000	26 056	27 567	29 112
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**27 780**	**31 418**	**50 231**	**80 788**	**178 986**	**178 988**	**105 957**	**89 692**	**98 968**

Expenditure increased from R28 million in the 2013/14 financial year to R179 million in the 2016/17 financial year. This included additional funding of R50 million to support municipalities with service delivery challenges relating to water infrastructure and electricity services for Emfuleni LM and RandWest LM. There was a roll-over of 27 million for procurement of the PDMC building and R20 million for disaster relief funding relating to floods in the province. The programme's allocation decreases to R99 million over the MTEF period to cater for renovation of and operational material for the procured PDMC building in line with the transformation of state and governance, IDP coordination within municipalities including the installation of geysers for communities in targeted municipalities. The programme's allocation for the coming year 2017/18 will facilitate implementation of the water conservation and water demand management strategy to reduce water losses through the implementation of the water and sanitation plan. Included in this allocation is provision for compliance with Sections 36 and 50 of the Disaster Management Act that compels the compiling, printing and submission of the annual report on all PDMC activities. Disaster Management awareness campaigns will be implemented in collaboration with municipalities and will include public education sessions while ensuring that the Centre complies with disaster management legislative requirements. The budget will also cater for the appointment of new employees in line with the newly approved structure of the department, as this represents the core function.

Land Management sub-programme: A proclamation was made in October 2016 to relocate the Land Management function to the Gauteng Department of Infrastructure Development in order to streamline land management matters in the province. This is due to the on-going transfer of properties to beneficiaries and the vesting of properties in the province.

Integrated Development Planning sub-programme: The allocation increases from R6 million in 2016/17 to R7 million in the outer year of the 2017 MTEF. The allocation will be used for IDP education and training, the roll out of the IDP framework, inter-governmental IDP engagements and municipal analysis and the MEC's commenting process to be conducted by the department in various municipalities. The slight additional funding request for this sub-programme is aimed at ensuring the successful implementation of the inter-governmental planning roadmap to ensure the alignment of IDPs with the NDP and the Gauteng 2055 vision, in line with transformation of state and governance. This budget will also provide for IDP engagements and education in all communities, including the continuous roll out of the IDP framework.

Disaster Management sub-programme: The budget increased from R58 million to R106 million in 2016/17 of which R27 million was a roll-over for procurement of the PDMC and R20 million to deal with the effects of floods in the province. There is an increase in the 2017 MTEF of R72 million as a result of the newly acquired PDMC. This will be renovated and provided with call centre equipment, office furniture and ICT infrastructure. An interoperable radio communication system will be established, and a standardized Rank Insignia system for the Fire & Rescue Services liaising with municipalities on disaster issues as part of Pillar 4: Transformation of state and governance. This allocation provides for compliance with Sections 36 and 50 of the Disaster Management Act which requires an annual report on the PDMC's activities to be compiled, printed and submitted. The allocation also provides for Disaster Management awareness campaigns in collaboration with municipalities, including public education sessions. These requirements include the central communication centre, a disaster operation centre and integrated information management and communication systems. The allocation also provides for leasing disaster vehicles from G-Fleet and a Rescue and Fire awareness campaign in line with Section 30 (J) of the Fire and Rescue Act of 2002 (Act 57 of 2002) and for the development and completion of disaster management plans in all organs of state in line and terms of Section 25, 38 and 53 of the Act.

Municipal Infrastructure sub-programme: The budget increased from R8 million in 2013/14 to R20 million in 2015/16 due to the reprioritisation of funds to cater for a water infrastructure development project in Mohlakeng LM. In 2016/17 during the adjustment budget, an additional R50 million was received to cater for water infrastructure and electricity services for Emfuleni LM and RandWest LM. The sub-programme receives an earmarked funding of R20 million for the 2017/18 financial year to address water infrastructure challenges in Merafong LM (Khutsong) identified during the departmental visit to the area, as part of the Ntirhisano programme. The sub-programme is allocated R19 million in 2019/20 to develop a water demand management strategy that will assist with the reduction of water losses with the implementation of the water and sanitation plan. Including in the said allocation is the access for indigent households to basic electricity services; implementation of the EPWP as part job creation efforts to reduce poverty; the roll-out of the Integrated Development Plan; and training for newly elected councillors and officials to create awareness of IDP processes.

Compensation of employees: Expenditure increased from R28 million in 2015/16 to R30 million in 2016/17, and increases to R39 million over the MTEF as a result of expected filling of OSD positions within the unit. Over the 2017 MTEF, the increases are to pay for cost of living increases in the wage agreements. They will also cater for the appointment of engineers and capacitate the new PDMC to function effectively.

Goods and Services: The allocation increased from R11 million in 2015/16 to R25 million in 2016/17, and increases further to R27 million over the 2017 MTEF. The increase is due to the gradual establishment of the new PDMC to ensure compliance with Sections 36 and 50 of the Disaster Management Act and legislative requirements on response and relief, awareness campaigns and printing of the PDMC annual report. The allocation will also cater for the review and integration of municipal IDPs and implementation of water conservation management in municipalities.

Payments for capital assets: The allocation increases from R24 million in 2016/17 financial year to R26 million in 2017/18 and provides for the renovation of the newly acquired PDMC including furniture and equipment. The allocation for the outer year of the MTEF amounts to R29 million and will be used for maintenance of equipment for the Centre.

SERVICE DELIVERY MEASURES

PROGRAMME 3: DEVELOPMENT AND PLANNING

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of municipalities with legally compliant IDPs	11	11	11
Participants receiving training on IDP.	60	50	50
Number of municipalities assessed against service delivery benchmarks	9	9	9
Number of functional coordinating structures for infrastructure development and service delivery.	2	2	2
Number of municipalities implementing the Gauteng water and sanitation management plan.	10	10	10
Number of municipalities supported with service delivery programmes.	7	7	7
Number of municipalities supported to implement indigent policies (Sub-outcome 1, Action 6).	10	10	10
% of indigent Households with improved access to basic electricity services.	60%	60%	60%
% of indigent households with access to basic electricity services	93%	94%	94%
Number of functional municipal disaster management centres	5	5	5

PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT

Programme description

The programme promotes and facilitates viable and sustainable traditional institutions by enhancing the capacity of traditional leadership and local governance institutions in line with Pillar 4: Transformation of the State and Governance.

The key performance areas are:

- Traditional institutional administration;
- Traditional resource administration;
- Rural development facilitation;
- Traditional land administration; and
- Facilitating the devolution of powers and functions to ensure stable local government and traditional leadership.

TABLE 7.12: SUMMARY OF PAYMENTS AND ESTIMATES: TRADITIONAL INSTITUTIONAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Traditional Institution Administration	5 061	3 888	4 393	4 851	4 850	4 754	6 848	7 245	7 650
2. Traditional Resource Administration	436	1 059	662	4 206	3 756	3 756	1 660	1 579	1 667
3. Rural Development Facilitation	72		400	410	410	411	552	555	586
4. Traditional Land Administration	454	1 560	1 347	947	1 397	1 494	2 004	2 036	2 150
Total payments and estimates	**6 023**	**6 507**	**6 802**	**10 414**	**10 414**	**10 415**	**11 064**	**11 415**	**12 053**

TABLE 7.13: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADFITIONAL INSTITUTIONAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**6 023**	**6 507**	**6 802**	**10 414**	**10 414**	**10 415**	**11 064**	**11 415**	**12 053**
Compensation of employees	3 890	4 885	4 515	5 195	5 195	5 195	6 766	6 867	7 252
Goods and services	2 133	1 622	2 287	5 219	5 219	5 220	4 298	4 547	4 801
Interest and rent on land									
Transfers and subsidies to:									
Payments for capital assets									
Payments for financial assets									
Total economic classification	**6 023**	**6 507**	**6 802**	**10 414**	**10 414**	**10 415**	**11 064**	**11 415**	**12 053**

The expenditure of the programme was R6 million in 2013/14, R7 million in 2014/15 and 2015/16 for training traditional councils and for peaceful cultural festivals and commemoration events. The allocation for 2016/17 increased to R10 million and increases to R12 million over the 2017 MTEF period. This increase is attributed to the reprioritization of functions for intergovernmental relations and governance from Programme 2 to Programme 4 in order to align the functions with the programme as per the approved structure. It will not affect the performance of the programme. The increase is also influenced by the expected national Traditional Bill still to be passed by Parliament which recognises Khoisan leaders as traditional leaders. The increase is for statutory payments to tribal authorities by the department to assist them to function effectively, meet their mandates to the communities and enable the department to finance Kings' commemorations. The allocated budget will also meet the obligations and needs of the tribal authorities, intergovernmental relations and filling vacant positions where necessary to foster intergovernmental relations (IGR). This will also assist the department to support the institution of traditional leadership with skills development and finance.

Traditional Institutional Administration remained constant at R4 million between the 2014/15 and 2015/16, but increases to R5 million in 2016/17 and to R8 million in 2019/20. This allocation is attributed to the increase in expenses for traditional leadership, including remuneration of traditional leaders and filling of critical vacancies within the directorate. In this allocation, the department will ensure that Traditional Leaders and Traditional Councils are provided and are fully equipped with offices and the institution will be supported to participate in the business and programmes initiated by the House of Traditional Leadership, the Department of Traditional Affairs, as well as activities and council meetings of the City of Tshwane.

This will also have the support of rural development which forms part of the National Development Plan and articulates the need for capacity development of rural communities through training and enhancing the role of the institution.

Traditional Resource Administration sub-programme expenditure for 2015/16 amounted to R662 000 and remains constant at R2 million over the 2017 MTEF period. The budget over the MTEF will be for administration and functioning of traditional authorities. The budget will also provide for conclusion of the framework on inter-governmental relations (IGR) within municipalities and traditional leadership structures; and for feasibility studies relating to heritage sites, the Amendable Ndzunza Sokhumi commemoration event and Amendable Ba Lebelo heritage celebration. This will include procurement of ablution facilities, décor and catering for the events.

Rural Development Facilitation: in 2015/16, the sub-programme received a substantial increase from previous years as a result of maintenance of new vehicles procured. The increase in allocation over the MTEF caters for the running costs of these vehicles and training of traditional council members.

Traditional Land Administration: The allocation on this sub-programme's budget was R1 million in 2015/16 and increases to R2 million over the 2017 MTEF. The allocation is used mainly for capacity building programmes in traditional leadership and the development of women within tribal communities. The funding will be utilised to continuously integrate the traditional leaders into the mainstream of municipal councils. The allocation to this sub-programme has increased slightly as a result of the increased intake of women.

Compensation of employees' allocation increased to R5 million for the 2015/16 financial year and remains constant at R7 million for the 2017 MTEF. The increase is influenced by new positions as per the approved organisational structure and anticipated wage agreements.

The allocation to goods and services increased from R2 million in 2015/16 to R5 million in 2016/17 due to reprioritisation of functions from Programme 2 to Programme 4. It decreases to R4 million in 2017/18 and 2018/19 and increases to R5 million in 2019/20 mainly for the support and administration of the institutions of traditional leadership.

SERVICE DELIVERY MEASURES

PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of reports on the implementation of Presidential Proclamation in terms of the Remuneration of Public Office Bearers Act (POBA)	1	1	1
Number of Traditional Councils complying to legislative prescripts	2	2	2

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 7.14 PERSONNEL NUMBERS AND COSTS: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

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	114	114	154	154	154	154	162
2. Local Governance	598	598	472	472	482	512	539
3. Development Planning	61	61	51	51	71	86	90
4. Traditional Institutional Management	10	10	11	11	24	20	21
Direct charges							
Total provincial personnel numbers	**783**	**783**	**688**	**688**	**731**	**772**	**812**
Total provincial personnel cost (R thousand)	200 300	222 104	247 479	281 299	302 359	319 895	341 648
Unit cost (R thousand)	256	284	360	409	414	414	421

TABLE 7.15: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	551	6 542	551	8 234	442	7 775	442		442	130 205	478	137 309	482	144 707	509	154 813	4.8%	5.9%	45.6%
7 – 10	159	102 547	159	121 928	152	131 946	152		152	69 738	158	78 026	196	80 624	206	86 974	10.7%	7.6%	25.2%
11 – 12	50	60 759	50	63 783	49	73 905	47	2	49	39 406	49	42 362	49	47 140	51	49 781	1.3%	8.1%	14.5%
13 – 16	23	30 452	23	28 159	28	33 853	27	1	28	41 758	29	44 469	28	47 232	28	49 877		6.1%	14.7%
Other					17		17		17	192	17	193	17	192	18	203	1.9%	1.9%	0.1%
Total	**783**	**200 300**	**783**	**222 104**	**688**	**247 479**	**685**	**3**	**688**	**281 299**	**731**	**302 359**	**772**	**319 895**	**812**	**341 648**	**5.7%**	**6.7%**	**100.0%**
Programme																			
1. Administration	114	46 211	114	53 277	154	71 754	151	3	154	79 843	154	83 441	154	88 280	162	93 860	1.7%	5.5%	27.8%
2. Local Governance	598	130 844	598	137 693	472	143 203	472		472	165 946	482	178 092	512	187 882	539	200 405	4.5%	6.5%	58.8%
3. Development Planning	61	19 355	61	26 249	51	28 007	51		51	30 315	71	34 060	86	36 866	90	40 131	20.8%	9.8%	11.4%
4. Traditional Institutional Management	10	3 890	10	4 885	11	4 515	11		11	5 195	24	6 766	20	6 867	21	7 252	24.1%	11.8%	2.0%
Direct charges																			
Total	**783**	**200 300**	**783**	**222 104**	**688**	**247 479**	**685**	**3**	**688**	**281 299**	**731**	**302 359**	**772**	**319 895**	**812**	**341 648**	**5.7%**	**6.7%**	**100.0%**

The DPSA has approved the organisational structure of the Department of Cooperative Governance and Traditional Affairs. The recruitment process to fill vacant positions resumed in the 2016/17 financial year to ensure that core business and support functions were supported appropriately. Personnel numbers of the department may increase as placement of staff is not finalised. The personnel numbers projected over the MTEF are as per full establishment of the organisational structure.

1.2. Training

TABLE 7.16: PAYMENTS ON TRAINING: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	783	783	688	688	688	688	731	772	812
Number of personnel trained	120	120	120	120	120	120	126	133	141
of which									
Male	40	40	40	40	40	40	42	44	47
Female	80	80	80	80	80	80	84	89	94
Number of training opportunities	68	68	68	68	68	68	71	76	80
of which									
Tertiary	50	50	50	50	50	50	53	56	59
Workshops	16	16	16	16	16	16	17	18	19
Seminars	2	2	2	2	2	2	2	2	2
Other									
Number of bursaries offered	50	50	50	50	50	50	53	56	59
Number of interns appointed	10	10	10	10	10	10	11	11	12
Number of learnerships appointed									
Number of days spent on training	100	100	100	100	100	100	105	111	117
Payments on training by programme									
1. Administration	1 683	6 461	1 749	7 116	7 116	7 116	3 024	3 199	3 416
2. Local Governance	1 000	1 100	973	1 080	1 080	1 080			
3. Development Planning	2 400	3 160	466	2 660	2 660	2 660			
4. Traditional Institutional Management	600	780		1 080	1 080	1 080			
Total payments on training	**5 683**	**11 501**	**3 188**	**11 936**	**11 936**	**11 936**	**3 024**	**3 199**	**3 416**

The department has allocated 1 per cent of the compensation of personnel budget for training. The department develops an annual workplace skills plan that is informed by staff members' performance plans annually, and also awards bursaries to qualifying employees. This is due to the demand for skilled employees in the department and to ensure that there is continuity in developing employees on the latest trends. The department is funding CDWs' studies to improve their capacity to deliver a good service.

9.3 RECONCILIATION OF STRUCTURAL CHANGES

N/A

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 7.17: SPECIFICATION OF RECEIPTS: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	**379**	**317**	**292**	**148**	**148**	**276**	**156**	**165**	**174**
Sale of goods and services produced by department (excluding capital assets)	379	317	292	148	148	276	156	165	174
Sales by market establishments	379	317	292	148	148	276	156	165	174
Administrative fees									
Other sales									
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land				**27**	**27**	**27**	**29**	**30**	**32**
Interest				27	27	27	29	30	32
Dividends									
Rent on land									
Sales of capital assets									
Transactions in financial assets and liabilities	**303**	**173**	**66**	**331**	**331**	**1 440**	**347**	**367**	**388**
Total departmental receipts	**682**	**490**	**358**	**506**	**506**	**1 743**	**532**	**563**	**594**

TABLE 7.18: PAYMENT AND ESTIMATES BY ECONOMIC CLASSIFICATION: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**266 421**	**274 604**	**316 519**	**380 996**	**417 587**	**417 587**	**421 825**	**426 528**	**456 797**
Compensation of employees	200 300	222 104	247 479	281 298	281 299	281 299	302 359	319 895	341 648
Salaries and wages	200 300	191 480	212 017	242 229	242 229	242 230	259 985	274 776	293 800
Social contributions		30 624	35 462	39 069	39 070	39 069	42 374	45 119	47 848
Goods and services	66 121	52 500	69 040	99 698	136 288	136 288	119 466	106 632	115 149
Administrative fees	268	139	328	212	261	392	180	143	163
Advertising	4 763	2 086	7 343	3 490	12 408	12 827	3 910	3 298	3 508
Minor assets	522	436	278	1 072	870	869	346	369	405
Audit cost: External	399	3 650	2 966	3 473	3 473	2 450	2 950	3 173	3 351
Bursaries: Employees	254	374	264	866	366	366	501	553	585
Catering: Departmental activities	814	1 447	3 839	2 797	2 264	2 445	2 573	2 187	2 310
Communication (G&S)	4 994	8 794	10 419	8 721	9 221	8 999	13 702	13 841	14 125
Computer services	3 522	3 392	661	5 632	5 782	6 535	2 744	4 490	4 741
Consultants and professional services: Business and advisory services	320	386	396	5 175	3 292	3 292	199	208	494
Legal services	100	681	245	533	2 733	2 775	56	73	352
Contractors	466	806	413	1 918	1 618	1 619	1 011	1 240	1 838
Agency and support / outsourced services	24 102	4 309	10 968	16 464	53 061	50 144	51 139	33 490	34 869
Entertainment	145	2	165	21	21	21	43	45	48
Fleet services (including government motor transport)	1 510	1 934	6 069	7 910	7 909	7 910	11 805	13 454	15 104

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Housing									
Inventory: Clothing material and accessories	56					3		2 500	2 640
Inventory: Farming supplies					(1)				
Inventory: Materials and supplies	16	5	22						
Consumable supplies	2 804	2 607	6 175	3 768	4 390	6 404	4 529	5 129	5 045
Consumable: Stationery,printing and office supplies	2 806	2 273	3 393	3 171	3 554	4 024	2 695	2 251	2 421
Operating leases	400	1 211	148	6 841	2 091	1 691	500	655	2 365
Property payments	18	552	1 145	2 547	2 047	2 528	4 209	4 772	5 148
Travel and subsistence	3 717	5 035	5 241	6 337	6 306	6 235	5 376	4 690	4 813
Training and development	7 243	6 427	2 924	11 936	8 029	7 807	5 393	5 425	5 815
Operating payments	173	795	653	705	1 284	1 165	1 151	293	349
Venues and facilities	6 709	5 159	4 985	6 110	5 308	5 787	4 456	4 352	4 660
Rental and hiring									
Interest and rent on land									
Transfers and subsidies	**2 485**	**6 835**	**50 659**	**9 053**	**42 937**	**42 937**	**16 766**	**6 246**	**4 454**
Provinces and municipalities		5 000	48 988	7 000	40 884	40 884	15 136	4 500	3 000
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities		5 000	48 988	7 000	40 884	40 884	15 136	4 500	3 000
Municipalities		5 000	48 988	7 000	40 884	40 884	15 136	4 500	3 000
Municipal agencies and funds									
Households	2 485	1 835	1 671	2 053	2 053	2 053	1 630	1 746	1 454
Social benefits			1 606	30	30	523	30	32	34
Other transfers to households	2 485	1 835	65	2 023	2 023	1 530	1 600	1 714	1 420
Payments for capital assets	**4 263**	**1 879**	**1 170**	**28 105**	**55 805**	**55 805**	**31 627**	**33 462**	**35 337**
Buildings and other fixed structures				8 000	35 700	35 700			
Buildings				8 000	35 700	35 700			
Other fixed structures									
Machinery and equipment	4 263	1 865	1 170	20 105	20 105	20 105	31 627	33 462	35 337
Transport equipment				1 925	1 925	1 925			1
Other machinery and equipment	4 263	1 865	1 170	18 180	18 180	18 180	31 627	33 462	35 336
Land and sub-soil assets									
Software and other intangible assets		14							
Payments for financial assets	**29**	**138**	**503**		**26**	**26**			
Total economic classification	**273 198**	**283 456**	**368 851**	**418 155**	**516 355**	**516 355**	**470 218**	**466 235**	**496 588**

TABLE 8.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**73 989**	**78 967**	**102 187**	**117 704**	**117 679**	**117 678**	**121 889**	**130 357**	**137 903**
Compensation of employees	46 211	53 277	71 754	79 842	79 842	79 842	83 442	88 280	93 860
Salaries and wages	46 211	47 236	63 438	68 976	68 976	68 976	71 760	75 921	80 608
Social contributions		6 041	8 316	10 866	10 866	10 866	11 682	12 359	13 252
Goods and services	27 778	25 690	30 433	37 862	37 837	37 836	38 447	42 077	44 043
Administrative fees	40	39	73	75	74	173	20	12	23
Advertising	1 226	1 712	2 278	1 132	3 832	3 832	2 000	2 031	2 171
Minor assets	502	366	143	527	274	273	242	258	289
Audit cost: External	399	2 198	2 870	3 458	3 458	2 435	2 950	3 173	3 351
Bursaries: Employees	254	374	264	866	366	366	500	553	584

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Catering: Departmental activities	302	607	587	1 034	584	583	748	819	865
Communication (G&S)	1 506	3 998	4 532	2 796	4 496	4 274	6 825	7 073	6 978
Computer services	2 405	3 268	526	4 312	4 462	5 215	1 360	3 026	3 195
Consultants and professional services: Business and advisory services	22	386	396	422	322	322	443	468	494
Legal services	100	681	245	533	2 733	2 775	300	333	352
Contractors	257	802	413	542	242	242	11	40	570
Agency and support / outsourced services	8 908	883	1 354	1 637	1 164	1 180	662	691	831
Entertainment	93		165	21	21	21	43	45	48
Fleet services (including government motor transport)	1 510	1 934	6 069	6 410	5 909	5 910	9 805	11 454	12 992
Inventory: Materials and supplies	16	5	22						
Inventory: Other supplies									
Consumable supplies	2 176	1 999	2 587	3 083	2 210	2 210	3 028	3 515	2 341
Consumable: Stationery,printing and office supplies	2 223	1 654	1 871	1 924	2 124	2 251	1 716	1 217	1 328
Operating leases		1 211	148	841	841	441	500	655	482
Property payments		71	775	959	459	939	1 065	1 069	1 135
Travel and subsistence	410	1 086	1 630	1 446	1 946	1 993	2 030	1 008	925
Training and development	2 419	612	1 477	2 879	879	1 018	3 024	3 162	3 425
Operating payments	1	91	87	390	389	270	95	43	86
Venues and facilities	3 009	1 713	1 921	2 578	1 052	1 110	1 080	1 433	1 578
Rental and hiring									
Transfers and subsidies	**2 485**	**1 835**	**1 671**	**2 053**	**2 053**	**2 053**	**1 630**	**1 746**	**1 454**
Households	2 485	1 835	1 671	2 053	2 053	2 053	1 630	1 746	1 454
Social benefits			1 606	30	30	523	30	32	34
Other transfers to households	2 485	1 835	65	2 023	2 023	1 530	1 600	1 714	1 420
Payments for capital assets	**4 263**	**1 879**	**1 170**	**4 105**	**4 105**	**4 105**	**5 571**	**5 894**	**6 224**
Machinery and equipment	4 263	1 865	1 170	4 105	4 105	4 105	5 571	5 894	6 224
Transport equipment									
Other machinery and equipment	4 263	1 865	1 170	4 105	4 105	4 105	5 571	5 894	6 224
Heritage Assets									
Software and other intangible assets		14							
Payments for financial assets	**29**	**138**	**503**		**26**	**26**			
Total economic classification	**80 766**	**82 819**	**105 531**	**123 862**	**123 863**	**123 862**	**129 090**	**137 997**	**145 581**

TABLE 17.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LOCAL GOVERNANCE

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**158 629**	**158 712**	**168 299**	**198 090**	**194 707**	**194 706**	**210 971**	**222 631**	**236 985**
Compensation of employees	130 844	137 693	143 203	165 946	165 946	165 947	178 092	187 882	200 405
Salaries and wages	130 844	116 948	120 160	142 714	142 714	142 714	153 120	161 128	172 152
Social contributions		20 745	23 043	23 233	23 233	23 233	24 972	26 754	28 253
Goods and services	27 785	21 019	25 096	32 143	28 761	28 759	32 879	34 749	36 580
Administrative fees	176	69	156	49	99	109	120	109	116
Advertising	1 058	102	2 735	994	4 212	4 212	869	901	950
Minor assets	15	31	62	184	184	184	( )	(1)	(1)
Audit cost: External		1 452	96	15	15	15			
Bursaries: Employees									1

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Catering: Departmental activities	87	210	2 129	428	298	298	1 140	933	986
Communication (G&S)	3 488	4 796	5 887	4 725	4 725	4 725	5 877	5 568	5 880
Computer services	547			320	320	320	350	370	391
Consultants and professional services: Business and advisory services	298			2 753	970	970	1		
Contractors	194	4				1			
Agency and support / outsourced services	13 205	2 821	6 890	9 450	7 025	7 026	17 264	21 131	22 201
Entertainment	52	2							
Inventory: Farming supplies									
Consumable supplies	10		19	233	228	228			
Consumable: Stationery,printing and office supplies	535	576	1 414	545	429	771	514	544	575
Travel and subsistence	2 228	3 134	2 146	2 764	1 984	1 935	2 083	2 332	2 461
Training and development	3 479	5 483	981	7 003	5 096	4 735	1 300	910	960
Operating payments	80	568	406	237	687	687	1 000	191	201
Venues and facilities	2 333	1 771	2 175	2 444	2 489	2 543	2 362	1 761	1 859
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies		**4 000**	**37 988**	**5 000**	**8 384**	**8 384**	**13 136**	**4 500**	**3 000**
Provinces and municipalities		4 000	37 988	5 000	8 384	8 384	13 136	4 500	3 000
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities		4 000	37 988	5 000	8 384	8 384	13 136	4 500	3 000
Municipalities		4 000	37 988	5 000	8 384	8 384	13 136	4 500	3 000
Municipal agencies and funds									
Payments for capital assets								**1**	**1**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment								1	1
Transport equipment									
Other machinery and equipment								1	1
Payments for financial assets									
Total economic classification	**158 629**	**162 712**	**206 287**	**203 090**	**203 092**	**203 090**	**224 108**	**227 132**	**239 986**

TABLE 7.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT PLANNING

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**27 780**	**30 418**	**39 231**	**54 789**	**94 786**	**94 788**	**77 901**	**62 125**	**69 856**
Compensation of employees	19 355	26 249	28 007	30 315	30 315	30 315	34 060	36 866	40 131
Salaries and wages	19 355	22 965	24 485	26 071	26 071	26 071	29 291	31 821	34 803
Social contributions		3 284	3 522	4 244	4 244	4 244	4 769	5 045	5 328
Goods and services	8 425	4 169	11 224	24 474	64 471	64 473	43 841	25 259	29 725
Administrative fees	30	17	99	49	48	70	39	23	24
Advertising	2 476	272	2 258	1 364	4 364	4 783	998	322	339
Minor assets		30	71	322	372	372	105	112	117
Audit cost: External									

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Bursaries: Employees									
Catering: Departmental activities	336	624	1 017	1 185	1 135	1 136	527	268	283
Communication (G&S)				1 200			1 000	1 200	1 267
Computer services	570	124	135	1 000	1 000	1 000	1 034	1 094	1 155
Consultants and professional services: Business and advisory services				2 000	2 000	2 000			
Legal services									
Contractors	15			1 376	1 376	1 376	1 000	1 200	1 268
Agency and support / outsourced services	1 000		1 428	1 848	41 618	38 877	30 570	9 169	9 199
Entertainment									
Housing									
Inventory: Clothing material and accessories	56							2 500	2 640
Inventory: Other supplies									
Consumable supplies	618	587	3 569	451	1 951	3 920	1 499	1 613	2 703
Consumable: Stationery,printing and office supplies		1	102	321	621	622	464	491	519
Operating leases	400			6 000	1 250	1 250			1 883
Property payments	18	481	370	1 588	1 588	1 589	3 144	3 703	4 013
Travel and subsistence	781	681	1 265	1 796	1 976	1 976	1 013	1 027	1 084
Training and development	1 124	254	466	1 706	1 706	1 706	458	484	512
Operating payments	92	136	160	78	208	208	56	59	62
Venues and facilities	909	962	284	688	1 258	1 588	422	516	545
Rental and hiring									
Interest and rent on land									
Transfers and subsidies		**1 000**	**11 000**	**2 000**	**32 500**	**32 500**	**2 000**		
Provinces and municipalities		1 000	11 000	2 000	32 500	32 500	2 000		
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities		1 000	11 000	2 000	32 500	32 500	2 000		
Municipalities		1 000	11 000	2 000	32 500	32 500	2 000		
Municipal agencies and funds									
Payments for capital assets				**24 000**	**51 700**	**51 700**	**26 056**	**27 567**	**29 112**
Buildings and other fixed structures				8 000	35 700	35 700			
Buildings				8 000	35 700	35 700			
Other fixed structures									
Machinery and equipment				16 000	16 000	16 000	26 056	27 567	29 112
Transport equipment				1 925	1 925	1 925			1
Other machinery and equipment				14 075	14 075	14 075	26 056	27 567	29 111
Payments for financial assets									
Total economic classification	**27 780**	**31 418**	**50 231**	**80 788**	**178 986**	**178 988**	**105 957**	**89 692**	**98 968**

TABLE 7.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADITIONAL INSTITUTIONAL MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**6 023**	**6 507**	**6 802**	**10 414**	**10 414**	**10 415**	**11 064**	**11 415**	**12 053**
Compensation of employees	3 890	4 885	4 515	5 195	5 195	5 195	6 766	6 867	7 252
Salaries and wages	3 890	4 331	3 934	4 468	4 468	4 469	5 814	5 906	6 237
Social contributions		554	581	727	727	726	951	961	1 015
Goods and services	2 133	1 622	2 287	5 219	5 219	5 220	4 298	4 547	4 801
Administrative fees	22	14		40	40	40			
Advertising	3		72				42	45	48
Minor assets	5	9	2	40	40	40			
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	89	6	106	150	247	428	157	167	176
Communication (G&S)									
Agency and support / outsourced services	989	605	1 296	3 529	3 254	3 061	2 644	2 499	2 638
Entertainment									
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Other supplies									
Consumable supplies		21		1	1	46	1	1	1
Consumable: Stationery,printing and office supplies	48	42	6	380	380	380			
Operating leases									
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	298	134	200	331	400	331	250	324	343
Training and development	221	78		348	348	348	612	869	918
Operating payments									
Venues and facilities	458	713	605	400	509	546	592	642	678
Rental and hiring									
Interest and rent on land									
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification	**6 023**	**6 507**	**6 802**	**10 414**	**10 414**	**10 415**	**11 064**	**11 415**	**12 053**

VOTE 8

DEPARTMENT OF HUMAN SETTLEMENTS

To be appropriated by vote in 2017/18	R 6 186 359 000
Responsible MEC	MEC for Human Settlements
Administering Department	Department of Human Settlements
Accounting Officer	Head of Department of Human Settlements

1. OVERVIEW

Vision
Integrated sustainable human settlements within a smart Gauteng City Region.

Mission
To facilitate the delivery of sustainable integrated human settlements, new towns and smart cities in partnership with relevant role-players from all sectors of society through:
- Development of suitably located and affordable housing (shelter) and decent human settlements;
- Creating new post-apartheid towns and transforming current cities and towns in Gauteng, moving towards efficiency, inclusion and sustainability; and
- Building cohesive, sustainable and caring communities with improved access to work and social amenities, including sports and recreation facilities, with community development and optimal access/ inclusion.

Values
The department's values are based on the Batho Pele (People First) principles of the South African Public Service. Its specific focus is on:
- Integrity;
- Honesty;
- Loyalty;
- Professionalism;
- Human dignity;
- Service delivery; and
- Excellence.

Strategic goals
The department's Strategic Plan gives effect to the ten pillars that drive the Gauteng Provincial Government's (GPG) five-year programme. The department aims to achieve the following four strategic outcome oriented goals:
- Good governance and strategic management of the Gauteng Department of Human Settlements (GDHS);
- Development of legislative frameworks, policies and plans that enable spatial transformation in the delivery of human settlements;
- Well located, sustainable, integrated human settlements that provide security of tenure; and
- GDHS immoveable assets maintained, devolved and transferred.

Core functions and responsibilities
The mandate of the department is derived from the Constitution. Its primary roles are:
- To promote and facilitate the provision of adequate housing in the province;
- To develop provincial housing policies that will strengthen the ability to provide housing opportunities to qualifying beneficiaries in order to build sustainable communities;
- To develop and implement programmes and projects that give effect to the province's short, medium and long term housing plans; and
- To manage the housing delivery process and transform informal settlements, especially in priority townships, into

sustainable and vibrant communities; and provide services in respect of subsidies and rental housing.

Main services

The department delivers quality housing opportunities to the people of the Gauteng City Region and develops integrated infrastructure to create cohesive communities. The department is responsible for managing provincial housing assets through the property management programme and for redistributing or transferring properties to beneficiaries. In addition, it aims to build cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlements. Through the Human Settlement Development Grant (HSDG), the department delivers mega human settlements and post-apartheid cities. Developing human settlements along other nodal developments is important to achieve maximum impact as well as economies of scale whilst supporting the programme of radical transformation. The department is mandated with upgrading of existing townships and inner cities through urban renewal programmes, inner city revitalisation, ensuring that the Gauteng Rental Housing Strategy is realised, mining towns revitalisation, integration of hostel residents into the broader social fabric and ensuring that every Gauteng resident has access to housing through the Finance-linked Individual Subsidy Programme (FLISP).

Ten pillar programme of transformation, modernisation and re-industrialisation

Modernisation of the public service and transformation of the state and governance

The department will support the above pillar by strengthening and aligning the department's organisational capacity and capability to deliver on its mandate. The department will ensure that its business units perform efficiently by providing effective and efficient corporate support through technology to the core functions of the department. The programme ensures effective leadership, management and administrative support to the core business divisions through continuous refinement of organizational strategy and structure in compliance with appropriate legislation and best practice.

Decisive spatial transformation and modernisation of human settlements and urban development

As part of achieving decisive spatial transformation and modernising human settlements and urban development, the department will undertake research and develop policies and plans that give support to the achievement of the ideals expressed by the pillars. Examples of such policies include the Inclusionary Housing Bill; the Densification Policy; the Gauteng Rental Housing Strategy; and the Land Invasion Framework. Through the Housing Development Programme, the department aims to build cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements. A total allocation of R5.5 billion in the form of the HSDG has been allocated to support the realization of these pillars. The emphasis is on providing individual subsidies and housing opportunities to beneficiaries in accordance with the housing policy. The department plans to implement mega-projects to provide various housing types, developing along nodes with economic and employment opportunities and transport.

The department further supports these pillars by providing for the sale and transfer of rental stock, devolution of housing assets, implementation of the Enhanced Extended Benefit Scheme, and housing property maintenance. The department also provides cleaning services to its stock of flats and the transfer of ownership to beneficiaries. An allocation of R179 million has been set aside to support the realisation of the above pillars through these programmes. The department facilitates affordable rental accommodation and delivers housing units in targeted presidential projects to promote home ownership. It is combating fraud and corruption in the allocation of houses to beneficiaries and ensuring radical economic transformation. In April 2014, the department approved the Strategic Framework on Anti-Fraud, Corruption and Ethics and the Fraud Prevention Plan. The department is engaged on issues of combating fraud and corruption, oversight, transparency and accountability, fraud detection, reporting and monitoring as they are critical components of dealing with fraud and corruption as part of its mandate of delivering housing opportunities to the people of Gauteng. The department has established the Project Management Office (PMO) to deliver on the collaboration, cooperation and coordination protocols thereby addressing service delivery protest, reducing the waiting times for beneficiaries who are on the waiting list and ensuring coordination of departmental plans with other GPG departments. The main objectives of the PMO include the following:

- Developing processes to support the efficient and effective delivery of services in partnership and collaboration with various stakeholders in the public and private sector;
- Facilitating and coordinating the implementation of allocated projects from initiation through execution to closure; and
- Overseeing and ensuring attainment of quality project deliverables in line with project plan.

Lastly, the department intends to support the modernisation of human settlements by utilising modern technology through the installation of the centralised biometric system for beneficiary administration. The validation of qualifying housing beneficiaries will be implemented without exception and the waiting list will be reformed through the monitored and up to date demand database.

National Development Plan (NDP) and the departmental strategy for 2014-19

The NDP is the overarching plan with which all departments and state agencies are aligned. In terms of NDP Vision 2030, and Chapter 8 in particular, the department needs to ensure that the people of Gauteng have a decent standard of living, eliminating poverty and reducing inequality, through the following key areas of focus:

- Shape the spatial form of Gauteng by focusing on infrastructure investment and urban regeneration in terms of infill developments between major urban centres and aggressive densification in good locations;
- Devise alternative innovative financial instruments to increase housing opportunities by increasing the supply of FLISP housing products; harnessing private sector funding and investment in housing, infrastructure development and affordable rental accommodation; and servicing stands by the capital subsidy scheme;
- Play a central coordinating and facilitative role between Global City Region (GCR) cities and capitalise on the growing integrated urban network to implement the housing chapters of the Human Settlement Master Plan, supported by transport and infrastructure plans and well located human settlements in areas of employment and economic activity;
- Prioritise the development of urban infrastructure, the environment and the affordability of living in urban centres in order to implement the provincial Bulk Infrastructure Plan; and align funding streams to support the plan (MIG/USDG/MISA);
- Promote social and spatial integration to achieve social cohesion through identifying and providing new human settlements; and
- Develop efficient and effective human settlements, as opposed to marginalised and dysfunctional settlements or "pockets of poverty", through a joint effort with stakeholders. Encourage optimal use of land through densification in strategic locations.

External activities and events relevant to budget decisions

Statistics South Africa (Stats SA) has estimated Gauteng's population growth at 0.5 per cent. It is expected to remain around this level over time. Stats SA indicates that the percentage of unemployed South Africans stood at 27 per cent, and that the average monthly salary for South Africans stands at R8 380. The province's unemployment rate is affected by migration, and increased funding is needed to cater for the increase in the number of poor people who cannot afford to buy houses. The slowdown in economic conditions and the reduction in government spending over the MTEF pose challenges in terms of the number of houses that the department can deliver. It is constantly reviewing its strategy of sustainable delivery so as to respond efficiently to in-migration challenges by following an integrated planning approach that includes other departments and sectors within the province. The department is moving towards Mega Cities to improve service delivery. One of the ways of improving responses to the macro factors is to mobilise and encourage public-private partnerships and widen the role of the Gauteng Partnership Funds.

Acts, rules and regulations

- Intergovernmental Relations Framework Act (Act No. 13 of 2005);
- National Environmental Management Act (Act No. 107 of 1998, as amended by Act No. 8 of 2004);
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003);
- Construction Industry Development Board Act (Act no. 38 of 2000);
- Extension of Security of Tenure Act (Act No. 62 of 1997);
- Land Administration Act (Act No. 2 of 1995);
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994);
- National Building Regulations and Building Standards Act (Act No. 103 of 1977);
- State Land Disposal Act (Act No. 48 of 1961); and
- Deeds Registries Act (Act No. 47 of 1937).

Legislative and other mandates

The core mandate of the department is to ensure the provision of housing and sustainable human settlements.

Policy mandate

The department is guided by the following policies and strategies:

- Provincial Growth and Development Strategy (PGDS);
- Breaking New Ground (BNG) Strategy;
- Gauteng City Region (GCR) Strategy;
- Gauteng Human Settlements Mega Projects Strategy;
- National Housing Policy; and
- National Housing Code.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

Decisive spatial transformation and modernisation of human settlements and urban development
The location of housing is of vital importance. Whilst significantly altering existing spatial patterns, the department has the responsibility to "modernise urban development and human settlements" through the greening of these developments and densifying them to counteract the shortage and cost of land in the province.

The department is currently phasing out 'legacy' projects, which are the micro projects that are found across the development corridors. Currently, the department is consolidating all legacy projects into mega human settlement projects in all development corridors of the GCR. This is in an endeavour to have such developments taking place in areas closer to employment, economic opportunities and transport facilities so that residents save money and time commuting between their workplaces and homes, and gain access to basic services and other amenities. The department's performance against the housing programmes implemented to date is summarised below.

Finance-linked Programme: The annual target under this sub-programme was 893 houses. To date 980 houses have been delivered. The annual target has already been surpassed because this programme is driven by the private sector with the capacity to deliver more units. The over-performance has no bearing on financial resources, as the initial capitalisation of the programme of R92.5m has not been fully disbursed by the National Housing Finance Corporation (NHFC).

Land parcels/hectares acquired for human settlements development: Developing human settlements along other nodal developments is vitally important to achieve maximum impact as well as economies of scale. The department planned to acquire 16 well-located land parcels for the development of affordable housing, social and rental housing initiatives and to address the needs of the gap housing market. These pockets of land are located closer to socio-economic amenities across the province. However, in addressing the "gap" market needs, the department has a responsibility towards the modernisation of human settlements and urban development. To develop sustainable human settlements, the department has to ensure that it affords the various segments of the housing market access to different housing typologies that suit their needs, whilst at the same time taking into account the paucity and price of land in the province. To date the department has conducted three land valuations. However the process had not been concluded as at the end of Q3.

IRDP Phase 1: Planning and Services: Under this sub-programme, the department had an annual target of 2 677 serviced stands. To date only 536 stands have been serviced. Most of the department's target on this performance indicator is planned to be achieved in quarter 4 (2 467).

IRDP: Phase 1: Planning and Services: Informal Settlements. Under this sub-programme, the department planned to service 5 596 stands. Only 146 stands have been serviced to date. The reasons for non-performance can be attributed to a combination of factors which include among others, delays in the relocation of beneficiaries to make way for the construction work. In addition, there are delays in approving electricity and water reticulation for the Slovo Park project. Delivery in Kagiso/Azaadville (Chief Mogale Phase II) was delayed by non-approval of top-up funding. The issue of top-up funding was resolved in quarter 3 and the department is expecting to fast track delivery in the fourth quarter. The Wagterskop project in the Western Corridor was delayed due to non-availability of bulk infrastructure in the area.

IRDP: Phase 2: Top Structure Construction: Under this sub-programme, the department had an annual target of 4 920 houses and only 374 houses have been completed to date. Accounting for this poor performance are infrastructure challenges such as insufficient bulk services in projects such as Olievenhoutbosch Ext 27 and Heatherly East (Nellmapius Ext 22) (Mega Project - Tshwane East) and invasions and vandalism of houses awaiting allocation. A directive has since been issued to allocate all houses with water and sanitation connection to address the problem. Projects such as Obed Mthombeni Nkosi Phase I (Mose) have been affected by delays in the signing of agreements resulting in the late commencement of the project.

Integrated Residential Development Programme (IRDP): Phase 2: Top Structure Construction: Informal Settlements: Under this sub-programme, the department has an annual target of 13 881 and to date 3 611 houses have been built. Delays in the appointment of contractors, community and labour unrest as well as the late approval of top-up funding contributed to the programme's poor performance. The appointment of contractors has been expedited, community and labour unrest resolved and local labour is now being employed in the projects as part of the mitigating steps.

Informal Settlements Upgrading: under this sub-programme, the department has an annual target of 4 327 and to date only 1 211 houses have been completed. The shortfall in achieving the target of housing units is due to various factors such as protests, illegal invasions, late appointment of contractors, delays in National Home Builder Registration Council (NHBRC) enrolment confirmation from Quality Assurance (QA). New contractors have been appointed to complete the work and to fast track delivery. Other contractors have been put on terms for the delivery of outstanding outputs.

Rural Housing: Under this programme, the department planned to build 300 units. To date only 24 units have been

completed at Sokhulumi Rural Development. Slow delivery of the programme is attributed to cash flow challenges by the contractor. The department is addressing the issue with the contractor.

Community residential units (CRUs) converted/upgraded: Nothing was planned for implementation under this programme due to a directive from the National Minister of Human Settlements prohibiting implementation of this programme.

CRUs constructed: 729 units were planned for the financial year and to date only 193 have been constructed. Poor performance is due to different factors ranging from pending township approvals, illegal occupants, delays in the appointment of a Professional Resource Team (PRT) and deferred quantification of outstanding work with the contractors.

Under the **Priority Programme**, a total of 2 682 housing units was planned for the year and to date 757 units have been delivered. The shortfall in performance is due to insufficient bulk infrastructure and lack of services in Kokosi Ext 6, Fleurhof and Cosmo City. Shacks encroaching the development area at Cosmo City slowed down the performance and delivery of targets. In Kokosi Ext 6, Performance is expected to increase after the water and sewer reticulation is complete. In terms of stands delivered a total of 2 853 stands were delivered to date against an annual target of 2 286 stands.

Under **Provincial Specific programme**, 398 houses were planned for the year and 167 houses have been delivered to date. Lufhereng mixed development was affected by delays in the approval of the specification for the house plans and approval of house plans for military veterans in Elias Motsoaledi was not finalized.

Under **Job Creation**, the department planned to create 15 000 employment opportunities. To date 7 480 job opportunities have been created. 2 740 opportunities were created for adult males, 807 for adult females, 3 170 for youth males, 689 for youth females and 24 for people with disabilities. Opportunities were created across all corridors of the GCR.

Training in construction and business management: The department planned to train 15 people with disabilities, 25 youth entrepreneurs, 20 woman entrepreneurs in construction and business management. Twenty youth and 60 women are currently being trained on business management and basic construction. Training of people with disabilities is planned or will take place in the last quarter of the year.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

Modernisation of human settlements and urban development

In alignment with the Medium Term Strategic Framework (MTSF) targets, the department will continue to undertake a rigorous exercise to ensure that targets set are a true reflection of the MTSF expectations and to ensure variances that occurred during the previous financial years are carried forward and spread across the remaining financial years and linked to the budget. This is to make up for the loss or under-planning encountered during the past three financial years due to various reasons highlighted under challenges. The department has therefore attempted to align the 2017/18 targets with those of both national and provincial MTSFs.

Financial Intervention Programme

Under the **FLISP** programme which is intended to assist people who do not earn enough to qualify to receive financial assistance (bonds) from the financial institutions but do not earn a sufficiently small amount to qualify for social housing, that is, people who earn between R3 500 – R18 000 per month, the department is targeting to produce 3 638 housing units for the coming financial year.

Incremental Housing Programme

Under the IRDP: Phase 1: Planning and services, the department plans to service 14 697 stands in 2017/18. For the IRDP Phase 1: Planning and Services under Informal Settlements, the department plans to service 9 128 stands in the coming year. Under Phase 2: Top Structure, the department plans to deliver 9 298 units and under IRDP: Phase 2: Top Structure: Informal Settlements, it plans to deliver 14 720 units.

The target for 2017/18 for the number of stands serviced for informal settlement upgrading programme is 1 600; for the number of houses completed for the informal settlement upgrading programme, the target is 4 936 for the upcoming year.

Social and Rental Intervention Programme

The department plans to build 13 334 Social Housing Capital Grant units for rental housing and 2 200 institutional subsidy units. Under **CRUs**, the department will construct 872 units in 2017/18. It will implement the Farm Worker Housing Assistance Programme targeting 391 housing units. The Rural Housing: Communal Land Rights Programme has a target of 100 house units for the year under review.

The department supports the important national goal of universal access to basic services, although this is primarily the

responsibility of the Department of Cooperative Governance and Traditional Affairs (COGTA). In its supportive role, the department is planning to service 1 600 stands and deliver 4 936 units under its informal settlement upgrading programme. The servicing of stands provides for connection of basic services such as access to basic water, sanitation and electricity.

Sales and Transfer of Housing Properties Programme
In relation to residential properties transferred to beneficiaries through the Enhanced Extended Discount Benefit Scheme (EEDBS) (pre-1994), the department is planning to transfer 400 title deeds to beneficiaries, whilst under the post-1994 properties regularized programme, the target is 78 795 for 2017/18. The planned target for number of tittle deeds issued on new housing developments throughout the year is 25 897 and the targeted number of property units devolved to municipalities is 1 000.

Decisive spatial transformation

Developing human settlements along other nodal developments is vitally important to achieve maximum impact as well as economies of scale. The department is targeting pockets of land that are located closer to socio-economic amenities across the province. To develop sustainable human settlements, the department has to ensure that it affords the various segments of the housing market access to different housing typologies that suit their needs.

In line with the provincial priorities of an inclusive GCR, the department will during the 2017/18 financial year embark on high yield projects which include Tsakane Ext 22, Chief Luthuli Ext. Mega and Germiston South (Eastern Development Corridor) (Ekurhuleni). Cosmo City, Goudrand Ext 24 (DRD), 3 D Diepsloot East (Central Development Corridor) (Joburg). Winterveldt Ext 3 Phase 2 (Northern Development Corridor) (Tshwane). Wagterskop (Mega), (Western Development Corridor) (West Rand). Sebokeng Ext 28 (Boiketlong Mega), Ratanda Ext. 1, 3, 5, 6, 7&8 (Ratanda Precinct Mega), Savannah City (Vaal Triangle Mega), Obed Mthombeni Nkosi Phase I (Mose) (Ratanda Precinct Mega), Westside Park (Golden Highway Mega), Southern Development Corridor (Sedibeng).

Job Creation
The department plans to create 8 000 employment opportunities through the Extended Public Works Programme (EPWP), GEYODI and Tshepo 500 000 in 2017/18. The department will strengthen the implementation of its empowerment policies by prioritising GEYODI mainstreaming across all the programmes and sub programmes. Through its empowerment and job creation initiatives/contribution, the department will train 100 youth and place them with contractors through the National Youth Service Framework (NYSF). The department will target the training of 25 youth entrepreneurs, 20 women entrepreneurs and 15 people living with disabilities (PWDs) in construction and business management. The department further plans to recruit 30 companies owned by designated groups (10 women, 10 Youth and 10 PWDs) to participate in the incubator programme.

Challenges faced by the department are:

- In-migration of people from other provinces and outside the country who are in pursuit of employment opportunities and a better life, thereby creating a continuous increase in housing demand in the province;
- Increasing commodity prices caused by the state of the economy;
- Distressed infrastructure as a result of rapid urbanisation and inward migration;
- An increased demand for provision of basic services to existing informal settlements across the province;
- Growth in “gap” market demand in line with the revised threshold;
- Difficulties in acquiring suitable and well-located housing land;
- Slow turn-around times on the FLISP application processing; and
- Paucity and high price of land in the province.

The following are some of the mitigating steps that need to be taken to address these difficulties:

- integrated planning using relevant forums between the Urban Settlement Development Grant (UDSG) and the HSDG in line with municipal IDPs. This will promote optimal utilisation of the grants for better human settlement and service delivery;
- Move towards planning and delivery of mega cities to achieve accelerated service delivery and economic development;
- Consumer education to ensure that there is wide-spread knowledge of opportunities such as FLISP; and
- Entrenching the contractual obligation for the service providers to use local labour to ensure job creation.

4. REPRIORITISATION

The department continues to review its operations to identify potential cost savings and eliminate inefficiencies. This will translate into reprioritisation, essential in the present tight fiscal environment. The department continues to explore less expensive building technologies and, taking the MTEF period as a whole, has examined how it can prioritise its budget to meet its primary objectives. The budgets for programmes such as Programme 3 i.e. R73.8 million were reprioritised from the item transfers and subsidies following the reprioritisation of the departmental business plan and were re-directed to

Programme 4 where the funds are most urgently needed. This was mainly to fund the EEDBS, a programme responsible for the transfer of deeds to beneficiaries.

When comparing the 2016/17 budget with the 2017/18 budget, Programme 1: Corporate services reprioritised funds within the programme as part of cost containment implementation. Items such as administrative fees, catering, advertising, communication, venues and facilities and consumable stationery were reduced to fund items which support the core such as consultants, professional bodies and property payments which will fund the commission of municipal services. Programme 1 decreases by R32.5 million to fund Programme 3 where expenditure on property payments is incurred. Programme 3 decreases by R73.8 million to fund the in Programme 4 as a result of the reprioritised departmental business plan.

Funding reprioritised to Programme 4: Housing Assets and Property Maintenance will promote home ownership in historically disadvantaged communities. It coordinates, manages and oversees the maintenance of departmental immovable assets in the form of flats, hostels and vacant stands and encourages and supports the provision of tools and personnel to maintain these departmental immovable assets. The department motivates, guides and manages the provision of tenure for occupants and promotes home ownership through sectionalisation of flats.

5. PROCUREMENT

The department will continue to procure goods and services in line with the budget allocation and in terms of all prescribed policies and acts; and will monitor and control spending as efficiently and as effectively as possible. Purchasing, receiving and using goods and services on time is essential to service delivery. All contracts are subjected to market-related price analysis and the terms and conditions are analysed to identify areas where the department can negotiate for better value for money without compromising quality. The department encourages the use of small black owned businesses to promote sustainable job creation, using a range of such businesses to promote fairness and transparency.

In relation to procurement, in the 2017/18 financial year the department plans to:
- Start with migration from the manual operating system to SAP implementation. This will improve completeness and accuracy of reports;
- Continue to train and develop its staff;
- Implement the use of pre-approved lists as the basis of appointment of service providers for regular services. This will ensure timeous appointment of contractors within the first quarter of the financial year;
- Acquire goods and services in line with targets as indicated in the procurement plan;
- Enhance contract management across the department especially for construction projects; and
- Honour contractual obligations.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 8.1: SUMMARY OF RECEIPTS: HUMAN SETTLEMENTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	508 099	682 160	959 170	824 723	1 023 792	1 023 792	644 254	683 268	721 281
Conditional grants	4 108 399	4 432 595	4 126 734	5 046 443	5 024 874	5 024 874	5 542 105	5 907 304	6 270 283
Total receipts	**4 616 498**	**5 114 755**	**5 085 904**	**5 871 166**	**6 048 666**	**6 048 666**	**6 186 359**	**6 590 572**	**6 991 564**

The equitable share and conditional grants are the main source of funding for the GDHS. The Human Settlements Development Grant and the funding made available by the province caters for the implementation of national and provincial housing programmes. In the 2017/18 financial year the total budget of R6.2 billion is made up of a conditional grant R5.5 billion and the equitable share of R644 million.

Over the MTEF period, total receipts will have increased steadily from R4.6 billion in 2013/14 to R7 billion in the 2019/20 financial year. The funding made available will enable the department to embark on projects that will contribute decisively to spatial transformation and radical economic transformation by ensuring that people are located closer to places of work and economic opportunities. It will also provide sustainable human settlements services and infrastructure, in line with national access and equity policy and objectives. The conditional grant increases from R5 billion in 2016/17 to R6.3 billion in the 2019/20 financial year, aligned to the estimated inflation projections. This grant will assist the department in addressing the housing backlog in the province, mainly caused by the increasing number of people who migrate to the province in pursuit of a better life and employment opportunities.

Included in the HSDG is an amount of R129 million in 2017/18 and R114 million in 2018/19 earmarked for revamping mining towns including Merafong City, Randfontein, Westonaria and Mogale City. An amount of R14.6 million is made available by the province to enable the department to provide for infrastructure.

Through the HSDG, the department will embark on mega projects in the Central Corridor that includes Goudrand Ext 24, Diepsloot and Cosmo City. The department will spend some of the funding made available on projects such as Winterveldt Phase 2 and Nelmapius over the MTEF period on mixed housing development projects as part of a decisive spatial transformation and modernization of human settlements in the Northern Corridor.

The Eastern Corridor will ensure the continuation and implementation of projects such as Chief Albert Luthuli, Tsakane Ext 22 and Germiston South whilst the Western Corridor will deliver projects such as Westonari Borwa Mixed Housing Development, the continuation of Chief Mogale, Kagiso Ext 13, Kokosi Ext 6 and Munsieville Ext 9. Funding allocated to the Southern Corridor will yield mixed housing developments in Sebokeng Ext 28 and 30, finance linked subsidy projects such as Savannah City and Vanderbijlpark Central East no. 7 and the provision of access to basic services in areas such as Sicelo Shiceka, Mamello and KwaZenzele Phase 2.

An amount from the HSDG of R167 million in 2017/18 and R330 million for the two outer years of the MTEF is allocated for coordinating, managing and overseeing the maintenance of the department's immovable assets in the form of flats, hostels and vacant stands, and to provide the tools and personnel needed for these activities. The allocation will deal with the Extended Discount Benefit Scheme and the transfer of housing properties to beneficiaries.

6.2. Departmental receipts

TABLE 8.2: DEPARTMENTAL RECEIPTS: HUMAN SETTLEMENTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Sales of goods and services other than capital assets	3 255	989	1 442	414	414	1 507	435	460	485
Interest, dividends and rent on land		2 007	1 500	362	362	362	380	402	425
Transactions in financial assets and liabilities	1 633	1 964	34 716	3 888	3 888	9 296	4 082	4 319	4 561
Total departmental receipts	**4 888**	**4 960**	**37 658**	**4 664**	**4 664**	**11 165**	**4 897**	**5 181**	**5 571**

The department generates its revenue from parking fees, sale of tender documents and collection of revenue from rental of departmental properties. For the period under review, revenue remains stable due to the nature of the department's business. The department receives a once off collection of revenue for capital assets in the financial year 2015/16 and 2016/2017. The significant collection of R33 million for 2015/2016 resulted from revenue received from funds that were rolled over from Ekurhuleni Metropolitan Municipality. The department receives once off revenue resulting from servitudes rights during the 2016/17 financial year. For the year under review, the department has experienced an increase in the sale of tender documents. It is anticipated that increased parking fees, tender document prices and commission on third party payments could improve revenue collection over the MTEF. The department is no longer transferring funds to conveyancers upfront for individual subsidies hence there is no interest generated from such transactions.

7. PAYMENT SUMMARY

7.1. Key assumptions

The assumptions that underpin the department's 2017 expenditure are summarized below. A 7.4 per cent wage increase is anticipated over the MTEF. A 6.2 per cent increase in general goods and services is anticipated in 2017/18, 5.9 per cent in 2018/19 and 5.6 per cent in 2019/20, in line with the projected consumer price index (CPI). The following elements have been taken into consideration when determining budgets for personnel and other economic classifications for the 2017 MTEF:

- Number of staff and possible changes over the MTEF;
- Basic salary costs including conditions of service adjustments from 1 April each year;
- Increased take-up of benefits such as medical aid and home owners' allowance based on bargaining council agreements;
- Inflation in the cost of goods and services, based on headline CPI projections;
- Provision for eradicating informal settlements through the province;
- Provision for upgrading infrastructure services; and
- Decisive spatial transformation and radical economic transformation.

7.2. Programme summary

TABLE 8.3: SUMMARY OF PAYMENTS AND ESTIMATES: HUMAN SETTLEMENTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	194 925	278 832	364 812	439 360	473 624	474 017	417 217	426 851	450 527
2. Housing Needs, Research And Planning	10 818	14 595	22 369	33 076	33 298	33 759	35 822	36 771	38 833
3. Housing Development	4 240 571	4 647 462	4 278 821	5 287 261	5 419 275	5 413 369	5 559 388	5 964 045	6 323 914
4. Housing Assets Management Property Management	96 857	85 408	76 707	106 484	117 484	122 536	173 932	162 905	178 290
Total payments and estimates	**4 543 171**	**5 026 297**	**4 742 709**	**5 866 181**	**6 043 681**	**6 043 681**	**6 186 359**	**6 590 572**	**6 991 564**

7.3. Summary of Economic Classification

TABLE 8.4 SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASIFICATION: HUMAN SETTLEMENTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**388 805**	**417 208**	**545 326**	**555 611**	**637 208**	**637 178**	**582 004**	**617 480**	**655 862**
Compensation of employees	313 488	341 232	355 623	399 387	399 387	399 387	418 510	442 725	466 786
Goods and services	75 317	75 976	189 703	156 225	237 821	237 791	163 494	174 755	189 076
Interest and rent on land									
Transfers and subsidies to:	**4 141 781**	**4 574 792**	**4 196 305**	**5 260 703**	**5 361 004**	**5 361 003**	**5 557 078**	**5 923 145**	**6 287 042**
Households	4 141 781	4 574 792	4 196 305	5 260 703	5 361 004	5 361 003	5 557 078	5 923 145	6 287 042
Payments for capital assets	**12 585**	**9 111**	**1 059**	**49 867**	**45 367**	**45 367**	**47 276**	**49 947**	**48 660**
Machinery and equipment	9 099	9 073	1 052	40 000	33 500	33 500	42 262	44 447	44 040
Software and other intangible assets	3 486	38	7	9 867	11 867	11 867	5 014	5 500	4 620
Payments for financial assets		**25 186**	**19**		**102**	**133**			
Total economic classification	**4 543 171**	**5 026 297**	**4 742 709**	**5 866 181**	**6 043 681**	**6 043 681**	**6 186 359**	**6 590 572**	**6 991 564**

The table above shows that departmental expenditure increased from R4.5 billion in the 2013/14 financial year to R5 billion in the 2014/15 financial year. The increase mainly resulted from the recalculation of the equitable share receipts based on Stats SA data that showed Gauteng's population as higher than previously indicated. Expenditure was R4.7 billion in 2015/16 due to the HSDG being reduced by R908 million by the National Department of Human Settlements to fund priority projects in other provinces. For the period under review, the budget increases from R5.9 billion in 2016/17 to R6.1 billion in the 2017/18 financial year due to the land management function being moved to the Department of Infrastructure Development. However, over the 2017 MTEF the budget grows by 5.6 percent year on year. The largest share of the budget is allocated to the Housing Development Programme, which aims to establish sustainable human settlements where all citizens have access to housing and other social amenities.

Programme 1: Administration expenditure increased from R195 million in 2013/14 to R279 million in the 2014/15 financial year. In 2015/16, the expenditure increased to R365 million; this related to the realignment of the personnel budget from Programme 3: Housing Development. For the 2017/18 financial year the budget shows a slight decrease of R57 million to R417 million when compared to the previous financial year's adjusted budget of R474 million. This is mainly due to once off additional funding made available to the department to fund rates and taxes and departmental security services during the 2016/17 adjustment budget process. In the 2018/19 financial year the budget will amount to R427 million and significantly increases in the 2019/20 financial year to R451 million. The increase will assist the department to improve its professionalism by employing more scarce skills to support the administration of Mega Projects.

Programme 2: Housing Needs, Planning and Research expenditure increased from R10.8 million to R22.4 million between 2012/13 and 2015/16. In 2016/17, the programme budget grew significantly to R33 million. The increased budget was mainly because the personnel budget from Programme 3: Housing Development was transferred to the correct cost centre. In 2017/18 the allocated budget of R36 million within the programme provides for the regulatory framework for housing delivery, develops policy guidelines and provides provincial inputs on housing legislation. Over the MTEF the budget grows to R39 million or by 6 per cent year on year.

Programme 3: The Housing Development Programme makes up the largest share of the budget. Its aim is to establish sustainable human settlements where all citizens have access to housing and other social amenities. Expenditure for the programme grew

from R4.2 billion in the 2013/14 financial year to R4.6 billion in the 2014/15 financial year. In the 2015/16 financial year, the expenditure remained stable at R4.2 billion due to additional funding of R390 million being made available for provincial mega projects and provision of bulk infrastructure for Syferfontein Phase 1-2 and Savannah City. Although the programme received additional funding, the HSDG was reduced by R400 million over the 2016 MTEF to make provision for the Housing Development Agency (HDA). An amount of R124 million is earmarked for the mining towns of Merafong, Randfontein and Westonaria in the 2016/17 financial year. The budget for the programme increases slightly from R5.4 billion in 2016/17 to R5.6 billion in 2017/18 as, citing tight fiscal constraints, the National Department of Human Settlements reduced the HSDG by R439 million. The budget increase to R5.9 billion and R6.3 billion for the outer years of the MTEF is in line with expected inflation. Included in the 2017/18 allocation of the HSDG is an amount of R129 million earmarked for the revamping of mining towns that includes Merafong, Rand West and Mogale City. The budget for the programme will enable the department to build integrated, cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements and promote effective and efficient delivery of provincial and local housing programmes.

Programme 4: Housing Assets Property Management expenditure was R97 million in 2013/14 and R85 million in 2014/15. The budget for the programme increased to R117 million in 2016/17 mainly to fund the EEDBS resulting from the reprioritisation of the departmental business plan. Over the MTEF, the budget increases from R117 million in 2016/17 to R178 million in 2019/20. This allocation is mainly for coordinating, managing and overseeing the maintenance of the department's immovable assets in the form of flats, hostels and vacant stands, and to provide the tools and personnel needed for these activities. The programme motivates, guides and manages the provision of tenure for occupants and promotes home ownership through sectionalisation of flats, and disposes off the department's commercial properties.

Expenditure on **compensation of emplo**yees increased from R313 million in 2013/14 to R341 million in 2014/15. In the 2015/16 financial year, the expenditure for personnel amounted to R356 million. The personnel budget grows from R399 million in the 2016/17 financial year to R467 million in the 2019/20 financial year. The increased allocation is mainly attributable to the yearly general increment related to improved conditions of employment as well as the filling of critical vacant posts in the department.

The total expenditure for **goods and services** increased considerably from R75 million in the 2013/14 financial year, to R190 million in the 2015/16 financial year. In 2016/17, the allocation for goods and services increased to R238 million mainly due to once off additional funding made available to the department to fund rates and taxes and departmental security services during the adjustment budget process and to address the budget pressure that the department is experiencing. The budget decreases to R189 million for the outer year of the MTEF period due to cost containment measures being put in place.

Transfers and subsidies expenditure increased from R4.1 billion in 2013/14 to R4.6 billion in 2014/15. The growth in transfers and subsidies was driven by the growth in the HSDG intended to build cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlements. For the period 2016/17, the total allocation for transfers and subsidies amounted to R5.4 billion due to provincial funding made available for bulk infrastructure in Syferfontein Phase 2. The budget increases to R5.6 billion in 2017/18 to make provision for the HDA. The allocation increases to R6.3 billion for the 2019/20 financial year. The increase caters for accelerated delivery in housing projects and the eradication of informal settlements in the province.

Expenditure on machinery and equipment fluctuates, decreasing from R9 million in 2013/14 to R1.4 million in 2015/16. The budget increases to R33.5 million in 2016/17. The 2017/18 budget is R42 million, increasing to R44 million in the outer year of the MTEF. The budget is mainly for procuring the equipment for personnel to carry out their duties efficiently and effectively. This is due to the envisaged increase in human resource capacity to augment the professional capacity of the department

7.4. Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the Estimates of Capital Expenditure (ECE) for details on infrastructure payments.

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

N/A

7.5. Transfers

7.5.1. Transfers to public entities

TABLE 8.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Gauteng Partnership Fund	322 917	100 170	200 000	212 400	212 400	212 400	224 719	237 753	251 067
Total departmental transfers	**322 917**	**100 170**	**200 000**	**212 400**	**212 400**	**212 400**	**224 719**	**237 753**	**251 067**

The Gauteng Partnership Funds (GPF) mandate is to provide housing finance and solutions for households that earn incomes between R3 500 and R18 000 per month. Its aim is to facilitate or mobilise funding for affordable housing and to support Gauteng Human Settlements to facilitate private sector participation and mobilise appropriate funding for social housing and integrated projects.

The GPF receives contributions from the Gauteng Department of Human Settlements from time to time but the entity funds itself mainly from the interest earned from the original capitalisation of the GDHS donation. The GPF receives interest from loans that were given out to borrowers. In 2013/14 the entity received a contribution from the GDHS of R323 million, in 2014/15 the contribution amounted to R100 million. The contribution amounted to R200 million in 2015/16 and R212 million in 2016/17. The GPF will receive a contribution of R225 million in 2017/18 which will assist it to strengthen its strategic objective of increasing and leveraging private sector funding for affordable housing in Gauteng with the ultimate aim of increasing the rate of delivery of sustainable human settlements in the province. The funding is expected to increase to R238 million in 2018/19 and R251 million in the outer year of the MTEF.

7.5.2. Transfers to other entities

N/A.

7.5.3 Transfers to local government

TABLE 8.6 SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATERGORY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Category A		**38 349**	**516 576**	**741 384**	**741 384**	**741 384**	**389 069**	**361 929**	**287 891**
Ekurhuleni Metro			127 759	126 738	126 738	126 738	41 203	43 634	46 077
City of Johannesburg		38 349	302 161	411 613	411 613	411 613	257 202	222 282	140 424
City of Tshwane			86 656	203 033	203 033	203 033	90 664	96 013	101 390
Category B		**138 871**	**135 066**	**190 452**	**190 452**	**190 452**			
Emfuleni									
Midvaal									
Lesedi		13 700							
Mogale City				86 752	86 752	86 752			
Randfontein			52 500	32 700	32 700	32 700			
Westonaria				44 700	44 700	44 700			
Merafong City		125 171	82 566	26 300	26 300	26 300			
Category C		**13 133**							
Sedibeng District Municipality		13 133							
West Rand District Municipality									
Unallocated									
Total transfers to municipalities		**190 353**	**651 642**	**931 836**	**931 836**	**931 836**	**389 069**	**361 929**	**287 891**

Transfers to local government increases from R190 million to R652 million between 2014/15 and 2015/16. During the 2015/16 period the department transferred a total of R517 million to Category A and R135 million to category B municipalities. All the transfers made to Category A municipalities were for the delivery of housing stock/units where the municipality is appointed as an implementing agent. R40.5 million was transferred to Randfontein municipality for the construction of a water reservoir which will unlock a number of developments in the West Rand area and parts of the southern region. The budget for the construction of the water reservoir was funded from the mining town's earmarked allocation. R82 million was transferred to Merafong municipality and was earmarked for the construction of a bridge over a railway line to connect the old and new developments; R22 million was earmarked for servicing of 500 sites and R34 million was allocated for the construction of 265 housing units.

The budget for transfers increases to R932 million during the 2016/17 financial year. Category A municipalities receive R741 million whereas category B municipalities receive R190 million. The department entered into subsidy funding agreements with all the municipalities receiving funds. The funding was primarily for the construction of top structures and to a lesser degree servicing of stands. Mining towns' funds is being used to a large degree for infrastructure upgrade in these mining towns. These areas do not receive funds from the USDG. Funding is provided for these targeted areas to unblock development bottlenecks. The budget for transfers to local government decreases to R389 million in 2017/18 as the department plans to implement some of the projects previously implemented by municipalities. The budget will further decrease to R361 million and R288 million for the two outer years of the MTEF.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The main goal of this programme is to strengthen and align the department's ability to deliver on its mandate. It enables the department's business units to perform efficiently by providing corporate support (HR, financial management, supply chain, ITC, risk management and facilities management and support). The programme ensures effective leadership, management and administrative support of the core business divisions through continuous refinement of organisational strategy and structure in compliance with appropriate legislation and practice. The programme's outputs are in line with government's Outcome 12 which seeks to achieve "An efficient, effective and developmental oriented public service and an empowered, fair and inclusive citizenship".

Programme objectives

- To ensure that the department's supply chain processes are conducted in a manner that is fair, transparent, equitable, competitive and cost effective; and that the management and operation of the function is efficient and effective and adds value to the strategic objectives of the department;
- To ensure that Human Resources Management is a strategic partner to all units in the department;
- To provide effective legal services to the department;
- To provide efficient and effective facilities management to the department;
- To provide effective, efficient and stable ICT infrastructure and support to the department;
- To ensure prudent financial management, efficient and effective procurement systems and to ensure; that financial planning and budgeting are aligned to the department's Strategic Plan;
- To provide for the functioning of the Office of the MEC and legislative support services;
- To ensure effective, efficient and transparent risk management, financial systems and controls to safeguard departmental assets; and
- To ensure good corporate governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility in departmental operations.

TABLE 8.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Corporate Services	194 925	278 832	364 812	439 360	473 624	474 017	417 217	426 851	450 527
Total payments and estimates	**194 925**	**278 832**	**364 812**	**439 360**	**473 624**	**474 017**	**417 217**	**426 851**	**450 527**

TABLE 8.8: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	**182 283**	**244 354**	**362 731**	**389 177**	**427 549**	**428 003**	**369 609**	**376 553**	**401 497**
Compensation of employees	118 580	174 036	237 472	242 921	203 507	203 507	250 117	263 914	275 515
Goods and services	63 703	70 318	125 259	146 256	224 042	224 496	119 492	112 639	125 982
Interest and rent on land									
Transfers and subsidies to:	**72**	**181**	**1 003**	**316**	**316**	**524**	**332**	**351**	**370**
Provinces and municipalities									
Households	72	181	1 003	316	316	524	332	351	370
Payments for capital assets	**12 570**	**9 111**	**1 059**	**49 867**	**45 357**	**45 357**	**47 276**	**49 947**	**48 660**
Buildings and other fixed structures									
Machinery and equipment	9 084	9 073	1 052	40 000	33 490	33 490	42 262	44 447	44 040
Software and other intangible assets	3 486	38	7	9 867	11 867	11 867	5 014	5 500	4 620

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Payments for financial assets		25 186	19		102	133			
Total economic classification	194 925	278 832	364 812	439 360	473 624	474 017	417 217	426 851	450 527

The table above shows that the programme's expenditure increased from R195 million in 2013/14 to R279 million in the 2014/15 financial year. In the 2015/16 financial year expenditure was R365 million and then a further increase R74 million in 2016/17 to R439 million. It will then reduce to R417 million and increase to R451 million in the outer year of the MTEF.

The budget shows significant growth of 42 per cent from 2014/15 to 2015/16. This is mainly because the personnel budget shifted from other programmes to this programme in line with the approved structure. The allocated funding will enable the department to strengthen governance, combat fraud and corruption and enhance security and risk management by conducting internal audits and facilitating external audits. It will ensure the implementation of and compliance with minimum information security standards and other security legislation. Improved service is aligned with the organisation's core objectives and is achieved through the provision of cost effective and efficient ICT solutions and services, facilities, logistics and records management support services.

The programme's expenditure on compensation of employees increased from R119 million in 2013/14 to R174 million in 2014/15 before increasing to R237 million in the 2015/16 financial year. The allocation is R243 million in the 2016/17 financial year. The increase results from the personnel budget being moved from other programmes to Programme 1: Administration. The budget remains relatively stable at R264 million and R276 million in the two outer years of the MTEF in line with estimates for projected growth.

Goods and services expenditure increased slightly from R64 million to R70 million between the 2013/14 to 2014/15 financial year. In the 2015/16 financial year, the expenditure amounted to R125 million. The budget increased to R146 million in the 2016/17 financial year before it decreases to R126 million in the outer year of the MTEF mainly due to funds being reprioritised towards compensation of employees. The budget made available for goods and services will provide for the payment of departmental rates and taxes, security services and operational activities of the department.

PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

Programme description

The purpose of this programme is to facilitate and undertake housing delivery planning, identify housing needs, provide a regulatory framework for housing delivery, develop policy guidelines, provide provincial inputs on housing legislation and any amendments to these, develop provincial multi-year housing delivery plans, ensure alignment of housing plans with IDPs and conduct research into the demand for housing. The programme promotes effective and efficient delivery of provincial and local government housing programmes; integrated redevelopment of urban communities at scale; and sustainable local economies. The programme has a number of transversal functions including quality assurance, research and development and inputs into policy development, planning and housing support.

Programme objectives

- Develop and implement departmental policies and initiate research to achieve the strategic objectives;
- Facilitate the realignment of and compliance with the regulatory environment for sustainable human settlements;
- Develop annual performance plans and the Five Year Strategic Plan;
- Implement, revise and review the department's Programme of Action (PoA); and
- Provide support to various directorates in the department on the development of performance; and indicators for both the annual performance plans (APPs) and PoA.

TABLE 8.9: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
1. Administration	4 120	1 095	1 334	11 272	11 319	10 432	14 051	13 770	14 543
2. Policy	3 171	12 784	17 664	10 611	10 711	12 059	11 303	11 958	12 628
3. Planning	3 478	695	3 197	11 195	11 268	11 268	10 468	11 043	11 662
4. Research	49	21	174						
Total payments and estimates	10 818	14 595	22 369	33 076	33 298	33 759	35 822	36 771	38 833

TABLE 8.10: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING NEEDS, RESEARCH AND PLANNING

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**10 818**	**14 595**	**22 369**	**33 076**	**33 288**	**33 078**	**35 822**	**36 771**	**38 833**
Compensation of employees	10 479	14 162	21 422	32 657	32 657	32 657	35 380	36 335	38 371
Goods and services	339	433	947	420	631	421	442	436	462
Interest and rent on land									
Transfers and subsidies to:									
Provinces and municipalities									
Households									
Payments for capital assets					**10**	**10**			
Machinery and Equipment					10	10			
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**10 818**	**14 595**	**22 369**	**33 076**	**33 298**	**33 759**	**35 822**	**36 771**	**38 833**

The programme's expenditure increased from R10.8 million to R14.6 million between the 2013/14 and 2014/15 financial years. The increase was to ensure that the Inclusionary Housing Incentives chapter was completed for insertion into the Bill. Expenditure in 2015/16 increased significantly by R7 million to R22 million. The increase was because the personnel budget shifted from Programme 3: Housing Development to this programme in line with the approved organisational structure. The budget amounts to R33 million in 2016/17, R35.8 million in 2017/18 and R38.9 million in the outer year of the MTEF. The increase in the budget is mainly to develop and implement departmental policies, initiate research to achieve strategic objectives and ensure alignment and compliance with the regulatory environment for sustainable human settlements and the building of new cities.

The expenditure for the Sub-programme: Policy increased from R3.1 million from 2013/14 to R17.6 million in 2015/16. The budget decreases to R10.6 million in 2016/17 before decreasing to R11.3 million in 2017/18 and to R12.6 million for the outer year of the MTEF. The budget of the sub-programme will assist the department to develop and implement policies to achieve strategic objectives and ensure alignment and compliance with the regulatory environment.

The expenditure on Sub-programme: Planning decreases from R3.5 million in 2013/14 to R695 000 in 2014/15 due to the function being shifted to the HDA. The budget increases to R11.6 million in 2017/18 and R12.6 million for the two outer years of the MTEF period. The growth in the budget is to support the development and alignment of the departmental planning frameworks including the APPs, the Integrated Multi-year Housing Development Plan, the Medium Term Budget Policy Statements and Programmes of Action, in line with national and provincial requirements.

The Sub-programme: Research recorded expenditure of R49 000 in 2013/14 and increased to R174 000 in 2015/16 mainly to conduct research and develop innovative methods to address housing needs. There is no allocation over the MTEF as the function was moved to the HDA from the 2016/17 financial year.

SERVICE DELIVERY MEASURES

PROGRAMME 2: HOUSING, NEEDS, RESEARCH AND PLANNING

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Sub Programme: Policy			
Number of Acts passed/ or policy guidelines approved	3	3	3
Sub Programme: Planning			
Number of municipalities capacitated and supported with regard to human settlements (housing) development planning	12	12	12
Sub Programme: Research			
Number of research projects approved	2	2	2
Number of research papers completed	2	2	2

PROGRAMME 3: Housing Development

Programme description

The core focus of the Housing Development Programme is to build integrated, cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements. The emphasis in this programme is on the provision of individual subsidies and housing opportunities to beneficiaries in accordance with the national housing policy. This programme promotes effective and efficient delivery of provincial and local housing programmes. It concentrates on the integrated redevelopment of urban communities at scale, cultivating sustainable local economies. The programme outputs are reflected in government's Outcome 8, which seeks to achieve "Sustainable human settlement and improved quality of household life".

Programme objectives

- Provide and develop integrated infrastructure for the creation of cohesive communities;
- Promote home ownership;
- Substantially reduce levels of unemployment;
- Create a healthy and clean living environment;
- Provide engineering services at an affordable and sustainable level;
- Reduce levels of crime and violence;
- Upgrade existing housing and create additional affordable housing;
- Alleviate poverty;
- Create sustainable livelihoods;
- Create a caring and responsive government;
- Create a better life for all; and
- Implement integrated, high impact, time bound and targeted interventions.

TABLE 8.11: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	195 719	156 394	162 859	128 849	171 862	171 371	183 960	198 773	209 905
2. Financial Interventions	577 555	484 450	461 805	339 157	457 781	457 781	553 993	664 823	1 005 443
3. Incremental Interventions	2 536 186	3 460 983	3 095 163	4 226 618	4 015 612	4 010 197	4 244 326	4 001 406	3 840 285
4. Social And Rental Intervention	883 058	529 650	543 731	510 427	756 434	727 706	482 757	961 186	1 102 511
5. Rural Intervention	48 053	15 985	15 263	82 210	17 586	46 314	94 351	137 857	165 770
Total payments and estimates	**4 240 571**	**4 647 462**	**4 278 821**	**5 287 261**	**5 419 275**	**5 413 369**	**5 559 388**	**5 964 045**	**6 323 914**

TABLE 8.12: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**195 704**	**158 259**	**160 031**	**126 644**	**169 657**	**168 712**	**169 905**	**198 773**	**209 905**
Compensation of employees	184 429	153 034	96 729	120 565	159 979	159 979	129 487	139 066	149 360
Goods and services	11 275	5 225	63 302	6 079	9 678	8 733	40 419	59 704	60 545
Interest and rent on land									
Transfers and subsidies to:	**4 044 852**	**4 489 203**	**4 118 790**	**5 160 617**	**5 249 618**	**5 244 657**	**5 389 482**	**5 765 272**	**6 114 009**
Provinces and municipalities									
Households	4 044 852	4 489 203	4 118 790	5 160 617	5 249 618	5 244 657	5 389 482	5 765 272	6 114 009
Payments for capital assets	**15**								
Buildings and other fixed structures									
Machinery and equipment	15								
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**4 240 571**	**4 647 462**	**4 278 821**	**5 287 261**	**5 419 275**	**5 413 369**	**5 559 388**	**5 964 045**	**6 323 914**

The programme's purpose is to establish sustainable human settlements where all citizens have access to housing and other social amenities and to assist the department to deliver on its mega projects and programmes: mixed housing development, eradication of informal settlements, alternative tenure, the urban renewal programme.

The programme takes up the largest share of the departments' budget and amounts to R4.2 billion in both 2013/14 and 2015/16 before increasing to R5.2 billion in 2016/17. In the 2015/16 financial year, expenditure remained steady at R4.3 billion due to additional funding of R390 million being made available for provincial mega projects and provision of bulk infrastructure for Syferfontein Phase 1-2 and Savannah City. This is after the National Department of Human Settlements reprioritised R908 million from the provincial HSDG allocation to priority provinces. The HSDG was further reduced by R400 million over the 2016 MTEF to make provision for the HDA. The budget is R5.4 billion in 2016/17 after the department received once off additional funding of R100 million from the province to fund bulk infrastructure for the Syferfontein Phase 2 mega project. An amount of R124 million is earmarked for the mining towns of Merafong, Randfontein and Westonaria in the 2016/17 financial year. The budget for the programme increases slightly from R5.4 billion in 2016/17 to R5.6 billion in 2017/18 as a result of the HSDG being reduced by R439 million, with the National Department of Human Settlements citing tight fiscal constraints. The budget increases to R5.9 billion and R6.3 billion for the outer years of the MTEF in line with inflationary rates. Included in the 2017/18 allocation of the HSDG is an amount of R129 million earmarked for the revamping of mining towns. The budget for the programme will enable the department to build integrated, cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements and by promoting effective and efficient delivery of provincial and local housing programmes.

The expenditure for the Sub-programme: Financial Intervention was R577 million in 2013/14 and R484 million in 2014/15. The reason for the increase was to facilitate immediate access to housing goods and services, create an enabling environment and provide implementation support. In the 2015/16 financial year the expenditure stood at R462 million, mainly to cater for credit linked individual housing subsidies, housing finance linked individual subsidies, the EEDBS, rectified RDP stock 1994-2002, social and economic facilities, NHBRC enrolment and procurement of land parcels. In 2016/17, the programme budget decreases to R458 million from the previous financial year due to the reprioritisation of the departmental business plan and EEDBS funding being moved to Programme 4. The programme budget increases to R554 million in 2017/18 and to R1 billion in 2019/20. The projected budget growth will cater for the 1 725 houses targeted to be built under the Finance Linked Individual Subsidy Programme.

The expenditure of the sub-programme: Incremental Intervention increased from R2.5 billion in 2013/14 to R3.5 billion in 2014/15. The expenditure decreased to R3 billion in 2015/16 after R908 million from the department's HSDG allocation was reprioritised to priority provinces by NDHS. The budget remains relatively stable at R4 billion through 2016/17. Over the 2017 MTEF, it remains at R4.2 billion in 2017/18 and decreases to R3.8 billion in 2019/20. Through this programme, the department will embark on mega projects in the Central Corridor that includes Goudrand Ext 24, Diepsloot and Cosmo City. The department will spend some of the funding made available in 2017/18 and over the MTEF period on mixed development housing projects as part of a decisive spatial transformation and modernization of human settlements in the Northern Corridor on projects such as Winterveldt Phase 2 and Nelmapius. The Eastern Corridor will ensure the continuation and implementation of projects such as Chief Albert Luthuli, Tsakane Ext 22 and Germiston South whilst the Western Corridor will deliver projects such as Westonari Borwa Mixed Housing Development, the continuation of Chief Mogale, Kagiso Ext 13, Kokosi Ext 6 and Munsieville Ext 9. Funding allocated to the Southern Corridor will yield mixed housing developments in Sebokeng Ext 28 and 30, Finance Linked Subsidy projects such as Savannah City and Vanderbijlpark Central East no. 7 and the provision of access to basic services in areas such as Sicelo Shiceka, Mamello and KwaZenzele Phase 2 and will provide for servicing 6 000 stands for project-linked subsidies. Under the Integrated Residential Development Programme (IRDP), the department plans to service 24 860 stands and build 26 142 houses for IRDP.

The expenditure for the sub-programme: **Social and Rental Intervention** declined significantly from R883 million to R530 million between 2013/14 and 2014/15. This decrease was driven by the growing demand for housing resulting, among other factors, from in-migration to the province in 2013/14. The 2014/15 expenditure of R530 million shows a decline of R353 million or 33 per cent from the previous financial year. The expenditure increases to R544 million in 2015/16 and to R756 million in 2016/17. The budget decreases to R482 million in 2017/18 before increasing to R1.1 billion in 2019/20. The budget will provide for the 8 440 units to be built for institutional subsidies and the construction of 2 527 units for CRUs over the MTEF period. The sub-programme plans to build 3 060 units of rural housing.

Transfers and subsidies expenditure increased from R4 billion in 2013/14 to R4.5 billion in 2014/15. The growth in transfers and subsidies was driven by the growth in the Human Settlements Conditional Grant to build cohesive and sustainable communities by ensuring that services and infrastructure are provided. For the period 2016/17, the total allocation for transfers and subsidies amounted to R5.2 billion due to provincial funding made available for bulk infrastructure in Syferfontein Phase 2. The budget increases to R5.4 billion in 2017/18 to make provision for the HDA. The allocation increases to R6.3 billion for the 2019/20 financial year. The increase caters for accelerated delivery in housing projects and the eradication of informal settlements in the province.

SERVICE DELIVERY MEASURES

PROGRAMME 3: HOUSING DEVELOPMENT

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Sub-programme: Financial Interventions			
Number of houses built for individual credit-linked subsidies	600	295	495
Sub-Programme: Incremental Interventions			
Number of houses built for individual credit-linked subsidies	19 222	16 527	17 419
Number of land parcels acquired for human settlement development	8 106	8 905	15 389
Sub-Programme: Social and Rental Housing Interventions			
Number of houses built for individual credit-linked subsidies	2 265	1 408	2 135
Number of land parcels acquired for human settlement development	6	6	6
Sub-Programme: Rural Interventions			
Number of houses built for individual credit-linked subsidies	200	310	224
Number of land parcels acquired for human settlement development	400	0	150
Number of houses built for individual credit-linked subsidies	1 100	1 142	1 475
Number of land parcels acquired for human settlement development	1 901	600	800
Provincial Specific Programmes			
Number of houses built for individual credit-linked subsidies	800	280	300

PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT

Programme description

The purpose of the programme is to promote home-ownership in historically disadvantaged communities. It coordinates, manages and oversees the maintenance of departmental immovable assets in the form of flats, hostels and vacant stands; and encourages and supports the provision of tools and personnel to maintain these departmental immovable assets. The department motivates, guides and manages the provision of tenure for occupants and promotes home ownership through sectionalisation of flats. It disposes of the department's commercial properties.

Programme objectives

- To capacitate social housing institutions to accelerate housing delivery;
- To facilitate the stabilisation of the sectional title environment;
- To facilitate an enabling environment that allows for the delivery of social housing including facilitating the involvement of financial institutions;
- To phase out special needs housing and facilitate interactions with provincial departments;
- To provide housing assistance to departmental staff;
- To facilitate medium-density housing (rental, instalment sale and cooperative housing);
- To facilitate affordable rental accommodation (including upgrade of backyard rentals and non-transferable stock);
- To promote home ownership;
- To dispose of commercial property and vacant land owned by the department in the most economical way; and
- To deliver housing units in targeted presidential projects.

TABLE 8.13: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING ASSETS AND PROPERTY MAINTENANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration				6 714	6 714	6 714	6 668	5 383	5 627
2. Sales And Transfer Of Housing Properties	53 979	42 642	39 388	51 000	62 000	36 500	100 000	110 000	120 000
3. Devolution Of Housing Properties	42 878			2 270	2 270	2 270	2 384	2 522	2 663
4. Housing Properties Maintenance		42 766	37 319	46 500	46 500	77 052	64 880	45 000	50 000
Total payments and estimates	**96 857**	**85 408**	**76 707**	**106 484**	**117 484**	**122 536**	**173 932**	**162 905**	**178 290**

TABLE 8.14: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING ASSETS AND PROPERTY MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments			**195**	**6 714**	**6 714**	**6 714**	**6 668**	**5 383**	**5 627**
Compensation of employees			195	3 244	3 244	3 244	3 527	3 407	3 540
Goods and services			195	3 470	3 470	3 470	3 142	1 976	2 087
Interest and rent on land									
Transfers and subsidies to:	**96 857**	**85 408**	**76 512**	**99 770**	**110 770**	**115 822**	**167 264**	**157 522**	**172 663**
Provinces and municipalities									
Households	96 857	85 408	76 512	99 770	110 770	115 822	167 264	157 522	172 663
Payments for capital assets									
Buildings and other fixed structures									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**96 857**	**85 408**	**76 707**	**106 484**	**117 484**	**122 536**	**173 932**	**162 905**	**178 290**

Housing Assets Property Management expenditure was R97 million in 2013/14 and decreased to R85 million in 2014/15. The budget for the programme increased to R117 million in 2016/17 mainly to fund the EEDBS resulting from the reprioritisation of the departmental business plan. Over the MTEF, the budget increases from R173 million in 2017/18 to R178 million in 2019/20. This allocation is mainly for coordinating, managing and overseeing the maintenance of the department's immovable assets in the form of flats, hostels and vacant stands; and to provide the tools and personnel needed for these activities. The programme motivates, guides and manages the provision of tenure for occupants and promotes home ownership through sectionalisation of flats, and disposes of the department's commercial properties.

SERVICE DELIVERY MEASURES

PROGRAMME 4: HOUSING ASSETS AND PROPERTY MAINTENANCE

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Sub Programme: Sale and Transfer of Housing Properties	8 000	8 000	8 000
Sub Programme: Devolution of Housing Properties	2 500	2 500	2 500
Sub Programme: Housing Property Maintenance	450	450	450
Sub Programme: Housing Property Maintenance: 6 Inner City Hostels	6	6	6

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 8.15: PERSONNEL AND COSTS: HUMAN SETTLEMENTS

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	498	519	483	483	483	483	483
2. Housing Needs, Research And Planning	295	38	38	38	38	38	38
3. Housing Development	466	304	304	304	304	304	304
4. Housing Assets Management Property Management	152	58	58	58	45	45	45
Direct charges							
Total provincial personnel numbers	**1 411**	**919**	**883**	**870**	**870**	**870**	**870**
Total provincial personnel cost (R thousand)	313 488	341 232	355 623	399 387	418 510	442 725	466 786
Unit cost (R thousand)	224	376	405	459	481	509	537

TABLE 8.16: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBER AND COSTS: HUMAN SETTLEMENTS

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	429	96 308	372	139 728	315	99 858	278	30	308	151 311	329	155 849	329	156 682	329	160 228	2.2%	1.9%	35.8%
7 – 10	645	144 798	350	131 464	350	120 092	342	4	346	110 835	346	122 323	346	126 022	346	134 695		6.7%	28.4%
11 – 12	134	30 082	154	57 844	154	95 311	145	8	153	72 677	153	79 424	152	89 036	153	95 625		9.6%	19.7%
13 – 16	78	17 510	43	16 152	43	37 298	40	2	42	42 144	42	46 190	43	49 188	42	52 828		7.8%	11.0%
Other	125	28 062			21	19 841	21		21	22 420		14 724		21 797		23 410	-100.0%	1.5%	5.2%
Total	**1 411**	**316 760**	**919**	**345 188**	**883**	**372 400**	**826**	**44**	**870**	**399 387**	**870**	**418 510**	**870**	**442 725**	**870**	**466 786**		**5.3%**	**100%**
Programme																			
1.Administration	498	118 580	519	174 036	483	237 472	448	35	483	242 922	483	250 116	483	263 914	483	275 515		4.3%	59.8%
2. Housing Needs, Research And Planning	295	10 479	38	14 162	38	21 422	37	1	38	32 657	38	35 380	38	36 335	38	38 371		5.5%	8.2%
3. Housing Development	466	184 429	304	153 034	304	96 729	297	7	304	120 565	304	129 487	304	139 069	304	149 360		7.4%	31.2%
4. Housing Assets Management Property Management	152		58		58		44	1	45	3 244	45	3 527	45	3 407	45	3 540		3.0%	0.8%
Total	**1 411**	**313 488**	**919**	**341 232**	**883**	**355 623**	**826**	**44**	**870**	**399 387**	**870**	**418 510**	**870**	**442 725**	**870**	**466 786**		**5.3%**	**100%**

For the period under review, the table above indicates personnel numbers and personnel cost estimates relating to the GDHS. The departmental structure was reviewed immediately after the splitting of the former Department of Local Government and Housing in order to ensure that the new GDHS is able to meet its delivery objectives with the required personnel capacity. The filling of posts that resumed after the split was done in accordance with the new department taking into consideration the availability of funds in the compensation budget. The number of contract workers declined substantially from the previous financial years, with contract workers being absorbed as permanent staff members. The table above indicates that the personnel numbers will remain stable at 870 over the MTEF as the department does not plan to create additional positions but rather fill all the critical vacant positions in line with the approved structure. The slight decline from 883 to 870 is due to the land management function being moved to the Department of Infrastructure Development. The growth in personnel costs is in line with inflation rates and takes into consideration improved conditions of service.

9.2. Training

TABLE 8.17: INFORMATION ON TRAINING: HUMAN SETTLEMENTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	1 411	919	883	870	870	870	870	870	870
Number of personnel trained	200	300	400	500	500	500	600	635	635
of which									
Male	90	140	160	240	240	240	240	254	254
Female	110	160	240	260	260	260	360	381	381
Number of training opportunities	20	20	20	25	25	25	25	26	26
of which									
Tertiary	10	10	8	10	10	10	12	13	13
Workshops	7	7	4	5	5	5	6	6	6
Seminars	3	3	3	3	3	3	2	2	2
Other			5	7	7	7	5	5	5
Number of bursaries offered	73	100	100	100	100	100	100	106	106
Number of interns appointed	29	30	30	30	30	30	30	32	32
Number of learnerships appointed	29	30	15	15	15	15	15	16	16
Number of days spent on training	80	80	100	120	120	120	126	133	133
Payments on training by programme									
1. Administration	7 120	904	3 686	4 044	4 089	4 089	4 185	4 427	4 668
Total payments on training	**7 120**	**904**	**3 686**	**4 044**	**4 089**	**4 089**	**4 185**	**4 427**	**4 668**

The GDHS recognizes that its most important asset is its employees, and that this asset will need to be managed to ensure its continued success. The transformation of GDHS requires a continuous and uncompromising acquisition of the required skills. The table above gives the number of staff participating in the training programmes provided by the department to improve efficiency and service delivery. It shows a gender breakdown in relation to various types of training as well as details of the number of bursaries and training developments. The training offered relates to the core service delivery programmes which are aimed at improving performance and efficiency i.e. technical planning and project management, strategic management, governance and financial management. The other training cost relates to bursaries to various institutions for different courses. The department budgeted 1 per cent of the departments' total compensation to training as prescribed by the skills development act.

9.3. Reconciliation of structural changes

There are no structural changes.

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 8.18: SPECIFICATION OF RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	**3 255**	**989**	**1 442**	**414**	**414**	**1 507**	**435**	**460**	**485**
Sale of goods and services produced by department (excluding capital assets)	3 255	989	1 442	414	414	1 507	435	460	485
Sales by market establishments	3 255	989	1 442	414	414	1 507	435	460	485
Administrative fees									
Other sales									
Of which									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land		**2 007**		**362**	**362**	**362**	**380**	**402**	**425**
Interest		2 007		362	362	362	380	402	425
Rent on land									
Sales of capital assets			**1 500**			**3 206**			
Land and sub-soil assets									
Other capital assets			1 500			3 206			
Transactions in financial assets and liabilities	**1 633**	**1 964**	**34 716**	**3 888**	**3 888**	**6 090**	**4 082**	**4 319**	**4 561**
Total departmental receipts	**4 888**	**4 960**	**37 658**	**4 664**	**4 664**	**11 165**	**4 897**	**5 181**	**5 471**

TABLE 8.19 :TABLED PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN SETTLEMENTS

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**388 805**	**417 208**	**545 326**	**555 611**	**637 208**	**637 178**	**582 004**	**617 480**	**655 862**
Compensation of employees	313 488	341 232	355 623	399 387	399 387	399 387	418 510	442 725	466 786
Salaries and wages	234 978	341 232	308 961	329 839	329 838	329 839	345 134	365 861	390 673
Social contributions	78 510		46 662	69 548	69 549	69 548	73 376	76 864	76 113
Goods and services	75 317	75 976	189 703	156 225	237 821	237 791	163 494	174 755	189 076
Administrative fees		71	56	118	118	118	174	184	195
Advertising	3 813	2 230	3 525	5 007	8 008	8 007	4 256	3 218	3 398
Minor assets	1 090	169	52	2 103	1 103	1 073	683	694	733
Audit cost: External	7 589	5 209	12 531	13 414	13 414	13 414	13 265	14 650	15 470
Bursaries: Employees	269	421	446	4 045	1 045	1 045	597	661	698
Catering: Departmental activities	1 476	361	611	1 151	1 651	1 651	802	548	579
Communication (G&S)	18 218	15 600	12 280	15 531	12 929	12 929	10 200	8 220	7 680
Computer services	88	3 891	3 488	7 002	7 002	9 402	3 852	4 279	3 519
Consultants and professional services: Business and advisory services	8 270	15 960	20 195	9 040	11 772	14 504	15 677	15 312	14 170
Legal services	25	13		106	106	106			
Contractors	37	196		3 064	1 064	1 064	938	604	638
Agency and support / outsourced services	99		5 402	4 714	25 413	22 836	6 690	4 807	3 573
Entertainment	21								

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Fleet services (including government motor transport)		14 745	10 149	10 000	10 000	10 000	10 154	12 841	13 560
Inventory: Clothing material and accessories	50	381				46			
Inventory: Food and food supplies	215	13		100	100	100	216	357	377
Inventory: Fuel, oil and gas				16	14	16	17	18	19
Inventory: Medical supplies			6						
Consumable supplies	2 833	1 397	2 751	9 555	7 174	6 174	2 880	2 510	2 652
Consumable: Stationery,printing and office supplies	4 034	2 350	1 577	3 310	3 228	3 228	2 096	2 391	2 525
Operating leases		1 948	14 760	3 659	18 659	17 659	15 779	15 405	16 268
Property payments	3 503	1 601	88 731	46 309	97 309	97 309	63 815	76 960	91 221
Transport provided: Departmental activity	15 560			2 500	500	500	625	700	739
Travel and subsistence	4 673	5 919	5 127	4 835	4 835	4 834	3 110	3 194	3 373
Training and development	534	904	3 240	5 044	3 044	3 044	3 383	3 766	4 062
Operating payments	136	850	1 080	1 502	433	832	776	784	828
Venues and facilities	2 784	1 747	3 696	4 100	8 900	7 900	3 510	2 652	2 799
Transfers and subsidies	**4 141 781**	**4 574 792**	**4 196 305**	**5 260 703**	**5 361 004**	**5 361 003**	**5 557 078**	**5 923 145**	**6 287 042**
Households	4 141 781	4 574 792	4 196 305	5 260 703	5 361 004	5 361 003	5 557 078	5 923 145	6 287 042
Social benefits	72	264	1 355	316	616	616	332	351	370
Other transfers to households	4 141 709	4 574 528	4 194 950	5 260 387	5 360 388	5 360 387	5 556 746	5 922 794	6 286 672
Payments for capital assets	**12 585**	**9 111**	**1 059**	**49 867**	**45 367**	**45 367**	**47 276**	**49 947**	**48 660**
Machinery and equipment	9 099	9 073	1 052	40 000	33 500	33 500	42 262	44 447	44 040
Transport equipment			837	10 000			16 605	17 568	15 552
Other machinery and equipment	9 099	9 073	215	30 000	33 500	33 500	25 657	26 879	28 488
Heritage Assets									
Software and other intangible assets	3 486	38	7	9 867	11 867	11 867	5 014	5 500	4 620
Payments for financial assets		**25 186**	**19**		**102**	**133**			
Total economic classification	**4 543 171**	**5 026 297**	**4 742 709**	**5 866 181**	**6 043 681**	**6 043 681**	**6 186 359**	**6 590 572**	**6 991 564**

TABLE 8.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**182 283**	**244 354**	**362 731**	**389 177**	**427 549**	**428 003**	**369 609**	**376 553**	**401 497**
Compensation of employees	118 580	174 036	237 472	242 921	203 507	203 507	250 117	263 914	275 515
Salaries and wages	96 270	174 036	205 100	194 474	165 684	165 684	199 350	210 942	224 632
Social contributions	22 310		32 372	48 447	37 823	37 823	50 767	52 972	50 883
Goods and services	63 703	70 318	125 259	146 256	224 042	224 496	119 492	112 639	125 982
Administrative fees		71	56	111	111	111	166	176	186
Advertising	3 813	2 230	3 525	2 500	5 500	5 500	2 099	2 061	2 176
Minor assets	1 079	169	42	1 449	449	419	522	510	539
Audit cost: External		5 209	12 531	13 414	13 414	13 414	13 265	14 650	15 470
Bursaries: Employees	269	421	446	4 045	1 045	1 045	597	661	698
Catering: Departmental activities	1 284	317	610	800	1 300	1 300	600	500	528
Communication (G&S)	18 218	15 600	12 280	15 530	12 928	12 928	10 201	8 220	7 680
Computer services	88	3 891	3 488	7 002	7 002	9 402	3 852	4 279	3 519

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Consultants and professional services: Business and advisory services	8 270	15 686	17 204	8 540	10 940	13 632	12 177	11 283	10 915
Legal services	25	13		106	106	106			
Contractors	33	196		3 064	1 064	1 064	787	445	470
Agency and support / outsourced services	99			246	20 946	19 368	259	274	289
Entertainment	21								
Fleet services (including government motor transport)	-2	14 745	10 149	10 000	10 000	10 000	10 154	12 841	13 560
Housing									
Inventory: Clothing material and accessories	50	276				46			
Inventory: Food and food supplies	215	13		100	100	100	216	357	377
Inventory: Fuel, oil and gas				16	14	16	17	18	19
Inventory: Medical supplies			6						
Consumable supplies	2 595	1 397	2 314	9 210	6 810	5 810	2 518	2 126	2 247
Consumable: Stationery,printing and office supplies	3 930	2 332	1 572	2 973	2 973	2 972	1 889	1 561	1 648
Operating leases	-60		14 760	3 500	18 500	17 500	15 612	15 228	16 081
Property payments	3 503	1 601	37 491	46 309	97 309	97 309	33 815	26 960	38 421
Transport provided: Departmental activity	15 560			2 500	500	500	625	700	739
Travel and subsistence	1 460	3 180	2 171	4 665	1 755	1 906	2 946	3 044	3 214
Training and development	534	904	3 240	5 044	3 044	3 044	3 382	3 766	4 062
Operating payments	87	320	304	1 232	432	204	494	518	547
Venues and facilities	2 632	1 747	3 070	3 900	7 800	6 800	3 300	2 461	2 597
Rental and hiring									
Interest and rent on land									
Transfers and subsidies	**72**	**181**	**1 003**	**316**	**616**	**524**	**332**	**351**	**370**
Provinces and municipalities									
Households	72	181	1 003	316	616	524	332	351	370
Social benefits	72	181	1 003	316	616	524	332	351	370
Other transfers to households									
Payments for capital assets	**12 570**	**9 111**	**1 059**	**49 867**	**45 357**	**45 357**	**47 276**	**49 947**	**48 660**
Machinery and equipment	9 084	9 073	1 052	40 000	33 490	33 490	42 262	44 447	44 040
Transport equipment			837	10 000			16 605	17 568	15 552
Other machinery and equipment	9 084	9 073	215	30 000	33 490	33 490	25 657	26 879	28 488
Heritage Assets									
Software and other intangible assets	3 486	38	7	9 867	11 867	11 867	5 014	5 500	4 620
Payments for financial assets		**25 186**	**19**		**102**	**133**			
Total economic classification	**194 925**	**278 832**	**364 812**	**439 360**	**473 624**	**474 017**	**417 217**	**426 851**	**450 527**

TABLE 8.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING NEEDS, RESEARCH AND PLANNING

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**10 818**	**14 595**	**22,369**	**33 076**	**33 288**	**33 749**	**35 822**	**36 771**	**38 833**
Compensation of employees	10 479	14 162	21,422	32 657	32 657	32 657	35 380	36 335	38 371
Salaries and wages	10 479	14 162	18,812	25 319	25 318	25 319	27 685	28 347	29 935
Social contributions			2,610	7 338	7 339	7 338	7 695	7 988	8 436
Goods and services	339	433	947	420	631	1 092	442	436	462
Administrative fees				7	7	7	8	8	9
Advertising				7	8	7	8	8	9
Minor assets			7	4	4	4	4	17	18
Catering: Departmental activities	5		1	43	43	43	45	48	51
Communication (G&S)									
Consultants and professional services: Business and advisory services		274	174		332	332			
Contractors	4								
Agency and support / outsourced services						461			
Inventory: Clothing material and accessories		105							
Consumable supplies				8	27	27	9	9	10
Consumable: Stationery,printing and office supplies	104			82		1	73	65	69
Operating leases	60								
Travel and subsistence	10	54	139		110	110	13	14	15
Training and development									
Operating payments	22			269			282	266	281
Venues and facilities	134		626		100	100			
Rental and hiring									
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Payments for capital assets					**10**	**10**			
Machinery and equipment					10	10			
Transport equipment									
Other machinery and equipment					10	10			
Heritage Assets									
Payments for financial assets									
Total economic classification	**10 818**	**14 595**	**22 369**	**33 076**	**33 298**	**33 759**	**35 822**	**36 771**	**38 833**

TABLE 8.22: PAYMENT AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**195 704**	**158 259**	**160 031**	**126 644**	**169 657**	**168 712**	**169 905**	**198 773**	**209 905**
Compensation of employees	184 429	153 034	96 729	120 565	159 979	159 979	129 487	139 069	149 360
Salaries and wages	128 229	153 034	85 049	107 750	136 540	136 540	115 571	124 123	133 577
Social contributions	56 200		11 680	12 815	23 439	23 439	13 916	14 946	15 783
Goods and services	11 275	5 225	63 302	6 079	9 678	8 733	40 419	59 704	60 545
Minor assets	11		3	500	500	500			
Audit cost: External	7 589								
Catering: Departmental activities	187	44		158	158	158			
Communication (G&S)				1	1	1			

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Consultants and professional services: Business and advisory services			2 817	500	500	540	3 500	4 029	3 255
Contractors							150	159	168
Agency and support / outsourced services			5 402	4 468	4 467	3 007	6 431	4 533	3 284
Fleet services (including government motor transport)	2								
Consumable supplies	238		242	37	37	37	39	41	43
Consumable: Stationery,printing and office supplies		18	5	255	255	255	133	765	808
Operating leases		1 948		159	159	159	167	177	187
Property payments			51 240				30 000	50 000	52 800
Travel and subsistence	3 203	2 685	2 817		2 800	2 648			
Operating payments	27	530	776	1	1	628			
Venues and facilities	18				800	800			
Transfers and subsidies	**4 044 852**	**4 489 203**	**4 118 790**	**5 160 617**	**5 249 618**	**5 244 657**	**5 389 482**	**5 765 272**	**6 114 009**
Households	4 044 852	4 489 203	4 118 790	5 160 617	5 249 618	5 244 657	5 389 482	5 765 272	6 114 009
Social benefits		83	352			92			
Other transfers to households	4 044 852	4 489 120	4 118 438	5 160 617	5 249 618	5 244 565	5 389 482	5 765 272	6 114 009
Payments for capital assets	**15**								
Machinery and equipment	15								
Other machinery and equipment	15								
Payments for financial assets									
Total economic classification	**4 240 571**	**4 647 462**	**4 278 821**	**5 287 261**	**5 419 275**	**5 413 369**	**5 559 388**	**5 964 045**	**6 323 914**

TABLE 8.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING ASSETS AND PROPERTY MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments			**195**	**6 714**	**6 714**	**6 714**	**6 668**	**5 383**	**5 627**
Compensation of employees				3 244	3 244	3 244	3 527	3 407	3 540
Salaries and wages				2 296	2 296	2 296	2 528	2 449	2 529
Social contributions				948	948	948	999	958	1 011
Goods and services			195	3 470	3 470	3 470	3 142	1 976	2 087
Advertising				2 500	2 500	2 500	2 150	1 149	1 213
Minor assets				150	150	150	158	167	176
Catering: Departmental activities				150	150	150	158		
Consumable supplies			195	300	300	300	315	333	352
Travel and subsistence				170	170	170	152	136	144
Venues and facilities				200	200	200	210	191	202
Transfers and subsidies	**96 857**	**85 408**	**76 512**	**99 770**	**110 770**	**115 822**	**167 264**	**157 522**	**172 663**
Households	96 857	85 408	76 512	99 770	110 770	115 822	167 264	157 522	172 663
Social benefits									
Other transfers to households	96 857	85 408	76 512	99 770	110 770	115 822	167 264	157 522	172 663
Payments for capital assets									
Payments for financial assets									
Total economic classification	**96 857**	**85 408**	**76 707**	**106 484**	**117 484**	**122 536**	**173 932**	**162 905**	**178 290**

VOTE 9

DEPARTMENT OF ROADS AND TRANSPORT

To be appropriated by vote in 2017/18	R6 832 291 000
Responsible MEC	MEC for Roads and Transport
Administering Department	Department of Roads and Transport
Accounting Officer	Head of Department

1. OVERVIEW

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

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

Mission
To facilitate and provide an integrated transport system that:
- Is reliable accessible, safe, and affordable;
- Promotes socio-economic development in Gauteng;
- Is environmentally sustainable; and
- Supports industrialisation and radical socio-economic transformation.

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

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

Main services

Main services	Beneficiaries	Desired standard of service	Actual achievement
To provide transport services and technical inputs to transport policy.	All core functions, directorates and Senior Management in the Department.	According to National Land Transport Act (NLTA) and related national acts and Gauteng transport acts.	Compliance with NLTA.
Implementation of freight plan for Gauteng.	Transport authorities, municipalities, Gauteng Department of Agriculture and Rural Development (GDARD), Gauteng Department of Economic Development (GDED) and Transnet.	According to the Gauteng Freight Implementation Strategy.	Initiated projects. Gauteng freight data bank, reduction of congestion through freight management, Maize Triangle Strategy and Freight Access Strategy to uplift West Rand District Municipality.

Main services	Beneficiaries	Desired standard of service	Actual achievement
Issue abnormal vehicle and load permits.	Engineers, planners, local authorities, industries and general public.	2 work days per permit.	1 work day per permit.
Bus subsidy payments.	Bus operators.	Management of public transport subsidy.	Review of bus subsidy.
Issuing of operating licenses/permits for all public transport modes in the Province.	Public transport operators and commuters.	Operating licenses/permits issued within 60 working days upon receipt of application.	Operating licenses/permits issued within 120 working days upon receipt of application.
Testing and issuance of driver and learner licenses.	Aspirant drivers.	Testing and issuance of temporary learner and driver licenses completed within 2 hours	Testing and issuance of temporary learner and driver licenses completed within 2 hours.
Testing of vehicles and issuance of roadworthy certificates	Vehicle owners and road users	Testing of motor vehicles and issuance of roadworthy certificates completed within 1 hour.	Testing of motor vehicles and issuance of road worthy certificates completed within 2 hours.

Ten pillar Programme of Transformation, Modernisation and Re-industrialisation
The functions of the department are aligned to give focus to the National Development Plan (NDP) and to contribute to the achievement of the ten pillar programmes of Transformation, Modernisation and Re-industrialisation (TMR) which is supported by the strategic goals of Modernisation of public transport infrastructure, Radical economic transformation and Modernisation of the public service.

The department plays a key role in modernisation of public transport networks and systems through the provision of strategic transport infrastructure, transport regulatory services and transport planning services. It also contributes to the Provincial Rural Development Strategy through the construction of the rural roads infrastructure. It supports the Inner City Renewal Programme through the construction of road linkages, which in turn contributes to the provincial outcome of sustainable human settlements. The administrative functions of the department are oriented towards modernisation of public service with a focus on a customer-centric approach.

External activities and events relevant to budget decisions
The province has adopted the deliverology concept of managing and delivering on a higher number of quality projects from the current financial year until the end of the political term in 2019. This process is managed by the Premier's office and ensures that the overall outcomes of the current administration are delivered in line with the plans. Hereunder are some of the Integrated Transport Management Plan (ITMP) aligned strategies that the department will be undertaking in support of the deliverology concept, all of which will be delivered by 2019 unless otherwise specified:

Improve citizen planning and spend on public transport through establishing a transport authority, which will prioritise projects related to:
- Integrated Fare Management (via E-ticketing – phase 1).
- Passenger Information System.

Improve road infrastructure through new road construction and maintenance of existing roads
- Deliver PWV15 and 9 other strategic roads to reduce congestion and the number of freight vehicles on existing roads.
- Maintain quality of roads through improved turnaround times on repair and adherence to proactive maintenance schedules.

Improve service through modernization and automation of the licensing services (municipal + provincial)
- Reduce queue times at Driver Licencing Testing Centres (DLTCs).
- Enable online renewal of motor vehicle licenses.
- Ensure all DLTCs are equipped with Computerised Learner License Testing.

Improve access and/or efficiency of public transport (bus and taxi)
- Increase efficiency and reliability of bus services (focus on PUTCO).
- Improved taxi industry services.

All the items listed above contribute to the NDP and Ten Pillar Programme and will assist the department and the province to accelerate service delivery.

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

roads and public works.

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

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

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

The department has developed an infrastructure list for the year and has also committed to delivering on other operational items as per the operational plan. There has been achievement in a number of the projects; however areas have been noted where there is still need of improvement. The tendering process on a number of road rehabilitation and upgrading projects did not commence and was not finalised in line with departmental plans. The budget could therefore not be spent as planned to the end of the third quarter and only 58 per cent of targets were achieved.

Pillar 8: Modernisation of Public Transport Infrastructure

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

The overall mandate of the department is linked to this pillar through the provision of affordable new transport infrastructure and upgrading and maintenance of the current infrastructure and networks. The focus is on promoting accessibility to major economic hubs, social inclusion, sustainable job creation, as well as the provision of an equitable road network.

Route determinations

The department and the Council for Scientific and Industrial Research (CSIR) signed a Memorandum of Agreement (MoA) on public transport research and development. This has led to the identification of areas and programmes where the CSIR can provide strategic support to the department. These programmes will assist with the implementation of some of the existing plans, including Gauteng Transport Integrated Plan 5 (GTIP5) and Integrated Transport Master Plan 25 (ITMP25) and the design of problem solving interventions where plans do not exist.

The draft report has been completed and was sent to stakeholders for comments. The tender process for the appointment of consulting engineering services for the route determination and environmental scan of routes 5 PWV, 24 K and PWV 13 has commenced.

Transport Modelling Centre

As part of the ITMP25, the Transport Demand Model seeks to quantify future transport demand in Gauteng. Transport modelling is conducted to predict future transport scenarios and implications, based on available data and specific assumptions, including land use. The department has established a Transport Modelling Centre to be utilised as a tool that meets a growing set of sophisticated (functional and system) requirements needed for real world transportation systems modelling.

Assumptions are made when creating a transport model. These assumptions need to be compared with actual development and transport patterns as they are realised and reviewed from time to time. Due to the nature of this project, it requires continuous updating to ensure accurate prediction. There is therefore no end date to this project. The department conducted experiential training on a transport modelling centre in November 2016.

Mapping of Minibus Taxi Routes in Gauteng Province

In an effort to enhance the provincial regulatory function within Gauteng Province, the department is conducting research for the mapping of minibus taxi routes. The mapping will assist in obtaining reliable records of minibus taxi routes in the province.

The department has signed the project specific agreement with the CSIR. The CSIR will assist the department in producing a geo-coded electronic database of all minibus taxi routes which will be an effective method to continuously update the minibus taxi network. The network will also be useful in updating the Integrated Public Transport Network and in the corporatisation of the minibus taxi industry.

Master plan for transport services centres in Gauteng Province

Transport Service Centres (TSCs) i.e. Driver Licensing Testing Centres (DLTCs, Vehicle Testing Centres (VTS) and Transport Operating License Administrative Bodies (TOLABs), are the largest revenue generators for the province. In the absence of scientifically informed designs, the development and operation of these facilities may be unsustainable.

The department has initiated the development of a master plan for TSCs which will guide the development of TSCs in the province. A project specific agreement has been signed with the CSIR which will assist in the development of a master plan.

Priorities Freight Hubs

The Gauteng inland freight and logistic hubs as identified by the ITMP25 for development, forms part of the broader Durban/ Free-State/Gauteng (DFSG) Freight and Logistic Corridor Development: Strategic Infrastructure Projects 2 (SIP2). The DFSG Freight and Logistics corridor is critical in maintaining and advancing Gauteng's supply chain comparative advantage in the global economy and serving the SADC region.

City Deep

The department is executing the following projects in the City Deep freight hub:

- **Project B:** (widening of Rosherville Road to three lanes with an additional upgrade to the truck stop and holding area): Construction is 98 per cent complete.
- **Project C:** (existing rail-road bridge in the vicinity of Vickers Road needs to be widened to accommodate the proposed widening of Rosherville Road): Construction of Rosherville Rail Bridge is 95 per cent complete.
- **Project D:** (extension of Bonsmara Road to Heidelberg Road): Construction is 98 per cent complete.
- **Project E**: (construction of Cleveland Road Bridge): The detail design is continuing.
- **Project F:** (extension of Houer Road over undeveloped land south of the Fresh Produce Market up to Vickers Road): The feasibility investigation is in progress.
- **Project G:** (construction of westerly ramps on N17 interchanges at Heidelberg Road & Vickers Road): The feasibility study report has been completed and stakeholders are currently reviewing the report.

Tambo Springs

The road network analysis in the vicinity of Tambo Springs has been finalised and the tender process for route determination of PWV13 (arrival and departure yard) is on-going. The K148/N3 Interchange and K146 designs are continuing with detail design at 88 per cent complete. The environmental impact assessment (EIA) study is being amended as per the comments by the Gauteng Department of Agriculture and Rural Development (GDARD.

Designs

Northern Corridor

- Bridge Management System (BMS) Phase 1 (eight bridges) - Designs for repairs and maintenance of bridges: The purpose of the BMS is to ensure that bridge and major culvert structures remain functional and safe. This is essential to minimise overall costs for provincial roads and is in line with the Governmental immovable Asset Management Act, 2007 (Act 19 of 2007) (GIAMA). Bridges in critical condition that require urgent intervention have been identified per regional district. Eight bridges within the Tshwane Regional District, North Corridor, have been prioritised for rehabilitation and detailed design and analysis has commenced.
- K69 Phase 2: doubling and upgrading of sections of K69 from N4 to N1 (Waterkloof school) Wapadrand: the geo-technical investigations, designs and draft tender documents are completed.
- K97 from N4 to Winterveldt (Old Warmbath/ Pretoria Road): the detailed design is completed. The process for proclamation has commenced and will be completed in the 2017/18 financial year.

Central Corridor

- K109 between K27 (R562) and Dale Road: the K109 is a North South corridor linking Randjiesfontein, Olifantsfontein and Ebony Park in the Midrand area. The draft detail design and the EIA have been completed. The water use license application is on-going and will be finalised during the financial year 2017/18.
- K101 from N1 to D795 (Olifantsfontein Road): this is a dual carriageway with a road reserve 62 meters in width. The design includes Non-Motorised Transport (NMT) and public transport facilities (bus stops and shelters). The detail design is completed. The process to proclaim the road reserve has commenced and will be completed in the financial year 2017/18.

Southern Corridor

- K154: Gauteng Highlands: Graceview Access Road to old Vereeniging (R82/P2-1) Phase 2: the planned road is an East to South corridor connecting Walkerville, Klipriver, Palm Ridge and Zonkesiswe. It will improve accessibility, support economic growth in the area and accelerate social transformation in the Gauteng Highlands North area. The detail design and EIA have been completed.

Eastern Corridor

- K148: intersection with N3: the interchange N3/K148 forms part of the Gauteng Freight Hubs and freight ring roads around Gauteng as identified in the ITMP 25 and GTIP5. The K148 which is also known as the Heidelberg Road crosses the N3 near Heidelberg and forms part of the road network supporting the Tambo Springs Freight Hub. The detail design has commenced and will be completed during the financial year 2016/17.

Construction

The following projects will be completed in the 2016/17 financial year as planned:

- P158/2 (N14) and P39/1: light rehabilitation of Road P158/2 (N14) and P39/1 between P158/2 (20.7km) to Pinehaven Interchange (Muldersdrift) Phase 1: The road forms part of the Central Corridor. The project is complete.
- P186/1 (N12): damaged bridge repairs: The project is located on the overpass of the N12 in Nancefield, Soweto and forms part of the Central Corridor. The contractor is busy with revision of the designs and progress is at 5 per cent.
- R500: rehabilitation and repair of sinkhole on Road R500 (P61-3): The road forms part of Western corridor and is located in Carletonville. The project has been completed.
- P41/1: rehabilitation (repair and resurfacing) of Road P41/1 from 0.84km to 5.61km West Nigel: The project forms part of the Eastern Corridor and it entails the repair and resurfacing of provincial road P41/1 from 0.84km to 5.61km west of Nigel. The tender process for rehabilitation of road P41/1 has commenced targeted for completion in the fourth quarter.
- R82 Phase 2: upgrading from single to dual carriageway of Road K57 (R82 (P1/1)) at Walkerville: this project involves the construction of dual carriageway of Road R82/K57 (P1/1) from road D77 Eikenhof to D1073 in Walkerville. The road is complete.

Maintenance

- **Routine maintenance provincial road network**
  The department patched 60 000 m² of potholes, bladed over 600 km of gravel roads, resealed about 260 000 m² of road surface and re-gravelled over 56km. Drainage structures and pipes were cleaned, guard rails replaced and fence installed.

- **Periodic assessment of provincial roads**
  The revised version of the 2017/18 Roads Asset Management Plan (RAMP) which incorporated comments from the Department of Transport was drafted. The revised RAMP incorporates a draft business plan with projects. The visual condition assessment for roads and bridges was completed in November 2016.

- **Routine maintenance approach**
  The department maintenance programme is executed in two ways; through routine outsourced and departmental in-house maintenance. The provincial network consist of 5 638 km of roads; 4 248 km surfaced road and 1 389 km gravel roads. The roads maintenance network comprises a 2 938 km area serviced by outsourced routine maintenance and 2 700 km maintained by the departmental in-house team.

- **Periodic road maintenance**
  The department performed reseal and re-gravelling. The programme is supported by material term contracts for guardrails, fencing, manholes, road markings, road signs, vegetation control and crack sealing.

Public transport integration and special projects
The construction works (structural and building works) at the Vereeniging Intermodal Facility are on-going and the project is set to be completed during the 2017/18 financial year.

DLTCs
A new DLTC is under construction in Sebokeng Township, in the Southern Corridor. The excavations for the foundations and installation of steel reinforcement have been completed. Concrete pouring, storm water pipes and brick work are on-going and the overall project is 49 per cent complete.

TOLABS

Sebokeng TOLAB
Challenges to the Sebokeng DLTC impacted negatively on the establishment of the TOLAB. Furthermore, an additional funding report was compiled and approved which confirmed the replacement of the Motor Vehicle Registering Authority (MVRA) building with a TOLAB building. The process of revising the MVRA designs to those of the TOLAB is in progress.

Gautrain Management Agency (GMA): Gauteng Rapid Rail Integrated Network (GRRIN) extensions
The GRRIN extension project's key objective is to achieve the expected passenger rail demand envisioned by 2037 and to support the ITMP25 strategy. Leveraging on the success of Gautrain I, the purpose of the envisioned network extension is to address the province's backlog of rail infrastructure, reduce road congestion and provide transport options for key economic hubs within Gauteng. A corollary to the latter is the objective of economic growth and revitalisation, providing citizens of Gauteng from previously disadvantaged sub-areas with the ability to access affordable and efficient rail transport, reducing congestion on key economic transport corridors.

As part of the Gautrain Network Capacity Assessment Plan, the GMA is in the process of planning System Network extensions to the Gauteng Rapid Rail Network. A pre-feasibility study was completed during 2013/2014 which informed part of the 25 year Gauteng Integrated Transport Master Plan (ITMP25).

Pillar 5: Modernisation of public service
To build capacity for good governance and effective service delivery, the department offers bursaries to external candidates in a range of disciplines including transport engineering and economics, as well as civil and other fields of engineering. Furthermore, funds are allocated for training and development of employees. The bursary recipients are continuing with their tuition and the department continues to support them financially and otherwise. Those receiving bursaries are required to offer their services to the department after completion of their studies, further increasing capacity within the Department through the training and development of employees.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

Pillar 8: Modernisation of Public Transport Infrastructure

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

Infrastructure planning

Route determinations
The project focuses on refining and amending routes for Gauteng to ensure that they remain aligned to the Gauteng Spatial Development Framework. The department has identified 28 routes over the MTEF which will be amended to include support for road freight hubs. Some of these routes will provide future support to the planned new freeways and land use development focus areas, PWV14, PWV13 and PWV15. These are multi-year projects and the route determinations will continue in the 2017/18 financial year. Three route determination projects in process are to be finalised in 2017/18.

Gauteng Transport Modelling Centre
The department has identified a tool, the Transport Modelling Centre, to meet the growing set of functional requirements needed for transportation system modelling. This tool will provide the evidence based decision making capabilities which are required to improve the mobility of goods and people in the province. The Transport Model requires updating annually to include new transport links, traffic information, land use information, demographics and economic data.

Integrated Transport Plan (ITP) support/evaluation
The Integrated Transport Plan (ITP) is a statutory plan required by the National Land Transport Act (NLTA, and the Gauteng Transport Framework Revision Act (GTFRA), for transport and operations in the cities. It forms an integral component of the

Integrated Development Plan (IDP). The plan outlines all the transport projects that are required to accomplish the mandate of a municipality. It is therefore imperative that its execution be a focused, integrated multi-sectoral, comprehensive, data-centred and evidence-based process.

The objective of implementing an ITP is to create balance between spatial land use decisions and transportation planning. The planning and investment decisions made will benefit society through economic, social, cultural and physical integration of the transport system. All the transport related development plans for the district municipality should be integrated in the ITPs. Three metros (the cities of Tshwane, Johannesburg and Ekurhuleni) have been compiling their ITPs and are at various stages towards the approval process. GDRT will be assisting the West Rand and Sedibeng municipalities with the compilation of their ITPs. The project will commence in the 2017/18 financial year with the procurement process, the inception report and data compilation completed.

Gauteng Freight Databank

South Africa's economy is heavily reliant on the trading of goods and services. Higher transportation costs reduce competitiveness of South African businesses, resulting in difficulties in the development and capturing of new markets. In an effort to improve efficiencies in the freight and logistics industry, the department has created and will continuously update the Freight Databank.

The Databank provides a clear understanding of the current and future movement of freight flows into and around Gauteng to enable better planning. It also serves to gather current modal distribution of inter- and intra-provincial freight movement, and industry trends. The Databank collates stores and enables users to retrieve freight information pertinent to their needs. It is updated annually.

Master Plan for Transport Services Centres in Gauteng Province

Transport Services Centres (TSCs) are the largest revenue generators for the province. In the absence of scientifically informed designs, the development and operation of these facilities may be unsustainable. The proposed Master Plan aims to guide the development of TSCs utilising scientific methods in terms of forecasting demand, architectural design, allocation of future centres and their location. It will evaluate the current transport services locations and operational efficiencies to make recommendations for future improvements and infrastructure developments. The TSC Master Plan will be completed in the financial year 2017/18.

Prioritised freight hubs

Freight transport is a vital element in the economic prosperity of a nation. The overarching objective of developing freight infrastructure is to enhance the efficient movement of freight which ultimately unlocks economic potential, improves global competitiveness and creates job opportunities. The requirement to upgrade South Africa's freight transport system is specified in the following documents: NFIS, GFIS, ITMP25, the NDP and the Ten Pillars of the Fifth Administration.

One of the key aspects in the modernisation of freight transport in Gauteng is the movement of freight from road to rail, which includes the development of major rail based freight logistics hubs located on the periphery of the Gauteng City Region (GCR) urban core. Key interventions identified in the road to rail strategy mentioned above include the establishment of the priority freight logistics hubs listed below as part of the broader DFSG Logistics and Freight Corridor Development which is part of the SIP2 process. The department will focus on detailed planning of transport infrastructure required for the prioritised freight hubs, such as Tambo Springs and City Deep.

Tambo Springs

Transnet is the lead public sector organisation for the project and is working in conjunction with provincial and local government departments on the implementation of the project. Furthermore the hub will be contributing economically to the province by enhancing industrial development. The hub will also address socio-economic issues by contributing to job creation.

In support of Tambo Springs Logistics Gateway, the department conducted a study on the surrounding road network. The outcome of the study indicated the existing and future roads which require re-alignment, design, EIAs, water use licence applications (WULAs), widening and construction at different phases of the logistics gateway development.

The primary link to the proposed Tambo Springs Logistics Gateway from the N3 is the planned K148/N3 Interchange which will be required for the hub to function efficiently. The proposed K148/N3 and Barry Marais interchange will require widening with additional lanes. The design, EIA and WULA of the K148/N3 Interchange are expected to be finalised in the 2017/18 financial year. Thereafter, construction of the road will commence in the financial year 2018/19.

City Deep

City Deep is the largest inland trade port in South Africa and handles 84 per cent of all container freight on the Reef. It covers approximately 2,000 ha of which less than 40 per cent has been developed. The area is characterised by large portions of undeveloped land, mostly slimes dams (mine dumps) of which some have been partly reclaimed by re-processing the material. The City Deep Freight and Logistics Hub is expected to reach capacity in a decade.

The City of Johannesburg Transportation Department developed the freight and traffic management report for the City Deep/ Kazerne Freight Hub. The report identifies short, medium and long term transport interventions to ensure the development of the Gauteng Freight and Logistics hubs to cater for future freight and public transport demands for City Deep. The short term intervention identified is the expansion of various road networks within a 5km radius of the freight and logistic hub. This will eventually provide capacity for future freight and public transport traffic volumes. Seven road network upgrades have so far been identified for short term intervention. The projects to be undertaken are:

- Project A: The conversion of Rosherville into a one way road (Johannesburg Road Agency (JRA).
- Project B: The widening of Rosherville Road (JRA).
- Project C: The widening of Rosherville Road Rail Bridge (JRA).
- Project D: The extension of Bonsmara Road to Heidelberg Road (JRA).
- Project E: The construction of the Cleveland Road Bridge (JRA).
- Project F: Extension of Houer Road to Vickers Road (JRA).
- Project G: Construction of ramps on the N17 (SANRAL).

The focus for the financial year 2017/18 is the completion of Projects A, B, C, and D. Projects E, F and G are expected to be finalised within the Medium Term Expenditure Framework (MTEF) of 2017/18 – 2019/20.

The Gauteng Transport Commission

The Commission seeks to address the fragmentation of public transport planning, governance and management of institutions as per section 30 of the Intergovernmental Relations Framework Act (No.13, 2005). The Commission's functions will include integrated rail planning; intelligent transport systems (ITS) such as e-ticketing/integrated fare management, passenger transport information and traffic management; Integrated Bus Rapid Transport Systems (BRT); sustainable transport options Non-Motorised Transport (NMT); travel demand management (TDM); and partnerships on matters relating to public transport.

The Transport Commission will prioritise a coordinated and integrated approach to BRT and e-ticketing for better commuter affordability and accessibility. In line with the NMT masterplan the Commission will develop a NMT provincial policy which will facilitate and assist with guiding the provincial municipalities in rolling out an integrated network with regards to NMT provisioning. The Transport Commission will further undertake to transform into a fully- fledged Transport Authority by 2019. Developments toward an authority will include hosting an international conference on establishment of transport authorities and drafting of a business case which will inform the legislation to be drafted for the establishment of an authority within Gauteng.

Infrastructure Design

Southern Corridor

- K170: Interchange on N1 and Golden Highway: Access to Evaton and Sebokeng. This is a link between Carletonville, Evaton and Sebokeng, connecting at Houtkoppen Road. The upgrade of the K170 will improve accessibility between Evaton and Sebokeng as well as stimulating economic growth in the Southern Corridor. The detail design of the road upgrade is continuing and is expected to be completed during the 2017/18 financial year.
- P1 - 1 (R82) from De Deur to Vereeniging: Upgrading of Road to a dual carriageway. This road is situated in the north-south corridor between Johannesburg and Vereeniging and is an alternative to the R59 Sybrand van Niekerk freeway. The K57 after the completion of the section between De Deur and Vereeniging will substantially improve accessibility, social cohesion and desired economic growth in the Southern Corridor. The road design makes provision for bus stops and shelters, and sidewalks to improve road safety. A service provider was appointed for the preliminary design review. Detail design and draft tender documents are planned to be completed in the financial year 2017/18.
- K77: Gauteng Highlands: Elizabeth Rd to K154 (Phase 1). The proposed K77 commences from the N12 South Klipriversberg to Vereeninging where it intersects with R59 and is a north/south link between Johannesburg and the Vaal Triangle. The Blue Rose Development, which is mostly residential, is also located in the area. Motorists will utilise the K77 to travel from the Vaal Triangle to Johannesburg and other areas. The road will provide access to Gauteng Highlands Development. Detail designs are complete.

Western Corridor

- K11: Randfontein bypass: Mogale City to Western Area from K198 to Mohlakeng. The K11 is in Randfontein, between Mogale City and Westonaria. The road provides access to the West Rand Freight Hub, improves accessibility and stimulates economic growth in the area. The design will include non-motorised and public transport facilities. It will be completed by financial year 2018/19.
- BMS Phase 2 (7 bridges): designs for repairs and maintenance of bridges in the Krugersdorp region.

Northern Corridor

- K16 between Waltloo and Mamelodi (Tshwane)

- K97 (P1-3) R101: Phase 2. Upgrading of K97 from N4 southwards to Wonderboom (K14) (Pyramid Freight hub).

Central Corridor
- K60 Access road to Ivory Park and Tembisa: between K58 (D51) and Chapman Rd (K117) and K105 (single carriageway)
- K105 upgrading of dual carriageway from K60 Tembisa to Kempton Park.

Southern Corridor
- K122 (Eldorado Park) from Klip Valley Road (Walter Sisulu Square) to P1-1 (R82)
- K170: Interchange and N1 and Golden Highway: access to Evaton and Sebokeng
- P1-1 (R82) from De Deur to Vereeniging: Upgrading of road to a dual carriageway.

Traffic engineering

The activities within this unit occur annually and form part of the infrastructure programme of the department:

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

Construction

R82 phase 3 (between road D1073 (Walkerville) and K164 (De Deur))

The road forms part of the Southern Corridor and the Maize Belt. The project involves the dualisation of R82 Phase 3 (11.3 km) between road D1073 and K164. The objective of this project is to provide an alternative link between Johannesburg and Vereeniging including access to existing and future developments around Walkerville, Eikenhoff and De Deur. The implementation of the project will create job opportunities for the community, provide skill training and development, and uplift the small emerging contractors within the areas. The road will be completed in the financial year 2020/21.

K69 (Upgrading and doubling of Hans Strijdom (Solomon Mahlangu) from the N4 to Mamelodi to K54)

The project involves the doubling of 9 km of an existing single carriageway with the aim of increasing capacity, safety and accessibility for existing and future developments along the K69. The K69 connects Pretoria CBD and other areas of economic activity to Pretoria east notably Mamelodi. This route carries a significant volume of traffic (a significant mix of pedestrians, cyclists and motorists) all trying to get to their workplaces in Pretoria. The major drive for upgrading the K69 can be defined as follows:

- To unlock business opportunities along the route. This can already be seen through the new developments that are being planned within the Nellmapius area to the North of the N4 along the K69.
- To increase accessibility especially for those coming from Mamelodi to the CBD, residential and commercial areas to the South of the N4. A record 14 000 pedestrians were counted in one day by the City of Tshwane walking along the K69 in its current state. The planned upgrade will provide Non-motorised Transport facilities for the safe passage of pedestrians and cyclists alike.
- The large volume of planned commercial and residential developments within the Nellmapius area will also require a functional arterial which guarantees easy access and safe movement of goods and people. The road will be completed in the financial year 2019/20.

Upgrading of K101 from D795 Olifantsfontein to N1 Brakfontein

The project involves the construction of 5.4 km of an existing road and includes construction of an interchange between K27 and K101. K101 is parallel to N1 between Johannesburg and Pretoria and forms part of the Northern Corridor. It also links Johannesburg, Midrand and Pretoria and serves as an alternative route to the N1 toll road. Road K101 will be between Rooihuiskraal (Brakfontein Road) and D795. K101 is parallel to N1 between Johannesburg and Pretoria and forms part of the Northern Corridor. It is also links Johannesburg, Midrand and Pretoria and serves as an alternative route for the N1 toll road. The construction of the road will alleviate traffic congestion especially during peak hours and with the current developments around Waterfall in Midrand area and its growing population. The current road will not be able to carry high traffic volume. The road will be completed in the financial year 2019/20.

Upgrading of road K148: Intersection with N3

The project involves the upgrading of interchange N13/K148. The primary link to the proposed Tambo Springs Logistics Gateway from the N3 is the planned K148/N3 Interchange which will be required for the hub to function efficiently. K148

forms part of the Eastern Corridor and links the terminal's access roads with the N3-K148 interchange. The proposed K148/ N3 and Barry Marais interchange will require widening with additional lanes. The construction of this interchange will provide mobility and accessibility to the developments in the surrounding areas such as Zonkiziswe, Magagula Heights, Katlehong and Vosloorus. The upgrade of the interchange N3/K148, supporting the Tambo Springs Freight Hub, will make provision for the increase in traffic flow as it forms part of the freight hub in support of the SIP2 Development Corridor between Kwa-Zulu Natal (KZN) and Gauteng. The K148 crosses the N3 near Heidelberg and forms part of the strategic road network supporting the Tambo Springs Freight Hub in an East/West direction. It will be completed in financial year 2019/20.

K54: Mamelodi (Tsamaya Rd) to R104 Pretoria Bronkhorstspruit Rd

The project involves the doubling of 9 km of an already existing road to create the K54 (from K22 to K69) in Mamelodi, Tshwane Metropolitan Municipality. It forms part of the Northern Corridor. Tsamaya road is between R21 and Westrand. The road will be completed in the financial year 2019/20. Road K54 will be an important new link between Mamelodi and the N4, while also serving traffic from Moloto. It has an important function as part of a future ring road for Greater Pretoria and will serve as a major collector for traffic between Mamelodi and the N4 East. The area to be traversed by K54 is already the subject of numerous town planning applications and is expected to grow well above the average rate for South Africa when the area is opened up with the construction of K54.

K54 is a green field project and has several structures, including a road over rail-bridge. Road 2561 exists as one carriageway of the dual carriageway, with the doubling to be constructed under this contract. Several existing access roads are located along the route of Road 2561, all of which will be upgraded under this contract; several access roads will also be constructed with K54 serving the surrounding area.

Vaal River City Interchange

The project involves the upgrading of the Vaal River Interchange, Ascot Ave (future K55) and the Barrage Road (K174) for 2 km. The interchange forms part of the Southern Corridor and will serve a more direct route southwards to the Free State Province (inter provincial connection) and northwards to Sebokeng. The Vaal River City Interchange forms part of the Southern Corridor and will serve a more direct route Southwards to the Free State Province (inter provincial connection) and Northwards to Sebokeng. The implementation of the project will create job opportunities for the community, provide skills training and development, and uplift small emerging contractors within the areas. The road will be completed in the financial year 2019/20.

Greengate Development: Reconstruction and upgrade of the M5 Beyers Naude road

K31 Green Gate forms part of the Central Corridor and is an important provincial arterial linking the Lanseria Airport. It will be completed in the financial year 2018/19. The road infrastructure must be upgraded to accommodate the increase in traffic on the road once the Greengate Development is completed. Therefore provincial road 374 (Beyers Naude Road) which is mainly a single carriage way between Greengate Development, Peter Road (D2024) and the N14, a distance of approximately 2.3 km has to be upgraded to a dual carriageway. Road 374 is also a future K route between Lanseria Airport and the West Rand.

Upgrading of road K73 between Woodmead Drive and Allandale Road (D58) Mushroom Farm

K73 (Mushroom Farm) forms part of the Central and Eastern Corridor. It involves upgrading Allandale Road and construction of a link between Allandale Road and the R55, Woodmead Drive, to open the Mushroom Farm area for development and alleviate congestion on the R55/Allandale Road intersection. The road must be upgraded to accommodate the increase in traffic. It will be completed in the financial year 2019/20.

K60 Waterfall City: Construction of new link between R55 Woodmead Drive and Allandale 9

The project involves construction of a new link between R55 Woodmead Drive and Allandale Road to link the Tembisa and Fourways areas. Construction includes a new signature bridge over the N1 freeway at Waterfall City. K60 Waterfall City forms part of the Central and Eastern Corridor. It will be completed in the financial year 2019/20.

K46 (P79-1): Upgrading from single to dual carriageway of Road K46 (P79-1) William Nicol from PWV5 to Diepsloot/N14 Phase 2

The road will provide a link between Diepsloot and Johannesburg and also act as an access for existing and future developments along the Central Corridor. The project involves dualising an existing 7.2 km single carriageway between PWV5 and Diepsloot.

D1027 Phase 2: Upgrading of D1027 (Cedar Road) from Uranium Road to Valley Road including associated works on Cedar Road

D1027 Phase 2 is in the North-Western Region of the City of Johannesburg and forms part of the Central Corridor. The project entails the upgrading of Cedar Road between Valley Road and Uranium Road which includes the R114 intersection.

Construction of Sebe Road in Evaton

The project entails the upgrade of 700 m of Sebe Road and Station Road, to include dedicated turning lanes and fitter lanes through the intersections. The construction will lead to economic benefits for this region through the new businesses that will develop along the road. It will also lead to reduced pothole claims from road users. The Sebe Road project is located in Evaton, Emfuleni Municipality. Sebe Road acts as an important link between Sebokeng Zone 6 and 7 as well as Residensia, Sebokeng Zone 3, Evaton proper and Ironsides towards Midvaal and Johannesburg. It will also lead to a decrease in traveling time thus saving on fuel costs. Less time spent on the road also translates into more time at the office thus increasing productivity.

The construction will also generate increased job creation opportunities and promote local entrepreneurs, empower women in construction and provide accredited training to local communities thereby helping them to get jobs in the future.

- P175: Rehabilitation of Road P175/1 from Vanderbijlpark to Potchefstroom - Phase 2.
- P156/3(R42) from road P155/1 to D2563 Vanderbijlpark.
- P39/1: Heavy rehabilitation from km 30 Diepsloot to km 43 Muldersdrift.
- Rehabilitation of Road P122/1 from P36-1 (R10) (Solomon Mahlangu Drive Olifantsfontein) 8.4 km to K17.
- D904: Light rehabilitation of Road D904 between Road R82 in Evaton and the rail bridge.
- P46/1: Rehabilitation of road P46/1 and D1073.
- P249/1 Phase 2: Rehabilitation of Road P249/1 (R511) in Pretoria Region.
- P186/1 (12): Repairs of damaged bridges.
- P41/1: Rehabilitation (repair and resurfacing) of Road P41/1 from km 0.84 to km 5.61 West Nigel.
- Rehabilitation of D1884 between Road D478 and P243/1.

Gravel Roads Upgraded to Surfaced Roads

Upgrading of gravel road D1944 from km 9.58 heading towards km 22.83 (11.35 km)

The project involves surfacing of D1944 (11.35 km) from gravel to tar road. Completion of Road D1944 would enable easy access to tourism areas such as Rust de Winter Nature Reserve and the Allemansdrif Dam. D1944 forms part of the Northern Corridor and is a tertiary provincial road gravel road located in the North-east corner of Gauteng, where the borders of Gauteng, Limpopo and Mpumalanga meet. The road links Hammanskraal in the West, Moloto in the South, and Siyabuswa in the East across the Gauteng/Mpumalanga/Limpopo border, thus providing wide mobility between provinces. D1944 forms part of the Northern Corridor and is part of the future strategic road network in Gauteng, contributing to radical economic transformation. The road will also alleviate congestion on the notorious Moloto highway that links areas of the old Kwa-Ndebele and Tshwane metropolitan areas, especially for residents working in the northern areas of Tshwane. The construction of the road allows for bus/taxi lay-bys which also includes the erection of bus shelters. The contractor will be required, in consultation with and assisted by the local community, to design, construct and erect bus/taxi shelters, thus modernizing public transport infrastructure.

Maintenance

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

Routine periodic assessment of the provincial road network

Road maintenance entails improvement of the provincial road network through routine, periodic and preventative measures. The road maintenance programme focuses on the following key sub-programmes: repairing of drainage structures, re-gravelling of gravel roads, replacing road signs, re-painting of road markings, grass cutting, herbicides control, replacement of fencing material, and guard rails. In addition, the programme includes the repair of manhole grits, crack sealing, and pothole patching.

Periodic assessment of provincial roads

Periodic provincial assessments by the CSIR assisted the department in strategic planning of maintenance programmes for the provincial road network. This assessment was conducted through visual inspections of the surfaces of both paved and gravel roads. Furthermore, inspection of drainage structures was also conducted on more than 1 055 drainage structures that form part of the provincial road network.

Routine maintenance
The Gauteng provincial network has been classified through the Road Infrastructure Strategic Framework for South Africa (RISFSA) classification model into classes 1 – 6. The RISFSA model and the Vuk'uphile programme are being implemented using labour-intensive techniques with the aim of reducing the maintenance backlog on the provincial road network while creating job opportunities, skills transfer, delivery of quality and cost effective services. The first 25 learner contractors exited the programme at CIDB levels 5 and 6, and the other five learner contractors will exit the programme at the end of financial year 2017/18. The roads with less traffic congestion, RISFSA Classes 5 and 6, have been allocated to the Learner Contractors' Programme with CIDB grades ranging from 1 - 4 over a period of 36 months.

Periodic road maintenance
The department has appointed new service providers with the aim of optimising labour on grass cutting projects within the province as part of the periodic road maintenance programme. Some of the periodic maintenance is conducted on the road network as a measure to improve riding quality, reduce vehicle operating costs to users and delay deterioration of the road network. Activities conducted include resealing, crack sealing, fog sprays, light and heavy rehabilitation of paved roads, re-gravelling of roads and the reconstruction of drainage structures.

Public transport integration and special projects
This sub-programme focuses on ensuring integration of public transport through deployment of infrastructure projects and systems to support seamless travelling across Gauteng. These interventions are geared towards enhancing public transport patronage, thus making it a preferred choice as enshrined in key Gauteng transport strategies and national plans. The infrastructural development interventions serve intermodal public transport facilities which contribute to the green economy agenda and conform to universal accessibility standards.

Intermodal facilities infrastructure
As part of the intermodal public transport modernisation programme, the department continues to integrate public transport infrastructure and ensure intermodality and accessibility thus increasing public transport patronage through infrastructural interventions and promoting seamless travel infrastructure projects. The department will conduct a feasibility study and develop a new Infrastructure Delivery Model which will identify facilities to be upgraded. The facilities will be centred on inter-municipal and inter-provincial interchange. The department has completed four intermodal facilities, two at station precincts and two at road based transfer nodal points. The department will undertake a review of the model and refocus the programme in the financial year 2017/18.

Shovakalula Bicycle Programme
The Shovakalula Bicycle Project is a National Department of Transport (NDOT) initiative specifically aimed at donating bicycles to learners in areas that are not covered by scholar transport. To date approximately 28,000 bicycles have been delivered to over 300 schools in Gauteng. The 2016 Cycling Indaba attended by cycling clubs and enthusiasts highlighted a few areas of intervention. One of the highlighted areas focused on safety concerns which will be addressed through collaborative campaigns with the Gauteng Department of Community Safety, Department of Basic Education, Liquor Board and the United Nations Organisation to mention a few partners. The concerned will be addressed during the financial year 2017/18 through joint safety promotion drives at strategic identified areas. As part of the non-motorised transport strategy, the Shovakalula Programme will distribute a total of 6 000 bicycles to be shared between learners and other non-motorised initiatives in urban and semi-urban areas.

TOLABS
During the financial year 2017/18, the department will commence with procurement for and construction of the Sebokeng TOLAB as part of the expansion of services to under-serviced communities. The construction will be completed in the 2018/19 financial year.

DLTCs

Sebokeng DLTC
The establishment of DLTCs is geared towards improving accessibility to license services for the community. During the MTEF the department will be developing a master plan on integrated transport services which includes the DLTCs. The study will inform future demand, location and costs of establishing DLTCs.

4. REPRIORITISATION

The department will continue to implement sound fiscal discipline by regularly monitoring expenditure trends and re-directing resources towards essential services. The planning for the next financial year is prepared on the basis of state of readiness within all projects (infrastructure and non-infrastructure) that will impact on the Strategic Plan and Annual Performance Plan of the department. The department engaged in a reprioritisation process when developing the 2017/18 budget by shifting funds from non-core activities to core service delivery outputs in line with the departmental strategic objectives as outlined in the Annual Performance Plan.

The department then managed to fund the Integrated Fare Management System (IFMS) that will ensure alignment of the systems within the province of different modes of transport as well as the document Management System (DMS) with an amount of R15 million reprioritised that will ensure that all the documents within the department are stored and disseminated in a controlled manner. The other savings will be utilised to augment the allocation that has already been made for the gazetting of public transport licensing, which has become a cost burden on the department as a result of the increased tariffs by Government Printing Works (GPW). The cost-containment measures will continue to be implemented in order to ensure that more savings can be identified and therefore utilised on other items.

5. PROCUREMENT PLAN

The Supply Chain Management (SCM) unit continues actively to drive the procurement processes that will ensure successful implementation of all major projects as outlined below. These projects form part of the department's overall procurement plan for the 2017/18 financial year. The department will be utilising the Infrastructure Delivery Management System (IDMS). Supply chain management is one of the key components within the IDMS model. The successful implementation of this model will allow for a fully capacitated and competent supply chain management unit which will drive the effective, efficient and timely utilisation of state resources within the department.

The following are the major procurements for the 2017/18 financial year

- Route determination studies;
- Modelling Centre for Road and Transport Planning;
- K197 (new link) from R24 Rustenburg Road to R563 Van Riebeeck Road West Rand Hub;
- K146 from D817 to K2.13 K67 (interchange plus new link);
- K67 (interchange plus new link);
- Lynnwood Road (K34) Solomon Mahlangu Dr (K69) upgrade narrow diamond;
- K101 (R101)/K58 (Allandale Road) upgrade of the interchange;
- P206/1 (M1) (9.24 km) rehabilitation of the public transport corridor;
- R25 (26 km) Kempton Park to Bronkhorstspruit - rehabilitation of the public transport corridor;
- Rehabilitation of Road K111 between Olifantsfontein (K27) Road K111 and Modderfontein Road (D1511) (10 months);
- Rehabilitation of Provincial Road P 103-1 between N14 and N1 (Km 6.52 to Km 17.15) (15 months);
- Rehabilitation of Road D483 between P6-1 (Bapsfontein) (km 0.00) and D713 (Cullinan) (km 27.85) (15 months);
- K77: Gauteng Highlands: Upgrading Elizabeth Rd to K154 (Phase 1). (24 months);
- K154: Gauteng Highlands: Upgrading of Grace View Access Rd to old Vereeniging (R82/P2-1) Phase 2 (24 months);
- K109: Construction road K109 between K27 and Dale Road (24 months); and
- Emergency works such as sinkholes and bridge repairs.

The following are the non-infrastructure projects that form part of major procurement for the 2017/18 financial year.

- October Transport Month (OTM) campaign;
- Media buying;
- Rent and hire equipment; and
- Gauteng Transport Commission (GTC): business case and policy drafting.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 9.1. : SUMMARY OF RECEIPTS: ROADS AND TRANSPORT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	2 397 371	3 814 962	4 287 564	4 761 881	5 341 881	5 360 551	4 014 541	3 827 080	3 800 196
Conditional grants	2 372 592	2 337 897	2 318 388	2 537 823	2 567 566	2 567 566	2 817 750	2 863 033	3 032 642
Public Transport Operations Grant	1 714 344	1 819 854	1 860 048	2 033 590	2 063 333	2 063 333	2 155 063	2 255 767	2 382 090
Provincial Roads Maintenance Grant	655 248	514 903	455 821	501 784	501 784	501 784	656 183	607 266	650 552
Expanded Public Works Programme Infrastructure Grant	3 000	3 140	2 519	2 449	2 449	2 449	6 504		
Total receipts	**4 769 963**	**6 152 859**	**6 605 952**	**7 299 704**	**7 909 447**	**7 928 117**	**6 832 291**	**6 690 113**	**6 832 838**

Equitable share and conditional grants are the main source of funding for the Gauteng Department of Roads and Transport. In the 2017/18 financial year, the total budget is R6.8 billion of which equitable share and conditional grants takes up R4 billion and R2.8 billion respectively.

Over the seven year period, conditional grant increase from R2.3 billion in 2013/14 to R3 billion in the 2019/20 financial year. This growth in the budget is due to provincial road network through activities such as the outsourced routing maintenance, re-gravelling, term contracts for the supply of materials, grass cutting, etc. these activities are carried out through the province up to the allocations received.The largest conditional grant is the Public Transport Operations Grant. The aim is to ensure the provision for subsidise public transport services within the province.

The Provincial Roads Maintenance Grant has declined over the 2017 MTEF, from R656 million in 2017/18 to R650 million in 2019/20 financial year. The purpose of the grant is for the maintenance of the provincial road network.

The Expanded Public Works Programme (EPWP) Incentive Grant is increased to R6 million in 2017/18 financial year. To drive job creation and pay stipends to volunteers in infrastructure programmes.

6.2 Departmental receipts

TABLE 9.2 : SUMMARY OF DEPARTMENTAL RECEIPTS: ROADS AND TRANSPORT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Tax receipts	2 644 876	2 949 662	3 217 032	3 142 737	3 142 737	3 521 298	3 396 424	3 669 825	3 965 359
Motor vehicle licences	2 644 876	2 949 662	3 217 032	3 142 737	3 142 737	3 521 298	3 396 424	3 669 825	3 965 359
Sales of goods and services other than capital assets	55 661	53 937	54 970	71 597	71 597	71 597	75 176	79 537	83 991
Interest, dividends and rent on land	38	28	61	55	55	55	60	63	67
Sales of capital assets	5 983		4 491			30			
Transactions in financial assets and liabilities	885	2 236	1 673	1 500	1 500	1 500	1 500	1 587	1 676
Total departmental receipts	**2 707 443**	**3 005 863**	**3 278 227**	**3 215 889**	**3 215 889**	**3 594 480**	**3 473 160**	**3 751 012**	**4 051 093**

Own revenue is generated through tax receipts which are mainly made up of motor vehicle registration and licensing fees. The revenue collected over the past three financial years grew slightly.

Revenue in this category is expected to grow over the MTEF through annual increases in tariffs. The increases in the past were from R2.7 billion in 2013/14, R3 billion in 2014/15 and R3.3 billion in 2015/16 to R3.2 billion in the 2016/2017 financial year. The revenue is expected to increase further over the MTEF from R3.5 billion in 2017/18 to R4.1 billion in 2019/20. No negative real growth is currently expected in the years under review. In concluding the estimates, the following factors were taken into account:

- The Consumer Price Inflation Index (CPIX);
- Vehicle population;
- Direct cost expected to be paid from the revenue account;
- Interest and penalties expected to be received;
- Previous revenues collected; and
- Trends in the motor industry in the country.

The department derives its own revenue from tax receipts which comprise motor vehicle licenses; sales of goods and services other than capital assets; interest, dividends and rent on land; financial transactions in assets and liabilities and sales of capital assets. Motor vehicle licensing is by far the most important and productive source of revenue for the department. Motor vehicle licensing fees constitute more that 90 percent of total departmental revenue, which in turn constitute more than 60 percent of provincial revenue target. Over the medium term this source of revenue grows from R3.4 billion in 2017/18 to an estimated R4.1 billion in 2019/20.

The second highest contributor to revenue generation is transport related operation for abnormal load vehicles permits as well as sales of tender documents. Expenditure from this source grew from R56 million in 2013/14 to R68 million in the 2015/16 financial year. The trend continues, growing to R75 million in 2017/18 due to higher than anticipated sales of documents. The increase from R80 million in 2018/19 to R84 million in the last year of the MTEF can be attributed to inflationary increments as well as annual tariff implementation and other revenue enhancements measures administered by the department.

Interest, dividends and rent on land mainly consists of items such as interest on staff debts. The fluctuating trend can be attributed to the difficulty in accurately projecting for these items due to their uncertain nature, with receipts ranging from R38 000 in 2013/14 to R28 000 in 2014/15 increasing to R50 000 in the 2015/16 financial year. Over the MTEF the allocation increases from R60 000 in 2017/18 to R63 000 in 2018/19 and R67 000 in 2019/20 respectively.

The department also collects revenue from transactions in financial assets and liabilities, which consists of fees for recovery of debts. The fluctuations over the seven years under review can be attributed to the difficulty in budgeting for this item due to its uncertain nature. The income fluctuates between 2013/14 and 2015/16 from R885 000 to R1.5 million. Over the MTEF the expenditure is expected to remain constant at R1.5 million in 2017/18 and 2018/19, increasing slightly in 2019/20 to R1.7 million.

7. PAYMENT SUMMARY

7.1. Key assumptions

When compiling the 2017 MTEF budget, the department considered the following factors:

- Improving alignment with the province's TMR vision for the next three years;
- Improving alignment with government's policy priorities as stated in the NDP, the 2014-2019 MTSF, provincial government plans for the sector and its institutions;
- Basic salary costs including annual improvement in conditions of service adjustments;
- Items linked to rates of increase in basic salary costs; pension fund contributions; thirteenth cheque and overtime;
- Medical aid contributions, which normally increase more rapidly than inflation;
- Homeowners allowance, which changes in line with interest rates;
- Skills development levies;
- Implementation of cost containment;
- Reprioritisation within programmes and items; and
- Additional funding to the baseline.

In relation to the infrastructure projects, the budget assumptions made are based on the availability of funds, state of readiness to implement the projects, capacity to manage the projects, as well as the magnitude of projects. The final budget figures are confirmed after the post the awarding of the tender.

7.2. Programme summary

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	197 786	271 476	239 213	317 797	297 471	289 378	321 364	353 179	377 357
2. Transport Infrastructure	1 673 919	2 096 198	2 177 112	2 552 176	2 053 633	2 058 096	1 976 157	1 605 175	1 453 439
3. Transport Operations	1 847 366	1 986 669	2 019 168	2 298 425	2 467 480	2 463 612	2 386 247	2 490 447	2 628 926
4. Transport Regulation	222 160	205 993	262 357	299 217	278 774	304 942	314 829	296 044	315 022
5. Gautrain	1 424 943	1 311 748	1 561 451	1 832 089	2 812 089	2 812 089	1 833 694	1 945 268	2 058 094
Total payments and estimates	**5 366 174**	**5 872 084**	**6 259 301**	**7 299 704**	**7 909 447**	**7 928 117**	**6 832 291**	**6 690 113**	**6 832 838**

7.3. Summary of economic classification

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**1 321 952**	**1 339 452**	**1 336 094**	**1 825 192**	**1 769 730**	**1 798 270**	**1 460 249**	**1 887 173**	**2 164 792**
Compensation of employees	472 100	488 559	549 027	631 320	631 320	609 531	647 972	702 514	750 285
Goods and services	849 465	850 666	786 608	1 193 502	1 138 220	1 188 601	811 957	1 184 399	1 414 247
Interest and rent on land	387	227	459	370	190	138	320	260	260
Transfers and subsidies to:	**3 180 677**	**3 470 779**	**3 527 500**	**4 025 902**	**5 184 248**	**5 188 368**	**4 158 224**	**4 381 344**	**4 630 968**
Provinces and municipalities	783	1 256	1 079	2 500	1 500	1 168	2 000	3 000	3 168
Departmental agencies and accounts	1 424 943	1 311 748	1 561 451	1 832 089	2 812 089	2 812 089	1 833 694	1 945 268	2 058 094
Public corporations and private enterprises	1 750 973	1 900 024	1 959 610	2 186 420	2 365 706	2 365 706	2 315 535	2 425 546	2 561 716
Households	3 978	257 751	5 360	4 893	4 953	9 405	6 995	7 530	7 990
Payments for capital assets	**843 291**	**1 001 973**	**1 378 676**	**1 448 610**	**955 469**	**941 445**	**1 213 819**	**421 597**	**37 078**
Buildings and other fixed structures	832 298	938 410	1 179 703	1 413 961	869 490	858 688	1 193 479	396 369	12 672
Machinery and equipment	9 900	63 299	198 836	31 849	83 179	79 957	18 040	22 878	22 046
Software and other intangible assets	1 093	264	137	2 800	2 800	2 800	2 300	2 350	2 360
Payments for financial assets	**20 254**	**59 880**	**17 031**			**34**			
Total economic classification	**5 366 174**	**5 872 084**	**6 259 301**	**7 299 704**	**7 909 447**	**7 928 117**	**6 832 291**	**6 690 113**	**6 832 838**

The table above indicates expenditure outcomes and budget allocations as categorised by the departmental programmes. The audited outcomes ranged from R5.4 billion in 2013/14 to R6.3 billion in 2015/16 increasing to R7.9 billion in 2016/17. Over the 2017 MTEF, the allocation decreases to R6.8 billion in 2017/18 and remains at R6.8 billion in 2019/20. This is due to additional funding allocated to Gautrain for litigation in 2016/17 and the state of readiness to implement infrastructure projects over the 2017 MTEF. However inflationary increases were considered in the departmental provincial roads maintenance grant allocation, EPWP Integrated Grant and Gautrain allocation

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Programme 1: Administration shows a significant increase from R198 million in 2013/14 to R239 million in the 2015/16 financial year due to centralisation of functions from other programmes to Corporate Services, such as training and development, telephones, IT, other property payments and photocopy machines. Over the MTEF, allocation for this programme continues to grow from R321 million in 2017/18, R353 million in 2018/19 to R377 in 2019/20 and this will ensure smooth running of the operations.

Programme 2: Transport infrastructure: The steady increase of the expenditure from the 2013/14 financial year to 2015/16 is as a result of the department's investment in the provincial road network – both maintenance and rehabilitation projects, which can be traced to the goods and services and buildings and other fixed structures items. The increase in this

programme is attributed mainly to the PRMG and to provincial earmarked infrastructure allocations, both of which form the core function of the department. Expenditure amounted to R1.7 billion, R2.1 billion and R2.2 billion in the financial years 2013/14, 2014/15 and 2015/16. The budget allocated over the MTEF however declines to R1.9 billion in 2017/18 and then to R1.5 billion in the last year of the MTEF as a result of lower allocations approved for the infrastructure projects.

Programme 3: Transport Operations: This shows a significant increase from 2013/14 onward due to the increase in the North-West Star allocation relating to the payment of bus subsidies for the demarcated contracts. This is reflected against Transfers and Subsidies to Public Corporations and Private Enterprises. The increase over the MTEF is due to the growth of this allocation as well as the Public Transport Operations Grant (PTOG). The expenditure within this programme varies over a seven year period from R1.8 billion in 2013/14 to R2 billion in 2015/16. The budget allocation increases from R2.4 billion in 2017/18 to R2.6 billion in the last year of the MTEF reflecting mainly inflationary increases.

Programme 4: Transport Regulation: The expenditure increase from R222 million in 2013/14 to R262 million in 2014/15. This was as a result of filling of majority of vacant post within the unit as well as the increase in the investment in the DLTC and TOLABS infrastructure. The increase in the budget for 2016/17 was mainly as a result of the increase in the tariffs of Government Printing Works (GPW) on the gazetting of public transport licenses. This has become a major cost driver within this unit and this is set to continue over the MTEF. This is also indicated by the additional earmarked allocation that has been made for this purpose by the Provincial Treasury.

Programme 5: Gautrain: Allocations increased between 2013/14 and 2015/16 from R1.4 billion to R1.6 billion. The budget over the MTEF increases from R1.8 billion in 2017/18, to R2.1 billion in two financial years later. This is mainly for maintenance and capacitation of the current system as well as planning for the second phase of the project.

The total compensation of employees has increased steadily, from R472 million in 2013/14 to R549 million in 2015/16, resulting from the annual improvements of conditions of service (ICS) increases. Over the MTEF, the allocation for compensation of employees increases from R648 million in 2017/18 to R750 million in 2019/20, primarily due to funding departmental capacity as per the revised organisational structure.

The department's goods and services expenditure was R849 million in 2013/14 and decreased to R787 million in 2015/16 as a result of cost containment measures. Over the MTEF the budget fluctuates because most of the infrastructure allocation is to allow the province to continue to invest in the maintenance of routes alternative to those tolled within the province to ensure that they do not deteriorate as a result of high usage.

The transfers and subsidies item consists mainly of the allocation for the Gautrain project as well as the bus subsidies. The amounts within the departmental agencies and accounts item relates to payments made in respect of the Gautrain. The amounts continue to grow over the seven year period from R1.8 billion in 2017/18 to R2.1 billion in 2019/20 due to inflationary increases. The amounts within the public corporations and private enterprises item relate to transfers to the public transport operators, including the North West Star contracts. The allocation continues to grow over MTEF from R2.3 billion in 2017/18, to R2.4 billion in 2018/19 and R2.6 billion in the 2019/20 financial years. The changes in allocations are mainly inflationary, in line with the allocations from National Department of Roads and Transport (NDOT).

The payment for capital assets item is for capital infrastructure projects, for the department's capital operational requirements and for the software licenses due on IT systems within the department. The department's capital assets expenditure decreased from R842 million in 2013/14, and increased to R1 billion in 2014/15 and to R1.4 billion in 2015/16, as a result of the increasing focus on capital rehabilitation projects on the provincial roads network. Over the MTEF, the allocation declines from R1.2 billion in 2017/18 and declines significantly over the MTEF.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the 2017 Estimates of Capital Expenditure (ECE).

7.4.2 Departmental Public-Private-Partnership (PPP) projects

N/A

7.5 Transfers

7.5.1 Transfers to Public Entities

TABLE 9.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Gauteng Management Agency	1 424 943	1 311 748	1 561 451	1 832 089	2 812 089	2 812 089	1 833 694	1 945 268	2 058 094
Total departmental transfers	**1 424 943**	**1 311 748**	**1 561 451**	**1 832 089**	**2 812 089**	**2 812 089**	**1 833 694**	**1 945 268**	**2 058 094**

The payments made to Gautrain for the 3013/14 to 2015/16 financial years were mainly for the operational maintenance of the rail system. The feasibility studies to investigate the possibilities of implementing the second phase of the project have been completed and the plans are underway to develop the best funding mechanism for this phase. The transfers over the MTEF are only for the maintenance of the first phase and do not include the implementation of the second phase. These will be revised as soon as the strategic and financial decisions are finalised.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

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

Programme objectives

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

TABLE 9.6: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: ADMINISTRATION

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
1. Office Of The MEC	6 971	7 905	6 626	10 758	10 163	9 037	8 760	9 158	9 442
2. Management Of The Department	10 422	11 857	15 918	20 411	20 211	17 575	19 050	19 770	20 827
3. Corporate Support	179 439	250 447	216 150	280 935	262 004	260 115	288 281	318 752	341 363
4. Departmental Strategy	954	1 267	519	5 693	5 093	2 651	5 273	5 499	5 725
Total payments and estimates	**197 786**	**271 476**	**239 213**	**317 797**	**297 471**	**289 378**	**321 364**	**353 179**	**377 357**

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

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**192 533**	**203 629**	**232 137**	**300 396**	**289 621**	**281 697**	**309 484**	**340 669**	**364 237**
Compensation of employees	114 707	124 169	145 121	161 542	168 042	162 152	171 590	175 393	185 241
Goods and services	77 770	79 451	86 558	138 754	121 479	119 471	137 814	165 216	178 936
Interest and rent on land	56	9	458	100	100	74	80	60	60
Transfers and subsidies to:	**667**	**345**	**169**	**500**	**500**	**450**	**500**	**550**	**550**
Provinces and municipalities		4							
Households	667	341	169	500	500	450	500	550	550
Payments for capital assets	**4 495**	**7 909**	**6 870**	**16 901**	**7 350**	**7 231**	**11 380**	**11 960**	**12 570**

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Buildings and other fixed structures		27			1 034	1 034			
Machinery and equipment	4 442	7 618	6 870	15 901	5 316	5 197	10 880	11 410	12 010
Software and other intangible assets	53	264		1 000	1 000	1 000	500	550	560
Payments for financial assets	**91**	**59 593**	**37**						
Total economic classification	**197 786**	**271 476**	**239 213**	**317 797**	**297 471**	**289 378**	**321 364**	**353 179**	**377 357**

The sub-programmes within this programme are administrative in nature and the allocations are funded from the equitable share portion of the departmental allocation. The programme grew from R197.8 million in 2013/14 to R239.2 in 2015/16 before increasing to a projected expenditure of R288.6 million in 2016/17. The spending within the MEC's office increased from R7 million to R7.9 million between 2013/14 and 2014/15 before decreasing to R6.8 million in 2015/16. The allocation is to assist with the management of the department's sub-programme, which is made up of the HOD's office, Risk Management, Anti-Fraud and Corruption and War Room unit. This allocation increases to R15 million in the 2015/16 financial year, R19 million 2017/18 and R201.8 million in 2019/20. This is to allow the unit to capacitate the sub-units.

The department centralised budgeting for items such as telephones, training, part of property payments, other machinery and equipment and software licenses, to Corporate Services. This meant that expenditure grew exponentially from 2015/16 by R216 million and R280 million in 2016/17. The budget then stabilises over the MTEF and grows only with inflationary increases. Departmental Strategy's expenditure and allocation are very low because the unit is very small and mainly needs a budget for salaries and basic operational requirements only.

Compensation of employees increased from R115 million in 2013/14 to R145 million in 2015/16 before growing to a projected expenditure of R162 million in 2016/17. Over the 2017 MTEF it grows from R172 million in 2017/18, to R175 million in 2018/19 and R185 million in 2019/20. The increases result from improvements in the Improvement of Conditions of Service (ICS).

The programme's goods and services budget increased from R77 million in 2013/14, to R79 million in 2014/15 and to R87 million in 2015/16. This was to cater for the operational requirements of the units within the programme. Expenditure increases to R139 million in 2016/17, and then increases over the MTEF to R138 million in 2017/18, R165 million in 2018/19 and R179 million in 2019/20 the last year of the MTEF, mainly for the operational budget that has allowed the department to fund issues such as the maintenance of its priorities. The increases over the MTEF are mainly inflationary and result from centralisation of functions from other programmes.

The only item used for transfers and subsidies within this programme is households. This is for pension benefits, leave gratuities and injury on duty claims. Though these items are very difficult to budget for, over the years the expenditure has been steady. The budget going forward is estimated at R500 000 to R550 000.

Software and intangible assets is the item covering software licenses that the department pays annually. The allocation shows a decline between 2012/13 and 2013/14, then an increase in 2014/15 to R264 000. Over the MTEF period the expenditure slightly increases to R500 000 in 2018/19 and to R560 000 in the two last financial years.

PROGRAMME 2: TRANSPORT INFRASTRUCTURE

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

Programme objectives
- Provide for planning and co-ordination towards the formulation of provincial transport policies and statutory plans
- Plan integrated modal transport facilities and systems for all modes of transport including non-motorised transport
- Promote and improve safety on transport infrastructure

- Facilitate the provision of road safety audits on all roads and transport infrastructure to ensure safe traffic and people movement
- Provide data collection services and research to provide management information systems for the provincial road network
- Provide design of road and transport infrastructure including all necessary support functions such as environmental impact assessments, traffic impact assessments, surveys, expropriations, material investigations and testing
- Develop new roads and re-construct, upgrade and rehabilitate road and transport infrastructure
- Effectively maintain road and transport infrastructure.

TABLE 9.8: SUMMARY OF PAYMENTS AND ESTIMATES: TRANSPORT INFRASTRUCTURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Infrastructure Planning	34 702	33 156	38 079	72 924	52 715	48 675	54 579	55 504	57 701
2. Infrastructure Design	\129 533	98 038	142 111	230 298	212 458	198 443	113 017	65 017	66 514
3. Construction	409 078	902 122	1 042 527	1 161 626	676 424	677 682	1 152 542	434 163	51 983
4. Maintenance	1 061 276	782 757	912 344	1 029 504	1 064 962	1 088 746	626 737	1 016 371	1 241 499
5. Programme Support Infrastructure	39 330	280 125	42 051	57 824	47 074	44 550	29 283	34 121	35 742
Total payments and estimates	**1 673 919**	**2 096 198**	**2 177 112**	**2 552 176**	**2 053 633**	**2 058 096**	**1 976 157**	**1 605 175**	**1 453 439**

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**906 889**	**933 081**	**870 171**	**1 296 683**	**1 200 887**	**1 209 405**	**831 108**	**1 206 521**	**1 438 545**
Compensation of employees	233 117	226 994	242 315	346 727	282 918	271 327	305 864	337 272	360 329
Goods and services	673 723	705 872	627 855	949 886	917 899	938 034	525 184	869 199	1 078 166
Interest and rent on land	49	215	1	70	70	44	60	50	50
Transfers and subsidies to:	**3 883**	**258 134**	**5 625**	**6 701**	**5 701**	**9 840**	**7 730**	**9 170**	**9 778**
Provinces and municipalities	783	1 252	1 079	2 500	1 500	1 168	2 000	3 000	3 168
Households	3 100	256 882	4 546	4 201	4 201	8 672	5 730	6 170	6 610
Payments for capital assets	**748 455**	**904 705**	**1 284 326**	**1 248 792**	**847 045**	**838 818**	**1 137 320**	**389 485**	**5 116**
Buildings and other fixed structures	745 047	851 823	1 096 261	1 241 590	777 888	770 494	1 133 840	384 369	
Machinery and equipment	3 140	52 882	187 928	7 202	69 157	68 324	3 480	5 116	5 116
Software and other intangible assets	268		137						
Payments for financial assets	**14 692**	**278**	**16 990**			**33**			
Total economic classification	**1 673 919**	**2 096 198**	**2 177 112**	**2 552 176**	**2 053 633**	**2 058 096**	**1 976 157**	**1 605 175**	**1 453 439**

The allocation for this programme includes the Provincial Roads Maintenance Grant (PRMG) and provincial earmarked infrastructure allocations. These two allocations form the core of this programme and of the department.

Infrastructure planning

The unit is responsible for infrastructure planning, which includes route determinations, the modelling centre and the freight databank. The unit was fully funded during the 2014/15 to 2015/16 financial years. The unit's compensation of employees item was fully funded after the organisational structure was approved in 2012. During the 2015/16 financial

year the budget was increased to R38 million from R33 million in 2014/15. Over the MTEF, the budget remains stable at an average of about R55 million.

Infrastructure design
The unit is responsible for design for the road infrastructure projects. The expenditure for 2013/14 amounts to R129 million, decreases to R98 million before increasing to R142 million in 2015/16. The fluctuation between 2014/15 and 2015/16 financial years results from changes in infrastructure allocations and the compensation of employees after the approval of the organisational structure. Over the MTEF, the budget decreases from R113 million in 2017/18 to R66.5 million in 2019/20 as a result of non-indication of state of readiness within the sub-programme. The full list of projects is available within the Estimates of Capital Expenditure (ECE).

Construction
The unit is responsible for the construction of roads within the province. Expenditure remained low and amounted to R409 million in 2013/14 before increasing to R902 million and R1 billion in 2014/15 and 2015/16 respectively due to significant focus on maintenance of the provincial roads network rather than constructing new roads. Over the MTEF, the budget decreased from R1.1 billion in 2017/18 to R52 million in the last year of the MTEF because of non-indication of the state of readiness.

Maintenance
The unit is responsible for the maintenance of roads within the province. The expenditure fluctuates between R1.1 billion, R782.8 million, and R912.3 million for 2013/14, 2014/15 and 2015/16 respectively due to a focus on maintenance of the provincial network as per the conditions of the PRMG

The programme's compensation of employees increased at a slower than anticipated rate, from R233 million in 2013/14 to only R242.3 million 2015/16. This was because there were a number of vacancies that remained unfilled during that period. In 2016/17 the allocations increased to cater for the ICS; over the MTEF compensation increases from R305.9 million in 2017/18 to R360.3 million in 2019/20 as a result of the ICS.

The goods and services budget amounted to R674 million in 2013/14 decreasing to R627 million in the 2015/16 financial year. This was because of high infrastructure spending in 2014/15 for all the infrastructure units and decentralisation of functions to programme one. The allocation then decreases to R628 million during 2015/16 through shifting all rehabilitation projects from maintenance to construction. Over the MTEF the allocation increases from R525.2 million in 2017/18 to R1.1 billion in the 2019/20 financial year.

The items used for transfers and subsidies are for the payments of licensing fees, for the construction as well as households, which is for pension benefits, leave gratuities and all injury on duty claims. The licensing fees are funded from infrastructure and are budgeted fully each financial year. The household items however are very difficult to budget for. The budget going forward is set on R5.3 million in 2017/18, R6.1 million in 2018/19, and R6.6 million in 2019/20.

Capital items are mainly for the infrastructure allocations: the full list is available in the ECE. The increases are based on the allocations per project, state of readiness, capacity to manage the projects, project life-cycles as well as the results of a needs analysis for infrastructure within the province. The allocation decreases from R1.1 billion in 2017/18 to R389 million in 2018/19. There is no budget allocated for the last financial year as a result of the lack of state of readiness to implement the projects.

SERVICE DELIVERY MEASURES

PROGRAMME 2: TRANSPORT INFRASTRUCTURE

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of designs completed.	18 Designs completed	10 Designs completed	12 Designs completed
Number of m2 of surfaced roads upgraded:	289 710.00m^2	543 308.00m^2	468 568.00m^2
Number of kilometers of gravel roads upgraded to surfaced roads.	80.09km	82km	84km
Number of m2 of surfaced roads rehabilitated	645 502.00m^2	996 706 m^2	506 752.00m^2
Number of m2 of surfaced roads resealed.	380 000m^2	400 000m^2	420 000m^2
Number of kilometers of gravel roads re-graveled	115,66km	120,05km	130.45km
Number of m^2 of blacktop patching	145,000m^2	150,000m^2	80 000m^2
Number of kilometers of gravel roads bladed	1,362km	1,362km	1351km
Number of m^2 of surfaced roads resealed.	400,000m^2	420,000m^2	500 000m^2

PROGRAMME 3: TRANSPORT OPERATIONS

Programme description

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

Programme objectives

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

TABLE 9.10: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: TRANSPORT OPERATIONS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Public Transport Services	1 842 137	1 974 799	2 012 968	2 283 945	2 456 590	2 453 393	2 379 507	2 482 544	2 620 407
2. Programme Support Operations	5 229	11 870	6 200	14 480	10 890	10 219	6 740	7 903	8 519
Total payments and estimates	**1 847 366**	**1 986 669**	**2 019 168**	**2 298 425**	**2 467 480**	**2 463 612**	**2 386 247**	**2 490 447**	**2 628 926**

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**40 151**	**46 589**	**41 039**	**64 385**	**61 585**	**57 715**	**62 932**	**52 101**	**53 728**
Compensation of employees	18 604	22 103	23 783	28 575	28 575	24 705	26 282	27 351	28 418
Goods and services	21 547	24 486	17 256	35 810	33 010	33 010	36 650	24 750	25 310
Interest and rent on land									
Transfers and subsidies to:	**1 750 999**	**1 900 024**	**1 959 692**	**2 186 550**	**2 365 836**	**2 365 836**	**2 315 635**	**2 425 666**	**2 561 846**
Public corporations and private enterprises	1 750 973	1 900 024	1 959 610	2 186 420	2 365 706	2 365 706	2 315 535	2 425 546	2 561 716
Non-profit institutions									
Households	26		82	130	130	130	100	120	130
Payments for capital assets	**50 768**	**40 056**	**18 437**	**47 490**	**40 059**	**40 061**	**7 680**	**12 680**	**13 352**
Buildings and other fixed structures	50 768	39 012	17 826	45 850	39 109	39 111	7 000	12 000	12 672
Machinery and equipment		1 044	611	1 640	950	950	680	680	680
Payments for financial assets	**5 448**								
Total economic classification	**1 847 366**	**1 986 669**	**2 019 168**	**2 298 425**	**2 467 480**	**2 463 612**	**2 386 247**	**2 490 447**	**2 628 926**

The department's PTOG and the North West Star are both allocated within the Transfers and Subsidies item within this programme. There are also the regular operational items of the department, i.e. the household's item. Expenditure increases slightly in 2013/14 and 2014/15 from R1.8 billion to R1.9 billion and then increases again in 2015/16 to R2 billion. The budget continues to grow in 2016/17 to R2.4 billion, and over the MTEF, from R2.4 billion in 2017/18, R2.5 billion in 2018/19 and R2.6 in the last year of the MTEF. These increases are inflationary in nature.

Expenditure for compensation of employees increases from R18.6 million in 2013/14 to R23.8 million in 2015/16. The increase in the 2016/17 financial year to R28.6 million is in line with the requirements of the unit as per the revised organisational structure. The allocation is R26.3 million in 2017/18; R27.4 million in 2018/19; and R28.4 million in the last year of the MTEF, increases that are only attributable to the ICS.

The programme's goods and services expenditure amounted to R21.5 million in 2013/14, declining from R24.5 million to R17.3 million between 2014/15 and 2015/16 respectively as a result of decentralisation of functions to programme one. From 2013/14 expenditure within goods and services therefore only relates to operational expenditure, which includes the monitoring of the public transport operators aligned to the PTOG.

The capital items are mainly for the infrastructure allocations. The allocation increases from R7.7 million in 2017/18 to R13.3 million in 2019/20.

The infrastructure budget and expenditure is within the capital assets, specifically the buildings and other fixed structures item. The budget over MTEF increases from R7 million in 2017/18 to R12 million in 2018/19 and R12.7 million in the last financial year, and this is only for the Shovakalula project.

SERVICE DELIVERY MEASURES

PROGRAMME 3: TRANSPORT OPERATIONS

Programme / Sub-programme / Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of routes subsidised	3 477(Non-cumulative)	3 477(Non-cumulative)	3 477(Non-cumulative)
Number of kilometres subsidised	101,992,087	101,992,087	101,992,087
Number of trips subsidised	1,938,991	1,938,9918	1,938,991

PROGRAMME 4: TRANSPORT REGULATION

Programme description

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

Programme objectives

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

TABLE 9.12: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: TRANSPORT REGULATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Transport Administration And Licencing	165 314	161 897	196 377	221 053	202 797	195 021	192 524	163 201	175 640
2. Operator Licence And Permits	56 846	44 096	65 980	78 164	75 977	109 921	122 305	132 843	139 382
Total payments and estimates	**222 160**	**205 993**	**262 357**	**299 217**	**278 774**	**304 942**	**314 829**	**296 044**	**315 022**

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**182 379**	**156 153**	**192 747**	**163 728**	**217 637**	**249 453**	**256 725**	**287 882**	**308 282**
Compensation of employees	105 672	115 293	137 808	94 476	151 785	151 347	144 236	162 498	176 297
Goods and services	76 425	40 857	54 939	69 052	65 832	98 086	112 309	125 234	131 835
Interest and rent on land	282	3		200	20	20	180	150	150
Transfers and subsidies to:	**185**	**528**	**563**	**62**	**122**	**153**	**665**	**690**	**700**

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Households	185	528	563	62	122	153	665	690	700
Payments for capital assets	**39 573**	**49 303**	**69 043**	**135 427**	**61 015**	**55 335**	**57 439**	**7 472**	**6 040**
Buildings and other fixed structures	36 483	47 548	65 616	126 521	51 459	48 049	52 639		
Machinery and equipment	2 318	1 755	3 427	7 106	7 756	5 486	3 000	5 672	4 240
Software and other intangible assets	772			1 800	1 800	1 800	1 800	1 800	1 800
Payments for financial assets	**23**	**9**	**4**			**1**			
Total economic classification	**222 160**	**205 993**	**262 357**	**299 217**	**278 774**	**304 942**	**314 829**	**296 044**	**315 022**

The budget for the TOLAB and DLTCs infrastructure projects is located within this programme, together with the allocations for licensing and registration functions. The audited outcome within this programme is at R222 million in 2013/14, rising from R206 million to R262.4 million in the 2014/15 and 2015/16 financial years. Over the MTEF the allocation increases from R314.8 million in 2017/18 to R315 million in 2019/20.

Compensation of employee's expenditure grows from R105.6 million to R115.3 million between 2013/14 and 2014/15 due to the appointments of junior examiners and senior examiners. The increase in the 2015/16 financial year amounting to R138 million was to allow the unit to fill the revised organisational structure. The allocation increases take into account ICS and amounts to R144 million in 2017/18; R162 million in 2018/19 and R176 million in 2019/20.

The programme's goods and services expenditure decreases from R76 million in 2013/14 to R41 million in 2014/15. This is as a result of the SCOA changes that required that the infrastructure budget be allocated to the capital assets item. This programme is responsible for the DLTCs and the TOLABS. The expenditure within goods and services from 2013/14 therefore only relates to operational expenditure, and these are high because the department has to maintain the DLTCs constructed or upgraded as part of the infrastructure programme, for which an earmarked allocation was made to the department. Expenditure trends over the MTEF increase from R112.3 million in 2017/18 to R125.2 million in 2018/19 and R131.8 million in the last financial year as a result of the gazetting of public transport licensing.

The infrastructure budget and expenditure is within capital assets, specifically the buildings and other fixed structures item. This item has been funded fully since the 2011/12 financial year; however the expenditure has been improved. The budget over MTEF increase remains steady. There is no budget allocated for the last two financial years as a result of not indicating the state of readiness.

SERVICE DELIVERY MEASURES

PROGRAMME 4: TRANSPORT REGULATION

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Establishment of DLTCs		2	1
Number of TOLABs constructed by 2019	1 Sebokeng		1 Tshwane
Number of compliance inspections conducted	280	300	
Number of permits/operating license issued by 2019	9,200	9,200	10000
Number of permits converted to operating licenses by 2019	6,500	6,500	7000

PROGRAMME 5: GAUTRAIN

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

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

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

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

TABLE 9.14: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: GAUTRAIN

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Gautrain Rapid Link	1 424 943	1 311 748	1 561 451	1 832 089	2 812 089	2 812 089	1 833 694	1 945 268	2 058 094
Total payments and estimates	**1 424 943**	**1 311 748**	**1 561 451**	**1 832 089**	**2 812 089**	**2 812 089**	**1 833 694**	**1 945 268**	**2 058 094**

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments									
Transfers and subsidies to:	**1 424 943**	**1 311 748**	**1 561 451**	**1 832 089**	**2 812 089**	**2 812 089**	**1 833 694**	**1 945 268**	**2 058 094**
Provinces and municipalities									
Departmental agencies and accounts	1 424 943	1 311 748	1 561 451	1 832 089	2 812 089	2 812 089	1 833 694	1 945 268	2 058 094
Payments for capital assets									
Buildings and other fixed structures									
Payments for financial assets									
Total economic classification	**1 424 943**	**1 311 748**	**1 561 451**	**1 832 089**	**2 812 089**	**2 812 089**	**1 833 694**	**1 945 268**	**2 058 094**

Total payments for the programme increased from R1.4 billion in 2013/14 and fluctuates from R1.3 billion to R1.6 billion between 2014/15 and 2015/16 respectively. This is due to the finalisation of the construction phase of the Gautrain. Over the MTEF the allocation grows from R2 billion in 2017/18 and 2018/19 and R2.1 billion in 2019/20 mainly for the operational phase of the project.

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 9.15: PERSONNEL NUMBERS AND COSTS 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	273	308	352	392	398	408	424
2. Transport Infrastructure	1 007	1 025	1 023	997	980	930	909
3. Transport Operations	51	59	59	59	49	57	68
4. Transport Regulation	382	396	448	450	481	516	525
5. Gautrain							
Direct charges							
Total provincial personnel numbers	**1 713**	**1 788**	**1 882**	**1 898**	**1 908**	**1 911**	**1 926**
Total provincial personnel cost (R thousand)	472 100	488 559	549 027	609 531	647 972	702 594	750 285
Unit cost (R thousand)	276	273	292	321	340	368	390

TABLE 9.16: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT: ROADS AND TRANSPORT

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	1 001	176 749	1 055	185 471	1 148	205 276	1 152	50	1 202	244 898	1 204	236 637	1 166	247 930	1 135	258 229	-1,9%	1,8%	36,0%
7 – 10	549	98 384	590	66 032	588	238 583	472	76	548	226 696	551	256 603	580	244 995	596	259 650	2,8%	4,6%	35,1%
11 – 12	110	51 720	90	56 329	95	109 708	26	75	101	101 726	110	117 400	121	137 488	140	152 507	11,5%	14,5%	18,8%
13 – 16	53	145 249	53	180 726	51	(4 599)	47		47	58 000	43	37 332	44	72 101	55	79 899	5,4%	11,3%	10,1%
Other																			
Total	**1 713**	**472 102**	**1 788**	**488 558**	**1 882**	**548 968**	**1 697**	**201**	**1 898**	**631 320**	**1 908**	**647 972**	**1 911**	**702 514**	**1 926**	**750 285**	**0,5%**	**5,9%**	**100,0%**
Programme																			
1. Administration	273	114 707	308	124 169	352	145 121	392		392	125 792	398	133 770	408	143 285	424	157 555	2,7%	7,8%	20,5%
2. Transport Infrastructure	1 007	233 117	1 025	226 994	1 023	242 315	850	147	997	148 075	980	160 049	930	353 223	909	387 211	-3,0%	37,8%	42,6%
3. Transport Operations	51	18 604	59	22 103	59	23 783	55	4	59	222 400	49	209 280	57	27 351	68	28 184	4,8%	-49,8%	13,3%
4. Transport Regulation	382	105 672	396	115 293	448	137 808	400	50	450	135 053	481	144 873	516	178 655	525	177 335	5,3%	9,5%	23,6%
5. Gautrain																			
Direct charges																			
Total	**1 713**	**472 100**	**1 788**	**488 559**	**1 882**	**549 027**	**1 697**	**201**	**1 898**	**631 320**	**1 908**	**647 972**	**1 911**	**702 514**	**1 926**	**750 285**	**0,5%**	**5,9%**	**100,0%**
Employee dispensation classification																			
Public Service Act appointees not covered by OSDs						405 445	1 674		1 674	1 778	1 674	489 714	1 674	512 029	1 674	540 703		572,5%	88,9%
Legal Professionals						3 158	6		6	6	6	3 449	6	3 604	6	3 806		759,2%	0,6%
Engineering Professions and related occupations						52 290	107		107	107	107	57 405	107	60 147	107	63 515		740,4%	10,4%
Total						**460 893**	**1 787**		**1 787**	**1 891**	**1 787**	**550 568**	**1 787**	**575 780**	**1 787**	**608 024**		**585,1%**	**100,0%**

The Table above reflects the organisational structure of the department approved in 2012, which mean that recalculations and staff establishment realignments within the entire organisation are under way. This resulted in the total number of posts reducing drastically. This approved structure has been revised within most of the units since approval and this will result in the annual changes as per the table.

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

1.2. Training

TABLE 9.17: INFORMATION ON TRAINING: ROADS AND TRANSPORT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Number of staff	1 713	1 788	1 882	1 898	1 898	1 898	1 908	1 911	1 926
Number of personnel trained	739	1 800	700	750	750	750	800	850	900
of which									
Male	636	900	450	400	400	400	400	400	450
Female	103	900	250	350	350	350	400	450	450
Number of training opportunities	50	60	80	90	90	90	95	101	106
of which									
Tertiary	50	60	80	90	90	90	95	101	106
Number of bursaries offered	53	60	80	120	120	120	120	120	120
Number of interns appointed	72	10	30	45	45	45	50	55	60
Number of learnerships appointed	148	10	30	25	25	25	30	35	40
Payments on training by programme									
1. Administration	168	3 210	2 573	2 802	2 802	2 802	2 823	2 986	3 154
2. Transport Infrastructure	152	2 420	5 535	5 862	5 862	5 862	5 890	6 232	6 581
3. Transport Operations	124	720	805	862	862	862	869	919	970
4. Transport Regulation	120	1 250	2 622	2 770	2 770	2 770	2 782	2 943	3 108
5. Gautrain									
Total payments on training	**564**	**7 600**	**11 535**	**12 295**	**12 295**	**12 295**	**12 363**	**13 080**	**13 813**

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

1.3. Reconciliation of structural changes

No changes.

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 9.18: SPECIFICATION OF RECEIPTS: ROADS AND TRANSPORT

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Tax receipts	**2 644 876**	**2 949 662**	**3 217 032**	**3 142 737**	**3 142 737**	**3 521 298**	**3 396 424**	**3 669 825**	**3 965 359**
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences	2 644 876	2 949 662	3 217 032	3 142 737	3 142 737	3 521 298	3 396 424	3 669 825	3 965 359
Sales of goods and services other than capital assets	**55 661**	**53 937**	**54 970**	**71 597**	**71 597**	**71 597**	**75 176**	**79 537**	**83 991**
Sale of goods and services produced by department (excluding capital assets)	55 661	53 937	54 970	71 597	71 597	71 597	75 176	79 537	83 991
Sales by market establishments	55 661	53 937	54 970	71 597	71 597	71 597	75 176	79 537	83 991
Administrative fees									
Other (Specify)									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Other governmental units									
International organisations									
Fines, penalties and forfeits									
Interest, dividends and rent on land	**38**	**28**	**61**	**55**	**55**	**55**	**60**	**63**	**67**
Interest	38	28	61	55	55	55	60	63	67
Dividends									
Rent on land									
Sales of capital assets	**5 983**		**4 491**			**30**			
Land and sub-soil assets									
Other capital assets	5 983		4 491			30			
Transactions in financial assets and liabilities	**885**	**2 236**	**1 673**	**1 500**	**1 500**	**1 500**	**1 500**	**1 587**	**1 676**
Total departmental receipts	**2 707 443**	**3 005 863**	**3 278 227**	**3 215 889**	**3 215 889**	**3 594 480**	**3 473 160**	**3 751 012**	**4 051 093**

TABLE 9.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ROADS AND TRANSPORT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	**1 321 952**	**1 339 452**	**336 094**	**1 825 192**	**1 769 730**	**1 798 270**	**1 460 249**	**1 887 173**	**2 164 792**
Compensation of employees	472 100	488 559	549 027	631 320	631 320	609 531	647 972	702 514	750 285
Salaries and wages	410 757	423 026	471 723	574 104	539 196	519 967	540 740	591 383	627 775
Social contributions	61 343	65 533	77 304	57 216	92 124	89 564	107 232	111 131	122 510
Goods and services	849 465	850 666	786 608	1 193 502	1 138 220	1 188 601	811 957	1 184 399	1 414 247
Administrative fees	632	831	1 090	650	659	697	1 210	1 292	1 383
Advertising	13 712	8 353	10 927	19 192	14 385	13 093	11 000	12 040	12 460
Minor assets	214	1 842	1 900	200	517	1 266	200	200	200
Audit cost: External	5 834	5 432	6 273	6 000	6 000	6 000	6 000	7 000	7 000
Bursaries: Employees	130	562	1 418	2 300	2 300	2 300	2 000	2 100	2 200
Catering: Departmental activities	495	894	1 625	3 180	3 775	3 816	2 260	1 900	1 930
Communication (G&S)	15 869	14 020	11 611	25 200	22 610	22 262	21 500	23 000	23 000
Computer services	12 599	6 879	4 517	23 600	18 652	19 462	17 200	20 600	18 900
Consultants and professional services: Business and advisory services	43 362	19 092	22 977	37 300	34 250	31 593	45 300	28 400	28 900
Infrastructure and planning	5 616	9 685	13 270	26 677	18 077	13 966	16 862	20 160	21 140
Laboratory services	175	66	314	100	330	412			
Legal services	9 663	17 299	11 862	16 400	19 400	15 793	8 200	11 533	15 100
Contractors	535 266	669 260	576 047	888 652	829 420	863 222	461 830	795 565	1 025 400
Agency and support / outsourced services	446	231		2 000	2 260	2 550	2 140	2 140	2 140
Fleet services (including government motor transport)	47 294	10 839	8 524	15 628	11 018	9 715	15 274	16 869	16 869
Inventory: Clothing material and accessories	1 595	45	1 549		5 000	4 542			
Inventory: Farming supplies		76							
Inventory: Food and food supplies	10								
Inventory: Fuel, oil and gas	145	253			2 290	2 290		613	613
Inventory: Materials and supplies	66 748	1 085	16 933	2 000	20 000	17 335	20 372	26 758	3 065
Inventory: Medical supplies		426							
Inventory: Other supplies		831	2 708	14 300	3 220	2 752	16 654	33 473	44 398
Consumable supplies	635	1 986	2 663		468	2 434			
Consumable: Stationery, printing and office supplies	17 180	17 580	21 858	10 657	30 452	63 726	81 037	87 595	93 363
Operating leases	8 444	8 567	12 753	19 530	22 100	19 712	15 295	17 648	19 080
Property payments	45 289	35 659	36 173	38 918	38 918	38 059	37 293	41 420	41 420
Transport provided: Departmental activity	95	705	413	120	620	552	100	110	120
Travel and subsistence	13 538	10 610	10 905	22 600	15 865	14 301	14 270	15 780	16 430

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Training and development	2 064	4 429	5 771	12 923	9 223	9 223	13 000	15 010	15 938
Operating payments	151	103	295		386	475			
Venues and facilities	2 264	3 021	2 232	5 375	5 325	4 837	2 960	2 580	2 585
Rental and hiring		5			700	2 216		613	613
Interest and rent on land	387	227	459	370	190	138	320	260	260
Interest	387	225	459	370	190	138	320	260	260
Rent on land		2							
Transfers and subsidies	**3 180 677**	**3 470 779**	**3 527 500**	**4 025 902**	**5 184 248**	**5 188 368**	**4 158 224**	**4 381 344**	**4 630 968**
Provinces and municipalities	783	1 256	1 079	2 500	1 500	1 168	2 000	3 000	3 168
Provinces	783	4							
Provincial Revenue Funds									
Provincial agencies and funds	783	4							
Municipalities		1 252	1 079	2 500	1 500	1 168	2 000	3 000	3 168
Municipalities		1 252	1 079	2 500	1 500	1 168	2 000	3 000	3 168
Municipal agencies and funds									
Departmental agencies and accounts	1 424 943	1 311 748	1 561 451	1 832 089	2 812 089	2 812 089	1 833 694	1 945 268	2 058 094
Social security funds									
Provide list of entities receiving transfers	1 424 943	1 311 748	1 561 451	1 832 089	2 812 089	2 812 089	1 833 694	1 945 268	2 058 094
Public corporations and private enterprises	1 750 973	1 900 024	1 959 610	2 186 420	2 365 706	2 365 706	2 315 535	2 425 546	2 561 716
Public corporations									
Private enterprises	1 750 973	1 900 024	1 959 610	2 186 420	2 365 706	2 365 706	2 315 535	2 425 546	2 561 716
Subsidies on production									
Other transfers	1 750 973	1 900 024	1 959 610	2 186 420	2 365 706	2 365 706	2 315 535	2 425 546	2 561 716
Households	3 978	257 751	5 360	4 893	4 953	9 405	6 995	7 530	7 990
Social benefits	3 742	407	3 035	692	1 440	1 459	3 365	3 680	3 930
Other transfers to households	236	257 344	2 325	4 201	3 513	7 946	3 630	3 850	4 060
Payments for capital assets	**843 291**	**1 001 973**	**1 378 676**	**1 448 610**	**955 469**	**941 445**	**1 213 819**	**421 597**	**37 078**
Buildings and other fixed structures	832 298	938 410	1 179 703	1 413 961	869 490	858 688	1 193 479	396 369	12 672
Buildings	22				(6 741)				
Other fixed structures	832 276	938 410	1 179 703	1 413 961	876 231	858 688	1 193 479	396 369	12 672
Machinery and equipment	9 900	63 299	198 836	31 849	83 179	79 957	18 040	22 878	22 046
Transport equipment		2 552	185 133	8 952	68 108	67 524	8 580	9 610	9 610

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Other machinery and equipment	9 900	60 747	13 703	22 897	15 071	12 433	9 460	13 268	12 436
Heritage Assets									
Software and other intangible assets	1 093	264	137	2 800	2 800	2 800	2 300	2 350	2 360
Payments for financial assets	**20 254**	**59 880**	**17 031**			**34**			
Total economic classification	**5 366 174**	**5 872 084**	**6 259 301**	**7 299 704**	**7 909 447**	**7 928 117**	**6 832 291**	**6 690 113**	**6 832 838**

TABLE 9.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**192 533**	**203 629**	**232 137**	**300 396**	**289 621**	**281 697**	**309 484**	**340 669**	**364 237**
Compensation of employees	114 707	124 169	145 121	161 542	168 042	162 152	171 590	175 393	185 241
Salaries and wages	102 097	110 204	127 451	149 189	146 139	141 684	147 057	149 290	156 592
Social contributions	12 610	13 965	17 670	12 353	21 903	20 468	24 533	26 103	28 649
Goods and services	77 770	79 451	86 558	138 754	121 479	119 471	137 814	165 216	178 936
Administrative fees	514	555	634	434	459	425	700	750	800
Advertising	8 064	3 881	5 416	6 602	6 535	6 162	6 300	6 820	6 920
Minor assets	28	1 123	778	200	267	222	200	200	200
Audit cost: External	5 834	5 432	6 273	6 000	6 000	6 000	6 000	7 000	7 000
Bursaries: Employees	130	562	1 418	2 300	2 300	2 300	2 000	2 100	2 200
Catering: Departmental activities	335	797	956	2 845	3 390	3 376	1 450	1 470	1 500
Communication (G&S)	12 252	13 957	11 542	13 600	19 240	19 207	21 400	22 900	22 900
Computer services	7 468	6 335	4 160	13 200	18 252	18 257	15 200	17 000	15 300
Consultants and professional services: Business and advisory services	3 483	1 809	1 665	7 300	5 400	4 300	4 300	4 400	4 900
Infrastructure and planning				8 600					
Legal services	1 747	3 751	4 362	6 000	6 000	6 000	4 000	5 033	7 000
Contractors	313	4 006	6 660	5 700	700	700	8 700	10 300	10 300
Agency and support / outsourced services	186								
Fleet services (including government motor transport)	10 297	3 555	3 896	5 400	3 260	2 803	5 180	5 740	5 740
Inventory: Clothing material and accessories		22							
Inventory: Farming supplies		76							
Inventory: Food and food supplies	3								
Inventory: Fuel, oil and gas		206							
Inventory: Materials and supplies	3	254		2 000					
Inventory: Medical supplies		426							
Inventory: Other supplies		831					10 654	25 473	36 398
Consumable supplies	237	1 614	1 599		208	470			
Consumable: Stationery, printing and office supplies	4 483	3 484	2 565	7 350	4 695	4 663	7 730	7 730	8 430
Operating leases	2 365	648	637	500	1 030	1 030	500	500	500

TABLE 9.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Property payments	14 815	17 851	23 641	25 000	25 000	25 000	24 000	26 000	26 000
Transport provided: Departmental activity	95	705	413	120	620	552	100	110	120
Travel and subsistence	1 573	1 198	2 353	7 780	4 620	4 634	4 300	4 580	4 690
Training and development	1 375	4 261	5 771	12 923	9 223	9 223	13 000	15 010	15 938
Operating payments		39	239		30	47			
Venues and facilities	2 170	2 068	1 580	4 900	4 050	3 900	2 100	2 100	2 100
Rental and hiring		5			200	200			
Interest and rent on land	56	9	458	100	100	74	80	60	60
Interest	56	9	458	100	100	74	80	60	60
Transfers and subsidies	**667**	**345**	**169**	**500**	**500**	**450**	**500**	**550**	**550**
Provinces and municipalities		4							
Provinces		4							
Provincial Revenue Funds									
Provincial agencies and funds		4							
Households	667	341	169	500	500	450	500	550	550
Social benefits	667	312	169	500	200	239	500	550	550
Other transfers to households		29			300	211			
Payments for capital assets	**4 495**	**7 909**	**6 870**	**16 901**	**7 350**	**7 231**	**11 380**	**11 960**	**12 570**
Buildings and other fixed structures		27			1 034	1 034			
Buildings									
Other fixed structures		27			1 034	1 034			
Machinery and equipment	4 442	7 618	6 870	15 901	5 316	5 197	10 880	11 410	12 010
Transport equipment		703	679	3 600	3 300	2 434	3 420	3 760	3 760
Other machinery and equipment	4 442	6 915	6 191	12 301	2 016	2 763	7 460	7 650	8 250
Software and other intangible assets	53	264		1 000	1 000	1 000	500	550	560
Payments for financial assets	**91**	**59 593**	**37**						
Total economic classification	**197 786**	**271 476**	**239 213**	**317 797**	**297 471**	**289 378**	**321 364**	**353 179**	**377 357**

TABLE 9.21: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT INFRASTRUCTURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**906 889**	**933 081**	**870 171**	**1 296 683**	**1 200 887**	**1 209 405**	**831 108**	**1 206 521**	**1 438 545**
Compensation of employees	233 117	226 994	242 315	346 727	282 918	271 327	305 864	337 272	360 329
Salaries and wages	200 759	194 190	205 189	320 322	238 730	227 359	250 297	280 402	297 301
Social contributions	32 358	32 804	37 126	26 405	44 188	43 968	55 567	56 870	63 028
Goods and services	673 723	705 872	627 855	949 886	917 899	938 034	525 184	869 199	1 078 166
Administrative fees	118	260	439	200	200	272	480	510	550
Advertising	3 935	3 245	4 980	9 290	6 050	5 131	4 000	4 450	4 750
Minor assets	48	197	178		50	241			
Catering: Departmental activities	60	87	77	185	185	240	210	230	230
Communication (G&S)	2 534	39	9	5 800	1 400	1 222			
Computer services	83	78	6						
Consultants and professional services: Business and advisory services				4 000	2 850	1 450	8 000	4 000	4 000
Infrastructure and planning	5 616	9 685	13 270	18 077	18 077	13 966	16 862	20 160	21 140
Laboratory services	175	66	314	100	330	412			
Legal services	6 070	5 157	5 278	4 400	8 400	5 285	2 200	3 300	4 300
Contractors	532 570	664 270	568 473	880 434	826 202	860 004	450 310	782 445	1 012 280
Agency and support / outsourced services		7							
Fleet services (including government motor transport)	28 373	1 304	858	5 208	4 288	2 291	5 220	5 835	5 835
Inventory: Clothing material and accessories	1 595		1 549		5 000	4 542			
Inventory: Food and food supplies	2								
Inventory: Fuel, oil and gas	145	47			2 290	2 290		613	613
Inventory: Materials and supplies	66 548	795	16 933		20 000	17 335	20 372	26 758	3 065
Consumable supplies	55	26	923		110	1 812			
Consumable: Stationery, printing and office supplies	1 691	993	1 183	707	797	1 385	707	915	915
Operating leases					520	364			
Property payments	13 356	11 764	6 258	9 900	9 900	9 041	8 873	11 000	11 000
Travel and subsistence	10 124	7 681	6 710	11 410	9 715	7 936	7 700	8 100	8 600
Training and development	617	168							
Operating payments		3			160	191			
Venues and facilities	8		417	175	875	608	250	270	275
Rental and hiring					500	2 016		613	613
Interest and rent on land	49	215	1	70	70	44	60	50	50

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Interest	49	215	1	70	70	44	60	50	50
Transfers and subsidies	**3 883**	**258 134**	**5 625**	**6 701**	**5 701**	**9 840**	**7 730**	**9 170**	**9 778**
Provinces and municipalities	783	1 252	1 079	2 500	1 500	1 168	2 000	3 000	3 168
Provinces	783								
Provincial agencies and funds	783								
Municipalities		1 252	1 079	2 500	1 500	1 168	2 000	3 000	3 168
Municipalities		1 252	1 079	2 500	1 500	1 168	2 000	3 000	3 168
Municipal agencies and funds									
Households	3 100	256 882	4 546	4 201	4 201	8 672	5 730	6 170	6 610
Social benefits	3 019		2 235		1 000	1 049	2 700	2 940	3 180
Other transfers to households	81	256 882	2 311	4 201	3 201	7 623	3 030	3 230	3 430
Payments for capital assets	**748 455**	**904 705**	**1 284 326**	**1 248 792**	**847 045**	**838 818**	**1 137 320**	**389 485**	**5 116**
Buildings and other fixed structures	745 047	851 823	1 096 261	1 241 590	777 888	770 494	1 133 840	384 369	
Buildings	22								
Other fixed structures	745 025	851 823	1 096 261	1 241 590	777 888	770 494	1 133 840	384 369	
Machinery and equipment	3 140	52 882	187 928	7 202	69 157	68 324	3 480	5 116	5 116
Transport equipment		348	182 153	3 472	62 928	62 327	3 480	3 890	3 890
Other machinery and equipment	3 140	52 534	5 775	3 730	6 229	5 997		1 226	1 226
Software and other intangible assets	268		137						
Payments for financial assets	**14 692**	**278**	**16 990**			**33**			
Total economic classification	**1 673 919**	**2 096 198**	**2 177 112**	**2 552 176**	**2 053 633**	**2 058 096**	**1 976 157**	**1 605 175**	**1 453 439**

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

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**40 151**	**46 589**	**41 039**	**64 385**	**61 585**	**57 715**	**62 932**	**52 101**	**53 728**
Compensation of employees	18 604	22 103	23 783	28 575	28 575	24 705	26 282	27 351	28 418
Salaries and wages	16 211	19 224	20 416	24 621	24 621	21 120	22 250	23 222	24 198
Social contributions	2 393	2 879	3 367	3 954	3 954	3 585	4 032	4 129	4 220
Goods and services	21 547	24 486	17 256	35 810	33 010	33 010	36 650	24 750	25 310
Advertising	244	718	241	900	100	100	300	320	340

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Minor assets		8	13						
Catering: Departmental activities	1		352	50	50	50	100	100	100
Communication (G&S)	10			1 500	1 200	1 200			
Consultants and professional services: Business and advisory services	18 805	15 624	13 880	26 000	26 000	25 843	33 000	20 000	20 000
Legal services	720	6 930	1 507	4 000	4 000	3 708	1 000	2 000	2 500
Agency and support / outsourced services						290			
Entertainment									
Fleet services (including government motor transport)	714	248	349	960	560	561	1 020	1 020	1 020
Inventory: Materials and supplies	1								
Consumable supplies		2	5			2			
Consumable: Stationery, printing and office supplies	117	69	209	400	100	100	400	450	450
Operating leases					100	100			
Travel and subsistence	902	887	669	1 850	750	906	770	720	840
Training and development	10								
Venues and facilities	23		31	150	150	150	60	60	60
Rental and hiring									
Interest and rent on land									
Transfers and subsidies	**1 750 999**	**1 900 024**	**1 959 692**	**2 186 550**	**2 365 836**	**2 365 836**	**2 315 635**	**2 425 666**	**2 561 846**
Public corporations and private enterprises	1 750 973	1 900 024	1 959 610	2 186 420	2 365 706	2 365 706	2 315 535	2 425 546	2 561 716
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises	1 750 973	1 900 024	1 959 610	2 186 420	2 365 706	2 365 706	2 315 535	2 425 546	2 561 716
Subsidies on production									
Other transfers	1 750 973	1 900 024	1 959 610	2 186 420	2 365 706	2 365 706	2 315 535	2 425 546	2 561 716
Households	26		82	130	130	130	100	120	130
Social benefits			82	130	130	130	100	120	130
Other transfers to households	26								
Payments for capital assets	**50 768**	**40 056**	**18 437**	**47 490**	**40 059**	**40 061**	**7 680**	**12 680**	**13 352**

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Buildings and other fixed structures	50 768	39 012	17 826	45 850	39 109	39 111	7 000	12 000	12 672
Buildings					(6 741)				
Other fixed structures	50 768	39 012	17 826	45 850	45 850	39 111	7 000	12 000	12 672
Machinery and equipment		1 044	611	1 640	950	950	680	680	680
Transport equipment		464	433	640	640	640	680	680	680
Other machinery and equipment		580	178	1 000	310	310			
Payments for financial assets	**5 448**								
Total economic classification	**1 847 366**	**1 986 669**	**2 019 168**	**2 298 425**	**2 467 480**	**2 463 612**	**2 386 247**	**2 490 447**	**2 628 926**

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

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**182 379**	**156 153**	**192 747**	**163 728**	**217 637**	**249 453**	**256 725**	**287 882**	**308 282**
Compensation of employees	105 672	115 293	137 808	94 476	151 785	151 347	144 236	162 498	176 297
Salaries and wages	91 690	99 408	118 667	79 972	129 706	129 804	121 136	138 469	149 684
Social contributions	13 982	15 885	19 141	14 504	22 079	21 543	23 100	24 029	26 613
Goods and services	76 425	40 857	54 939	69 052	65 832	98 086	112 309	125 234	131 835
Administrative fees		16	17	16			30	32	33
Advertising	1 469	509	290	2 400	1 700	1 700	400	450	450
Minor assets	138	514	931		200	803			
Catering: Departmental activities	99	10	240	100	150	150	500	100	100
Communication (G&S)	1 073	24	60	4 300	770	633	100	100	100
Computer services	5 048	466	351	10 400	400	1 205	2 000	3 600	3 600
Consultants and professional services: Business and advisory services	21 074	1 659	7 432						
Legal services	1 126	1 461	715	2 000	1 000	800	1 000	1 200	1 300
Contractors	2 383	984	914	2 518	2 518	2 518	2 820	2 820	2 820
Agency and support / outsourced services	260	224		2 000	2 260	2 260	2 140	2 140	2 140
Fleet services (including government motor transport)	7 910	5 732	3 421	4 060	2 910	4 060	3 854	4 274	4 274
Inventory: Clothing material and accessories		23							
Inventory: Food and food supplies	5								
Inventory: Materials and supplies	196	36							
Inventory: Other supplies			2 708	14 300	3 220	2 752	6 000	8 000	8 000
Consumable supplies	343	344	136		150	150			
Consumable: Stationery, printing and office supplies	10 889	13 034	17 901	2 200	24 860	57 578	72 200	78 500	83 568
Operating leases	6 079	7 919	12 116	19 030	20 450	18 218	14 795	17 148	18 580

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Property payments	17 118	6 044	6 274	4 018	4 018	4 018	4 420	4 420	4 420
Travel and subsistence	939	844	1 173	1 560	780	825	1 500	2 300	2 300
Training and development	62								
Operating payments	151	61	56		196	237			
Venues and facilities	63	953	204	150	250	179	550	150	150
Interest and rent on land	282	3		200	20	20	180	150	150
Interest	282	1		200	20	20	180	150	150
Rent on land		2							
Transfers and subsidies	**185**	**528**	**563**	**62**	**122**	**153**	**665**	**690**	**700**
Non-profit institutions									
Households	185	528	563	62	122	153	665	690	700
Social benefits	56	95	549	62	110	41	65	70	70
Other transfers to households	129	433	14		12	112	600	620	630
Payments for capital assets	**39 573**	**49 303**	**69 043**	**135 427**	**61 015**	**55 335**	**57 439**	**7 472**	**6 040**
Buildings and other fixed structures	36 483	47 548	65 616	126 521	51 459	48 049	52 639		
Buildings									
Other fixed structures	36 483	47 548	65 616	126 521	51 459	48 049	52 639		
Machinery and equipment	2 318	1 755	3 427	7 106	7 756	5 486	3 000	5 672	4 240
Transport equipment		1 037	1 868	1 240	1 240	2 123	1 000	1 280	1 280
Other machinery and equipment	2 318	718	1 559	5 866	6 516	3 363	2 000	4 392	2 960
Software and other intangible assets	772			1 800	1 800	1 800	1 800	1 800	1 800
Payments for financial assets	**23**	**9**	**4**			**1**			
Total economic classification	**222 160**	**205 993**	**262 357**	**299 217**	**278 774**	**304 942**	**314 829**	**296 044**	**315 022**

TABLE 9.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTRAIN

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments									
Compensation of employees									
Salaries and wages									
Social contributions									

TABLE 9.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTRAIN

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Goods and services									
Interest and rent on land									
Transfers and subsidies	**1 424 943**	**1 311 748**	**1 561 451**	**1 832 089**	**2 812 089**	**2 812 089**	**1 833 694**	**1 945 268**	**2 058 094**
Departmental agencies and accounts	1 424 943	1 311 748	1 561 451	1 832 089	2 812 089	2 812 089	1 833 694	1 945 268	2 058 094
Social security funds									
Provide list of entities receiving transfers	1 424 943	1 311 748	1 561 451	1 832 089	2 812 089	2 812 089	1 833 694	1 945 268	2 058 094
Payments for capital assets									
Payments for financial assets									
Total economic classification	**1 424 943**	**1 311 748**	**1 561 451**	**1 832 089**	**2 812 089**	**2 812 089**	**1 833 694**	**1 945 268**	**2 058 094**

VOTE 10

DEPARTMENT OF COMMUNITY SAFETY

To be appropriated by vote in 2017/18	R 678 465 000
Responsible MEC	MEC for Community Safety
Administering Department	Department of Community Safety
Accounting Officer	Head of Department

1. OVERVIEW

Vision
To realise Gauteng as a province where people feel and are safe.

Mission
To be an innovative, effective and proactive department that ensures the safety of communities through:
- Improving the quality of policing;
- Deepening meaningful community participation;
- Enhancing social crime prevention;
- Fostering integrity;
- Initiating and sustaining sound and supportive institutional arrangements;
- Promoting pedestrian safety;
- Intensifying traffic law enforcement, and
- Creating a safer road environment.

Strategic Goals
The department exercises its powers and performs its duties and functions in pursuit of the following strategic goals:
- Effective, efficient and community orientated policing;
- Reduction in levels of social crime, and
- Reduction in road fatalities.

Core functions and responsibilities
The core functions and responsibilities of the department are:
- To enhance police performance through continuous oversight and meaningful community participation;
- To enhance social crime prevention by addressing violence against woman and children, mobilising youth and combatting the scourge of substance abuse and gangsterism, and
- To reduce road fatalities by improving pedestrian safety, traffic law enforcement and road safety education.

Main services
The core functions and responsibilities of the department are:
- To monitor police conduct;
- To oversee the effectiveness and efficiency of the province's law enforcement agencies;
- To promote good relations between the police and communities;
- To assess the effectiveness of visible policing;
- To record and investigate public complaints alleging police inefficiency;
- To mobilise all communities in the fight against crime;
- To promote social crime prevention through partnerships and other appropriate interventions; and
- To provide traffic services.

National Development Plan
The NDP offers a long-term strategic perspective for creating a developmental state committed to fighting the triple scourges of poverty, unemployment and inequality. It presents a three-pronged strategy that focuses on social transformation, economic transformation and human centered development. It sees safety as the bedrock on which these are founded.

The NDP characterises crime as a scourge that undermines the social fabric of the country and impedes the democratic drive to create a better life for all. It also views crime as being destabilising and a threat to safety and security. It recognises that crime negatively affects economic growth because it leads to poor perceptions of personal safety. This threatens investment and deters job creation.

Taking its cue from the NDP, the DCS highlights the need to professionalise the police services, increase officers' crime prevention skills and improve recruitment practices and training. Social crime prevention initiatives and community mobilisation efforts must be stepped up.

Ten Pillar Programme of Transformation, Modernization and Re-industrialization
The budget reflects support for the government's Transformation, Modernisation and Re-industrialisation agenda. It is aligned with the following pillars of the Ten Pillar programme:
- Accelerated Social Transformation;
- Transformation of the State and Governance;
- Modernisation of the Public service, and
- Radical Economic Transformation.

Accelerated social transformation
The department's contribution to social transformation is carried out in a number of ways. It identifies initiatives to strengthen police oversight and to intensify existing social crime initiatives such as Violence Against Women and Children (VAWAC). It mobilises communities against crime by conducting targeted crime perception management and helps to put into effect the oversight model on Law Enforcement Agencies other than the South African Police Service, including the three Metropolitan Police departments operating within the province. It assists the police with the reduction in violent crimes, also known as trio crimes.

The department endeavours to reduce corruption within the law enforcement agencies, with a focus on community policing forums (CPFs) as agents of oversight, by re-training and capacitating them. This enables them to play their role in community-based intelligence. The department also works to strengthen the involvement of ward councillors in policing by supporting and monitoring Community Safety Forums (CSFs) and street committees.

The department works to reduce the province's road accident fatalities and to manage taxi violence effectively by establishing provincial taxi violence task teams when the need arises. It also focuses on traffic law enforcement and road safety education.

Transformation of the State and governance
The department's contribution to the transformation of the State and governance takes place through:
- Intensifying *Batho Pele* programmes in the department through various interventions and awareness programmes;
- Intensifying accountability interventions through full scale implementation of enterprise risk management models, budget monitoring sessions and timeous and accurate reporting to relevant authorities, and
- Establishing an integrity office to fight fraud and corruption more effectively.

Modernisation of the public service
The department contributes to the modernisation of the public service through:
- The use of an electronic record management system and an electronic performance management and evaluation system, and
- Improvements to the existing complaints management system, support for a fully-integrated command center and an onboard e-NATIS system in all traffic management vehicles.

Radical economic transformation
The department contributes to radical economic transformation through:
- Intensifying its affirmative procurement processes and procuring from co-operatives and other types of township enterprises, and
- Adhering to the 30-day payment process which allows businesses to flourish and grow. It also looks for innovative ways to contribute to job creation in partnership with other programmes such as the EPWP.

External activities and events relevant to budget decisions
The main external activities and events relevant to budget decisions are:
- Programmes targeting violence against women and children;
- Enhancement of conviction rates through the provision of forensic capacity;
- Enhancement of oversight capability to ensure more effective policing, and
- Enhancement of social crime prevention initiatives.

Acts, rules and regulations
The department derives its mandate chiefly from the following pieces of legislation and policies:
- The Independent Police Investigative Directorate Act, 2011;
- The Civilian Secretariat for Police Service Act, 2011;
- Intergovernmental Relations Framework Act, 2005;
- The Gauteng Transport Framework Revision Act, 2002;
- The Gauteng Public Passenger Road Transport Act, 2001;
- The National Land Transport Transition Act, 2000;
- The South African Police Service Amendment Act, 1998;
- The White Paper on Safety and Security, 1998;
- The Gauteng White Paper on Transport Policy, 1997;
- The National Crime Prevention Strategy, 1996;
- The White Paper on National Transport Policy, 1996;
- The National Road Traffic Act, 1996 (Act No. 93 of 1996), and
- The South African Police Service Act, 1995 (Act No. 68 of 1995).

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

Outcome: All people are and feel safe

Output 1: Reduction in priority crimes
Central to dealing with the challenge of crime is the rollout of an effective and robust oversight model. One way of realising this is through implementation of the "deliverology" concept. Deliverology emphasises the need to improve the reality and perception of safety in Gauteng during the MTEF period. Through the use of the Deliverology concept, the 40 police stations where most crimes are reported and road fatalities in the province have been identified and addressed. The reality is that the province accounts for 30 per cent of crime in the country. The feedback received indicates that, despite all policing activities that are carried out, citizens do not feel safe, especially at night. Analysis of the recently released 2015/16 crime statistics report shows that Gauteng contributes almost 40 per cent to TRIO cases (carjacking, business and house robberies) and 20 per cent to sexual assaults nationally. The province also contributes almost 20 cent of national road fatalities, with pedestrians the main casualties. As part of responding to these challenges, the "deliverology" concept proposes three critical strategies:
- Increase deployment and visibility of police in high crime areas;
- Manage crime related to alcohol and drug abuse, and
- Improve pedestrian safety on the roads.

The implementation of the deliverology project has been structured so that there are clear milestones to 2019.

Number of prioritized police stations monitored through the Gauteng Information on Police Performance Sessions (GIPPS)
The GIPPS model is implemented in 43 prioritised police stations in areas which contribute the most to crime levels in the province. As part of the implementation of the revised oversight model, the department through the Provincial Secretariat convened three sessions, in the third quarter. Stakeholders participating included Metropolitan Police Departments' (MPDs') Regional Commanders, station management teams of affected police stations and their respective Cluster Commanders. A report based on the sessions has been compiled and 79 per cent of the recommendations, emanating from unannounced visits at various police stations throughout the province, have been implemented by SAPS.

Complaints mechanisms
The department received a total number of 215 complaints during the year, of which 34 were duplicates. It investigated 181 complaints of alleged police inefficiency of which 27 related to poor service delivery, 34 to poor investigation, 56 to unprofessional conduct and 50 to poor communication. Fourteen were miscellaneous. Out of the 181 complaints received, 147 complaints were finalised.

Dockets audited
The directorate audited 1 100 dockets during the year. After assessing the quality of investigation in these dockets, the directorate identified glaring gaps that have been brought to the attention of SAPS.
- Visiting of crime scenes by Commissioned Officers;
- Attendance of Crime Scenes by the Local Record Centre (LCRC);
- Collection of Physical Evidence (blood, fluids, fibre, hair, semen, etc;
- Obtaining all statements;
- Linkage of suspects by arresting statements;
- Exploring identity parade as an investigative technique;
- Circulation of stolen goods;
- Downloading of cell phone information;

- Application of Section 205;
- Inspections by Relief Commanders;
- Inspections by Crime Offices;
- Compliance with issued instrcutions by investigating officers;
- Issuing of instructions by Commissioned Officers;
- Tasking of informers;
- Recovery of exhibits; and
- Level of experience in the Detectives Environment.

Policy and research
The Policy and Research unit concluded three research projects during the year: an assessment of taxi driver behaviour; an investigation into reasons why fatal road accidents and injuries are not reduced in the Gauteng province; and an exploration of the socio-economic, policing and intergovernmental relations of illegal mining in the province. The recommendations from these research reports are to be implemented.

•Research projects
Given the capacity constraints in the department, the research projects were outsourced to external service providers. There were three major evaluations in line with the Provincial Evaluation Plans: an evaluation of men as safety promoters (MASP), an assessment of whether community-police relations have improved public confidence in police; and an evaluation of the effectiveness of the Memeza project in reducing crime in areas where it has been implemented.

Ad hoc research projects undertaken
•Police: population ratio project
The Policy and Research Directorate undertook desktop research to assess the implications of population growth and property development (retail and residential) on policing in the province. A report on this was completed.

• Analysis of the SAPS human resource allocation project
The analysis of the SAPS human resource allocation is a project which seeks to investigate the processes and mechanisms applied by the SAPS in allocating resources to various policing precincts in the province. To this effect, data collection is currently underway and it is envisaged that the final report will be submitted by 31 March 2017.

• Deliverology
The deliverology concept was introduced by the Gauteng Office of the Premier with a view to better understanding and diagnosing the factors constraining service delivery in various facets of government.

In contributing to this process, the Policy and Research Directorate was requested to undertake a study in forty poor-performing police stations in the province to assess the pre- and post-deliverology implementation safety situation. This process is underway.

• Monitoring the implementation of the Gauteng Safety Strategy
The department has initiated a process to collect performance information relating to the implementation of the Gauteng Safety Strategy (GSS) so that progress made towards achieving the objectives and targets of the strategy could be tracked and documented. This process will continue in 2017 to serve as a baseline for the midterm review of the GSS.

Output 2: Reduction in crimes against women and children
Three thousand one hundred and seventy four psychosocial sessions were provided to victims of gender-based violence (GBV). The department's Ikhaya Lethemba one-stop shop prioritised 1 100 cases of domestic violence and sexual offences cases. A dedicated team of forensic social workers, detectives and prosecutors was set up to follow up, monitor and support GBV cases.
A number of successful convictions were recorded. Convictions related to serial rape case involving children and women. The province is experiencing a sustained reduction in the number of sexual assault and domestic violence cases as a result of focused and integrated interventions.

The department has trained forensic social workers who will graduate in February 2017. MASP groups were supported and monitored throughout the province, focusing on areas with high levels of domestic violence as reported by the SAPS. Implementation of the programme includes awareness sessions targeting problematic taverns, initiation schools and male clubs and societies.

Women's safety workshops were conducted in response to communities' requests. These related to the increased incidences of violence against women and children (VAWAC). A total of 156 women were placed in skills development programmes.

Output 3: Social crime prevention

The department monitored 142 police stations across the province and implemented prevention programmes to reduce acts of crime. These included substance abuse awareness, youth safety dialogues, sports against crime, awareness roadshows, door-to-door campaigns and mall blitzes. The department coordinated these programmes in partnership with SAPS, the provincial Youth Crime Desk Executive, the Youth Desk cluster leadership structures and other community based youth formations.

The department also hosted an anti-gangsterism and substance abuse assessment workshop. It also organised a Youth in Correctional Centre programme, which enabled the MEC, HOD and other stakeholders to engage with the youth at the Groenpunt Correctional Centre. A total of 231 youth were engaged around issues of access to education and gaining skills whilst at the centre. Issues of drugs were also discussed and the youth were discouraged from taking drugs. A total of 232 prison tours were carried out.

Community Police Relations
The directorate assessed five CSFs in various municipalities; these assessments could not continue after the August municipal elections because the new CSFs had not been elected. Seven hundred and forty two patrollers and military veterans were trained on the advanced patroller programme (community intelligence, peace officer training etc.). This is a partnership between the Departments of Community Safety, Military Veterans and Rural Development through the NARYSEC College in Thaba-Nchu.

Output 4: Crime perception management
The DCS increased awareness of departmental services and programmes through marketing campaigns to internal and external audiences. The directorate took every opportunity to ensure that Gauteng citizens were aware of the department's services and programmes; supported all events, workshops, campaigns; and conducted corporate exhibitions at shopping malls and petro ports. DCS participated in the Rand Show, *Ntirhisano* Social Cluster Programmes, stakeholder engagements with the taxi industry and the Taxi Indaba.

The department was provided with branding, footage and publications for all departmental events and activities. A positive relationship with business institutions was established and this has allowed the department to increase police visibility and ensure safety for both business people and consumers. Eighty-two Take Charge outreach programmes were conducted throughout the province, with 65 809 people reached.

Output 5: Effectiveness and integration of the criminal justice system (CJS)
Since the establishment of the Criminal Justice Co-ordinating Committee in 2012 involving the National Prosecuting Authority, SAPS, the Independent Police Investigative Directorate (IPID) and the State Security Agency (SSA), three sub-committees were established to deal with Trio crimes: domestic violence, violence against women and children, and substance abuse. There was an intensified fight against gangsterism, in particular in the West Rand, Evaton and Etwatwa areas.

Case Flow management meetings at Cluster level are monitored to determine the level of co-operation and collaboration between agencies of the CJS. In addition, 48 investigating officers in the province completed the Forensic Examiners course offered by the University of the Western Cape to enhance their capacity to investigate commercial crime.

Output 6: Reduction in corruption
The Anti-corruption and Fraud sub-component focused on creating awareness within the department, with nineteen awareness sessions held. They also ensured that policies that guide them are developed and in some cases reviewed to give their work its impetus. There was an intensified fight against corruption in the ranks of law enforcement.

Output 7: Reduction in road fatalities
Focused interventions were conducted to reduce road fatalities. A decrease in pedestrian fatalities has been recorded through vigorous law enforcement and education initiatives. Four thousand seven hundred and fifty two pedestrians were arrested for unsafe road crossing.

Four thousand seven hundred and forty one motorists were arrested for speeding. Such arrests help to prevent fatalities. Twenty two thousand five hundred and fifty four motorists were arrested for drunken driving and one thousand seven hundred for reckless and negligent driving. These initiatives were aimed at clamping down on speedsters and habitual offenders across the province, especially at hazardous locations and known hotspot areas. Operations were carried out in areas known for high incidences of alcohol consumption and abuse by motorists.

The Premier and the MECs for Community Safety and Roads and Transport initiated intensified discussions with the taxi industry. In relation to addressing the scourge of taxi violence in the Province, the following interventions were implemented:

- Establishment of the Taxi Task Team consisting of detectives from provincial SAPS, SAPS Crime Scene Unit, crime intelligence and organised crime divisions which coordinate investigations into taxi shootings, management of taxi

violence crime scenes and units responsible for investigations into and follow up on cases involving taxi violence in the province.

- Establishment of the Operational Law Enforcement Agency (LEA) task team consisting of the Provincial Traffic and Metro Police departments and SAPS which responds to incidents of taxi violence throughout the province.

Taxi violence has been stabilized amongst the following associations and areas: Vaal Wits, Soweto Nanduwe, Freedom Park, Mall of South, Mall of Africa, Alexandra, Simunye, Mamelodi, Midrand, Germiston and Randfontein/West Rand Taxi associations.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

OUTCOME: All people are and feel safe

Output 1: Reduction in priority crimes
The department will intensify its efforts with respect to its responsibility to oversee the law enforcement agencies as part of its constitutional mandate, will further enhance the notion of robust oversight and will continue to turn around poor performing police stations in the province. To this end, the newly developed policing plan will monitor all 142 police stations to intensify improvement with respect to performance, use of resources and management.

The department will continue to carry out its work as prescribed by the Constitution and the Civilian Secretariat for Police Service Act. The department will intensify its efforts to coordinate the CJS in order to understand the generators of crime and thereby design interventions which address these issues and eliminate any bottlenecks in the system.

Work will continue on monitoring SAPS compliance with the Domestic Violence Act and on ensuring that recommendations made by the department are implemented. The department will also monitor the implementation of IPID recommendations.

Output 2: Reduction in crimes against women and children
The department will monitor the deployment of forensic social workers within the CJS and legal experts to improve the systems and services at Ikhaya Lethemba. The department is also planning to monitor the Family Justice Support services rendered to gender-based violence victims as well as expanding the Regional Victim Offices (RVOs) through management and coordination of the twelve RVOs. Ikhaya Lethemba services will be driven to ensure that there is a positive impact on conviction rates in client's court cases.

Output 3: Social crime prevention
The department will strengthen the youth safety programme by establishing and recruiting more youth to youth desk structures throughout the province. It will continue to support the Substance Abuse Programme and will continue to encourage young people to access and benefit from this service; and will also implement intervention programmes for youth in conflict with the law, by conducting approximately 360 prison tours.

The department has the constitutional responsibility to promote good relations between the police and the community. To achieve this, the department will strengthen the social movement against crime by continuing to support and assess CPFs and the patroller programme, and give support to community structures engaged in the fight against crime.

The department will continue to deploy patrollers in approximately 100 precincts in the province to deal with the challenges of crime.

Output 4: Crime perception management
The department will continue with public engagements through outreach programmes and marketing activities. The primary focus during these programmes will be on creating awareness around provincial and departmental programmes and services as well as on profiling safety-related issues. The media strategy has remained an area of strategic focus as the department endeavours to mobilise communities and internal employees to encourage sustainable safety ambassadorship.

The department will embark on a public relations exercise to enhance and market Ikhaya Lethemba, the Traffic Training College and the Provincial Secretariat and also to improve awareness of services provided by the law enforcement agencies within the province.

Output 5: Effectiveness and integration of the CJS
After the establishment of the Criminal Justice Co-ordinating Committee in 2012 involving the National Prosecuting Authority, SAPS, IPID and SSA, three sub-committees were established to deal with Trio crimes: domestic violence, violence against women and children, and substance abuse. The department has refocused this output by giving it prominence in the 2017/18 APP.

The Provincial Joint Operational Intelligence Structure (PROVJOINTS) will remain an operational component of the Criminal Justice Co-ordinating Committee. Case Flow management meetings at Cluster level will be monitored to determine the level of co-operation and collaboration between agencies of the CJS.

Output 6: Reduction in corruption
The department will continue to focus on the implementation of the anti-corruption strategies adopted by the provincial government as part of its arsenal in the battle against fraud and corruption relating to the province's law enforcement agencies. This will be achieved through the Integrity Strategy, Fraud Prevention Plan and Anti-corruption Plan being implemented and monitored. The Fraud and Anti-Corruption unit is functioning and one of its main responsibilities is to conduct training in the department in order to create awareness.

The primary focus will remain on the law enforcement agencies and on the Driver Licence Testing Centres and Vehicle Testing Services across the province and on staff members within the department.

Output 7: Reduction in road fatalities
This programme is responsible for the provision of effective road safety education and traffic law enforcement. It also contributes towards crime combating and prevention. The programme aims to reduce road traffic fatalities by 10 per cent in the 2017/18 financial year by implementing targeted road safety and law enforcement operations.

Realising that pedestrians are by far the most vulnerable category of road users affected by road traffic accidents, departmental Road Safety Officers will prioritise communities in and around potential and statistically identified hazardous locations and provide awareness sessions.

Gross overloading of freight and public passenger transport not only causes severe damage to road surfaces but also contributes to mechanical failure of vehicle technical parts such as brakes. As a result, there will be concerted efforts to ensure compliance with the law. As a result approximately 183 000 vehicles will be weighed at the various weighbridges in the province.

4. REPRIORITISATION

The department reprioritised an amount of R98.4million to supplement the budget for priority interventions including reduction in priority crimes including VAWAC. The aim was to increase awareness and reduce corruption and road fatalities.

Programme 1: Administration
R14.2 million has been reprioritised to ensure that the entire department functions effectively and efficiently and in keeping with its constitutional and legislative mandate.

Programme 2: Provincial Secretariat
R60.1 million has been reprioritised for the community policing forums (CPFs) that play a vital role in promoting the safety of communities. It will undertake research on safety and security matters with the aim of improving safety and policing and making informed strategic decisions. It will facilitate the delivery of improved police services by monitoring and evaluation the functioning of the province's LEAs. It will work proactively to ensure the prevention the prevention of social crimes through a coordinated safety-promoting programme that includes safety interventions for youth in conflict with the law and school safety, and prevention of substance abuse and gangsterism.

Programme 3: Traffic Management
R24.1 million has been reprioritised towards reducing road fatalities in the province, providing traffic training and increasing road user compliance with the rules of the road. The department is also planning to increase visibility of police in the province.

5. PROCUREMENT

The department will continue to strengthen supply chain management around the area of asset management through increasing capacity and continuous training. One of the key focus areas of the SCM unit for the 2017/18 financial year will be to improve fleet management in the department in order to realise savings. The Township Economic Revitalization Strategy will continue to account for the major procurement projects to assist small businesses.

The major procurement elements during the 2017/18 financial year by the department will be provision of catering services at Ikhaya Lethemba (R4.5 million), uniforms for traffic law enforcement officers (R4.1 million), cleaning services, water and electricity, and security at Head Office (R3 million). SCM will also initiate a process of appointing new service provider with the expiry of existing contracts during the financial year: an example is leasing of motor vehicle impounding space (R6.9 million).

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 10.1: SUMMARY OF RECEIPTS: COMMUNITY SAFETY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	496 292	649 510	734 735	651 080	681 780	681 780	677 002	718 047	759 694
Conditional grants	645		1 345	1 800	1 800	1 800	1 463		
Total receipts	**496 937**	**649 510**	**736 080**	**652 880**	**683 580**	**683 580**	**678 465**	**718 047**	**759 694**

The department's main source of funding during the 2017 MTEF is equitable shares. Between 2013/14 and 2015/16, the amount appropriated increased by R239.1 million from R496.9 million to R736.1 million. This increase is mainly attributable to the implementation of Civilian Secretariat for Police Service Act to ensure that all people in Gauteng are and feel safe.

The 2016/17 main budget amounted to R652.9 million, with funding earmarked for improvement in conditions of service (ICS), implementation of the Civilian Secretariat for Police, reduction in road fatalities, providing traffic training and increased road user compliance with the rules of the road. R1.8 million is allocated to the social sector EPWP incentive conditional grant to drive job creation through the patroller programme.

Over the 2017 MTEF, the departmental budget continues to grow annually by inflation-related adjustments averaging 6.9 and 5.8 per cent per annum for compensation of employees and goods and services respectively. It will total R679 million in 2017/18 and R 759.7million in 2019/20.

6.2. Departmental receipts collection

TABLE 10.2: SUMMARY OF RECEIPTS: COMMUNITY SAFETY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Sales of goods and services other than capital assets	9 769	7 951	8 753	5 593	7 390	8 891	6 991	8 739	9 247
Transfers received						30			
Fines, penalties and forfeits	14 775	18 101	27 993	13 695	17 119	19 924	21 399	26 748	28 300
Interest, dividends and rent on land	4	3	17			7			
Sales of capital assets									
Transactions in financial assets and liabilities	5 304	16 700	7 447	569	4 078	4 779	1 067	1 333	1 412
Total departmental receipts	**29 852**	**42 755**	**44 210**	**19 857**	**28 587**	**33 631**	**29 457**	**36 821**	**38 959**

The department generates revenue from two main sources: the Boekenhoutkloof Traffic Training College where income is received from trainees for course fees, accommodation and meals offered; and through the collection of traffic fines. The latter is the largest contributor to total revenue collected. Other revenue is received under transactions in financial assets, and liabilities represent recovery of debt written off previously.

The department mainly collects from traffic fines, sales of goods and services and transactions in financial assets such as revenue from previous years. The amount collected was R29.9 million in 2013/14 and R44.2 million in 2015/16, an increase of R14.2 million due to changes in legislation and collection interventions that the department has implemented.

Fines contributed the most revenue, with R28 million towards the total collected revenue in 2015/16. Financial transactions in assets and liabilities contributed R7.4 million; this revenue item consists mainly of debt recovered from previous years as well as transfers received from South African National Roads Agency Limited (SANRAL). Sales of goods and services other than capital assets contributed R8.8 million; this revenue source consists mainly of sales of goods at the Boekenhoutskloof Traffic Training College.

The department has budgeted to collect revenue of R29.5 million in 2017/18, increasing to R36 million in 2018/19 and R39 million in 2019/20. The increase is attributable to the review of revenue projection for the current and future, taking into consideration the annual price escalations.

The department is working on the implementation of the following proposed revenue streams:
- Traffic escorts for abnormal loads;
- Escort for sporting events;
- Road closures during film shooting on highways;
- Accreditation of the Boekenhoutskloof Traffic College to issue Public Road Drivers Permit (PRDP)'s;
- Storage fee for impounded vehicles;
- Use of weighbridge at the Boekenhoutskloof Traffic College, and
- Provision of fingerprint services.

7. PAYMENT SUMMARY

7.1. Key assumptions

The following key assumptions were taken into account in formulating the 2017 MTEF estimates:
- Annual updating of policing needs and priorities for the province;
- Monitoring of the police service strategy to reduce crime and improve detective services;
- Continuation of the patroller programme and community police forums;
- Implementation of the Gauteng Rural Safety Plan;
- Establishment of the Civilian Secretariat Act;
- Implementation of the Domestic Violence Act;
- Implementation of the Provincial Social Crime Prevention Strategy, School Safety Programme and Sectoral, Integrity and GPG Anti-Corruption Strategies.

7.2. Programme summary

TABLE 10.3: SUMMARY OF PAYMENTS AND ESTIMATES: COMMUNITY SAFETY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	75 176	77 150	92 222	95 742	98 002	102 504	101 048	106 910	113 024
2. Civilian Oversight	131 714	156 322	167 430	201 351	203 680	184 846	195 080	207 720	219 752
3. Traffic Management	286 591	396 134	433 900	355 788	381 898	396 230	382 337	403 417	426 918
Total payments and estimates	**493 481**	**629 606**	**693 552**	**652 881**	**683 580**	**683 580**	**678 465**	**718 047**	**759 694**

7.3. Summary by economic classification

TABLE 10.4 : SUMMARY OF ECONOMIC CLASSIFICATION: COMMUNITY SAFETY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**468 070**	**549 292**	**559 975**	**631 478**	**659 296**	**662 331**	**657 578**	**698 232**	**737 633**
Compensation of employees	319 775	356 292	396 290	459 178	469 778	426 390	494 596	518 778	544 585
Goods and services	148 266	192 911	163 484	172 300	189 518	235 941	162 982	179 455	193 048
Interest and rent on land	29	89	201						
Transfers and subsidies	**2 770**	**7 225**	**54 440**	**5 610**	**3 140**	**1 954**	**4 924**	**5 210**	**4 096**
Provinces and municipalities	175	383	1 819	1 575	855	351	1 823	1 928	2 037
Departmental agencies and accounts	4								
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises				1 240			1 312	1 388	
Non-profit institutions		6 001	50 000	1 800					
Households	2 591	841	2 621	995	2 285	1 603	1 789	1 893	2 058
Payments for capital assets	**22 560**	**73 081**	**79 062**	**15 793**	**21 099**	**19 158**	**15 963**	**14 605**	**17 965**
Buildings and other fixed structures		88	440			45			
Machinery and equipment	22 560	72 983	78 622	15 793	21 099	19 113	15 963	14 606	17 965
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		10							
Payments for financial assets	**81**	**8**	**75**		**45**	**137**			
Total economic classification	**493 481**	**629 606**	**693 552**	**652 881**	**683 580**	**683 580**	**678 465**	**718 047**	**759 694**

Spending increased from R493.5 million to R693.5 million between 2013/14 and 2015/16. Expenditure on compensation of employees for the period of 2013/14 was R319.8 million and R396.3 million in 2015/16, an increase of 23 per cent. This was due to salary related costs in line with the relevant wage agreements and the filling of the vacant positions.

Expenditure on goods and services increased from R148.3 million in 2013/14 to R163.5 million in 2015/16 due to increases in the previous year's accruals relating to G-Fleet fuel and other operational costs such as lease of office building, catering for students trained to be traffic officers and victims of domestic violence.

Expenditure on transfer and subsidies increased from R2.8 million in 2013/14 million to R54.4 million in 2015/16. This was mainly due to transfers to non-profit organisations for the national rollout for road safety campaigns.

Capital expenditure increased from R22.5 million in 2013/14 to R79 million in 2015/16 as a result of payments for fleet services.

The department's main budget increases from R652.8 million in 2016/17 main budget to R678.5 million in 2017/18, an increase of R25.7 million. This is mainly due to continued implementation of the Civilian Secretariat Police Service Act, road safety awareness campaigns and support for the programme to reduce crime and road fatalities.

The compensation of employees' budget grows by 8 per cent from R459.2 million in 2016/17 to R494.6 million in 2017/18. This is due to ICS, the anticipated increase in the structure of the civilian secretariat for the police service and the appointment of 200 additional traffic officers.

The budget for goods and services over the 2017 MTEF increases by 18 per cent from R 163 million in 2017/18 to R193.2 million in 2019/20. This will assist in ensuring that the department improves the safety of all communities in the province. The allocation also assists the department to deliver improved police services through monitoring and evaluating the

functioning of the provinces LEAs, and to provide professional and volunteer-based victim support services to victims of crime in the province.

The budget for transfers and subsidies decreases from R4.9 million in 2017/18 to R4 million in 2019/20. This budget is mainly for injury on duty claims.

The budget for payment for capital assets increases from R16 million in 2017/18 to R18 million in 2019/20 financial year to cover the capital portion of vehicles classified as finance leases.

7.4. Infrastructure payments
N/A

7.4.1. Departmental Infrastructure payments
N/A

7.4.2. Departmental Public-Private Partnership (PPP) projects
N/A

7.5. Transfers
N/A

7.5.1. Transfers to other entities
N/A

7.5.1. Transfers to local government
N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description
The administration programme provides a support function to the MEC and the core units of the departments. It ensures that corporate governance is instilled in the department and provides strategic, technical and effective administrative support to the MEC and core programmes. Strategic leadership is provided by the Office HOD; this ensures that risk management systems are implemented.

Through the Office of the CFO, sound corporate governance in the department in accordance with legislative requirements and frameworks is implemented. Financial Management and Supply Chain Management principles are applied to ensure sound financial management within the department which is compliant with legislative requirements. The programme also provides effective and efficient corporate services to the departments of Human Resource Management, Legal Services, Information Technology and Auxiliary Services.

Programme objectives
- To provide effective and efficient intergovernmental relations and executive support;
- To provide integrated planning and institutional performance management support;
- To provide integrated anti-fraud and corruption and risk management co-ordination;
- To provide effective and efficient financial and supply chain management support, and
- To provide effective and efficient corporate services support.

Key policies, priorities and outputs
A range of policies, strategies and plans create the context for the development of the Gauteng Safety Strategy. Key amongst these are the NDP and all related labour policies:
- Provincial output: Improved governance and efficiency;
- GPG Pillar: Transformation of the state and governance, and
- Modernisation of the public service.

TABLE 10.5: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office Of The MEC	7 361	6 483	8 267	8 352	8 352	8 352	8 882	9 397	9 923
2. Office Of The HOD	24 072	11 446	18 721	17 185	17 185	16 674	17 818	18 853	19 946
3. Financial Management	8 770	18 626	20 843	19 728	20 628	21 089	20 082	21 247	22 480
4. Corporate Services	34 973	40 595	44 391	50 477	51 837	56 389	54 266	57 414	60 675
Total payments and estimates	**75 176**	**77 150**	**92 222**	**95 742**	**98 002**	**102 504**	**101 048**	**106 910**	**113 024**

TABLE 10.6: SUMMARY OF ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**71 218**	**75 069**	**87 609**	**94 239**	**95 654**	**99 971**	**98 934**	**104 507**	**110 385**
Compensation of employees	50 000	56 405	64 106	71 433	71 432	64 624	69 863	74 188	78 673
Goods and services	21 218	18 644	23 445	22 807	24 222	35 347	29 071	30 319	31 712
Interest and rent on land		20	58						
Transfers and subsidies	**1 804**	**266**	**2 392**	**18**	**183**	**182**			**295**
Provinces and municipalities	16	222	1 599		155	155			
Departmental agencies and accounts									
Public corporations and private enterprises									
Non-profit institutions									
Households	1 788	44	793	18	28	27			295
Payments for capital assets	**2 153**	**1 815**	**2 221**	**1 485**	**2 165**	**2 342**	**2 114**	**2 403**	**2 344**
Buildings and other fixed structures									
Machinery and equipment	2 153	1 805	2 221	1 485	2 165	2 342	2 114	2 403	2 344
Land and sub-soil assets									
Software and other intangible assets		10							
Payments for financial assets	**1**					**9**			
Total economic classification	**75 176**	**77 150**	**92 222**	**95 742**	**98 002**	**102 504**	**101 048**	**106 910**	**113 024**

Expenditure increased by 22.6 per cent between 2013/14 and 2015/16, from R 75.2 million to R92.2 million. This was due to compensation of employees and payments for goods and services. Compensation of employees increased by R14.1 million from R50 million in 2013/14 to R64.1 million in 2015/16.

Goods and services increased by 11 per cent from R21.1 million in 2013/14 to R23.4 million in 2015/16. The increase was mainly as a result of inflationary adjustments. Payments for capital assets remained fairly constant at an average of R2 million per annum. To provide administrative support to the Office of the MEC, the Office of the HOD carries out all financial management, legal, fraud, risk, auxiliary support and human resource activities for the department.

The main budget allocated for 2016/17 was R95.7 million, increasing by R5.3 million in 2017/18. The increase is to enable the programme to continue rendering the required administrative support to the department.

Over the MTEF, the programme's budget grows annually by inflation-related adjustments averaging 6 per cent, from R101 million in 2017/18 to R113 million in 2019/20.

The compensation of employees' budget grows at an annual average of 12 per cent over the 2017 MTEF from R70 million in 2017/18 to R78.7 million in 2019/20.

The budget for goods and services over the 2017 MTEF increases by 9 per cent from R29.1 million in 2017/18 to R31.7 million in 2019/20. This is to enable the department to improve its administration support for the department.

The budget for payments on capital assets for 2017/18 is R2.1 million. This is for procuring IT equipment and for paying for fleet services and results from centralisation of the ICT function in the department.

PROGRAMME 2: CIVILIAN OVERSIGHT

Programme description
The programme undertakes research on safety and security matters with the aim of improving safety and policing and making informed strategic decisions. It also works to promote safety by conducting evaluations and impact assessments and holding seminars on safety matters.

The component Police Performance Monitoring and Evaluation facilitates the delivery of improved police services through monitoring and evaluating the functioning of the province's LEAs.

The programme provides professional and volunteer-based victim support services to victims of crime within the province, with a special focus on victims of sexual and domestic violence.

Its proactive approach to the prevention of social crimes is coordinated through the Safety Promoting programme as follows:
- Youth safety including interventions for youth in conflict with the law;
- School safety;
- Prevention of substance abuse and gangsterism; and
- Prevention of violence against women and children.

The programme also ensures that citizens know and are able to participate in departmental programmes to promote public safety. It is part of enhancing the social movement against crime through sectoral segmentation and using mass media to reach all communities. The department has contact with communities and citizens through mass communication platforms including smart phone applications, sms campaigns and social media.

All external and internal communications functions of the department are channelled through this programme.

Programme objectives
- Provide evidence-based knowledge of safety and security matters;
- Monitor and evaluate police conduct and performance;
- Strengthen the coordination of Gauteng Law Enforcement Agency Forum;
- Increase support interventions for victims and vulnerable groups, and
- Strengthen the social movement against crime.

Key policies, priorities and outputs
A range of policies, strategies and plans have provided the context for the development of the Gauteng Safety Strategy. Key amongst these are:
- National Development Plan;
- National Crime Prevention Strategy (NCPS), 1996;
- Vision 2055 (Global City Region Perspective);
- Gauteng Growth and Development Strategy;
- Strategic Agenda for Transport in Gauteng;
- Global Plan for the Decade for Road Safety (2011-2020);
- GPG Pillars: Accelerated social transformation; Modernisation of the public service;
- National and provincial SAPS targets;
- Provincial Outputs 1, 2, 3 and 5;
- Civilian Secretariat Act, 2011, and
- National Youth Commission Act, 1996.

TABLE 10.7: SUMMARY OF PAYMENTS AND ESTIMATES: CIVILIAN OVERSIGHT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Programme Support	3 661	4 028	4 742	8 662	7 666	4 724	9 332	9 873	10 446
2. Policy and Research	6 081	21 531	8 388	8 550	9 550	7 435	8 943	9 462	9 994
3. Monitoring and Evaluation	9 495	26 545	38 091	33 500	29 486	23 788	30 847	34 452	36 450
4. Safety Promotion	70 966	71 531	73 471	107 141	103 480	96 019	100 513	106 343	112 512
5. Community Police Relations	41 511	32 687	42 738	43 498	53 498	52 880	45 445	47 590	50 350
Total payments and estimates	**131 714**	**156 322**	**167 430**	**201 351**	**203 680**	**184 846**	**195 080**	**207 720**	**219 752**

TABLE 10.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CIVILIAN OVERSIGHT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**129 657**	**139 235**	**122 608**	**197 581**	**197 959**	**179 578**	**184 176**	**199 224**	**210 621**
Compensation of employees	55 033	63 558	65 905	92 529	90 431	68 755	93 072	93 042	99 035
Goods and services	74 595	75 677	56 561	105 052	107 528	110 823	91 104	106 182	111 586
Interest and rent on land	29		142						
Transfers and subsidies	**4**	**12**	**93**	**1 800**	**660**	**289**	**912**	**965**	**1 019**
Provinces and municipalities	4	1			600	144	912	965	1 019
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions		1		1 800					
Households		10	93		60	145			
Payments for capital assets	**2 035**	**17 075**	**44 687**	**1 970**	**5 046**	**4 921**	**9 992**	**7 531**	**8 112**
Buildings and other fixed structures			440			45			
Machinery and equipment	2 035	17 075	44 247	1 970	5 046	4 876	9 992	7 531	8 112
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	**18**		**42**		**15**	**58**			
Total economic classification	**131 714**	**156 322**	**167 430**	**201 351**	**203 680**	**184 846**	**195 080**	**207 720**	**219 752**

The audited outcome for the three-year period from 2013/14 to 2015/16 has increased by R35.7 million from R131.7 million to R167.4 million due to the establishment of the Secretariat for Police. This contributes towards improved police performance by overseeing the effectiveness and efficiency of the province's law enforcement.

Expenditure on compensation of employees increased by 19 per cent or R10.9 million from R55 million in 2013/14 to R65.9 million in 2015/16. The main factors contributing to this increase was the anticipated growth in the Civilian Secretariat of Police structure.

Goods and services expenditure decreased by R18.2 million from R74.5 million in 2013/14 to R56.7 million in 2016/17. This was due to reprioritisation of funds to pay for capital assets and maintenance for buildings; and catering services for the victims of domestic violence housed at shelters. Convictions were successfully achieved in 350 ring-fenced cases involving domestic violence, sexual offenses and human trafficking. Additional police stations were visited to ensure delivery of improved police services through monitoring and evaluation. Training took place through a partnership between SAPS and COJ Emergency services; this improved efficiencies. More sectors were mobilised through the inclusion of rural communities. Additional youth desks were established and anti-gangsterism programmes were implemented in various communities.

Over the 2017 MTEF, the amount appropriated to the programme increases to R195 million in 2017/18 and R219.7 million in the 2019/20 financial year. This is to improve the process and systems of law enforcement accountability in the province. To ensure that all CPFs and sector crime forums are functional and enhance community participation and strengthen the social movement against crime, all structures dealing with safety and security will be involved in the fight against crime. Assistance will also be provided to victims of crime across the province.

The budget for compensation of employees increases by R6 million from R93 million in 2017/18 to R99 million in the 2019/20 financial year. The budget for goods and services increases by R20.5 million from R 91.1 million in 2017/18 to R111.5 million in 2019/20. This will enhance the strategic goal of the Provincial Secretariat to improve the quality of policing, strengthen the monitoring of police conduct and evaluate police performance.

The budget for payments on capital assets for the 2017/18 financial year decreases from R10 million to R8.1 million in the 2019/20 financial year due to the management decision to reduce spending on capital assets.

SERVICE DELIVERY MEASURES

PROGRAMME 2: CIVILIAN OVERSIGHT

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
2.1 POLICY AND RESEARCH			
Number of research projects conducted	5	5	6
Policing needs and priorities reviewed	1		
2.2 POLICE PERFORMANCE MONITORING AND EVALUATION			
Implementation of the Province's Policing Plan monitored	4	4	4
Implementation of IPID recommendations monitored	4	4	4
SAPS compliance with the Domestic Violence Act DVA monitored	4	4	4
Police conduct (complaints, discipline & corruption) monitored	4	4	4
CJS coordinated	4	4	4
Number of CPF Programmes Of Action supported	142	142	142
Functional patroller programme in precincts	100	120	130
Number of functional CPFs aligned per minimum standards	142	142	142
2.3 SOCIAL CRIME PREVENTION			
Holistic psycho-social services to GBV victims rendered	12	12	12
Family Justice Support services rendered to GBV victim rendered	12	12	12
Management and coordination of RVOs	12	12	12
2.4 SAFETY PROMOTION			
Youth crime prevention programmes implemented across the province	146	146	146
Number of correctional service programs implemented for learners	360	370	380
Number of school safety interventions implemented	600	610	620
Number of schools and community searches conducted	500	500	500
Number of intervention programmes conducted for men (MASP)	480	500	510
Number of intervention programmes conducted for women (WASP)	420	440	460
Number of elderly and disability sessions conducted	40	40	40
Number of child safety sessions conducted	40	40	40
2.5 PUBLIC EDUCATION AND INFORMATION			
Take Charge outreach campaigns	309	309	309
Communication strategy implemented	4	4	4

PROGRAMME 3: Traffic Management

Programme description

The main aim of the programme is to integrate and coordinate traffic law enforcement, reduce road fatalities and support SAPS crime prevention initiatives in the province. The programme is also responsible for the enhancement and management of road-user knowledge, skills and attitudes and in particular pedestrian safety, public transport and freight law enforcement, taxi violence interventions, traffic management, prevention of overloaded freight vehicles and crime prevention. The programme also provides traffic officer, examiner of motor vehicles and drivers licence training courses. Implementation of the Administrative Adjudication of the Road Traffic Offences (AARTO) Act, the Road Traffic Infringement Agency (RTIA) Act and the Road Traffic Management Corporation (RTMC) Act also takes place through this programme.

Programme objectives

- To enforce compliance with the legislation by all road users and traffic officers;
- To intensify road safety educational programmes targeting all road users, and
- To contribute towards a safer road environment.

Key policies, priorities and outputs

A range of policies, strategies and plans provided the context for the development of the Gauteng Safety Strategy. Key amongst these are the following:

- National Development Plan;
- National Crime Prevention Strategy;
- Vision 2055 (Global City Region Perspective);
- Gauteng Growth and Development Strategy;
- Strategic Agenda for Transport in Gauteng;
- Global Plan for the Decade for Road Safety (2011-2020);

- GPG Pillar: Accelerated social transformation, and
- Provincial Outputs 5 and 7.

TABLE 10.9: SUMMARY OF PAYMENTS AND ESTIMATES: TRAFFIC MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Gds Alloc Intell Trnsprt Sys		1 753							
2. Management	1 466	4 936	1 914	1 373	1 373	1 764	1 814	1 940	1 631
3. Public Transport Inspection	33 373	39 491	36 258	38 747	38 192	40 430	41 372	42 772	45 253
4. Road Safety Education	14 291	15 887	15 340	17 899	17 623	17 346	21 875	23 366	23 043
5. Road Safety Project	26 745	31 033	33 588	28 101	28 005	33 067	33 243	35 530	37 186
6. Special Services	25 062	14 298	18 805	31 931	28 625	25 663	31 995	33 909	36 865
7. Traffic Law Enforcement	160 722	249 534	290 449	202 481	238 645	246 227	218 313	228 191	243 043
8. Training Traffic College	24 932	39 202	37 546	35 255	29 435	31 733	33 725	37 710	39 897
Total payments and estimates	**286 591**	**396 134**	**433 900**	**355 788**	**381 898**	**396 230**	**382 337**	**403 417**	**426 918**

TABLE 10.10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRAFFIC MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**267 195**	**334 988**	**349 758**	**339 658**	**365 683**	**382 782**	**374 468**	**394 501**	**416 627**
Compensation of employees	214 742	236 329	266 279	295 216	307 915	293 011	331 661	351 548	366 877
Goods and services	52 453	98 590	83 478	44 442	57 768	89 771	42 807	42 953	49 750
Interest and rent on land		69	1						
Transfers and subsidies	**962**	**6 947**	**51 955**	**3 792**	**2 297**	**1 483**	**4 012**	**4 245**	**2 782**
Provinces and municipalities	155	160	220	1 575	100	52	911	963	1 018
Departmental agencies and accounts	4								
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises				1 240			1 312	1 388	
Non-profit institutions		6 000	50 000						
Households	803	787	1 735	977	2 197	1 431	1 789	1 893	1 763
Payments for capital assets	**18 372**	**54 191**	**32 154**	**12 338**	**13 888**	**11 895**	**3 857**	**4 672**	**7 509**
Buildings and other fixed structures		88							
Machinery and equipment	18 372	54 103	32 154	12 338	13 888	11 895	3 857	4 672	7 509
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	**62**	**8**	**33**		**30**	**70**			
Total economic classification	**286 591**	**396 134**	**433 900**	**355 788**	**381 898**	**396 230**	**382 337**	**403 417**	**426 918**

The audited outcome for the three-year period from 2013/14 to 2015/16 increased by R147.3 million from R287.6 million to R433.9 million.

Expenditure on compensation of employees increased by R51.5 million or 24 per cent. The main contributing factor to the increase in compensation is the filling of vacant positions and the cost of living adjustment. Additional traffic officers and interns were employed by the department to increase the number of traffic law officers in the province. Goods and services expenditure increased by R31 million from R52.5 million in 2013/14 to R83.5 million in 2015/16 due to payments for fleet services and the lease of the office building.

Transfer and subsidies expenditure increased by R51 million in 2015/16 from the 2013/14 financial year. This related to earmarked funds from the Road Traffic Management Corporation appropriated to the department to enhance the programme to reduce road fatalities and the national roll-out for road safety campaigns.

Capital expenditure increased by R13.8 million from R18.4 million in 2013/14 to R32.2 million in 2015/16. This was mainly to improve police visibility and for repayment of the G-Fleet accrual.

For the 2016/17 financial year, the main budget of the programme is R355.8 million increased by R26.6 million, when compared with the R382.3 million in the 2017/18 financial year. The increase is due to inflationary adjustments. The allocation for compensation of employees increases by R37 million from 2016/17 main budget to R332.2 million in the 2017/18 financial year.

Over the MTEF period, capital expenditure decreases due to a new agreement that the department will enter into with G-Fleet. This will be classified as an operating lease and does not have a capital portion in its monthly premiums.

Over the 2017 MTEF, the amount appropriated to the Traffic Management unit increases by 11 per cent from R382.3 million in 2017/18 to R426.9 million in the 2019/20 financial year. This will sustain the delivery of services.

The 2017 MTEF allocation for compensation of employees increases by R36 million or 10 per cent from R332 million in 2017/18 to R366.9 million in the 2019/20 financial year. Goods and services increase by R7.1 million from R42.8 million in 2017/18 to R49.9 million in the 2019/20 financial year. The traffic management budget funds activities such as reducing road fatalities in the province, providing traffic training and increasing road user compliance with the rules of the road. The department is also planning to increase visibility of police in the province.

SERVICE DELIVERY MEASURES

PROGRAMME 3: TRAFFIC MANAGEMENT

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of zero tolerance operations conducted	8 800	9 680	10 650
Number of inspection audits conducted at Drivers Licence Testing Centres (DLTCs) and Vehicle Testing Stations (VTSs)	160	180	200
Number of road safety educational programmes focussing on improving road user behaviour conducted	2 800	3 080	3 090
Coordination of implementation of the Gauteng Safety Strategy	4	4	4
Number of vehicles weighed	183 000	201 300	221 400
Number of roadside check point operations conducted	10 000	12 000	14 000
Crime prevention measures/interventions/operations supported	1 500	2 000	2 500

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 10.11: PERSONNEL NUMBERS AND COSTS BY PROGRAMME: COMMUNITY SAFETY

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	208	236	227	228	273	273	273
2. Civilian Oversight	292	299	301	398	422	422	422
3. Traffic Management	1 128	959	1 011	1 431	1 475	1 475	1 475
Total provincial personnel numbers	**1 628**	**1 494**	**1 539**	2 057	2 170	2 170	2 170
Total provincial personnel cost (R thousand)	319 775	356 292	396 290	426 390	494 596	518 778	544 585
Unit cost (R thousand)	196	238	257	207	228	239	251

The table above gives the breakdown of the total personnel head count against the corresponding compensation of employees' expenditure and estimated personnel costs over the 2017 MTEF period. The head count increases from 2 057 in 2016/17 to 2 170 in the 2019/20 financial year as a result of the anticipated new organisational structure. Administration programme is growing by 45 due to the growth of the departmental structure. Civilian Oversight is increasing with 24 as a result of the anticipated implementation of the Civilian secretariat structure in 2017/18. The Traffic Management programme head counts increases with 44 as a result of the absorption of traffic officer graduates by the department.

TABLE10.12: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	673	117 387	621	130 430	741	149 696	974	1	975	165 605	1 038	187 472	1 038	197 519	1 038	204 728	2%	7%	38%
7 – 10	456	149 462	484	167 055	448	175 789	398		398	155 101	499	194 580	499	203 246	499	214 675	8%	11%	38%
11 – 12	65	26 403	58	29 337	60	36 352	53	1	54	45 591	82	49 069	82	49 466	82	52 456	15%	5%	10%
13 – 16	26	24 461	28	27 179	28	23 129	28		28	30 150	29	32 740	29	33 333	29	35 367	1%	5%	7%
Other	408	2 062	303	2 291	262	11 324	602		602	29 943	522	30 735	522	35 214	522	37 359	(5%)	8%	7%
Total	**1 628**	**319 775**	**1 494**	**356 292**	**1 539**	**396 290**	**2 055**	**2**	**2 057**	**426 390**	**2 170**	**494 596**	**2 170**	**518 778**	**2 170**	**544 585**	**2%**	**8%**	**100%**
Programme																			
1. Administration	208	50 000	236	56 405	227	64 106	228		228	64 624	273	69 863	273	74 188	273	78 673	6%	7%	15%
2. Civilian Oversight	292	55 033	299	63 558	301	65 905	396	2	398	68 755	422	93 072	422	93 042	422	99 035	2%	13%	18%
3. Traffic Management	1 128	214 742	959	236 329	1 011	266 279	1 431		1 431	293 011	1 475	331 661	1 475	351 548	1 475	366 877	1%	8%	68%
Total	**1 628**	**319 775**	**1 494**	**356 292**	**1 539**	**396 290**	**2 055**	**2**	**2 057**	**426 390**	**2 170**	**494 596**	**2 170**	**518 778**	**2 170**	**544 585**	**2%**	**8%**	**100%**
Employee dispensation classification																			
Professional Nurses, Staff Nurses and Nursing Assistants						319	10		10	341	10	366	10	387	10	409	0%	6%	5%
Legal Professionals						282	4		4	288	4	308	4	326	4	344	0%	6%	4%
Social Services Professions						321	3		3	322	3	344	3	364	3	384	0%	6%	4%
Engineering Professions and related occupations																	0%	0%	0%
Medical and related professionals						74	1		1	75	1	80	1	84	1	86	0%	5%	1%
Others such as interns, EPWP, learner ships, etc.						4 285	245		245	5 237	245	6 280	245	7 371	245	7 784	0%	14%	86%
Total						**5 281**	**263**		**263**	**6 263**	**263**	**7 378**	**263**	**8 532**	**263**	**9 007**	**0%**	**13%**	**100%**

9.2. Training

TABLE 10.13: INFORMATION ON TRAINING: DEPARTMENT OF COMMUNITY SAFETY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	1 628	1 494	1 539	2 057	2 057	2 057	2 170	2 170	2 170
Number of personnel trained	628	626	700	800	800	800	800	800	845
of which									
Male	329	283	320	350	350	350	350	350	370
Female	299	343	380	450	450	450	450	450	475
Number of training opportunities	25	24	20	20	20	20	30	32	33
of which									
Tertiary	6	5	5	5	5	5	5	7	7
Workshops	14	14	15	15	15	15	20	20	21
Seminars									
Other	5	5					5	5	5
Number of bursaries offered	92	89	89				80	80	80
Number of interns appointed	28	45	45	54	54	54	54	54	57
Number of learner ships appointed									
Number of days spent on training	690	690	350	900	900	900	900	900	950
Payments on training by programme									
1. Administration	2 127	2 219	246	3 140	1 635	1 885	1 550	1 607	1 640
2. Civilian Oversight	2 314	2 321	604	2 754	8 006	8 944	8 901	11 450	12 114
3. Traffic Management	365	1 051	531	1 065	830	749	878	929	983
Total payments on training	**4 806**	**5 591**	**1 381**	**6 959**	**10 471**	**11 578**	**11 329**	**13 986**	**14 737**

The department develops an annual Workplace Skills Plan (WSP). This is informed by the performance development plans of the staff members. The WSP ensures a constant supply of skilled employees and ensures that there is continuity in the development of employees on the latest trends in their particular functions.

The training offered in the department includes skills programmes, short courses and provision of bursaries. Training is also provided to unemployed graduates in a form of an internship programme.

9.3. Reconciliation of structural changes

N/A

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 10.14: SPECIFICATION OF RECEIPTS: COMMUNITY SAFETY

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	**9 769**	**7 951**	**8 753**	**5 593**	**7 390**	**8 891**	**6 991**	**8 739**	**9 247**
Sale of goods and services produced by department (excluding capital assets)	9 769	7 951	8 753	5 593	7 390	8 891	6 991	8 739	9 247
Sales by market establishments	1 523	1 405	5 174	1 612	1 612	1 612	2 015	2 519	2 665
Administrative fees									
Other sales	8 246	6 546	3 579	3 981	5 778	7 279	4 976	6 220	6 582
Of which									
Health patient fees	1 530	1 409	194	255	2 052	1 244	319	398	422
Other (Specify)	204	220	204	269	269	196	336	420	445
Other (Specify)	3 436	3 319	2 002	2 635	2 635	3 918	3 294	4 117	4 356
Other (Specify)	3 076	1 591	625	822	822	1 921	1 028	1 284	1 359
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:						**30**			
Other governmental units									
Higher education institutions									
Foreign governments									
International organisations									
Public corporations and private enterprises						30			
Households and non-profit institutions									
Fines, penalties and forfeits	**14 775**	**18 101**	**27 993**	**13 695**	**17 119**	**19 924**	**21 399**	**26 748**	**28 300**
Interest, dividends and rent on land	**4**	**3**	**17**			**7**			
Interest	4	3	17			7			
Dividends									
Rent on land									
Sales of capital assets									
Land and sub-soil assets									
Other capital assets									
Transactions in financial assets and liabilities	**5 304**	**16 700**	**7 447**	**569**	**4 078**	**4 778**	**1 067**	**1 333**	**1 412**
Total departmental receipts	**29 852**	**42 755**	**44 210**	**19 857**	**28 587**	**33 631**	**29 457**	**36 821**	**38 959**

TABLE 10.15 : PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: COMMUNITY SAFETY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**	**2016/17**			**2017/18**	**2018/19**	**2019/20**
Current payments	**468 070**	**549 292**	**559 974**	**631 477**	**659 296**	**662 331**	**657 579**	**698 232**	**735 326**
Compensation of employees	319 775	356 292	396 289	459 177	469 778	426 390	494 596	518 778	544 584
Salaries and wages	319 775	356 292	344 593	393 346	403 947	368 503	419 898	440 404	465 954
Social contributions			51 696	65 831	65 831	57 887	74 698	78 374	78 630
Goods and services	148 266	192 912	163 484	172 300	189 518	235 941	162 983	179 454	190 742
Administrative fees	488	212	334	430	265	300	819	624	661
Advertising	9 610	10 977	10 517	5 492	11 444	15 453	7 199	7 689	8 124
Minor assets	1 627	937	772	703	203	248	635	672	711
Audit cost: External	3 211	3 181	3 995	2 850	3 595	4 074	4 061	4 629	4 775
Bursaries: Employees	1 036	944	745	1 000	1 000	2 224	1 000	1 007	1 066
Catering: Departmental activities	8 892	10 521	5 768	16 751	13 146	9 585	7 894	7 715	8 164
Communication (G&S)	4 332	6 426	5 685	4 765	5 215	5 914	6 071	5 220	5 474
Computer services	1 983	2 526	2 047	3 876	3 088	6 808	6 982	7 387	7 816
Consultants and professional services: Business and advisory services	3 538	2 075	497	9 916	4 579	4 250	2 895	4 820	4 930
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services	1 148	727	1 802	170	770	1 263	633	633	631
Contractors	9 875	31 429	9 174	5 703	14 571	12 795	9 006	10 860	10 312
Agency and support / outsourced services	17 395	16 271	7 124	18 842	15 076	23 494	9 226	9 709	13 119
Entertainment									
Fleet services (including government motor transport)	12 699	22 910	46 856	9 528	21 370	37 472	18 360	29 651	32 875
Housing									
Inventory: Clothing material and accessories	2 175	2 015	1 675	9 978	20 978	21 081	11 818	8 961	9 482
Inventory: Farming supplies	17	45							
Inventory: Food and food supplies	288	879	1 794	1 218	218	54	1 270	1 343	1 422
Inventory: Fuel, oil and gas	325	9	36	240	40	42	1 992	2 204	2 331
Inventory: Learner and teacher support material	1		356	960	250	1 060	843	763	806
Inventory: Materials and supplies	822	781	336	825	303	885	873	924	977
Inventory: Medical supplies	100	310	180	395	395	420	418	442	467
Inventory: Medicine		40		160	160	160	169	42	44
Medsas inventory interface									
Inventory: Other supplies	4	30		1 358	8	102	1 432	1 514	1 602
Consumable supplies	4 308	7 835	3 590	2 643	2 713	2 825	3 363	3 990	4 220
Consumable: Stationery, printing and office supplies	2 949	5 696	3 551	5 590	6 436	5 024	5 816	4 623	4 743
Operating leases	20 585	37 976	29 515	16 774	18 438	34 551	8 930	12 273	12 985
Property payments	8 447	4 228	11 338	1 196	5 320	13 257	9 399	7 649	8 015
Transport provided: Departmental activity								1 200	1 270
Travel and subsistence	14 298	8 365	7 007	16 436	10 581	5 224	12 694	9 509	8 586
Training and development	3 682	3 114	1 381	12 001	10 471	11 578	11 329	13 986	14 737
Operating payments	574	371	437	81	1 081	83	433	515	545

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Venues and facilities	12 832	5 229	2 227	18 331	13 156	10 434	11 102	10 442	10 902
Rental and hiring	1 025	6 853	4 745	4 088	4 648	5 281	6 322	8 459	8 950
Interest and rent on land	29	89	201						
Interest	29	69	201						
Rent on land		20							
Transfers and subsidies	**2 770**	**7 225**	**54 440**	**5 610**	**3 140**	**1 954**	**4 924**	**5 210**	**4 095**
Provinces and municipalities	175	383	1 819	1 575	855	351	1 823	1 928	2 037
Provinces	173	383		130	155	207	144	152	161
Provincial Revenue Funds	2								
Provincial agencies and funds	171	383		130	155	207			161
Municipalities	2		1 819	1 445	700	144	1 679	1 776	1 876
Municipalities								965	1 019
Municipal agencies and funds	2		1 819	1 445	700	144	1 679	811	857
Departmental agencies and accounts	4								
Social security funds									
Provide list of entities receiving transfers	4								
Public corporations and private enterprises				1 240					
Public corporations				1 240					
Subsidies on production									
Other transfers				1 240			1 312	1 388	
Private enterprises									
Non-profit institutions		6 001	50 000	1 800					
Households	2 591	841	2 621	995	2 285	1 603	1 789	1 893	2 058
Social benefits	2 591	841	2 371	995	2 285	1 603	1 789	1 893	2 058
Other transfers to households			250						
Payments for capital assets	**22 560**	**73 081**	**79 063**	**15 793**	**21 099**	**19 158**	**15 963**	**14 605**	**17 965**
Buildings and other fixed structures		88	440			45			
Buildings		88	440			45			
Other fixed structures									
Machinery and equipment	22 560	72 983	78 623	15 793	21 099	19 113	15 963	14 606	17 975
Transport equipment		72 983	75 766	12 338	15 980	14 896	12 794	11 252	14 465
Other machinery and equipment	22 560		2 857	3 455	5 119	4 217	3 169	3 354	3 500
Software and other intangible assets		10							
Payments for financial assets	**81**	**8**	**75**		**45**	**137**			
Total economic classification	**493 481**	**629 606**	**693 552**	**652 880**	**683 580**	**683 580**	**678 466**	**718 047**	**759 694**

TABLE 10.16: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**71 218**	**75 069**	**87 609**	**94 239**	**95 654**	**99 971**	**98 935**	**104 507**	**110 385**
Compensation of employees	50 000	56 404	64 106	71 433	71 432	64 624	69 863	74 188	78 673
Salaries and wages	50 000	56 405	57 316	64 487	64 486	57 491	59 961	63 695	67 551
Social contributions			6 790	6 946	6 946	7 133	9 902	10 493	11 122
Goods and services	21 218	18 645	23 445	22 807	24 222	35 347	29 072	30 319	31 712
Administrative fees	106	118	175	115	115	137	256	272	288
Advertising	466	254	36	317	118	64	478	486	504
Minor assets	400	129	5	100	101	115			
Audit cost: External	3 211	3 181	3 995	2 850	3 595	4 074	4 061	4 629	4 775
Bursaries: Employees	1 029	923	745	1 000	1 000	2 224	1 000	1 007	1 066
Catering: Departmental activities	278	204	70	110	310	334	186	188	199
Communication (G&S)	1 840	2 654	2 193	1 528	1 628	2 360	1 817	1 883	1 904
Computer services	1 983	1 817	2 047	3 101	3 071	6 807	6 162	6 520	6 898
Consultants and professional services: Business and advisory services	2 060	1 224	423	999	439	228	506	528	560
Legal services	1 148	727	1 802	170	770	1 263	633	633	631
Contractors	61	757	1 021	957	1 992	1 692	1 563	1 622	1 675
Agency and support / outsourced services	141	264	611	3 171	2 001	696	1 456	1 540	1 630
Fleet services (including government motor transport)	386	435	1 100	903	569	205	790	861	979
Housing									
Inventory: Clothing material and accessories		5		25	25	48			1
Inventory: Farming supplies									
Inventory: Food and food supplies	182		3	18	18	8			
Inventory: Fuel, oil and gas	7		2				60	64	67
Inventory: Learner and teacher support material						900			
Inventory: Materials and supplies	6	92	7		28	28			
Inventory: Medical supplies		60							
Inventory: Other supplies				8	8		3	3	3
Consumable supplies	159	635	1 279	828	858	475	54	484	511
Consumable: Stationery, printing and office supplies	1 075	1 363	1 097	696	613	750	1 318	680	717
Operating leases	668	772	442	2 004	1 468	882	1 860	1 876	1 986
Property payments	284	348	5 495		1 659	8 281	3 030	3 126	3 230
Transport provided: Departmental activity									
Travel and subsistence	2 549	665	611	1 766	1 311	631	1 153	1 250	1 258
Training and development	728	818	246	1 601	1 635	1 885	1 550	1 607	1 640
Operating payments	99	22	14	80	80	29	433	515	545
Venues and facilities	1 994	490	26	459	680	1 231	704	545	645
Rental and hiring	358	688			130				
Interest and rent on land		20	58						

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Interest			58						
Rent on land		20							
Transfers and subsidies	**1 804**	**266**	**2 392**	**18**	**183**	**182**			**295**
Provinces and municipalities	16	222	1 599		155	155			
Provinces	16	222			155	155			
Provincial Revenue Funds									
Provincial agencies and funds	16	222			155	155			
Municipalities			1 599						
Municipalities									
Municipal agencies and funds			1 599						
Non-profit institutions									
Households	1 788	44	793	18	28	27			295
Social benefits	1 788	44	793	18	28	27			295
Other transfers to households									
Payments for capital assets	**2 153**	**1 815**	**2 221**	**1 485**	**2 165**	**2 342**	**2 114**	**2 403**	**2 344**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	2 153	1 805	2 221	1 485	2 165	2 342	2 114	2 403	2 344
Transport equipment		1 805	1 352		167	268	48	217	66
Other machinery and equipment	2 153		869	1 485	1 998	2 074	2 066	2 186	2 278
Land and sub-soil assets									
Software and other intangible assets		10							
Payments for financial assets	**1**					**9**			
Total economic classification	**75 176**	**77 150**	**92 222**	**95 742**	**98 002**	**102 504**	**101 049**	**106 910**	**113 024**

TABLE 10.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CIVILIAN OVERSIGHT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**129 657**	**139 235**	**122 608**	**197 581**	**197 959**	**179 578**	**184 176**	**199 224**	**210 621**
Compensation of employees	55 033	63 558	65 905	92 529	90 431	68 755	93 072	93 042	99 035
Salaries and wages	55 033	63 558	60 136	84 178	82 080	62 713	83 291	83 477	88 843
Social contributions			5 769	8 351	8 351	6 042	9 781	9 565	10 192
Goods and services	74 595	75 677	56 561	105 052	107 528	110 823	91 104	106 182	111 586
Administrative fees	1	16	147		150	157	230		
Advertising	7 441	9 884	10 458	5 174	11 326	15 389	6 721	7 202	7 620
Minor assets	809	65	67	602	102	17	635	672	711
Audit cost: External									
Bursaries: Employees	7	21							
Catering: Departmental activities	8 322	10 051	5 561	13 686	12 686	9 204	7 072	6 264	6 627
Communication (G&S)	1 153	1 755	1 443	1 604	1 954	1 744	2 734	1 835	1 942
Computer services				775	17	1	820	868	918
Consultants and professional services: Business and advisory services	1 478	851	74	8 918	4 140	4 022	2 389	4 292	4 370
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services									
Contractors	8 716	18 623	5 578	1 500	12 333	10 404	4 845	5 227	5 530
Agency and support / outsourced services	15 919	7 953	4 113	15 083	9 782	17 533	7 148	7 511	7 616
Entertainment									
Fleet services (including government motor transport)	3 814	5 740	16 283	5 450	3 850	6 277	6 112	16 667	17 648
Housing									
Inventory: Clothing material and accessories	1 071	798		5 600	16 600	15 110	7 693	8 791	9 301
Inventory: Farming supplies	17	45							
Inventory: Food and food supplies	106	260	238	1 200	200		1 270	1 344	1 422
Inventory: Fuel, oil and gas	1	1	31	240	40	40	1 932	2 140	2 264
Inventory: Learner and teacher support material	1			400	50	50	250	136	143
Inventory: Materials and supplies	383	229	151	500		581	529	560	592
Inventory: Medical supplies	59	82	11	360	360	360	381	403	426
Inventory: Medicine		40		160	160	160	169	42	44
Medsas inventory interface									
Inventory: Other supplies	4	2		600			635	671	710
Consumable supplies	791	506	1 482	600	640	1 610	2 030	2 148	2 272
Consumable: Stationery, printing and office supplies	1 266	2 016	1 103	3 860	3 460	2 011	3 405	3 111	3 240
Operating leases	30			1 302	1	1	254		
Property payments	2 721	2 869	2 078	560	1 960	2 878	5 696	3 811	4 032
Transport provided: Departmental activity								1 200	1 270
Travel and subsistence	6 042	1 283	594	5 545	3 045	1 023	2 744	1 706	1 803
Training and development	2 486	1 728	604	9 570	8 006	8 944	8 901	11 450	12 114
Operating payments	475	330	423	1	1 001	54			

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Venues and facilities	10 815	4 702	2 201	17 872	11 776	8 503	10 398	9 897	10 257
Rental and hiring	667	5 827	3 921	3 889	3 889	4 750	6 111	8 236	8 714
Interest and rent on land	29		142						
Interest	29		142						
Rent on land									
Transfers and subsidies	**4**	**12**	**93**	**1 800**	**660**	**289**	**912**	**965**	**1 019**
Provinces and municipalities	4	1			600	144	912	965	1 019
Provinces	2	1							
Provincial Revenue Funds	2								
Provincial agencies and funds		1							
Municipalities	2				600	144	912	965	1 019
Municipalities								965	1 019
Municipal agencies and funds	2				600	144	912		
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions		1		1 800					
Households		10	93		60	145			
Social benefits		10	93		60	145			
Other transfers to households									
Payments for capital assets	**2 035**	**17 075**	**44 687**	**1 970**	**5 046**	**4 921**	**9 992**	**7 531**	**8 112**
Buildings and other fixed structures			440			45			
Buildings			440			45			
Other fixed structures									
Machinery and equipment	2 035	17 075	44 247	1 970	5 046	4 876	9 992	7 531	8 112
Transport equipment		17 075	44 237		2 475	3 275	8 889	6 363	6 890
Other machinery and equipment	2 035		10	1 970	2 571	1 601	1 103	1 168	1 222
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	**18**		**42**		**15**	**58**			
Total economic classification	**131 714**	**156 322**	**167 430**	**201 351**	**203 680**	**184 846**	**195 080**	**207 720**	**219 752**

TABLE 10.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRAFFIC MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**267 195**	**334 988**	**349 757**	**339 657**	**365 683**	**382 782**	**374 468**	**394 501**	**414 320**
Compensation of employees	214 742	236 329	266 278	295 215	307 915	293 011	331 661	351 548	366 876
Salaries and wages	214 742	236 329	227 141	244 681	257 381	248 299	276 646	293 232	309 560
Social contributions			39 137	50 534	50 534	44 712	55 015	58 316	57 316
Goods and services	52 453	98 590	83 478	44 442	57 768	89 771	42 807	42 952	47 444
Administrative fees	381	78	12	315		6	333	352	373
Advertising	1 703	839	23						
Minor assets	418	743	700			116			
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	292	266	137	2 955	150	47	636	1 263	1 338
Communication (G&S)	1 339	2 017	2 049	1 633	1 633	1 810	1 520	1 502	1 628
Computer services		709							
Consultants and professional services: Business and advisory services									
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services									
Contractors	1 098	12 049	2 575	3 246	246	699	2 598	4 011	3 107
Agency and support/outsourced services	1 335	8 054	2 400	588	3 293	5 265	622	658	3 873
Entertainment									
Fleet services (including government motor transport)	8 499	6 735	29 473	3 175	16 951	30 990	11 458	12 123	14 248
Housing									
Inventory: Clothing material and accessories	1 104	1 212	1 675	4 353	4 353	5 923	4 125	170	180
Inventory: Farming supplies									
Inventory: Food and food supplies		619	1 553			46			
Inventory: Fuel, oil and gas	317	8	3			2			
Inventory: Learner and teacher support material			356	560	200	110	593	627	663
Inventory: Materials and supplies	433	460	178	325	275	276	344	364	385
Inventory: Medical supplies	41	168	169	35	35	60	37	39	41
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies		28		750		102	794	840	889
Consumable supplies	3 358	6 694	829	1 215	1 215	740	1 279	1 358	1 437
Consumable: Stationery, printing and office supplies	608	2 317	1 351	1 033	2 363	2 263	1 093	832	786
Operating leases	19 887	37 204	29 073	13 469	16 969	33 668	6 816	10 397	10 999
Property payments	5 442	1 011	3 765	636	1 701	2 098	673	712	753
Transport provided: Departmental activity									

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Travel and subsistence	5 707	6 417	5 802	9 125	6 225	3 570	8 797	6 552	7 833
Training and development	468	568	531	830	830	749	878	929	983
Operating payments		19							
Venues and facilities	23	37			700	700			
Rental and hiring		338	824	199	629	531	211	223	236
Interest and rent on land		69	1						
Interest		69	1						
Rent on land									
Transfers and subsidies	**962**	**6 947**	**51 955**	**3 792**	**2 297**	**1 483**	**4 012**	**4 245**	**2 781**
Provinces and municipalities	155	160	220	1 575	100	52	911	963	1 018
Provinces	155	160		130		52	144	152	161
Provincial Revenue Funds									
Provincial agencies and funds	155	160		130		52	144	152	161
Municipalities			220	1 445	100		767	811	857
Municipalities									
Municipal agencies and funds			220	1 445	100		767	811	857
Departmental agencies and accounts	4								
Social security funds									
Provide list of entities receiving transfers	4								
Public corporations and private enterprises				1 240			1 312	1 388	
Public corporations				1 240			1 312	1 388	
Subsidies on production									
Other transfers				1 240			1 312	1 388	
Private enterprises									
Non-profit institutions		6 000	50 000						
Households	803	787	1 735	977	2 197	1 431	1 789	1 893	1 763
Social benefits	803	787	1 735	977	2 197	1 431	1 789	1 893	1 763
Other transfers to households									
Payments for capital assets	**18 372**	**54 191**	**32 155**	**12 338**	**13 888**	**11 895**	**3 857**	**4 672**	**7 509**
Buildings and other fixed structures		88							
Buildings		88							
Other fixed structures									
Machinery and equipment	18 372	54 103	32 155	12 338	13 888	11 895	3 857	4 672	7 509
Transport equipment		54 103	30 177	12 338	13 338	11 353	3 857	4 672	7 509
Other machinery and equipment	18 372		1 978		550	542			
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	**62**	**8**	**33**		**30**	**70**			
Total economic classification	**286 591**	**396 134**	**433 900**	**355 787**	**381 898**	**396 230**	**382 337**	**403 417**	**426 918**

VOTE 11

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

To be appropriated by vote in 2017/18	R916 600 000
Responsible MEC	MEC for Agriculture and Rural Development
Administering Department	Department of Agriculture and Rural Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision
An economically transformed agricultural sector and sustainable environmental management for healthy, food secure, developed rural and urban communities in Gauteng.

Mission
To radically modernize and transform agriculture, environment and rural development by:
- Promoting environmental protection and management;
- Expanding access to agricultural opportunities;
- Maximising food security;
- Up-scaling rural development;
- Promoting the One Health System;
- Supporting sustainable livelihoods and communities.

Values
Developing synergy and working towards a common goal. The values of the GDARD include:
- Integrity;
- Commitment;
- Accountability;
- Respect;
- Empowerment;
- Team orientation;
- Trend setting;
- Responsiveness.

Strategic Goals
- A modernised and transformed agriculture sector increasing food security, economic inclusion and equality
- Sustainable natural resource management
- Enhanced capacity within the GDARD to implement projects effectively

Core functions and responsibilities
The mandate of the department is derived from the Constitution of the Republic of South Africa. The department is required to:
- Ensure an environment that supports human well-being;
- Conserve the environment;
- Ensure provision of sufficient food and water; and
- Ensure provision of veterinary services in the province.

Main services
The department's focus is on harnessing and maximising the economic potential of the province's agricultural sector and ensuring food security for all. Agriculture has been identified as one of the province's eleven key economic sectors. Nationally, the sector is set to create a million jobs by 2030. The department will ensure that the sector is involved with all interventions to radically transform, modernise and reindustrialize Gauteng.

Specific activities include:
- Driving the transformation agenda that seeks to reindustrialise and modernise agricultural value chains;
- Establishing incubation farms and programmes for agro-processing and primary agriculture;
- Developing structured capacity building and mentorship programme for farmers to deal with current realities;
- Forming strategic partnerships and alliances to reindustrialise the province's agricultural sector through escalation of investment in the agro-processing sector;
- Encouraging the establishment of individual homestead or backyard gardens to serve mainly the province's resource-poor communities. The target groups include the elderly, the unemployed, women, youth and people with disabilities and HIV/AIDS affected/infected households;
- Creating an interactive electronic platform for exchange of market information and interaction between role players across various value chains;
- Ensuring veterinary services that offer a regulatory service trade facilitation, veterinary public health, biosecurity and animal disease control and a primary animal health care service in townships, informal settlements and emerging livestock producers with the aim of realising the National Development Plan 2030 vision as well as the GPG Transformation, Modernisation and Re-industrialisation of the Gauteng economy and society;
- Ecological management of six provincial nature reserves with associated communities living near the reserves and parks through programmes: Community-based Natural Resource Management, Environmental Education and promoting Eco-tourism;
- Issuing nature conservation permits for live game, hunting and fishing licences to the general public, traders and hunters;
- Conducting ecological research in order to provide decision-support to all internal and external stakeholders in the province;
- Developing provincial spatial planning tools such as the Provincial Conservation Plan and bioregional plans;
- Issuing environmental authorisations in terms of the National Environmental Management Act (NEMA) (No. 107 of 1998);
- Issuing certificates for the export of animals and animal products;
- Providing environmental management that is responsible for air quality management, waste management, environmental impact management, conservation and sustainable use of biodiversity. The department's strategic approach and its location within the economic sub-committee, changes the interpretation of its environmental management and protection mandate to include a focus on supporting and facilitating;
- Sustainable development of green and environmentally friendly and sustainable technologies and processes; energy security;
- Enabling increased participation by previously disadvantaged individuals and communities in environmental management and protection;
- Coordination with other GPG departments and municipalities to contribute to rural development in the province;
- Contributing to the implementation of the Gauteng Rural Social Compact Plan by assisting signatories on the plan to implement their projects; and
- Conducting awareness sessions on BBBEE/AgriBEE to ensure that stakeholders understand the implications of changes brought about by the BBBEE Amendment Act of 2013, Act No 46 of 2013 and the current draft AgriBEE Sector Charter that is expected to be finalised and gazetted.

Ten Pillar Programme of Transformation, Modernisation and Reindustrialisation

GDARD continues to align its initiatives and interventions with the province's TMR. The department responds to five of the programme's nine Pillars:
- Pillar 1: Radical Economic Transformation;
- Pillar 2: Decisive Spatial Transformation;
- Pillar 3: Accelerated Social Transformation;
- Pillar 6: Modernisation of the Economy; and
- Pillar 7: Modernisation of Human Settlements and Urban Development.

A modernised and transformed agricultural sector increasing food security, economic inclusion and equality
- Maximise and harness the growth and job creating potential of the agricultural sector;
- Increase food security for all and ensure the sustainability thereof;
- Facilitate broad based participation in the agriculture sector by rigorously including women, youth and persons with disabilities, SMMEs, co-operatives and township entrepreneurs;
- Support and co-ordinate comprehensive rural development; and
- Ensure viable and sustainable economic agricultural enterprises.

Sustainable Natural Resource Management
- Protect and manage the Gauteng's natural resources and environment;

- Advance eco-tourism in Gauteng province;
- Promote good waste management including diversion of waste from landfill through maximising recycling diversion of waste; and contribute to sustainable employment;
- Support the development and utilisation of green technologies and processes;
- Boost energy security inclusion through the development of suitable energy mix solutions; and
- Lead the Gauteng Land Care Programme.

Major programmes and projects aligned with the TMR are:

- Development of Agri-parks which speak to re-industrialisation of the Gauteng City Region (GCR) and also to the inclusion of youth and other previously excluded and disadvantaged groups in farming and transforming the agriculture value chain;
- Agro-processing: Gauteng is not a substantially agricultural province; the central role in the value chain is through agro-processing. The department's initiatives are to provide quality infrastructure to harness agro-processing to support agro-prenuers through training and access to markets;
- Bio technology projects: in an effort to modernise the province, the department supports business incubation in biotechnology parks; and
- Urban Agriculture: with increased poverty and continuous migration to the Gauteng province the department seeks to look into urban agriculture as an impetus to food security, particularly because there is not sufficient land for traditional agricultural activities.

National Development Plan

Beyond the department's alignment with the TMR which is a provincial expression of the NDP, it links its programmes and policies to the NDP as well as the Ten Pillar programme.

- Economy and Employment: Rolling out of skills development for farmers linked to the farming infrastructure investments of the department such as hydroponics and pack houses;
- Economic infrastructure: Revamping the Vereeniging fresh produce market, investments in vegetable tunnels in the Agri-parks, Randfontein Milling plant and De Deur Greenhouse;
- Inclusive Rural Economy: Facilitation of Bantu Bonke pack house in Heidelburg with hydroponics structures; creation of a BBE deal for farm workers in the tropical mushroom farm in Magaliesburg area; and
- Environmental Sustainability: Implementing clean-up campaigns such as Bontle ke Botho (BKB).

External activities and events relevant to budget decisions

Climate change presents a significant future challenge to maintaining agricultural production in South Africa. The agricultural value-chain in Gauteng largely reflects historic ownership and participation patterns with the dominance of a limited number of large commercial industry players. At the periphery of the mainstream economy are smallholder enterprises, mainly involved in primary agricultural activities, with many of these enterprises struggling to operate sustainable and viable businesses. These enterprises suffer from a lack of resources, knowledge and skills that are preventing them from entering the mainstream markets and reaping real socio-economic benefits.

The zoo sanitary status of the province and country has remained favourable in the year, thus enabling increased trade in animals and animal products. The National Veterinary Strategy has now been adopted and should influence the implementation of programs of national importance in line with the identified strategic pillars which are: strengthening competence for animal health, veterinary public health food and feed safety, veterinary lab diagnostics, animal welfare as well as animal and product identification recording and traceability system. GDARD is very concerned with a number of current legal ongoing court cases whose outcomes could have serious consequences for disease control, development of the livestock sector and food security was about R7, 4 billion worth of animals and animal products during the 2015/16 financial year.

The Gauteng Environmental Management Framework has identified activities to be excluded from the regulatory requirements of an environmental authorisation. In order to streamline legislation, GDARD will implement the National Environmental Management Act (NEMA) exclusions and standards for excluded activities in Zone 1 and Zone 5 of the Gauteng Provincial Environmental Management Framework (EMF). The development of the Gauteng Environment Outlook Report 2018 will enable Gauteng to determine environmental sustainability indicators that need to prioritised in the GCR and formulate the necessary policies. This will enhance sustainable development in the Gauteng City Region**.** GDARD will support the future spatial development of the province by ensuring that spatial practices maintain a balance between the socio-spatial and ecological systems in order to maximize the use and functioning of eco-system services in the built environment.

In 2013, 2014, 2015 the general waste and non-hazardous waste quantities as reported in the Gauteng Waste Information System (GWIS) was more than doubled to 14.38, 15.60, and 14.23 million tons respectively from the levels reported in 2010. In the same period 32, 35 and 22 per cent of general waste, respectively, were diverted from landfill or recycled in

the Gauteng province. GDARD will therefore be mandating separation of waste at source in the province to reduce waste to landfill. The department will continue with the support of waste management cooperatives, buyback centres and waste pickers in order to facilitate their increased participation in formal waste sector.

Acts, rules and regulations

- NEMA EIA Regulations, 2014 (Government Notice R982 of December 2014) and Listing Notice 1, 2 and 3;
- NEMA EIA Regulations (Government Notice R546 of June 2010) and Listing Notice 1, 2 and 3;
- National Environmental Management: Waste Act, 2008 (Act 59 of 2008);
- National Environmental Management: Air Quality Act, 2004 (Act 39 of 2004);
- Gauteng Waste Information Regulations, 2004;
- Gauteng Health Care Waste Management Regulations, 2004;
- National Environment Management: Biodiversity Act, 2003 (Act 10 of 2004);
- National Environmental Management: Protected Areas Act, 2003 (Act 57 of 2003);
- Disaster Management Act (Act 57 of 2002);
- Animal Identification Act (Act 6 of 2002);
- Meat Safety Act, 2000 (Act 40 of 2000);
- National Heritage Resources Act, 1999 (Act 25 of 1999);
- World Heritage Convention Act, 1999 (Act 49 of 1999);
- Gauteng Noise Control Regulations, 1999;
- National Environment Management Act, 1998 (Act 107 of 1998);
- National Water Act, 1998 (Act 36 of 1998);
- Agriculture Products Standards Act, 1990 (Act 1990);
- Environment Conservation Act, 1989 (Act 73 of 1989);
- Animal Diseases Act, 1984 (Act 35 of 1984);
- Endangered and Rare Species of Fauna and Flora, (1984);
- Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983);
- Perishable Products Export Control Act, 1983 (Act 9 of 1983);
- Nature Conservation Ordinance, 1983 (Ordinance 12 of 1983);
- Gauteng Nature Conservation Regulations, (1983);
- Veterinary and Para-Veterinary Professions Act, 1982 (Act 19 of 1982);
- Plant Breeders' Rights Act, 1976 (Act 15 of 1976);
- Plant Improvement Act, 1976 (Act 53 of 1976);
- Hazardous Substances Act, 1973 (Act 15 of 1973);
- Subdivision of Agricultural Land Act, 1970 (Act 10 of 1970);
- Medicines and Related Substances Control Act, (Act 101 of 1965);
- Animal Protection Act, (Act 71 of 1962);
- Stock Theft Act, (Act 57 of 1959);
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act 36 of 1947);
- Performing Animals Protection Act, (Act 24 of 1935); and
- Aquaculture Bill.

Policy directives

- Land and Agrarian Reform Programme (LARP);
- National Comprehensive Rural Development Programme (CRDP) (2009);
- Gauteng Air Quality Management Plan (2008);
- National Biodiversity Strategy and Action Plan;
- National Waste Management Strategy;
- Land Care guidelines;
- Expanded Public Works Programme (EPWP) guidelines;
- Industrial Policy Action Plan (IPAP);
- National Development Plan (NDP);
- Agricultural Policy Action Plan (APAP);
- Comprehensive Agricultural Support Program (CASP); and
- National Veterinary Strategy.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

Pillar 1: Radical Economic Transformation

GDARD's Sustainable Resource Management (SRM)
1 131.5 hectares of land were protected and rehabilitated to improve agricultural production, and 213 green jobs created.

GDARD'S Farmer Support and Development (FSD)
The good rains experienced during the third quarter of 2016/17 led to 137 grain small farmers supported with maize production inputs to cultivate and plant for the purpose of food production. In addition, 2 471ha of land was cultivated and planted in grain fields at communal areas. A total of 1 965 farmers were provided with training, with 455 receiving accredited training and 1 510 non-accredited training.

Agricultural Economics Services
The department has ensured that 336 smallholder farmers benefit from agricultural economic advice ranging from food safety, quality assurance and access to finance among others in order to make informed decision on their farms.

Access to markets continues to be a means for ensuring that agricultural smallholder producers are effectively integrated into the mainstream economy. Markets enable farm producers to contribute to poverty reduction through the income realised from sales of their farm produce. In turn, markets drive production as farmers strive to meet the demands of consumers in terms of quantity and quality to comply with Agricultural Product Standard Act. During 2016/17, 49 farmers were assisted to access markets and to be able to sell their agricultural produce.

GDARD's veterinary services
As a results of the livestock farm and animal census undertaken during 2016, 14 386 epidemiological units were visited across the province and demand for more census had increased as it has not been conducted before and thus targeting was not holistic. Target setting will greatly improve in the coming years as there is now more information on the number and distribution of farms in the province. 50 419 animals were vaccinated against rabies outbreaks response and awareness vaccinations such brucellosis, black quarter and anthrax to emerging livestock farmers. As a result of the potential spillover of the rabies virus from the wild into the domestic animal population in Mogale city area, the state advised farmers to take the unusual measure of also having their production animals vaccinated as part of the controlled diseases in the Animal Diseases Act. These diseases are a potential cause of production losses which would negatively impact on the productivity of the farming enterprises. 176 876 animal health regulatory veterinary interventions were conducted with emerging and commercial farmers in the province.

The significant 145 per cent increase of clients serviced for animal and animal products export control against the planned target, is the result of companies exporting more during the festive season. 27 737 tests were performed and submitted to the Veterinary laboratory. The increase in the number of tests performed is as a result of the completion of the census exercise which has seen field officials being able to collect and submit more samples to the laboratory.

Pillar 2: Decisive Spatial Transformation

Biodiversity Management
Environmental Empowerment Services, which is undertaken via the People and Parks programme in and around the departmental nature reserves, contribute to an increase in knowledge of environmental management and environmental protection by the public. This in turn contributes to improved biodiversity management. A total of 5 407 day guests visited the northern nature reserves and a total of 557 guests stayed overnight.

Regulatory functions pertaining to permitting and licensing, conducted in terms of the Transvaal Nature Conservation Ordinance of 1983 and the National Environmental Management Biodiversity Act, allow for the regulation of selected plant and animal species. This contributes to reaching the outcome of protected and enhanced environmental assets and natural resources. A total of 298 permit inspections were carried out; 52 licenses were sold; five awareness inspections were conducted linked to permitting and licensing matters and six problem animal control interventions took place.

Compliance and enforcement
The department recorded 89 enforcement actions relating to non-compliance with environmental legislation. More enforcement actions were taken than anticipated as a number of long outstanding criminal cases were finalised by the judiciary. Also more non-compliance was discovered during the site inspections; these required enforcement actions.

29 more S24G applications of the National Environmental Management Act (NEMA) were received than were planned for. Applying in terms of S24G of NEMA is voluntary and can only be done by a person who has unlawfully commenced with any activities listed in terms of the National Environmental Management Act (NEMA) and/or National Environmental

Management Waste Act (NEMWA). The number of 59 S24G applications finalized was increased by the large number of applications withdrawn and closed due to the activities being de-listed or decommissioned. Some applications did not legally require the S24G process. Furthermore, 22 S24G fines were paid. Most of the fines that had undergone a process of review were paid in the third quarter.

Environmental Quality Management

The air quality sub-programme supported Sedibeng District with its Atmospheric Emissions Licence (AEL) process in order to ensure effective conditions of operation in the license implemented. A good quality AEL is a tool to ensure industrial emissions reduction. Industries with AELs are required to report their emissions through the National Atmospheric Emission Inventory System (NAEIS) between 1 January and 31 March of each year.

After auditing of emission reports is done by all AEL authorities from 31 March to 31 August, possible action may be taken against defaulters. A new sector indicator was implemented as from January 2016 to prevent defaulters; no atmospheric emission license applications had been received as at end of the third quarter.

Environmental Policy Planning and Co-ordination

The department reviewed thirteen intergovernmental sector tools and twelve IDPs were reviewed in line with Chapter 3 of NEMA; this promotes environmental cooperative governance.

The Gauteng Spatial Development Framework 2030 was reviewed and comments submitted to the Gauteng Planning Division (GPD) in the Office of the Premier in line with the Gauteng 10 Pillar programme to enhance governance systems. This is also in line with Chapter 3 of NEMA and promotes environmental cooperative governance. The result is improved integration of environmental issues into sector tools.

Pillar 3: Accelerated Social Transformation

GDARD's Food Security for all and ensuring the sustainability thereof

Vegetable production packs were delivered to 4 917 households which assisted towards agricultural food security. The food gardens programme is continuing in various areas, with officials supporting 67 schools and others concentrating on the 90 homestead food gardens and 2 965 individual homestead projects. This is in line with the department's initiatives to support food security. The food security initiatives target women in particular to redress and address poverty patterns; 592 women benefited from this programme.

Environmental Empowerment Services

The Zuurbekom and Sluis projects were scaled up to finish projects rapidly since the multi-year contract was not renewed. This resulted in 1 131.5 hectares of land protected and rehabilitated to improve agricultural production. 213 Green Jobs were created.

A total of 1 274 job opportunities were created through environmental projects. 254 environmental awareness activities were conducted; 35 activities were to capacitate and train farmers.

Pillar 6: Modernization of the Economy

GDARD's agriculture-related research and technology outcomes and targets

Seven Agri-parks are being maintained and one was successfully launched during November 2016 in Westonaria. In addition, six agricultural disaster risk reduction programmes were managed. The recent rainy season led to high demand for the use of GDARD tractors during the planting period; 6 739 hectares of land have been ploughed so far. In addition, 104 farm plans have been developed against the year's target of 80.

Pillar 7: Modernisation of human settlements and urban development

Rural development

The Council of Stakeholders' (a ward-based committee comprised of different stakeholders) training took place in December 2016 and covered all four Councils of Stakeholders. Four rural development projects were also implemented with signatories to the Gauteng Rural Social Compact Plan. One AgriBEE Indaba aimed at improving awareness of AgriBEE was successfully hosted at Vanderbijlpark.

Impact Management

As at the end of the third quarter, 132 Environmental Impact Assessment applications had been processed. Of these, 127 Environmental Impact Assessment (EIA) applications were completed within the provincial agreed time frame and five Environmental Impact Assessments were out of time frame only an average of three days. The conditions of the environmental authorizations' address the current challenges including rainwater harvesting, energy efficiency and separation of recyclable materials from unrecyclable materials.

Waste management
The department held a successful waste information system stakeholder engagement workshop in November 2016. Ten waste management licenses had been issued within legislated timeframes as at end of the third quarter. In addition, 504 waste information system (WIS) and 31 health care waste approvals have been issued to date. The department assisted 44 cooperatives in priority townships in City of Tshwane (COT), Randfontein and Emfuleni local municipalities which were interested in registration with the Department of Trade and Industry (DTI).

Bontle Ke Botho (BkB)
Following the launch of the Bontle ke Botho (BkB) campaign, GDARD in partnership with municipalities has conducted approximately 20 clean-up campaigns led by the political leadership in townships across the province including the inner City of Joburg (COJ). The Green Cadet programme involving 225 youth drawn from townships identified to be in need of attention in terms of waste management was introduced.

Greening activities were continued in Rand West City Local Municipality (Westonaria Borwa) and 400 trees were distributed to households for planting. In support of the call to eradicate illegal dumpsites, an open space which had become an illegal dumping site in Ennerdale was converted into a large food garden on World Food Day. Converting the illegal dump started with a clean-up campaign in the open space with community members and government officials participating.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

In the 2017/18 financial year, the department will continue through its planned projects to ensure high performance and enhanced service delivery; to position agriculture as a key sector in Gauteng's economic development; and to intensify efforts towards more sustainable and friendly environment

Pillar 1: Radical Economic Transformation

Farmer Support and Development
As part of re-industrialisation, the department is planning to increase the number of sites adopting the latest vertical hydroponics farming technology currently being introduced through the Agri-parks. One Agri-park with vertical hydroponics technology has already been established near the Bekkersdal and Donaldson Dam in the RandWest Municipality. This technology is well adapted to mitigate the effects of climate change. The vertical hydroponics chamber is an intensive growth chamber for vegetable production with high yields attained within a short period of time. The additional benefit is that the technology addresses and solves many problems associated with access to land and therefore lends itself ideally to farming in an urban environment and in areas with smaller land parcels. In 2017/18, the department plans to establish another vertical hydroponics project in the Agrotropolis designated area.

The department believes that in the 2017/18 financial year, the effects of drought will slowly diminish as the rains experienced in January 2017 have brought much relief to the farming sector and in particular the livestock and grain sectors. In continuing to support farmers, the department will conduct farmers' awareness campaigns throughout the province to ensure that they understand the mechanisms of mitigating the effects of various agricultural disasters.

Agriculture is a sector in which producers are sustainable when they produce high volumes of their products. The department will through the Comprehensive Agricultural Support (CASP) Project assist farmers with primary production infrastructure such as piggery housing, poultry housing, boreholes, irrigation infrastructure and cattle handling facilities. The department will also provide support through the mechanisation programme to ensure that farmers have access to machinery to increase their production and productivity.

The Food Security sub-programme will continue to render extension and advisory services to subsistence producers in the province. Production inputs such as vegetable seeds, tools, compost, watering cans and hosepipes will be provided as part of support to the programme beneficiaries.

Veterinary Services
The economy may experience a spike in the prices of beef and mutton due to supply constraints resulting from the drought. Gauteng Veterinary Services' influence in the beef production and processing value chain lies on the supply side through improvement of beef production practices. Interventions currently being implemented, as well as maintenance of a favourable disease status in the population, include improvement in the management of pastures by farmers so that they can build up reserves of fodder which they can use during winter or periods of drought. The presence of Community Veterinarians has made it possible to establish a pilot veld regeneration project, underway at Rust de Winter and Devon. In line with government's initiatives to commercialise emerging small-scale livestock farmers, a process is underway, in

partnership with the private sector, to enter identified farmers into a full livestock farm management and production course over a period of two years.

Outbreaks of animal diseases are driven by a multiplicity of factors which are often impossible to predict. However, GDARD is always ready, with the support of the Office of the Premier (OoP), the Legislature and Treasury, to respond to any upsurges in the incidence of diseases that may impact negatively on food security and trade. Herd health management, primary animal health, disease diagnostic support and basic clinical services remain an integral component of state support for the transformation of the livestock sector. The number of compulsory community service (CCS) veterinarians placed in Gauteng will decrease as a result of the Department of Agriculture Forestry and Fisheries DAFF's prioritisation of predominantly rural provinces for the placement of veterinarians graduate and this will require careful management of operations in order to make maximum use of the human capital allocated to Gauteng.

The allocated capital budget for the Nguni cattle project is almost exhausted although the five-year period involving the three farmers who were the first to receive their animals still has two more years to run. An increase in interest by beef farmers in the programme has been noted and motivations will be made for additional budgetary support for livestock development and sector transformation programmes.

Government has been given an extension until mid-2017 as the starting date for veterinary authorities to be ready to assume responsibilities for the administration of the Performing Animals Protection Act (PAPA). This is likely to place additional demands on the officials as this new mandate commences. The growing global awareness of the problem of anti-microbial resistance (AMR) means that surveillance programmes have to be put in place to monitor the patterns of emergence of this global problem with the view to devising and implementing targeted awareness and AMR reduction programs.
The results of the placement of movable poultry abattoirs in Attridgeville, Winterveldt and Rooiwal should become evident during 2017/18 with illegal slaughter activities being converted to legal sources of chicken. This should then allow for the legal product to be further processed, stimulating township economies.

Pillar 2: Decisive Spatial Transformation

Gauteng's natural resources and environment protected
Compliance enforcement will continue with the monitoring of environmental authorisations (EAs) through conducting routine, proactive and reactive inspections. There will be more focus on the use of criminal enforcement mechanisms to act as further deterrence particularly for perpetual offenders. Better coordination between the provincial Environmental Management Inspectorate (EMIs) and municipal EMIs will also be a focus area to ensure that there is synergy between the two spheres of government in the area of compliance and enforcement. 2017/18 will see EMI training being undertaken for environmental health inspectors at the municipal level through the department's partnership with Tshwane University of Technology.

Impact management
To ensure that economic growth and investors' attraction to Gauteng Province is not negatively affected, most Environmental Impact Assessment (EIA) applications are finalised within 90 days whilst the work of finalising the plan to ensure that EIAs are finalised within 30 days is still in progress. The Gauteng Provincial Environmental Management Framework (2015) requires that norms and standards must be developed to exclude certain listed activities in the EIA regulations from obtaining environmental authorisations through the full EIA requirements process. The Gauteng Environmental Standards have been developed and are awaiting approval by the Minister of Environmental Affairs.

Biodiversity permits
Biodiversity permits to keep, import and export game, game products and plants and to hunt game will continue to be issued to facilitate the sustainable use of wildlife resources in Gauteng province. This sustainable use of wildlife resources should stimulate the economy via pet shops, zoos and hunting farms that trade in wildlife based on the biodiversity permits issued.

Biodiversity research
To aid appropriate and responsible land use planning and development, biodiversity monitoring and research will continue to take place on both terrestrial and aquatic systems in order to lend ecological decision support in terms of spatial development in Gauteng province. Appropriate and responsible development in the natural system allows for the continuation of life-sustaining ecosystem services such as fresh water and healthy soil that can support farming and crop pollination services by insects.

Climate Change Strategy
Global and regional temperatures are fluctuating resulting in negative impacts on water resources, food production, human settlements and biodiversity resources. To contribute to the reduction of pollutants in the atmosphere, there is a need for the development of Gauteng City Region climate strategy in partnership with government entities, state departments, local government and the private sector.

Pillar 3: Accelerated Social Transformation

GDARD's Food Security for All and ensuring the sustainability thereof
A healthy agricultural sector is important for food security and, with growing populations and an increasing demand for food, agricultural production will have to be significantly increased to meet those demands. Agricultural production will increasingly have to compete with other urban uses for land and resources, while increased production will have to be balanced with the need to protect the environment and resource base on which agricultural production depends. The department will in 2017/18 develop 50 community gardens, 50 school food gardens as well as establishing at least 3000 backyard gardens.

Environmental awareness interventions
Environmental awareness activities will continue with communities, youth groups and school groups. The continued roll-out of BKB programme to different communities in the province is still vital to promote recovery of waste at source through recycling projects initiated by the department.

Pillar 6: Modernisation of the economy

GDARD's Research and Technology Development Services outcomes
The Agri-parks are being maintained in West Rand and Sedibeng district municipalities. One additional high-tech Agri-park will be developed in 2017/18 in partnership with the City of Ekurhuleni. The department will also work with Sedibeng District Municipality and Western District Municipality towards establishing an Agrotropolis. A range of agro-processing infrastructure will be initiated to support Small, Micro, Medium Enterprises (SMMEs) with infrastructure and training of agro-preneurs. Five major agro-processing value chain projects will be supported in the Western and Southern corridors, focusing on priority value chains such as grains, vegetables, red meat and poultry.

In a highly competitive global market place, production is increasingly being shifted towards greater integration of agricultural production, processing and distribution along with well-organized commodity value-chains in order to improve efficiencies, enhance value addition and increase economic benefits. The agricultural value-chain is dependent on a strong and productive primary agricultural production sector. This is generally labour intensive, creating significant employment opportunities and contributing to the livelihoods and income generating abilities of many households.

The department will invest in training in order to ensure that farmers are adequately skilled to produce quality products for markets. In this regard, GDARD will be partnering with institutions such as the Agriculture Research Council, Buhle Farmers Academy, and QuTom Farms to deliver comprehensive training in the horticulture sector. The department will also partner with the poultry sector, piggery sector, grain sector and AgriSETA to ensure that farmers receive adequate training.

Pillar 7: Modernisation of human settlements and urban development

GDARD's rural development targets and outcomes
GDARD will continue to focus on the four rural nodes and will explore ways of expanding its reach to other areas in the province. The focus will be on ensuring that Councils of Stakeholders are functional to perform their monitoring role of services in rural areas. Co-ordination with other GPG departments will continue to ensure that they render services in the rural areas.

Implementation of the Gauteng Rural Social Compact plan will continue with signatories such as Women in Agriculture and Rural Development, Youth in Agriculture and Rural Development, Agri Gauteng, Rural SA, the National African Farmers Union, the African Farmers Association of South Africa, and the Food and Allied Workers Union. Due to changes in the BBBEE Amendment Act 46 of 2013, GDARD will continue with awareness initiatives on BBBEE and AgriBEE. It is expected that the draft AgriBEE sector charter will be gazetted to ensure transformation in the agricultural sector.

Management of Gauteng provincial nature reserves and People and Parks Programme
The department will continue to create green jobs on its nature reserves where workers will gain experience in fire management projects, removal of alien plants and day-to-day maintenance activities. Families will continue to benefit from community-based natural resource Management through the thatch grass harvesting programme.

4. REPRIORITISATION

In support of the roll-out of the national Compulsory Community Services (CCS) program, an amount of R485 000 was reprioritised from travel and subsistence to capital assets for the incremental establishment of veterinary clinics in the Western, Southern and Eastern Corridors of the province. There is a need for the department to allocate funds to compensation of employees for capacity building to implement the veterinary community services and primary animal

health care projects by creating seven posts of Veterinary Services professionals and therefore reducing Inventory: medicine by R5.5 million under goods and services. CASP grant portion with the amount of R4.3 million was shifted from goods and services: Inventory: farming supplies to supplement the compensation of employees for Extension officers under Farmer Support and development programme

The reprioritisation of Sustainable Resource Management allocation has entailed reduction of travel and subsistence, stakeholder engagement and facilities rental allocations to ensure that job creation and skills development for youth, people living with disability and women within the natural resource and agriculture sectors through EPWP and Land Care programmes is achieved as per national targets. The APP targets for Programmes 2 and 3 for which Sustainable Resource Management is responsible will not change in spite of the reduction in the allocation.

Environmental Quality Management programme, R3 million was reprioritised from Advertising towards venues and facilities for MEC open day and contractors for rehabilitation of illegal dumping areas in townships, projects that contribute to the Township revitalisation programme. The projects under Rural Development Coordination for training the Council of Stakeholders, and projects implemented with signatories of the Gauteng Rural Social Compact Plan, contribute to social transformation; the Industry AgriBEE Indaba contributes to radical transformation. R 1.5 million was reprioritised from Office of the MEC towards Rural development programme for training of the Council of Stakeholders in relation to the implementation of the Gauteng Rural Social Compact plan.

5. PROCUREMENT

The department will continue to invest in support for the province's farmers by erecting agriculture infrastructure such as piggery and poultry structures, agro-processing, Agri-parks, establishment of Isigayo milling plant, mainstream urban agriculture through construction of hydroponics tunnels and drilling of boreholes. These interventions assist a great deal in stimulating growth and development of the province's farmers thus ensuring greater and wider food security.

The department will continue to roll out the training of middle and senior managers on supply chain management with specific emphasis on bid committees. This is geared at ensuring optimum compliance and improving efficiencies through proper planning and execution of procurement projects.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 11.1: SUMMARY OF RECEIPTS: AGRICULTURE AND RURAL DEVELOPMENT

			Outcome	Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	463 510	535 858	698 208	659 075	712 807	712 807	794 984	810 424	825 146
Conditional grants	80 188	88 144	113 732	118 778	118 778	118 778	121 616	128 010	148 864
Comprehensive Agricultural Support Programme Grant	55 880	60 693	82 454	85 079	85 079	85 079	87 136	92 333	111 351
Ilima/Letsema Project Grant	17 538	19 641	24 234	26 061	26 061	26 061	27 673	30 278	31 974
Land Care Programme Grant: Poverty Relief and Infrastructure Development	6 163	4 748	4 601	4 802	4 802	4 802	4 123	5 399	5 539
Expanded Public Works Programme Incentive rant for Provinces	607	2 454	2 443	2 836	2 836	2 836	2 684		
Total receipts	**543 698**	**624 002**	**811 940**	**777 853**	**831 585**	**831 585**	**916 600**	**938 434**	**974 010**

The table above shows the departmental receipts which are made up of equitable share and conditional grants. The equitable share allocation increased from R464 million in 2013/14 to R713 million in 2016/17 due to the drought management relief scheme, agro-processing and Agri-parks infrastructure development, eradication of maintenance backlogs in the department's nature reserves, greening campaigns to create a clean city region, clearing illegal dumping sites and tree planting.

Over the 2017 MTEF, the budget increases from R916 million to R974 million due to an amount of R79 million availed to the department to fund the agro-processing food and beverage sector (R39 million); Agri-parks and the Agrotropolis project initiative (R23 million); mainstreaming urban Agriculture (R12.5 million); and (R2.5 million) for community services and primary animal health care capacity building.

The conditional grant appropriation increased from R80 million in 2013/14 to R119 million in 2016/17 as a result of an increase in the Comprehensive Agricultural support Programme (CASP) grant allocation due to portion of grant that was ring-fenced for training farmers and retention of extension officers. Over the MTEF period, the grant allocation grows from R122 million in 2017/18 to R149 million in 2019/20 enabling continued support for farmers through primary production infrastructure such as piggery housing, poultry housing, boreholes, irrigation infrastructure and cattle handling facilities. The department will continue to support farmers through the mechanisation programme to ensure that they have access to machinery to increase their production. The EPWP conditional grant enables job creation in areas where labour intensive methods can be maximised. The Land Care Programme conditional grant funds poverty relief and infrastructure development to sustain natural resources, create job opportunities and improve food security. The Illima/Letsema grant supports universal access to agricultural support services.

6.2. Departmental receipts

TABLE 11.2: SUMMARY OF DEPARTMENTAL RECEIPTS: AGRICULTURE AND RURAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Sales of goods and services other than capital assets	743	1 768	7 218	8 140	8 140	8 140	8 554	8 989	9 618
Transfers received									
Fines, penalties and forfeits				6 468	6 468	6 468	6 791	7 131	7 419
Interest, dividends and rent on land			7	5	5	10	6	6	7
Sales of capital assets									
Transactions in financial assets and liabilities	287	330	819	200	200	1 438	240	260	260
Total departmental receipts	**1 030**	**2 098**	**8 044**	**14 813**	**14 813**	**16 056**	**15 591**	**16 386**	**17 304**

The departmental revenue is generated mainly from environmental application fees, fines for non-compliance as well as from export and import permit fees.

On the revenue performance side, the department has collected 70 percent of their appropriated target of R14.8 million.

For the 2017 Medium term period, revenue estimates for the departments have grown substantially, from R8 million in 2015/16 to R14.8 million in 2016/17, and stabilised to a steady growth of R15.6 million to R17 million in the outer year of the 2017 MTEF, due to a Cost Recovery Account being incorporated into the departments revenue collection sources.

7. PAYMENT SUMMARY

7.1. Key assumptions

When compiling the 2017 MTEF budget, the department considered the following factors:

- Assessment of baselines to identify activities that are no longer policy priorities and from which funds could be shifted to more urgent priorities of government;
- Improving alignment with government's policy priorities stated in the NDP, the 2014-2019 Medium Term Strategic Framework (MTSF), provincial government plans and the plans of the sector and institutions; and
- Allocating expenditure to realise the objectives of government's policy more effectively
- Shifting funds from non-essential items to priority items to improve value-for-money in government performance.

7.2. Programme summary

TABLE 11.3: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: AGRICULTURE AND RURAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	155 615	158 456	173 026	181 196	184 696	184 696	189 016	204 861	216 332
2. Agriculture And Rural Development	253 150	302 991	434 443	379 368	382 668	382 668	487 848	459 238	484 955
3. Environmental Affairs	134 933	153 575	203 969	217 289	264 221	264 221	239 736	274 335	272 723
Total payments and estimates	**543 698**	**615 022**	**811 438**	**777 853**	**831 585**	**831 585**	**916 600**	**938 434**	**974 010**

7.3. Summary of Economic Classification

TABLE 11.4: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**493 122**	**539 036**	**732 762**	**717 548**	**772 941**	**772 944**	**892 069**	**916 254**	**950 584**
Compensation of employees	291 624	330 853	382 200	409 708	405 400	405 399	436 286	462 737	488 652
Goods and services	201 491	208 179	350 562	307 840	367 541	367 545	455 783	453 517	461 932
Interest and rent on land	7	4							
Transfers and subsidies to:	**38 791**	**58 652**	**26 848**	**18 090**	**10 671**	**10 827**	**10 452**	**11 341**	**11 979**
Provinces and municipalities	7 325	12 234	8 231						
Departmental agencies and accounts	6 056	11 365	12 354	12 847	3 577	3 577	4 792	5 354	5 655
Higher education institutions	3 156	2 570	3 786	4 210	3 986	3 986	5 001	5 291	5 587
Public corporations and private enterprises	21 645	31 734	1 000	400	1 900	1 900			
Households	609	749	1 477	633	1 208	1 364	659	696	737
Payments for capital assets	**11 760**	**17 326**	**51 798**	**42 214**	**47 945**	**47 785**	**14 079**	**10 839**	**11 447**
Buildings and other fixed structures	5 838	6 231	18 648	30 839	34 958	34 958	3 909	111	117
Machinery and equipment	5 922	10 893	33 069	11 060	12 672	12 512	10 170	10 728	11 330
Software and other intangible assets		202	81	315	315	315			
Payments for financial assets	**25**	**8**	**30**		**28**	**29**			
Total economic classification	**543 698**	**615 022**	**811 438**	**777 853**	**831 585**	**831 585**	**916 600**	**938 434**	**974 010**

The audited outcomes increased from R544 million in 2013/14 to R812 million in 2015/16. The significant increase is mainly due to a correction of the departmental baseline which amounted to R104 million during the 2015/16 adjustment period. This made provision for drought relief to farmers, operational costs for the mobile abattoir, community services and primary animal health care.

Over the 2017 MTEF period, the allocation grows from R917 million in 2017/18 to R974 million in the 2019/20 financial year, for agro-processing to enhance food and beverage sector in barley production and the establishment of Isigayo milling plant for storage, distribution, packaging and marketing of farmer' production in the West Rand corridor. R39 million is allocated to Agri-parks infrastructure establishment in the Ekurhuleni metro, including upgrading the Vereeniging fresh produce market as an anchor to the Agrotopolis initiative in Sedibeng. R12.5 million is allocated to mainstream urban agriculture through the construction of hydroponic and poultry structures to mitigate food insecurity at household level. R2.5 million has been allocated for capacity building for community services and the primary animal health care project.

Programme 1: Administration had an increase in expenditure from R156 million in 2013/14 to R185 million in 2016/17 due to a top-up allocation for security services and an additional allocation for tenant installation services at the department's new office building. Over the 2017 MTEF, the budget grows from R189 million in 2017/18 to R216 million in 2019/20 to provide the corporate support services required by the department.

Programme 2: Agriculture and Rural Development had a significant increase in expenditure from R253 million in 2013/14 to R434 million in 2015/16 due to drought emergency relief schemes. This supplied water to support agriculture production and included drilling of boreholes, providing water tanks to farmers, maintenance of mobile abattoirs and primary animal health care services in townships. Over the MTEF, the budget is R488 million in 2017/18 and R485 million in 2019/20 due to additional funding to the programme for agro-processing, the Agri-parks-Agrotropolis project initiative and mainstream urban agriculture projects.

Programme 3: Environmental Affairs had a significant increase from R135 million in 2013/14 to R264 million in 2016/17 due to the allocation received during 2016/17 Adjustment budget to fund various clean development projects under the province's cleaner production and remediation programme financed by the Development Bank of South Africa (DBSA) and Bontle ke Botho greening campaigns. The budget is R240 million in 2017/18 and R273 million in the outer year and will be used mainly to implement nature reserves management plans; review and approve environmental impact assessments (EIAs); implement waste management activities; and continue with BkB campaigns for cleaning and greening in the province and thus improve the sustainable use of the environment.

Compensation of employees increased from R292 million in 2013/14 to R382 million in 2015/16 due to and allocation for correction of the baseline. Over the MTEF, the allocation for compensation of employees increases from R436 million in 2017/18 to R489 million in 2019/20 primarily due to funds availed for capacity building for Community Services and the Primary Animal Health Care project as well as annual improvements of conditions of service.

Expenditure on goods and services increased considerably from R201 million in 2013/14 to R368 million in 2016/17 due to the provision made for drought relief to farmers, implementation of IDMS projects in the Suikerbosrand nature reserve

and various clean development projects under the Gauteng cleaner production and remediation programme. Over the 2017 MTEF, the budget increases from R456 million in 2017/18 to R462 million in 2019/120 to fund departmental policy and priorities such as food security; agro-processing structures for barley production and malting to enhance the food and beverage sector in all corridors as a vehicle for radical transformation, modernisation and re-industrialization of the sector in Gauteng; construction of hydroponic and poultry structures to mainstream urban agriculture; Community Services and primary animal health care, township mobile clinical veterinary services targeting small scale farmers; projects linked to township economic revitalization; air quality management; monitoring and maintenance of ten ambient infrastructure in the province.

Transfers and subsidies decrease from R39 million in 2013/14 to R12 million in 2019/20 as all projects previously managed by municipalities on behalf of the department will be implemented through departmental tender processes. The allocation is made available mainly for research projects and skills development

The capital assets allocation fluctuated significantly from R12 million in 2013/14 to R52 million in 2015/16. The increase was attributable to capital projects in the departmental nature reserves as well as the department relocating to a new office building and procuring equipment for personnel. Over the 2017 MTEF, the budget is R14 million decreasing to R11 million in the outer year as department has not yet been able to appoint a built environment professional to assist with complying with the IDMS.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments
Please refer to the 2017 Estimates of Capital Expenditure (ECE).

7.4.2 Departmental Public-Private Partnership (PPP) projects
N/A

7.5 Transfers

7.5.1 Transfers to other entities
N/A

7.5.2 Transfers to local government

TABLE 11.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Category A	4 025	4 051	2 743						
Category B	3 300	6 215							
Category C		1 968	5 488						
Total departmental transfers	**7 325**	**12 234**	**8 231**						

The department no longer makes transfers to municipalities. All projects previously managed by municipalities on behalf of the department are implemented through the departmental tender process.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description
This programme provides the corporate support services required by the department's core programmes. It responds directly to a modernised and transformed agricultural sector increasing food security, economic inclusion and equality; and Sustainable Natural Resource Management.

The purpose of the programme is to provide leadership, management, efficient and effective monitoring and evaluation, policy and research co-ordination and security and risk management, financial management, HR management and development, facilities management services, professional legal services and enforcement services, communication and awareness as well as knowledge and project management services to the department in response to Outcome 12. The

programme's aim is an efficient, effective and development-oriented public service and empowered, fair and inclusive citizenship through the following strategic objectives which are in line with the department's five-year Strategic Plan.

Programme objectives

- Ensuring effective and efficient governance;
- Provision of effective planning, monitoring & evaluation, policy and research co-ordination and security and risk management;
- Provision of sound and compliant financial management;
- Provision of effective Human Resources management;
- Transformation within GDARD through mainstreaming women, youth and persons with disabilities;
- Provision of sound and reliable legal advice and support;
- Promotion and facilitation of effective communications between GDARD and the people of Gauteng; and
- Provision of ICT support and services.

Key policies, priorities and outputs

- Institutionalise long term planning;
- Forge a disciplined, people-centred and professional public service;
- Empower citizens to play a role in developing and building an ethical public service;
- Implement a less hierarchical approach;
- Improve the skills of public servants;
- Strengthen procurement processes;
- Pay suppliers promptly;
- Customise and adapt the IT system to specific areas of service delivery ;and
- Revitalize the Batho Pele programme and implement the Public Service Charter.

TABLE 11.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office of The MeC	6 795	5 744	5 736	5 766	4 331	4 331	4 855	5 106	5 391
2. Senior Management	34 791	34 576	41 317	25 987	25 582	25 582	26 521	28 059	29 629
3. Corporate Services	64 157	92 418	68 313	74 604	74 409	74 409	78 324	81 580	86 149
4. Financial Management	49 872	25 718	57 660	74 839	80 374	80 374	79 316	90 116	95 163
Total payments and estimates	**155 615**	**158 456**	**173 026**	**181 196**	**184 696**	**184 696**	**189 016**	**204 861**	**216 332**

TABLE 11.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**149 229**	**151 855**	**166 872**	**176 314**	**179 303**	**180 147**	**184 124**	**199 685**	**210 865**
Compensation of employees	87 892	96 350	107 774	113 273	111 973	111 973	116 783	121 533	128 340
Goods and services	61 330	55 501	59 098	63 041	67 330	68 174	67 341	78 152	82 525
Interest and rent on land	7	4							
Transfers and subsidies to:	**1 505**	**1 718**	**960**	**1 176**	**1 538**	**1 540**	**1 222**	**1 293**	**1 366**
Provinces and municipalities									
Departmental agencies and accounts	896	969	734	962	877	877	1 002	1 060	1 120
Households	609	749	226	214	661	663	220	233	246
Payments for capital assets	**4 856**	**4 875**	**5 164**	**3 706**	**3 827**	**2 980**	**3 670**	**3 883**	**4 101**
Buildings and other fixed structures		226	179						
Machinery and equipment	4 856	4 447	4 904	3 706	3 827	2 980	3 670	3 883	4 101
Software and other intangible assets		202	81						
Payments for financial assets	**25**	**8**	**30**		**28**	**29**			
Total economic classification	**155 615**	**158 456**	**173 026**	**181 196**	**184 696**	**184 696**	**189 016**	**204 861**	**216 332**

The programme's expenditure increased from R156 million during 2013/14 to R185 million in 2016/17 to cover security service costs, computers and tenant installation services due to the department's moving offices. Over 2017 MTEF, the budget is R189 million in 2017/18 increasing to R216 million in 2019/20 to accommodate cost of living increases in compensation of employees and the adjustment budget carry-through mainly for security services in the department.

The compensation of employees' allocation increases from R117 million in 2017/18 to R128 million in 2019/20 to cater for cost of living adjustments for personnel. The goods and services budget increased from R61 million during 2013/14 to R67 million in 2016/17 due to the allocation for tenant installation services in the new office building and top-up in security

services allocation. The budget is R67 million in 2017/18 and will increase to R83 million in 2019/20 to take account of annual inflation increases.

This programme makes transfers to departmental agencies and accounts for a skills development levy for employee capacity and external talent management initiatives. R1 million will be transferred to sector education and training authorities (SETAs) in 2017/18. The figure remains at R1 million in the outer years of the 2017 MTEF. Transfers to households relate to injury on duty payments. The allocation fluctuates since leave gratuity pay-outs are demand-driven. Over the 2017 MTEF, the allocation increases from R220 000 in 2017/18 to R246 000 for 2019/20 to accommodate household benefits in this programme.

Expenditure on capital assets was R5 million in 2013/14 and R4 million in 2016/17 due to fewer equipment replacements. The allocation is R4 million over the MTEF mainly for replacement of old furniture and labour saving devices.

PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT

Programme description

This programme area is responsible for two of the major mandate areas of the GDARD: development of agriculture and development of rural areas. Based on the new strategic direction for the fifth term of governance, greater emphasis will be placed on the economic growth and development elements of both mandate areas. The programme and its three strategic objectives described below respond directly to the GDARD's Strategic Outcome Oriented Goal 1: a modernised and transformed agricultural sector increasing food security, economic inclusion and equality. It contributes to Goal 2 (sustainable natural resource management) and indirectly to Goal 3 (enhanced capacity of the GDARD to implement effectively).

The programme aims to optimise the contribution of sustainable agriculture to the equitable development of all communities in the province by enhancing food security, income, employment and the quality of life; and to control and manage health risks of animal origin by ensuring healthy livestock production and the availability and affordability of healthy, high quality food and animal products, thus stimulating economic growth and contributing to poverty alleviation and international trade.

Programme objectives

- Enable and support transformation of the agriculture sector to actively contribute to economic growth, inclusion, equality and the creation of decent work;
- Sustainable agriculture reform with a thriving small and large farming sector;
- Boost food security for all and ensure the sustainability thereof;
- Improved access to affordable and diverse food;
- Improved rural services to support livelihoods;
- Ensure comprehensive socio-economic development in Gauteng's rural areas;
- Improved employment opportunities and economic livelihoods; and
- Institutional arrangements that support rural development.

Key policies, priorities and outputs

- Support sustainable development and management of community environmental and some agricultural resources and provide agricultural support services to farmers;
- Provide extension and advisory services, sustainable agricultural development support to smallholder and commercial farmers; provide agricultural infrastructure support coordination; and support households for the purpose of food security ;
- Provide increased agri-business support through entrepreneurial development, marketing services, value adding, production and resource economics;
- Ensure healthy animals and a supply of safe, healthy and wholesome food of animal origin by reducing levels of animal disease and negligible occurrence of zoonotic diseases;
- Provide a veterinary export certification service to the livestock and food processing industries as well as the adoption of SABS-approved animal welfare practices on Gauteng's farms, abattoirs and places of performing animals;
- Provide expert, needs-based research and technology transfer services; and
- Support and coordinate development programmes in rural areas by all stakeholders.

TABLE 11.8: SUMMARY OF PAYMENTS AND ESTIMATES: AGRICULTURE AND RURAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Sustainable Resource Management	30 157	36 190	31 298	39 244	38 744	38 744	39 932	39 745	41 971
2. Farmer Support & Development	114 670	140 860	176 117	176 665	175 965	175 965	193 213	205 579	217 091

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
3. Veterinary Services	53 584	60 612	84 638	85 767	86 267	86 267	89 721	94 428	99 716
4. Research & Technology Development Services	22 673	33 172	91 295	39 699	39 699	39 699	80 865	75 093	79 298
5. Agricultural Economics Services	26 601	24 539	44 831	29 771	32 271	32 271	73 984	33 560	35 439
6. Rural Development Coordination	5 465	7 618	6 264	8 222	9 722	9 722	10 133	10 833	11 440
Total payments and estimates	**253 150**	**302 991**	**434 443**	**379 368**	**382 668**	**382 668**	**487 848**	**459 238**	**484 955**

TABLE 11.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**216 333**	**243 656**	**384 332**	**354 994**	**368 111**	**367 965**	**471 742**	**442 550**	**467 330**
Compensation of employees	105 328	122 763	141 153	150 056	148 657	148 656	169 105	183 550	193 830
Goods and services	111 005	120 893	243 179	204 937	219 454	219 309	302 637	259 000	273 500
Transfers and subsidies to:	**35 861**	**54 524**	**25 276**	**16 705**	**7 338**	**7 483**	**9 036**	**9 843**	**10 396**
Provinces and municipalities	5 900	9 824	8 231						
Departmental agencies and accounts	5 160	10 396	11 620	11 885	2 700	2 700	3 790	4 294	4 535
Higher education institutions	3 156	2 570	3 786	4 210	3 986	3 986	5 001	5 291	5 587
Public corporations and private enterprises	21 645	31 734	1 000	400	400	400			
Households			639	210	252	397	245	258	274
Payments for capital assets	**956**	**4 811**	**24 835**	**7 669**	**7 219**	**7 220**	**7 070**	**6 845**	**7 229**
Buildings and other fixed structures							600		
Machinery and equipment	956	4 811	24 835	7 354	6 904	6 905	6 470	6 845	7 229
Software and other intangible assets				315	315	315			
Payments for financial assets									
Total economic classification	**253 150**	**302 991**	**434 443**	**379 368**	**382 668**	**382 668**	**487 848**	**459 238**	**484 955**

The programme's budget was R253 million in 2013/14 and R383 million in 2016/17 due to the construction of hydroponic tunnels, the establishment of chicken processing facility projects that contribute to development and upgrading of agro-processing infrastructure to comply with food safety standards. Funds were also allocated for production inputs such as vegetable seedlings, broilers and potato tubers for household food security, a project linked to the Ntirhisano food security programme as well as on-farm infrastructure such as piggery, poultry and shade nets structures to optimise farm production on the Sedibeng, West Rand and Tshwane development corridors.

Over the 2017 MTEF, the budget allocation is R488 million in 2017/18 and R484 million in 2019/20, due to additional funding availed to the department for agro-processing, Agri-parks and mainstream urban agriculture to support for SMMEs with infrastructure; training of agro-preneurs; continued Agri-park maintenance; development of a new high tech Agri-park in the City of Ekurhuleni; and upgrading of the Vereeniging fresh produce market in Sedibeng to support transformation of the agriculture sector to actively participate in economic growth.

The Farmer Support and Development budget is mainly driven by the Comprehensive Agricultural Support Programme and the Ilima/Letsema conditional grants. Over the 2017 MTEF, the allocation grows from R193 million in 2017/18 to R217 million in 2019/20 to continue with the provision of production infrastructure such as piggery and poultry housing, boreholes, irrigation infrastructure, cattle handling facilities and mainstream urban agriculture as part of support to the food production programme.

The Veterinary Services budget allocation increases from R86 million in 2017/18 to R100 million in 2019/20 to continue with the support of abattoir compliance monitoring inspections, and regulatory interventions in terms of animal diseases to safeguard livestock health and reduce the risk of zoonotic diseases to ensure meat safety. Primary animal health care interventions for veterinary clinical services to pets in townships and informal settlements and livestock for emerging farmers.

Sustainable Resource Management is allocated R40 million in 2017/18 and R42 million in 2019/20. The increase in the budget allocation makes provision for poverty relief through the removal of alien vegetation project, the disaster relief project and infrastructure development to sustain natural resources and create job opportunities and thus improve food security.

The Research Technology Development allocation decreased from R91 million in 2015/16 to R40 million in the 2016/17 financial year. The decrease was caused by the reduction in funding for the agricultural innovation hub. Over the MTEF, the allocation is R81 million in 2017/18 and R80 million in 2019/20. This will be for the development of new high tech

Agri-parks-Agrotropolis project initiative in the Eastern and Northern development corridors; continued maintenance and expansion of the existing Agri-parks and milling plants in Tarlton, Westonaria and Sebokeng; and the establishment of the Isigayo milling plant in the West Rand corridor to promote agricultural technology and science; and farmer training to ensure that farmers are adequately skilled to produce quality products for the market.

The allocation to Agriculture Economic Services is R74 million in 2017/18, mainly for the agro-processing project to enhance investment in the food and beverage sector such as barley production and malting, the De Deur Greenhouse Project, West Rand Agro-processing Hub as well as upgrading the Vereeniging Fresh Fruit Market for proper storage and distribution, packaging and marketing of commodities. The allocation will be R35 million in 2019/20.

The programme's budget allocation for compensation of employees increased from R141 million in 2015/16 to R149 million in 2016/17 financial year and will increase R194 million to take account of annual cost of living increases, filling critical vacant posts and allocation to extension officers in the outer year.

The goods and services budget was R219 million in 2016/17 and will increase to R273 million in 2019/20 to fund the Agri-parks-Agrotropolis project which provides access to production infrastructure, agro-processing to enhance the supply of barley production and malting, animal feed and mainstream urban agriculture projects to mitigate food insecurity at household level through agricultural activities.

Due to a change of methodology in implementing the projects to maintain mechanisation inputs such as tractors, the department has stopped transfers to municipalities and the Rand Water Foundation as from 2016/17. These projects are currently done through the departmental tender process.

Expenditure on machinery and equipment fluctuates, decreasing from R25 million in 2015/16 to R7 million in 2017/18 due to fluctuation in the acquisition of labour saving devices. The increases in the outer years is mainly to fund mechanisation input costs thus contributing to food security and job creation in the province.

SERVICE DELIVERY MEASURES

PROGRAMME 2: AGRICULTURE AND RRAL DEVELOPMENT

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of hectares protected/rehabilitated to improve agricultural production	800	800	1000
Number of hectares of agricultural land protected through guiding subdivision/ rezoning/change of agricultural land use	20	20	20
Number of green jobs created (through Land Care)	90	80	100
Number of disaster relief schemes managed	1	1	1
Number of disaster risk reduction programmes managed	4	4	4
Number of agricultural infrastructure established	20	20	20
Number of irrigation interventions conducted	60	60	60
Number of smallholder producers receiving support	200	220	240
Number of women farmers supported	60	65	65
Number of small-scale farmers supported to produce food in Sedibeng and West Rand	62	64	64
Number of smallholder producers supported with agricultural advice	2 260	2 300	2 350
Number of hectares cultivated for food production in communal areas and land reform projects	600	600	600
Number of participants trained in agricultural skills development programmes	650	700	760
Number of smallholder farmers trained	2 200	2 300	2 400
Number of commercial farmers trained	40	42	46
Number of households benefiting from agricultural food security initiatives	3 700	3 770	3 770
Number of individual homestead gardens supported	3 000	3 000	3 000
Number of school food gardens supported	49	49	49
Number of community food gardens supported	60	65	65
Number of food gardens (communities and schools) supported with water tanks for rainwater harvesting	36	40	40
Number of women benefitting from community food gardens	580	620	620
Number of epidemiological units visited for veterinary interventions	4 500	4 500	4 500
Number of Primary Animal Health Care (PAHC) veterinary interventions to small scale farmers (animal identification, vaccinations, basic treatment, skills transfer)	85 000	90 000	90 000
Number of mobile veterinary services in townships (basic treatments, vaccinations, sterilisations and awareness)	47 500	49 000	49 000

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of animal health regulatory veterinary interventions with emerging and commercial farmers (livestock and pet regulatory vaccinations, field samples collected, inspections conducted, movement documents processes for disease control purposes	209 000	209 000	209 000
Number of commercial beef breeders developed (Nguni)	3	3	3
Number of clients serviced for animal and animal products export control	7 000	7 000	7 000
Number of Export Value Reports providing amount and rand value (tonnage/ quantities) information of animal and animal products	1	1	1
Percentage level of abattoir compliance with meat safety legislation	80%	80%	83%
Number of tests performed the quality of which meets the ISO 17025 standard and OIE requirements	80 000	80 000	80 000
Number of clients who have benefitted from agricultural economic advice provided	300	350	370
Number of agri-businesses supported with agricultural economic services to access markets	60	70	80
Number of agro-processing value chain projects supported	5	6	7
Number of agricultural economic information responses provided	410	420	430
Number of economic reports compiled	6	7	7
Number of research and technology development projects implemented to improve agricultural production	10	10	12
Number of research presentations made nationally or internationally	40	40	40
Number of scientific papers published nationally or internationally	5	5	5
Number of SMME and biotech companies supported with business incubation (incl. BioFundi Awards)	6	6	6
Number of Agri-Expos organised	3	3	3
Number of smallholder farmers attending Agri-Expos	500	500	800
Number of farmers trained in water saving technologies	80	80	80
Number of research infrastructure managed	1	1	1
Number of farm plans developed	80	80	80
Number of hectares worked by GDARD tractors	3 500	3 500	3500
Number of Agri-parks established	1	1	1
Number of Agri-parks maintained	8	9	10
Number of women benefiting from Agri-parks	6	8	10
Number of Agro-tropolis initiatives supported	2	3	4
Number of Councils of Stakeholders provided with training	4	4	4
Number of projects implemented with signatories of the Gauteng Rural Social Compact Plan (NAFU, AFASA, AGRIGAUTENG, FAWU, WARD and YARD) to support social cohesion	5	5	5
Number of industry AgriBEE Indabas/State of AgriBEE held	1	1	-

PROGRAMME 3: ENVIRONMENTAL AFFAIRS

Programme description

This programme is responsible for the sustainable development mandate area of the department: protection and management of Gauteng's natural and environmental resources and ecosystems. Based on the new strategic direction for the fifth term of governance, greater emphasis will be placed on economic growth and development elements such as eco-tourism, development of alternate energy sources/supplies to provide long-term energy security, waste management and the development of green technologies and processes.

The programme promotes equitable and sustainable use of ecosystems, goods and services and contributes to economic development by managing biodiversity and its components, processes, habitats and functions. The programme also ensures that the province implements the principles of integrated waste management; promotes sustainable development and quality of life by ensuring acceptable ambient air quality and sustainable mining practices; and manages hazardous chemicals and industrial related activities.

Programme objectives

- Protect and manage Gauteng's natural resources and environment ;
- Support sustainable development including waste management, recycling and the development and utilisation of green technologies and processes ;and
- Boost energy security through the development of suitable energy mix solutions.

Key policies, priorities and outputs

- To develop policies and programmes that will help to reduce the negative environmental effects of developments ;
- To minimise and mitigate environmental impacts through inspections, criminal and administrative enforcement actions, raising awareness to foster environmental compliance ;
- To contribute to South Africa's pledge to reduce carbon intensity by reducing emissions by 35 per cent in 2020 and 43 per cent in 2025; and build an environment that is low carbon, energy efficient and minimizes waste;
- To ensure that ecosystems are sustained through an increase in the conservation estate, protection of biomes and endangered species, restoration of degraded land and sustainable exploitation of natural resources ;and
- To enable effective environmental institutional and governance mechanisms to create an enabling environment for stakeholders to contribute to sustainable development of environment and sector work opportunities.

TABLE 11.10: SUMMARY OF PAYMENTS AND ESTIMATES: ENVIRONMENTAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Environmental Policy, Planning And Coordination	17 285	13 350	17 875	17 432	53 201	53 201	20 630	21 827	23 049
2. Compliance And Enforcement	33 572	34 804	40 349	41 067	38 117	38 117	45 696	47 380	50 034
3. Environmental Quality Management	29 891	34 982	53 229	42 005	63 138	63 138	60 153	61 577	65 025
4. Biodiversity Management	54 185	70 439	92 516	116 785	109 765	109 765	113 257	143 551	134 615
Total payments and estimates	**134 933**	**153 575**	**203 969**	**217 289**	**264 221**	**264 221**	**239 736**	**274 335**	**272 723**

TABLE 11.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMENTAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**127 560**	**143 525**	**181 558**	**186 241**	**225 527**	**224 832**	**236 203**	**274 019**	**272 389**
Compensation of employees	98 404	111 740	133 273	146 379	144 770	144 770	150 398	157 654	166 482
Goods and services	29 156	31 785	48 285	39 862	80 757	80 062	85 805	116 365	105 907
Transfers and subsidies to:	**1 425**	**2 410**	**612**	**209**	**1 795**	**1 804**	**194**	**205**	**217**
Provinces and municipalities	1 425	2 410							
Public corporations and private enterprises					1 500	1 500			
Households			612	209	295	304	194	205	217
Payments for capital assets	**5 948**	**7 640**	**21 799**	**30 839**	**36 899**	**37 585**	**3 339**	**111**	**117**
Buildings and other fixed structures	5 838	6 005	18 469	30 839	34 958	34 958	3 309	111	117
Machinery and equipment	110	1 635	3 330		1 941	2 627	30		
Payments for financial assets									
Total economic classification	**134 933**	**153 575**	**203 969**	**217 289**	**264 221**	**264 221**	**239 736**	**274 335**	**272 723**

The audited outcome increased from R135 million in 2013/14 to R264 million in 2016/17 due to a once-off allocation availed to fund various clean development projects under the Gauteng Cleaner Production and remediation programme financed by the Development Bank of South Africa (DBSA).

Over the 2017 MTEF, the budget grows from R240 million in 2017/18 to R273 million in 2019/20, to continue implementing clean-up campaigns such as BKB, to support and establish six more waste recycling centres, clearing and rehabilitation of illegal dumping sites, tree planting, and continued issuing of environmental impact assessment authorisations and creating green jobs such as firefighting in the departmental nature reserves.

Goods and services expenditure increased from R29 million in 2013/14 to R81 million in 2016/17 due to the implementation of nature reserves management plans as well as environmental clean development projects. The budget is R86 million in 2017/18 and R106 million in 2019/20, to eradicate maintenance backlogs in the departmental nature reserves, conduct reviews and approvals of Environmental Impact Assessments (EIAs), implement waste management activities such as BkB campaigns for cleaning and greening in the province as well as continue issuing of biodiversity permits and thus improve the sustainable use of the environment

The expenditure for capital assets grew significantly from R6 million to R37 million between 2013/14 and 2016/17 due to an allocation to eradicate maintenance backlogs in the departmental nature reserves to boost eco-tourism. Over the 2017 MTEF, the budget decreases to R3 million in 2017/18 and decreases to R117 000 in 2019/20. The decrease in allocation is due to department's state of readiness to implement infrastructure projects.

SERVICE DELIVERY MEASURES

PROGRAMME 3: ENVIRONMETAL AFFAIRS

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of inter-governmental sector tools reviewed (IDPs)	4	4	4
Number of legislative tools developed	2	2	2
Number of functional environmental information management systems	3	3	3
Number of climate change interventions implemented	1	1	1
Number of environmental research projects undertaken (research and development electronic EIA system)	1	1	1
Number of administrative enforcement notices issued for non-compliance with environmental management legislation	80	80	80
Number of completed criminal investigations handed to the NPA for prosecution	30	30	30
Number of compliance inspections conducted	250	250	250
Number of received S24G applications finalized	15	10	10
Number of designated environmental management inspections (EMIs) in provincial departments and local government	8	8	8
Percentage of EIA applications finalized within legislated timeframes	100%	100%	100%
Percentage of atmospheric emission licenses with complete applications issued within legislated timeframes	100%	100%	100%
Percentage of facilities with atmospheric licenses reporting to the National Atmospheric Emissions Inventory System (NAEIS)	100%	100%	100%
Number of municipalities supported to develop air quality monitoring infrastructure	3	3	3
Percentage of waste license applications finalised within legislated timeframes	85%	90%	90%
Number of waste management co-ops assisted with registration with the DTI in the priority townships	30	30	30
Number of recycling facilities and buy-back centres supported with recycling equipment	20	25	30
Number of waste management recycling co-operatives in townships trained	30	30	30
Number of waste certificates issued	600	650	700
Number of health care waste approvals issued	20	25	30
Number of hectares in the conservation estate	73 756	73 756	73 756
Number of permits issued within legislated timeframes	8 200	8 200	8 200
Percentage of area of state managed protected areas with a METT score above 67	83%	83%	83%
Number of work opportunities created through environmental programmes	636	646	646
Number of capacity building activities conducted	28	30	32
Number of environmental awareness activities conducted	160	180	200
Number of quality environmental education resources materials developed	1	1	1
Number of EPWP FTE jobs created	160	150	140

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE: 11. 12: PERSONNEL NUMBERS AND COSTS

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	233	261	282	282	299	299	299
2. Agriculture And Rural Development	310	333	343	343	343	343	343
3. Environmental Affairs	361	310	344	344	344	344	344
Total provincial personnel numbers	**904**	**904**	**969**	**969**	**986**	**986**	**986**
Total provincial personnel cost (R thousand)	291 624	330 853	382 200	405 399	436 286	462 737	488 652
Unit cost (R thousand)	323	366	394	418	442	469	496

TABLE 11.13 PERSONNEL NUMBERS AND COSTS: AGRICULTURE AND RURAL DEVELOPMENT

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	173	27 270	176	27 818	171	29 446	106	65	171	29 466	186	34 081	186	35 136	186	35 050	3%	6%	7%
7 – 10	594	176 899	581	201 568	574	219 417	547	27	574	229 519	588	249 533	588	268 207	588	285 239	1%	8%	58%
11 – 12	96	64 007	105	69 920	113	68 660	113		113	74 083	114	78 551	114	82 077	114	85 823	0%	5%	18%
13 – 16	41	37 640	42	41 034	43	39 517	42	1	43	40 641	46	44 239	46	47 007	46	50 318	2%	7%	10%
Other		9 966		12 357	68	24 202	68		68	31 690	52	29 883	52	30 310	52	32 222	-9%	1%	7%
Total	**904**	**315 782**	**904**	**352 697**	**969**	**381 241**	**876**	**93**	**969**	**405 399**	**986**	**436 286**	**986**	**462 737**	**986**	**488 652**	**1%**	**6%**	**100%**
Programme																			
1. Administration	233	87 892	261	96 350	282	107 774	217	65	282	111 972	299	116 783	299	121 533	299	128 340	2%	5%	27%
2. Agriculture And Rural Development	310	105 328	333	122 763	343	141 153	315	28	343	148 657	343	169 105	343	183 550	343	193 830	0%	9%	39%
3. Environmental Affairs	361	98 404	310	111 740	344	133 273	344		344	144 770	344	150 398	344	157 654	344	166 482	0%	5%	35%
Direct charges																	0%	0%	0%
Total	**904**	**291 624**	**904**	**330 853**	**969**	**382 200**	**876**	**93**	**969**	**405 399**	**986**	**436 286**	**986**	**462 737**	**986**	**488 652**	**1%**	**6%**	**100%**
Employee dispensation classification																			
Public Service Act appointees not covered by OSDs						301 206	778		778	306 328	778	333 844	778	351 012	778	370 669	0%	7%	79%
Public Service Act appointees still to be covered by OSDs																	0%	0%	0%
Professional Nurses, Staff Nurses and Nursing Assistants																	0%	0%	0%
Legal Professionals						1 896	3		3	2 009	3	2 649	3	2 278	3	2 406	0%	6%	1%
Social Services Professions																	0%	0%	0%
Engineering Professions and related occupations						76 076	188		188	80 640	188	87 478	188	90 607	188	95 681	0%	6%	21%
Medical and related professionals																	0%	0%	0%
Therapeutic, Diagnostic and other related Allied Health Professionals																	0%	0%	0%
Educators and related professionals																	0%	0%	0%
Others such as interns, EPWP, learnerships, etc																	0%	0%	0%
Total						**379 178**	**969**		**969**	**388 977**	**969**	**423 971**	**969**	**443 897**	**969**	**468 756**	**0%**	**6%**	**100%**

The table above indicates the number of personnel actual head count as at 31 March 2016 as reflected on the 2015/16 Annual Report. Total personnel expenditure increased from R331 million in 2014/15 to R382 million in the 2015/16 financial year. The significant increase in personnel costs is attributed to the correction of employee costs baseline, the upgrade of administration clerks' levels, the general annual improvement of conditions of service and the implementation of grade progression for 2013/14. Total personnel expenditure increases from R405 million in 2016/17 to R428 million in 2017/18. The increase in the head count from 2016/17 to 2017/18 under the Administration Programme is as a result of the creation of a new Infrastructure component dealing with the IDMS within the CFO Branch. The exponential growth in the demand of services from communities (rendering of ambulatory clinical and animal clinic) requires dedicated administration support in order to run optimally. The budget allocation will increase to R489 million in 2019/20 for capacity building for Community Services and the Primary Animal Health Care project as well as annual improvements of conditions of service and cost of living adjustments**.**

9.2 Training

TABLE 11.14: INFORMATION ON TRAINING: AGRICULTURE AND RURAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	904	904	969	969	969	969	986	986	986
Number of personnel trained	901	711	675	675	675	675	665	665	665
of which									
Male	414	327	310	310	310	310	306	306	306
Female	487	384	365	365	365	365	359	359	359
Number of training opportunities	176	194	176	176	176	176	176	186	196
of which									
Tertiary	150	169	146	146	146	146	146	154	163
Workshops	20	20	20	20	20	20	20	21	22
Seminars	6	5	10	10	10	10	10	11	11
Other									
Number of bursaries offered	42	38	38	40	40	40	60	60	60
Number of interns appointed	48	40	40	45	45	45	45	45	48
Number of learnerships appointed									
Number of days spent on training	3	5	5	4	4	4	4	4	4
Payments on training by programme									
1. Administration	6 909	5 579	3 805	3 594	3 594	3 594	4 901	5 212	5 536
Total payments on training	**6 909**	**5 579**	**3 805**	**3 594**	**3 594**	**3 594**	**4 901**	**5 212**	**5 536**

The table indicates departmental payments and estimates for training. The expenditure on training was R6 million in 2014/15 and R4 million in 2015/16 million for skills development initiatives to build internal and external capacity. In 2016/17, the budget is R4 million increasing to R5 million over the 2017 MTEF for implementation of the workplace skills plans included in the DPSA's Human Resources Development Implementation Plan which provides the action plan about how these activities will unfold. To assist with scarce skills development, the department approved a Talent Management and Pipelining Strategy in the 2016/17 financial year and has implemented career awareness sessions in conjunction with municipalities, the Office of the Premier and various stakeholders. Financial assistance in the form of bursaries is granted to deserving applicants, and workplace exposure/internships are provided to assist graduates with workplace readiness. Collaborative internship projects have been implemented with the Ekurhuleni municipality and the FoodBev SETA respectively. These projects will continue over the MTEF which will allow the department to increase its reach to unemployed youth and provide the necessary exposure to increase the employability of graduates.

9.3 Reconciliation of structural changes

N/A

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 11.15: SPECIFICATION OF RECEIPTS: AGRICULTURE AND RURAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Tax receipts									
Sales of goods and services other than capital assets	**743**	**1 768**	**7 218**	**8 140**	**8 140**	**8 140**	**8 554**	**8 989**	**9 618**
Sale of goods and services produced by department (excluding capital assets)	743	1 768	7 218	8 140	8 140	8 140	8 554	8 989	9 618
Sales by market establishments									
Administrative fees									
Other sales	743	1 768	7 218	8 140	8 140	8 140	8 554	8 989	9 618
Of which									
Health patient fees	743	789	4 399	1 103	1 103	1 103	1 158	1 216	1 284
Other (Specify)		979	893	850	850	850	900	952	1 006
Other (Specify)			521	2 012	2 012	2 012	2 112	2 218	2 342
Other (Specify)			1 405	4 175	4 175	4 175	4 384	4 603	4 986
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Fines, penalties and forfeits				**6 468**	**6 468**	**6 468**	**6 791**	**7 131**	**7 419**
Interest, dividends and rent on land			**7**	**5**	**5**	**10**	**6**	**6**	**7**
Interest			7	5	5	10	6	6	7
Dividends									
Rent on land									
Sales of capital assets									
Transactions in financial assets and liabilities	**287**	**330**	**819**	**200**	**200**	**1 438**	**240**	**260**	**260**
Total departmental receipts	**1 030**	**2 098**	**8 044**	**14 813**	**14 813**	**16 056**	**15 591**	**16 386**	**17 304**

TABLE 11.16: SUMMARY OF PAYMENTS BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	**493 122**	**539 036**	**732 762**	**717 548**	**772 941**	**772 944**	**892 069**	**916 254**	**950 584**
Compensation of employees	291 624	330 853	382 200	409 708	405 400	405 399	436 286	462 737	488 652
Salaries and wages	282 924	289 323	334 039	355 684	350 874	350 873	375 630	397 154	419 395
Social contributions	8 700	41 530	48 161	54 024	54 526	54 526	60 656	65 583	69 257
Goods and services	201 491	208 179	350 562	307 840	367 541	367 545	455 783	453 517	461 932
Administrative fees	126	1 335	797	414	3 146	3 266	595	764	806
Advertising	2 568	3 110	12 550	3 877	9 909	8 206	8 469	11 117	11 740
Minor assets	532	921	1 411	677	142	154	1 957	1 650	1 742
Audit cost: External	4 048	4 215	4 161	2 880	3 105	3 331	4 242	4 486	4 737
Bursaries: Employees	947	750	807	643	643	108	1 540	1 236	1 305
Catering: Departmental activities	3 464	2 492	1 434	3 080	3 451	2 982	2 187	2 925	3 089
Communication (G&S)	7 969	7 699	10 287	7 556	9 187	12 438	7 727	8 328	8 796
Computer services	4 968	5 503	6 902	8 483	11 578	16 300	8 234	8 322	8 788
Consultants and professional services: Business and advisory services	6 882	3 424	3 398	3 276	9 663	10 208	2 861	3 881	4 098
Infrastructure and planning	7 278	14 931	6 619	21 647	20 499	17 826	15 929	14 841	15 672
Laboratory services	132	46	127				113	754	796
Scientific and technological services							20 000	20 000	21 120
Legal services	1 168	1 097	1 403	2 178	1 401	1 401	2 083	2 204	2 327
Contractors	4 049	4 084	18 865	26 227	29 474	26 031	28 438	57 696	43 953
Agency and support / outsourced services	394	102	482	85	493	408	295	312	329
Entertainment	944	298					33	36	38

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Fleet services (including government motor transport)	3 551	2 693	1 551	2 226	2 216	2 139	3 426	3 188	3 367
Inventory: Clothing material and accessories	1 555	2 100	2 934	1 315	1 037	1 398	5 727	6 262	6 612
Inventory: Farming supplies	59 698	64 671	187 145	114 368	151 604	153 375	225 650	181 207	191 355
Inventory: Food and food supplies	1 031	84	17	119	169	204	89	95	100
Inventory: Fuel, oil and gas	5 237	5 242	5 014	2 209	1 796	5 633	6 414	6 983	7 374
Inventory: Learner and teacher support material			30		67	67	40	42	44
Inventory: Materials and supplies	2 600	2 446	3 209	1 685	966	1 365	3 523	4 004	4 228
Inventory: Medical supplies	28	1 696	2 637	3 692	3 716	3 716	3 286	3 476	3 671
Inventory: Medicine	1 437	1 647	1 601	15 020	15 020	14 884	8 240	2 878	3 039
Inventory: Other supplies	4		300	70	70				
Consumable supplies	5 744	5 922	3 148	3 083	3 509	3 836	4 391	5 526	5 836
Consumable: Stationery, printing and office supplies	1 666	4 463	5 018	3 473	4 614	4 743	3 604	4 049	4 276
Operating leases		7 250	3 495	5 447	7 344	6 591	10 665	11 759	12 419
Property payments	35 048	21 588	23 483	28 231	26 808	23 100	28 685	37 229	39 313
Travel and subsistence	24 326	24 038	26 239	29 144	24 841	24 006	25 184	27 973	29 539
Training and development	1 491	2 796	3 208	8 862	9 353	8 745	8 550	9 223	9 740
Operating payments	4 564	4 308	4 014	4 545	5 436	4 863	7 271	7 667	8 091
Venues and facilities	8 042	7 171	7 963	3 208	6 025	5 961	6 335	3 404	3 592
Rental and hiring		57	313	120	259	260			
Interest and rent on land	7	4							
Interest	7	4							
Transfers and subsidies	**38 791**	**58 652**	**26 848**	**18 090**	**10 671**	**10 827**	**10 452**	**11 341**	**11 979**
Provinces and municipalities	7 325	12 234	8 231						
Municipalities	7 325	12 234	8 231						
Municipalities	7 325	12 234	8 231						
Departmental agencies and accounts	6 056	11 365	12 354	12 847	3 577	3 577	4 792	5 354	5 655
Provide list of entities receiving transfers	6 056	11 365	12 354	12 847	3 577	3 577	4 792	5 354	5 655
Higher education institutions	3 156	2 570	3 786	4 210	3 986	3 986	5 001	5 291	5 587
Public corporations and private enterprises	21 645	31 734	1 000	400	1 900	1 900			
Public corporations	21 645	31 734	1 000	400	1 900	1 900			
Other transfers	21 645	31 734	1 000	400	1 900	1 900			
Households	609	749	1 477	633	1 208	1 364	659	696	737
Social benefits	609	749	1 477	633	773	929	659	696	737
Other transfers to households					435	435			
Payments for capital assets	**11 760**	**17 326**	**51 798**	**42 214**	**47 945**	**47 785**	**14 079**	**10 839**	**11 447**
Buildings and other fixed structures	5 838	6 231	18 648	30 839	34 958	34 958	3 909	111	117
Buildings	5 838	6 231	18 469	30 769	34 888	34 888	3 309	111	117
Other fixed structures			179	70	70	70	600		
Machinery and equipment	5 922	10 893	33 069	11 060	12 672	12 512	10 170	10 728	11 330
Transport equipment			23 012	1 860	1 860	2 802	1 821	1 926	2 034
Other machinery and equipment	5 922	10 893	10 057	9 200	10 812	9 710	8 349	8 802	9 296
Software and other intangible assets		202	81	315	315	315			
Payments for financial assets	**25**	**8**	**30**		**28**	**29**			
Total economic classification	**543 698**	**615 022**	**811 438**	**777 853**	**831 585**	**831 585**	**916 600**	**938 434**	**974 010**

TABLE11.17: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**			**2016/17**	**2017/18**	**2018/19**	**2019/20**
Current payments	**14 9229**	**15 1855**	**16 6872**	**17 6314**	**17 9303**	**18 0147**	**18 4124**	**19 9685**	**21 0865**
Compensation of employees	8 7892	9 6350	10 7774	11 3273	11 1973	11 1973	11 6783	12 1533	12 8340
Salaries and wages	7 9192	8 4510	9 4315	9 8190	9 6675	9 6675	9 9480	10 3226	10 9007
Social contributions	8700	1 1840	1 3459	1 5083	1 5298	1 5298	1 7303	1 8307	1 9333
Goods and services	6 1330	5 5501	5 9098	6 3041	6 7330	6 8174	6 7341	7 8152	8 2525
Administrative fees	(371)	676	305	321	321	434	283	299	315
Advertising	1574	1417	567	2050	1877	760	1918	1712	1808
Minor assets	47	711	852		4	14	18	18	19
Audit cost: External	4048	4215	4161	2800	3025	3251	4174	4416	4663
Bursaries: Employees	947	708	807	643	643	91	1500	1193	1260
Catering: Departmental activities	1579	728	356	1217	906	399	837	1043	1102
Communication (G&S)	4029	3088	2861	2273	4673	8161	2597	2860	3020
Computer services	4954	5475	6750	8363	1 1463	1 6185	7834	7899	8341
Consultants and professional services: Business and advisory services	1194	1425	794	1361	1069	1688	1141	1209	1276
Legal services	1168	1097	1403	2178	1346	1346	2083	2204	2327
Contractors	681	665	1393	3583	3098	1438	1431	1514	1599
Agency and support / outsourced services	149	91	21	85	85		295	312	329
Entertainment	604	115							
Fleet services (including government motor transport)	3551	2693	1551	2186	2176	2099	2969	3141	3317
Inventory: Clothing material and accessories	597	74	71	120	114	44	38	40	42
Inventory: Farming supplies	161	3	1						
Inventory: Food and food supplies	549	39	17	2	52	52	84	89	94
Inventory: Fuel, oil and gas	5211	4857	4618	64	64	3901	3178	3363	3551
Inventory: Learner and teacher support material			30		67	67	40	42	44
Inventory: Materials and supplies	172	427	708	15	73	96	153	268	283
Inventory: Medical supplies			5						
Inventory: Other supplies	4			70	70				
Consumable supplies	329	224	646	824	822	825	433	606	640
Consumable: Stationery, printing and office supplies	1112	3167	4401	2761	2567	2555	2133	2522	2663
Operating leases	(7 138)	2706	833	2006	2403	1646	2165	2036	2150
Property payments	2 7479	1 3998	1 7873	2 1359	2 1359	1 6933	2 2438	3 0893	3 2623
Transport provided: Departmental activity									
Travel and subsistence	4364	3195	3957	5388	4671	3074	3638	3959	4181
Training and development	512	938	2209	1088	1579	971	3226	3413	3604
Operating payments	2716	1171	1051	1395	1880	1286	2125	2244	2369
Venues and facilities	1187	1598	844	889	864	799	610	857	905
Rental and hiring	(79)		13		59	59			
Interest and rent on land	7	4							
Interest	7	4							
Transfers and subsidies	**1505**	**1718**	**960**	**1176**	**1538**	**1540**	**1222**	**1293**	**1366**
Departmental agencies and accounts	896	969	734	962	877	877	1002	1060	1120
Social security funds									
Provide list of entities receiving transfers	896	969	734	962	877	877	1002	1060	1120
Households	609	749	226	214	661	663	220	233	246
Social benefits	609	749	226	214	226	228	220	233	246
Other transfers to households					435	435			
Payments for capital assets	**4856**	**4875**	**5164**	**3706**	**3827**	**2980**	**3670**	**3883**	**4101**
Buildings and other fixed structures		226	179						
Buildings		226							

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation	Revised estimate 2016/17	Medium-term estimates 2017/18	2018/19	2019/20
Other fixed structures			179						
Machinery and equipment	4856	4447	4904	3706	3827	2980	3670	3883	4101
Transport equipment			748	1860	1860	1860	1821	1926	2034
Other machinery and equipment	4856	4447	4156	1846	1967	1120	1849	1957	2067
Software and other intangible assets		202	81						
Payments for financial assets	**25**	**8**	**30**		**28**	**29**			
Total economic classification	**15 5615**	**15 8456**	**17 3026**	**18 1196**	**18 4696**	**18 4696**	**18 9016**	**20 4861**	**21 6332**

TABLE 11.18: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation	Revised estimate 2016/17	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**216 333**	**243 656**	**384 332**	**354 994**	**368 111**	**367 965**	**471 742**	**442 550**	**467 330**
Compensation of employees	105 328	122 763	141 153	150 056	148 657	148 656	169 105	183 550	193 830
Salaries and wages	105 328	107 120	123 376	131 067	130 043	130 042	144 500	156 110	164 852
Social contributions		15 643	17 777	18 989	18 614	18 614	24 605	27 440	28 978
Goods and services	111 005	120 893	243 179	204 937	219 454	219 309	302 637	259 000	273 500
Administrative fees	417	558	424	60	2 066	2 066	294	447	472
Advertising	457	652	884	308	408	408	819	431	455
Minor assets	175	53	411	626	126	126	1 172	1 207	1 274
Audit cost: External				80	80	80	68	70	74
Bursaries: Employees		42				17	40	43	45
Catering: Departmental activities	1 662	1 321	719	1 267	1 737	1 737	845	1 349	1 424
Communication (G&S)	2 756	2 836	5 067	2 946	2 903	2 903	3 074	3 665	3 872
Computer services			145	120			400	423	447
Consultants and professional services: Business and advisory services	263	361	275	400	2 634	2 634			
Infrastructure and planning	7 278	14 931	6 168	21 647	20 499	17 826	15 929	14 841	15 672
Laboratory services	132	46	127				113	754	796
Legal services					55	55			
Contractors	1 839	492	8 978	8 553	14 016	14 413	4 361	4 635	4 895
Agency and support / outsourced services	193	6	461		408	408			
Entertainment	340	7						1	1
Fleet services (including government motor transport)				40	40	40	457	47	50
Inventory: Clothing material and accessories	496	1 173	592	508	39	39	536	876	925
Inventory: Farming supplies	58 326	62 457	185 044	109 551	116 941	118 402	215 908	172 518	182 179
Inventory: Food and food supplies	465	44		117	117	152	5	6	6
Inventory: Fuel, oil and gas	5	60	73	2 145	1 595	1 595	2 896	2 943	3 108
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	1 837	631	1 530	1 670	824	891	2 370	2 668	2 817
Inventory: Medical supplies	28	1 696	2 632	3 692	3 693	3 693	3 286	3 476	3 671
Inventory: Medicine	1 407	1 646	1 598	15 020	15 020	14 884	8 105	2 735	2 888
Consumable supplies	1 586	1 620	2 103	1 776	1 776	2 100	3 470	3 759	3 970
Consumable: Stationery, printing and office supplies	73	1 280	524	692	1 045	1 185	1 470	1 409	1 488
Operating leases	6 156	3 474	2 513	2 786	4 326	4 326	5 773	6 790	7 171
Property payments	1 701	1 500	949	2 067	2 067	2 067	3 725	3 834	4 049
Travel and subsistence	14 967	14 910	16 135	17 040	14 656	14 879	16 005	17 912	18 915
Training and development	924	1 858	987	7 374	7 432	7 432	5 155	5 664	5 982
Operating payments	1 588	2 637	2 269	2 813	2 967	2 967	4 358	4 610	4 864
Venues and facilities	5 934	4 602	2 530	1 639	1 979	1 979	2 003	1 887	1 990
Rental and hiring			41		5	5			

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation	Adjusted appropriation	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Transfers and subsidies	**35 861**	**54 524**	**25 276**	**16 705**	**7 338**	**7 483**	**9 036**	**9 843**	**10 396**
Provinces and municipalities	5 900	9 824	8 231						
Municipalities	5 900	9 824	8 231						
Municipalities	5 900	9 824	8 231						
Departmental agencies and accounts	5 160	10 396	11 620	11 885	2 700	2 700	3 790	4 294	4 535
Provide list of entities receiving transfers	5 160	10 396	11 620	11 885	2 700	2 700	3 790	4 294	4 535
Higher education institutions	3 156	2 570	3 786	4 210	3 986	3 986	5 001	5 291	5 587
Public corporations and private enterprises	21 645	31 734	1 000	400	400	400			
Public corporations	21 645	31 734	1 000	400	400	400			
Other transfers	21 645	31 734	1 000	400	400	400			
Households			639	210	252	397	245	258	274
Social benefits			639	210	252	397	245	258	274
Payments for capital assets	**956**	**4 811**	**24 835**	**7 669**	**7 219**	**7 220**	**7 070**	**6 845**	**7 229**
Buildings and other fixed structures							600		
Other fixed structures							600		
Machinery and equipment	956	4 811	24 835	7 354	6 904	6 905	6 470	6 845	7 229
Transport equipment			20 284			942			
Other machinery and equipment	956	4 811	4 551	7 354	6 904	5 963	6 470	6 845	7 229
Software and other intangible assets				315	315	315			
Total economic classification	**253 150**	**302 991**	**434 443**	**379 368**	**382 668**	**382 668**	**487 848**	**459 238**	**484 955**

TABLE11.19: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMETAL AFFAIRS

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation	Adjusted appropriation	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**127 560**	**143 525**	**181 558**	**186 241**	**225 527**	**224 832**	**236 203**	**274 019**	**272 389**
Compensation of employees	98 404	111 740	133 273	146 379	144 770	144 770	150 398	157 654	166 482
Salaries and wages	98 404	97 693	116 348	126 427	124 156	124 156	131 650	137 818	145 536
Social contributions		14 047	16 925	19 952	20 614	20 614	18 748	19 836	20 946
Goods and services	29 156	31 785	48 285	39 862	80 757	80 062	85 805	116 365	105 907
Administrative fees	80	101	68	33	759	766	18	18	19
Advertising	537	1 041	11 099	1 519	7 624	7 038	5 732	8 974	9 477
Minor assets	310	157	148	51	12	14	767	425	449
Catering: Departmental activities	223	443	359	596	808	846	505	533	563
Communication (G&S)	1 184	1 775	2 359	2 337	1 611	1 374	2 056	1 803	1 904
Computer services	14	28	7		115	115			
Consultants and professional services: Business and advisory services	5 425	1 638	2 329	1 515	5 960	5 886	1 720	2 672	2 822
Infrastructure and planning			451						
Scientific and technological services							20 000	20 000	21 120
Contractors	1 529	2 927	8 494	14 091	12 360	10 180	22 646	51 547	37 459
Agency and support / outsourced services	52	5							
Entertainment		176					33	35	37
Inventory: Clothing material and accessories	462	853	2 271	687	884	1 315	5 153	5 346	5 645
Inventory: Farming supplies	1 211	2 211	2 100	4 817	34 663	34 973	9 742	8 689	9 176
Inventory: Food and food supplies	17	1							
Inventory: Fuel, oil and gas	21	325	323		137	137	340	677	715
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	591	1 388	971		69	378	1 000	1 068	1 128
Inventory: Medical supplies					23	23			
Inventory: Medicine	30	1	3				135	143	151

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Inventory: Other supplies			300						
Consumable supplies	3 829	4 078	399	483	911	911	488	1 161	1 226
Consumable: Stationery, printing and office supplies	481	16	93	20	1 002	1 003	1	118	125
Operating leases	982	1 070	149	655	615	619	2 727	2 933	3 098
Property payments	5 868	6 090	4 661	4 805	3 382	4 100	2 522	2 502	2 641
Travel and subsistence	4 995	5 933	6 147	6 717	5 514	6 053	5 541	6 102	6 443
Training and development	55		12	400	342	342	169	146	154
Operating payments	260	500	694	337	589	610	788	813	858
Venues and facilities	921	971	4 589	680	3 182	3 183	3 722	660	697
Rental and hiring	79	57	259	120	195	196			
Transfers and subsidies	**1 425**	**2 410**	**612**	**209**	**1 795**	**1 804**	**194**	**205**	**217**
Provinces and municipalities	1 425	2 410							
Municipalities	1 425	2 410							
Municipalities	1 425	2 410							
Public corporations and private enterprises					1 500	1 500			
Public corporations					1 500	1 500			
Other transfers					1 500	1 500			
Households			612	209	295	304	194	205	217
Social benefits			612	209	295	304	194	205	217
Payments for capital assets	**5 948**	**7 640**	**21 799**	**30 839**	**36 899**	**37 585**	**3 339**	**111**	**117**
Buildings and other fixed structures	5 838	6 005	18 469	30 839	34 958	34 958	3 309	111	117
Buildings	5 838	6 005	18 469	30 769	34 888	34 888	3 309	111	117
Other fixed structures				70	70	70			
Machinery and equipment	110	1 635	3 330		1 941	2 627	30		
Transport equipment			1 980						
Other machinery and equipment	110	1 635	1 350		1 941	2 627	30		
Total economic classification	**134 933**	**153 575**	**203 969**	**217 289**	**264 221**	**264 221**	**239 736**	**274 335**	**272 723**

VOTE 12

DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

To be appropriated by vote in 2017/18	R 875 336 000
Responsible MEC	MEC for Sport, Arts, Culture and Recreation
Administering Department	Department of Sport, Arts, Culture and Recreation
Accounting Officer	Head of Department

1. OVERVIEW

Vision
An active, creative and modernised Gauteng City Region (GCR) contributing to sustainable economic growth and social cohesion.

Mission
In pursuit of the above vision, the Department of Sport, Arts, Culture and Recreation (DSACR) will work in an integrated matter to create an enabling environment for radical economic and accelerated social transformation for sporting, artistic, and cultural excellence through:

- Facilitating talent identification and development in partnership with key stakeholders;
- Positioning the business of the sport and creative industries as catalysts for sustainable economic growth;
- Modernising the economy through bidding for and hosting major sporting and cultural events;
- Providing universal access to sport, arts, cultural activities, library, archival services and facilities;
- Identifying, promoting and preserving heritage.

Strategic Goals
- Transform and modernise sport and a cultural landscape which contributes to social cohesion and nation building;
- Gauteng economically transformed through creative industries and the business of sport;
- Develop, transform, promote and modernise sustainable library, information and archival services;
- A capable and activist administration which contributes to a modern developmental state in order to promote good governance.

Core functions and responsibilities
The core mandate of the DSACR is to ensure access, increased participation and transformation of the sport, arts, culture and recreation sectors through radical economic and accelerated social transformation that benefits all in the province, promoting nation building and social cohesion.

Main services
- Support the development of safe and secure communities through the implementation of integrated and sustainable recreation programmes at community level;
- Promote sustainable livelihoods for artists, crafters and sports people;
- Develop young sporting and artistic talent to take its rightful place in competitive sport and in the mainstream arts and culture sector;
- Build the Gauteng Carnival into a world class event that contributes to the Growth and Development Strategy of the province and the Pillars of radical socio-economic transformation;
- Implement school sport mass participation programmes in schools across Gauteng in partnership with the Gauteng Department of Education and other strategic partners;
- Develop, transform, promote, modernise sustainable library, information and archival services;
- Create opportunities for the sporting, artistic and cultural sectors to stage major events and tournaments in Gauteng;
- Promote nation building and deepen democracy through the commemoration of national days and the celebration of heroes and heroines of the liberation struggle, and develop heritage sites and monuments.

Ten Pillar Programme of Transformation, Modernisation and Reindustrialisation
The department's programmes are characterised by radical economic and accelerated social transformation as part of the Ten Pillar programme aimed at radically transforming, modernising and reindustrialising Gauteng over the next five.

To radically change the structure of the economy and unlock the potential of different sectors, the department's programme will contribute to the following priorities:

- Revitalise and build township economies through creative industries and support for township businesses through procurement/support of sports equipment and attire;
- Support the development of key and new projects and programmes that have the potential to address the twin policy imperatives of creating decent employment and greater economic inclusion. The support will be through ICT: digitalisation of archives and libraries; tourism, heritage liberation routes etc.; the creative industries; construction of the provincial archives centre, monuments and libraries;
- Expanding youth employment through the EPWP, school sport assistants, water safety instructors, cultural officers and library assistants in all the planned interventions; and
- Significantly up-scale skills development for the Gauteng City Region economy in partnership with various industry players through training educators and volunteers to implement sports; training water safety instructors; providing bursaries for library science, archival and record management, and the visual and performing arts.

To accelerate social and economic transformation the following key priorities will be implemented:
The NDP locates sport and recreation as well as arts and culture at the nucleus of well-being and social cohesion. In the National Sports Plan, sport is a cross-cutting factor that relate to proposals in the chapters on education, health and nation building. To realise the NDP's transformative Vision 2030 of participation in sporting codes, DSACR expands opportunities for participation in sports and recreation by providing a favourable environment for sports development in the province. It also use art and culture to foster values and facilitate dialogue and healing, thus promote social cohesion and common understanding. Cultural activities, art, sport and recreation play a major role in facilitating the sharing of common spaces. In addition use of sport and art foster values and facilitate dialogue and healing, thus restoring pride among diverse groups of South African. To do this, the following will be implemented:

- Build a united province and promote social cohesion, leveraging sport and creative talent to expand inclusive economic opportunities, transform social relations and address social ills such as xenophobia, racism and sexism: for example programmes such as the Gauteng Carnival; implement the social cohesion strategy through themed dialogues and social cohesion games (soccer and rugby); and celebration and commemoration of liberation struggle icons as well as unsung heroes and heroines.
- Consolidate gains in education to further improve the quality of education through the construction and operationalisation of community and modular libraries to inculcate the culture of reading and deepening knowledge through implementation of the Born to Read initiative, debates, public speaking, access to information and recreational reading programmes.
- Promotion of healthy lifestyles through sport, arts, culture, recreation and library services such as indigenous games, Siyadlala games, community recreational programmes targeting children, youth, people with disabilities and the elderly. The Nelson Mandela Remembrance Walk will be expanded not only to promote heritage along the route but also to incorporate a fun run to attract fitness-conscious people. Learn to Swim a water safety education programme will ensure water safety and reduce incidences of drowning among the people of Gauteng.
- Transform spatial development patterns; ensure decent living conditions and sustainable human settlements through the construction of community libraries, provincial archives, monuments and community multi-purpose sport and recreation facilities.
- Expand community-based sport and cultural amenities across the Gauteng City Region. In addition to the libraries and sport multi-purpose courts, the Department will continue to plan and construct of new community libraries. Furthermore, technical and financial support for the operationalisation of three heritage sites – Kagiso Memorial, Women's Living Heritage Monument and Boipatong, will continue to be provided.
- Ensure effective measures to promote arts and culture which include provision of financial and ICT support to artists; enabling the creation of work opportunities and expressing national creativity, while opening space for vibrant debate on the transformative agenda; supporting income-smoothing for artists in a special unemployment insurance scheme and evaluating funding models for such initiatives; developing sectoral determination legislation frameworks to protect arts-sector employees.
- Strengthen collaboration and cooperation between local government and the province to enhance integrated planning and service delivery through political and technical inter-governmental relations, and cluster and hub programmes.

External activities and events relevant to budget decisions
The rapid in-migration to Gauteng from other provinces and neighbouring countries presents challenges for programme implementation. The demand for services far outweighs the supply, creating a mismatch with the resources available. This migration to the province affects the work of the department and directly influences decisions and how limited resources should be used. The in-migration shapes the province's demographics. According to the Statistics South Africa 2014 Quality of Life Survey, provincial population growth is estimated at 3.5 per cent. This has a huge impact on programme planning and

levels of service delivery.

Acts, rules and regulations

- Gauteng Provincial Language Act (Act no. 3 of 2016);
- National Sport and Recreational Act (No. 110 of 1998, as amended in 2007);
- Gauteng Library and Museum Service Ordinance (1982), as amended by the Gauteng General Law Amendment Act (Act 4 of 2005);
- Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005)Public Service Act, 1994, as amended;
- Gauteng Heritage Resources Regulations (Jan 2003, Notice 103 of 2003, Volume 9, No 4);
- Broad Based Black Economic Empowerment Act, 2003;
- Public Service Regulations, 2001, as amended;
- National Council for Library and Information Services Act (Act No. 6 of 2001);
- Promotion of Access to Information Act, 2000;
- Promotion of Administrative Justice Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- National Heritage Resources Act, 1999 (Act No. 25 of 1999);
- National Heritage Council Act, 1999 (Act No. 11 of 1999);
- Public Finance Management Act (PFMA), 1999;
- South African Geographical Names Council Act, 1998 (Act No. 118 of 1998);
- Cultural Institutions Act, 1998 (Act No. 119 of 1998);
- Culture Promotion Amendment Act, 1998 (Act No. 59 of 1998);
- Employment Equity Act, 1998;
- Skills Development Act, 1998;
- Gauteng Arts and Culture Council Act (Act No. 11 of 1998);
- National Library for the Blind Act (Act No. 91 0f 1998);
- Basic Conditions of Employment Act, 1997;
- National Arts Council Act, 1997 (Act No. 56 of 1997);
- National Film and Video Foundation Act, 1997 (Act No. 73 of 1997);
- Legal Deposit Act (Act no. 54 of 1997);
- National Archives and Record Services of South Africa Act (Act No. 43 of 1996);
- South African Qualifications Authority Act, 1995;
- Labour Relations Act, 1995, as amended;
- Pan South African Language Board Act, 1995 as amended (PANSALB) (Act No. 59 of 1995);
- Occupational Health and Safety Act, 1993;
- Companies Act, 1973;
- Heraldry Act, 1962 (Act No. 18 of 1962); and
- Building Regulations.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

Accelerated social transformation

Output 1: Improved quality basic education through School Sport

The department consulted extensively with the Gauteng Department of Education (GDE) on the improvement of school sport. It implemented the Gauteng School Sport games during the period under review; this benefitted 8 364 learners. The games include a provincial Chess tournament, Khokho, Jukskei Indigenous Provincial Games, Regional Winter Games, Regional Tennis Games and Secondary and Primary Schools Provincial Winter Games.

Output 2: Gauteng Schools' Carnival

The Arts in School Programme was initiated in collaboration with the GDE as a strategic partner. The GDE identified schools (41 Primary and 64 Secondary, including 6 Special Secondary Schools) to participate in the Gauteng Schools' Carnival. Choreographers from across the five GCR regions played a critical role in training and preparing 6 400 learners for successful participation in the 2016 Social Cohesion Gauteng Carnival. It took place on 24 September 2016 in Tshwane and approximately 30 000 people from diverse cultural groups across the province and the continent paraded the streets on the day of the event.

A further 35 schools were identified where 35 art facilitators (19 male and 16 female) are placed to implement Dance, Music and Drama Programmes three times a week in each of the schools. Training on Contemporary Dance, Dance Styles, Dance Movements, Drama Intonation, Voice Control, Directing, Stage Presence, Music Improvisation, Digital (Vocal) and Music Styles was provided to 348 learners. This is a fundamental and crucial platform through which potential talent may be identified at an early stage and nurtured to a professional and competitive level.

Output 3: Recreational Siyadlala Hub Programme
The department hosted various recreational programmes which enhanced active participation by communities thereby promoting healthy lifestyles and physical wellbeing. The programmes included Aerobics, Big Walk or Fun Walk, Move for Health, Indigenous Games, Sport for Social Change and the Hub Tournaments. A total of 117 747 people participated in organised active recreation events, including festive community games that got young people actively engaged during the 2016. The Provincial Youth Camp was hosted from 1-8 October 2016 at the Magaliesburg Retreat. The camp benefitted 250 participants (121 male and 129 female) from the various regions.

Output 4: National/Significant Days commemorative events
To promote social cohesion and nation building, the department successfully commemorated five (5) national days:

- **Freedom Day** was commemorated on 27 April 2016 at the Union Buildings in Tshwane in partnership with the National Department of Arts and Culture, Gauteng Department of Community Safety, South African National Defence Force (SANDF), City of Tshwane and the Office of the Premier. The theme for Freedom day was "Freedom is in your hands". The department assisted with mobilising approximately 15 000 people for the event. The programme started at the Palace of Justice followed by a parade to the Union Buildings where the formal programme was opened by the Honourable Premier of Gauteng, Mr. D. Makhura, who delivered the keynote address.
- **Youth Day** (40th Anniversary of June 16 1976) was commemorated on 16 June 2016 in collaboration with the City of Johannesburg, Gauteng Department of Education, National Department of Arts and Culture and the National Youth Development Agency. The theme for the Youth Day was "*Youth taking South Africa forward*". The event was attended by more than 30 000 young people at the Orlando Stadium in Soweto. The keynote address was delivered by Honourable President, Mr Jacob Zuma. The provincial activities for Youth Day consisted of month-long youth related activities and events at the NASREC Expo Centre.
- **Mandela Day** was implemented on 18 July 2016 in Magaliesburg where the department and community members painted the Magaliesburg Community Hall. The day was also commemorated on 21 July 2016 in partnership with the National Department of Arts and Culture at the Springfield Secondary School in Redan, Sedibeng.
- The **60th anniversary of the Women's March and the National Women's day** was commemorated on 9 August 2016 in Tshwane with the official launch of the Women's Living Heritage Monument. The official programme was held at the Union Buildings. The celebration was attended by more than 25 000 participants.
- **Heritage Day** was celebrated through the Gauteng Carnival held on 24 September 2016. This event provided an opportunity for people from diverse cultural backgrounds to tell their stories as a gift to future generations. It had over 30 000 participants who showcased a truly united African continent. Gauteng legends such as the late Lucky Dube, the late Mahlathini, the late Baby Jake Matlala and Mahotella Queens, Johnny Clegg and Richard Maponya were celebrated during the Carnival.
- The department commemorated two **liberation struggle icons** (Francis Baard and Sibongile Mkhab**ela**) on 28 August 2016 at Constitution Hill. This was in partnership with Constitution Hill and the Francis Baard Foundation.

The department implemented the 31st Annual Ghandi Walk on Sunday in Lenasia to create awarenes of multilinguism and language diversity within communities in honour of the struggle icon Ahmed Kathrada. The Mandela Remembrance Walk attracted over 15 000 young and older people from all walks of live to commemorate this liberation struggle icon. This programme was also aimed at promoting the provincial heritage sites along this route.

National symbols awareness (Thand'Umzansi) campaigns were implemented through the distribution of approximately 40 000 handheld flags, 9 500 national identity booklets, 400 Constitution booklets and 2 900 copies of the Women's Living Monument's booklets. In promoting provincial heritage, research was conducted on the Provincial Heritage Liberation Route Sites, with 26 sites researched and 18 graded and declared.

Output 6: Social Cohesion
The department promoted social cohesion by hosting themed community dialogues. Topics covered during the debates included *Migration, African Renaissance, Xenophobia, Racism, constitutional rights and building a better Africa.* The department held an award ceremony for Africa Month and co-hosted the celebration of 20 years of adoption of the Constitution in partnership with other stakeholders such as the Department of Arts and Culture, the Department of Justice and Constitutional Development, the Human Rights Commission, the Presidency, Sedibeng Municipality and Constitution Hill. The department also collaborated with the City of Ekurhuleni to implement the Social Cohesion Women's Dialogue on topics such as racism, youth challenges, unemployment, xenophobia, gay and lesbian challenges, disability challenges, women abuse and veterans' challenges.

To inculcate a culture of learning to enhance knowledge, the department implemented a Library Reading Programme (Recreational Programme and Public Speaking Debates). 8 140 people throughout the Gauteng City Region benefited from the programmes such as public speaking/debates, story-telling and spelling bees. In addition, four library outreach programmes were implemented: National Archives Week Outreach Programme, rolled out at the Chief Mogale Hall in Kagiso; Library Symposium for the visually impaired, held at Westonaria; and National Book Week in Meyerton and at the Walter Sisulu Place of Safety for vulnerable children. In addition, a Youth Summit was hosted at the Midrand Conference Centre.

Radical Economic Transformation

Output 1: Music and Theatre
The department provided financial support to 11 signature and/or local arts and culture events. These include the 8th Annual Chevrolet Feather Awards. This is a platform designed to recognise and celebrate high profile achievers in the LGBTI community. Caster Semenya, winner of the 800m gold medal at the Rio Olympics, was honoured with two awards. Events supported during the festive season include the Soweto Music Festival, South African Hip Hop Awards, Sedibeng Summer Festival, DJ Shimza, One Man Show and the New Year's Eve Music Festival.

Emerging and aspiring artists are prepared for the real world by participating in larger events at local level and even at signature and major ones through support for theatre productions. During the reporting period, these included *Emakhathini; The Land of Katura* and *Homage to Sowetan*. The Department hosted five Puisano live music auditions and six Puisano Live Music Showcases which provided performance opportunities for young people in a relevant context in front of real audiences.

The department supported market access through the participation of 13 craft enterprises from Gauteng at the Decorex exhibition at the Gallagher Estate. Another 47 crafters were supported to participate in the *Market@theSheds* in COT.

Output 2: Filming
Nine film productions were supported financially, with 338 temporary jobs directly created in the sector. These jobs were created through facilitation film permits for film productions including *This be Treason*; *Hangman; Kufara*; *Impendulo; Where is the Beef*; *Love and Kwaito; Stockvel Sense; Strangers Call; Biblical Story of Esta; Sacrifice; as well as VR6*. 229 aspiring film makers were trained during this period.

Output 3: Sport
The department in collaboration with its stakeholders supported and co-hosted major community, signature and local sporting events which contributed to radical economic transformation. These were the Arnold Games, the Gauteng Women in Sport Tournament, the Gauteng Football Cup, *# Boxing is back*, the Soweto Marathon and the Mandela Remembrance Walk.

Modernisation of human settlements and urban development decisive spatial transformation

Output 4: Funding for Infrastructure Projects
The construction of the provincial Archives Centre is underway. The estimated completion date for the construction date is the end of the financial 2016/17 year.

The department in partnership with the Sedibeng District Municipality officially opened the Boipatong Monument on 17 June 2016 as part of the commemoration of the 1992 Massacre. The Monument was officially launched and presented to guests during the 60th anniversary of the 1956 Women's March by President Jacob Zuma on 9 August 2016.

The Construction of the Women's Living Heritage Monument is currently 90 per cent complete. The Monument was officially launched and presented to guests during the 60th anniversary of the 1956 Women's March by President Jacob Zuma on 9 August 2016. This was Phase 1 of the opening of the monument which saw the unveiling of four statues of women who led the march in 1956 (Helen Joseph; Lillian Ngoyi; Sophie de Bruyn and Rahima Moosa) and the large relief art work of four heroines against the sidewall of the WLHM. Currently the installation of the permanent museum exhibition is underway. The overall construction of the Kagiso Memorial is complete and stakeholder or community consultation sessions for the Kagiso Monument Heritage Content took place on 15 and 27 September 2016 at the Kagiso Community Centre in Mogale City.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

ACCELERATED SOCIAL TRANSFORMATION

Output 1: Improved Quality Basic Education through School Sport
The department will implement the School Sport Mass Participation Programme in partnership with the GDE. This will be done in accordance with directives from the national government and will focus on under-performing schools. Training programmes for 400 people will be conducted to improve the standard of school sport in the province; this will also ensure continuity of the programme at schools. Other events will include the Winter Games, Learners with Special Education Needs (LSEN) Sports Programmes and the Summer Games. Approximately 1 050 people will benefit from the Learn to Swim Programme in the 2017/18 financial year and six focus schools will be supported to promote excellence in sports.

Output 2: Arts in School
The Arts in Schools Strategy will be implemented in partnership with the national Departments of Education and of Arts and Culture, with an emphasis on art-focused schools. The department will coordinate and facilitate the implementation of Carnival Arts (performing and/or visual) and culture programmes in 108 schools. Arts and Culture programmes (dance, drama, visual arts and music) will be introduced to 40 schools. Learners from these schools will also show-case their skills and talent through participation in the Annual Gauteng Carnival and provincial festivals.

Output 3: Recreational Siyadlala Hub Programme
The Mass Participation Programme will be implemented in decentralised hubs within the communities of Gauteng to provide an opportunity for community members to embrace a healthy and active lifestyle. These programmes will include Aerobics, Indigenous Games, Move for Health, weekly Fun Runs/Walks, and Sport for Social Change Programmes. In partnership with the Department of Social Development and Health, the Active Ageing Programme will be introduced to more old age homes in the province in support of long and healthy life styles. Ten community-based sport multi-purpose combi-courts will be constructed. Community Festive and Easter games will also be implemented to keep young people engaged during school holidays.

Output 4: Theatre and Dance Programmes
The department will continue to support three emerging theatres and the Annual Dance Umbrella through hosting auditions for theatre and dance where talent can be identified with the aim of developing it further. At least 13 projects/programmes including comedy, poetry, theatre and dance programmes will be implemented in the coming financial year. These will be organised to develop and promote arts and culture.

Output 5: Creative Arts Programme
The Creative Arts programme will be implemented across the province through various mass participation programmes, which will include dance, drama, visual arts and music. The department will support the development of artists and appreciation of arts and culture in schools, and promote social cohesion through the Gauteng Carnival and the Mass Participation programme.

Output 6: National/Significant Days commemorative events
The department will work closely with strategic partners to continue to host and/or co-host six National Day events to promote accelerated social transformation in the province. These days Freedom Day, Youth Day; Mandela Day; Women's month celebrations in August; Heritage Day, which will be celebrated with a carnival; and Human Rights Day in March 2017. The department will commemorate 3 heroes and heroines of the liberation struggle; this will include the annual Mandela Remembrance Walk.

Output 7: Heritage Resources
Three monuments will be opened for operations: the Kagiso Memorial, the Women's Living Heritage Monument and the Boipatong Monument. The department will identify, grade, preserve, protect and promote heritage resources in partnership with strategic role-players including national and local government, the South African Heritage Resources Agency (SAHRA) and the Provincial Heritage Resource Agency of Gauteng (PHRA-G). Geographical names awareness campaigns will be implemented. A further 200 unsung heroes and heroines of the liberation struggle will be acknowledged for their contribution to political freedom in South Africa.

Output 8: Youth Camps
In partnership with other role-players, one Youth Camp will be hosted with 250 youth participants; this will provide youth at risk with valuable life skills. The primary objective is to develop the youth and empower them with the requisite values and knowledge that can assist them to become responsible, conscious citizens and strengthen their sense of patriotism, cultural diversity and national identity. This will be done with the aim of contributing to creating safer and more secure communities.

Output 9: Sport Development
The Sport Development Plan for Gauteng will be rolled-out, assisting with the targeted approach to sports development. Capacity building and training programmes for coaches, technical officials and administrators will be conducted. The department will continue to host the Gauteng Sport Awards and will support 160 clubs, 27 hubs and 400 schools with equipment and attire. The department will continue to support six academies and 1 500 athletes through the Sport Academies programme. It will also host the ward-based, O.R. Tambo/Soncini Games as well as the Premier's Social Cohesion Games. The Learn to Swim Programme to promote water safety will be implemented in all corridors to reduce instances of drowning in the province.

RADICAL ECONOMIC TRANSFORMATION

Output 1: Craft Hubs Centres
The department will explore all opportunities to implement the Craft Strategy so that crafters and other related industries gain maximum benefit from the programmes offered. The Craft Hubs are intended to enable crafters to create sustainable livelihoods for themselves and for the benefit of the province. The focus is on facilitating and improving access to various Regional Market Platforms (Soweto Expo, Sea Expo, and Ekurhuleni Trade Fair) to display their talents and skills. The department is aiming to improve skills levels by designing a mentorship programme, improving enterprise development and product development and linkages with heritage sites and museums. Three (3) market access initiatives will be implemented.

Output 2: Music
The department will explore all opportunities to implement the Music Strategy focusing on Puisano Live Music showcases, and the Gauteng Carnival so that musicians and other related industries gain maximum benefit from the programmes offered. This should enable them to create sustainable livelihoods for themselves and have access to various platforms to display their talents and skills for the benefit of the province.

Output 3: Film
The Gauteng Film Commission will continue to create an enabling environment for all role-players in the sector to ensure that individuals, organisations and companies benefit from filming in Gauteng. It will actively position the province as a niche market for filming; in the coming financial year, support will be provided through facilitation of permits, creation of film related jobs, and training of young people in film making. The department will partner with key sector stakeholders for production and broadcasting support.

Output 4: Financial Aid
The department will provide funding for ten municipal libraries, in accordance with the directives of the national Department of Arts and Culture. It will also provide funding to 60 organisations in the arts and culture sectors whose missions are aligned with radical economic transformation. The department will also partner with sector rights holders to implement programmes in line with the provincial bidding and hosting strategy.

Output 5: Sport, arts and culture events
The province will continue to bid for and host national and international sport, arts and culture events through strategic partnerships according to approved agreements. Such opportunities will be leveraged by supporting and coordinating the attraction of nine sport and six arts and culture events (Major, Signature and Community) such as the Mandela Remembrance Walk, #Boxing is Back , the Soweto Marathon and International Rugby and will be staged for the benefit of the people of Gauteng.

MODERNISATION OF THE ECONOMY

Output 1: Host Major Events
In order to radically change the structure of the economy and unlock the potential of various sectors, bidding for and hosting provincial events will be prioritised as key economic drivers. Hosting major, local, community and significant sport, arts and culture events such as the Arnold Games, Feather Awards, Soweto Music Festival and the Soweto Marathon contributes to the revitalisation and building of township economies by supporting the development of township enterprises and SMMEs that produce goods and services (sport equipment and attire) that meet the needs of township residents.

Modernisation of human settlements and urban development decisive spatial transformation

Output 2: Library Services
The department will continue to support municipal library services through funding and the provision of library materials such as books and furniture to operate new libraries. Municipalities which receive financial support will be monitored for compliance with the Gauteng Public Library and Information Act. A further 7 organisations that promote the culture of reading will be financially supported. Seven workstations for visually impaired individuals will be installed. The Mzansi Online ICT project will be implemented in 15 libraries as part of continuously modernising community libraries.

Output 3: Provincial Archives Centre
The construction of the Provincial Archives Centre is underway and will be finalised in the coming financial year. Twenty-two registry inspections within governmental bodies will be conducted and four (4) training sessions for records managers will be provided to improve library, information and archival services. The registries of governmental bodies are inspected to assist them to comply with legislative requirements regarding records management in Gauteng.

4. REPRIORITISATION

The department will continue to implement sound fiscal discipline and will review its operations to identify cost savings while implementing cost-cutting measures and redirecting resources to essential services. This leads to reprioritisation based on programme goals and objectives. The department's budget is based on the reprioritisation process and on aligning its strategic plan with the mandate of the provincial and national government.

For the 2017/18 financial year, the department is reprioritising R171.1 million. The main areas of reprioritisation are:

- R70.1 million for operationalising the Women's Living Heritage Monument and Provincial Archives Centre to complete the construction of the two projects. This will ensure that all the necessary requirements are met for the operationalisation to commence.
- R21.2 million towards the building of sports facilities. This funding was reduced from the baseline due to other provincial commitments and additional funding of R20 million was allocated from the Provincial Revenue Fund for the provision of community based recreational sports facilities.
- Reprioritisation from community library infrastructure projects not ready for implementation, to enhance and ensure library services in communities through increased funding of municipalities.

5. PROCUREMENT

The department requires that all its projects and programmes align with procurement plans and budgets. This undertaking has to be complied with for the effective and efficient running of the department. The procurement plans enable the department to comply with government guidelines, policies and regulations for effective and principled procurement reflecting the Five Pillars of Procurement.

The department will continue to ensure that the procurement of services is done in a timely way and will support the provincial drive to support township economies and improve the quality of lives. The major procurement to be undertaken will relate to the hosting of major events, celebration of commemorative days and finalisation of existing infrastructure projects as well as provision of multi-purpose sports facilities in communities.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 12.1 : SUMMARY OF RECEIPTS: SPORT, ARTS, CULTURE AND RECREATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	368 120	438 305	539 458	552 412	580 009	580 009	614 697	627 172	686 257
Conditional grants	156 072	225 103	255 466	268 647	268 992	268 992	260 639	305 134	320 596
Community Library Services Grant	66 470	125 608	162 602	163 339	181 152	181 152	172 428	182 018	191 952
Mass Participation and Sport Development Grant	88 269	94 915	89 864	101 084	83 616	83 616	84 509	123 116	128 644
Expanded Public Works Programme Integrated Grant for Provinces		2 000	2 000	2 024	2 024	2 024	2 206		
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	1 333	2 580	1 000	2 200	2 200	2 200	1 496		
Total receipts	**524 192**	**663 408**	**794 924**	**821 059**	**849 001**	**849 001**	**875 336**	**932 306**	**1 006 853**

Total receipts consist of provincial equitable share and national conditional grants. The provincial equitable share increased from R368.1 million in 2013/14 to R539.4 million in 2015/16, an increase of 46 per cent. This was due to an allocation for the construction of the Provincial Archives Centre and additional funding for operationalisation of monuments. It also took into account annual inflationary growth.

The national conditional grants are composed of the Community Library and Information Services grant, the Mass Participation and Sport Development grant and the EPWP Integrated and Social Sector grant to drive job creation. Conditional grants increased by 63 per cent from R156.1 million in 2013/14 to R255.5 million in 2015/16 due to an increase in the allocation for constructing and operationalising community libraries, creating jobs, strengthening support for social cohesion and increasing mass participation in sport and recreation activities.

The 2017 MTEF allocation for equitable share increases by 12 per cent from R614.7 million in 2017/18 to R686.3 million in 2019/20. The conditional grants allocation increases by 23 per cent from R260.6 million in 2017/18 to R320.6 million in the 2019/20 financial year for the construction and operationalisation of libraries and strengthen transformation within communities and social cohesion through sport and recreation activities.

6.2 Departmental receipts

TABLE 12.2: SUMMARY OF DEPARTMENTAL RECEIPTS: SPORT, ARTS, CULTURE AND RECREATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		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	168	265	291	242	317	317	310	311	312
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	30	4	162	13	250	250	14	14	15
Sales of capital assets									
Transactions in financial assets and liabilities	115	164	206	65	100	100	68	72	76
Total departmental receipts	**313**	**433**	**659**	**320**	**667**	**667**	**392**	**397**	**403**

The department's revenue generating capacities are limited. Revenue collected consists mainly of parking fees for officials and recoveries of expenditure or payments with regard to claims for recovery of goods or services. Other revenue sources include miscellaneous interest from debt recoveries and commission received for collection of insurance premiums. The department increased its collection by 97 per cent from R313 000 in 2013/14 to R617 000 in 2015/16, due to revenue collection of debts recovery and interest earned. The 2017 MTEF total departmental own receipts will increase from R392 000 in 2017/18 to and to R403 000 in the 2019/20 financial year.

7. PAYMENT SUMMARY

7.1 Key assumptions

The key assumption underpinning this budget is the reprioritisation process during the 2017 MTEF aligning the strategic plan of the department with the mandate of the provincial government and provincial outcomes.

The department has budgeted for a 7.2 per cent increase in compensation of employees for the 2017 MTEF. This is based on projected ICS. The following elements have been taken into account when determining personnel and other economic classifications for the 2017 MTEF:

- Number of staff
- Basic salary cost including improvements of conditions of service adjustment from 1 April each year
- Increase in benefits such as medical aid and home owners' allowance based on bargaining council agreements
- Inflation related items such as goods and services based on headline CPI projections
- Provision for upgrading of infrastructure facilities including libraries.

7.2 Programme summary

TABLE 12.3: SUMMARY OF PAYMENTS AND ESTIMATES: SPORT, ARTS, CULTURE AND RECREATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	119 330	118 856	130 629	114 001	116 607	109 311	117 119	121 589	128 464
2. Cultural Affairs	99 167	104 751	113 430	189 757	191 086	189 113	190 423	196 185	207 170
3. Library and Archives Services	109 032	230 052	278 178	274 007	300 682	304 273	280 609	282 594	322 560
4. Sport and Recreation	192 073	188 947	182 096	243 294	240 626	246 304	287 184	331 937	348 659
Total payments and estimates	**519 602**	**642 606**	**704 333**	**821 059**	**849 001**	**849 001**	**875 336**	**932 306**	**1 006 853**

7.3. Summary of economic classification

TABLE 12.4: SUMMARY OF ECONOMIC CLASSIFICATION: SPORT, ARTS, CULTURE AND RECREATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**339 378**	**361 838**	**386 916**	**485 578**	**478 489**	**478 147**	**513 196**	**633 966**	**670 513**
Compensation of employees	143 333	174 633	183 836	239 300	217 466	217 372	263 637	301 575	329 941
Goods and services	196 045	187 205	202 493	246 278	260 815	260 567	249 560	332 391	340 572
Interest and rent on land			587		208	208			
Transfers and subsidies to:	**90 369**	**106 291**	**155 391**	**170 684**	**182 376**	**182 700**	**190 983**	**201 314**	**212 588**
Provinces and municipalities	37 488	55 666	103 111	117 138	126 116	126 116	129 097	135 136	142 703
Departmental agencies and accounts	21 563	24 747	25 993	27 397	28 397	28 397	28 766	30 434	32 139
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	30 629	24 832	25 249	24 406	25 650	25 650	32 170	34 985	36 944
Households	689	1 046	1 038	1 743	2 213	2 537	950	759	802
Payments for capital assets	**89 710**	**174 477**	**161 636**	**164 797**	**187 371**	**187 301**	**171 156**	**97 026**	**123 752**
Buildings and other fixed structures	79 448	167 696	152 774	153 096	173 722	173 656	153 125	76 646	105 031
Machinery and equipment	10 262	6 538	8 646	11 701	13 649	13 645	18 031	20 380	18 721
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		243	216						
Payments for financial assets	**145**		**390**		**765**	**853**			
Total economic classification	**519 602**	**642 606**	**704 333**	**821 059**	**849 001**	**849 001**	**875 336**	**932 306**	**1 006 853**

The department's expenditure increased from R519.6 million in 2013/14 to R704.3 million in 2015/16, an increase of 36 per cent due to the construction of the Women's Living Heritage Monument, the Provincial Archives Centre and sport infrastructure projects. The significant increase of R123 million from the 2014/15 to the 2015/16 financial year was due to the construction of the Provincial Archives Centre and the Women's Monument.

Expenditure on compensation of employees increased by 28 per cent from R143.3 million in 2013/14 to R183.8 million in 2015/16 largely due to a R20 million to fill critical posts and migration of staff from the Department of e-Government. Goods and services decreased by 3 per cent from R196 million in 2013/14 to R202.5 million in 2015/16 due to the implementation of cost-cutting measures.

Expenditure on transfers and subsidies increased by 72 per cent from R90.4 million in 2013/14 to R155.4 million in 2015/16 due to an increase in allocation for provincial municipal transfers and an increase in financial assistance to non-profit institutions.

The departmental allocation increased by 7 per cent from R821 million in 2016/17 main budget to R875.3 million in 2017/18. The increase was largely due to R20 million additional funding for multi-purpose sport facilities in the Western and Southern development corridors. The aim is to provide an opportunity for community members to embrace a healthy and active

lifestyle. Also contributing to the increase was additional funding of R14.3 million which is allocated towards the OR Tambo Soncini Games, Social cohesion games and continued support for the Community Games programme, a multi-coded sport programme organised by communities across the province.

The 2017 MTEF total departmental allocation increased by 14 per cent from R875.3 million in the 2017/18 main budget to R1 billion in 2019/20 due to an increase in earmarked funding for sport and recreation signature events, equitable share contribution for the construction of libraries and operationalisation of monuments.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the 2017 Estimates of Capital Expenditure.

7.4.2 Departmental Public-Private-Partnership (PPP) projects

N/A

7.5 Transfers

7.5.1 Transfers to public entities

N/A

7.5.2 Transfers to other entities

TABLE 12.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO ENTITIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Gauteng Film Commission	21 563	24 747	25 993	27 397	27 397	27 397	28 767	30 435	32 140
Total departmental transfers	**21 563**	**24 747**	**25 993**	**27 397**	**27 397**	**27 397**	**28 767**	**30 435**	**32 140**

The expenditure of the Gauteng Film Commission increased by 20 per cent from R21.6 million in 2013/14 to R25.9 million in 2015/16 due to inflation adjustments. The 2017 MTEF allocation increases by 14 per cent from R28.8 million in 2017/18 to R32.1 million in 2019/20. The Gauteng Film Commission seeks to strengthen development in the film and TV industry by supporting film productions, facilitating the issuing of film permits and actively ensuring that jobs are created and training initiatives implemented.

7.5.3. Transfers to local government

TABLE 12.6: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Category A	15 688	19 173	42 030	40 120	43 120	43 120	40 483	46 000	48 000
Category B	21 000	35 993	58 578	74 218	79 696	79 696	85 814	86 336	91 903
Category C	800	500	2 503	2 800	3 300	3 300	2 800	2 800	2 800
Total departmental transfers	**37 488**	**55 666**	**103 111**	**117 138**	**126 116**	**126 116**	**129 097**	**135 136**	**142 703**

The expenditure increased by 178 per cent from R37.5 million in 2013/14 to R103.1 million in 2015/16 due to an increase in transfers to Category A and B municipalities to enhance operational community libraries across the province. The allocation to transfers increased slightly by 2 per cent from R126.1 million adjusted appropriation in 2016/17 to R129.1 million in 2017/18 to allow municipalities to maintain the services. Over the 2017 MTEF period, the allocation increases by 11 per cent from R129.1 million in 2017/18 to R142.7 million in 2019/20 to make provision for operationalisation of the libraries and digitalisation of the community library services.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description
The aim of the Administration Programme is to provide political and strategic direction and to support the department by providing corporate management services.

The programme is led by the Head of Department. It primarily contributes to SACR Strategic Goal: A capable and activist administration which contributes to a modern developmental state in order to promote good governance.

Programme objectives
Provide innovative and integrated strategic support services.

TABLE 12.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office of the MEC	5 904	6 956	9 308	6 338	4 864	6 559	6 718	7 660	8 090
2. Corporate Services	113 426	111 900	121 321	107 663	111 743	102 752	110 401	113 929	120 374
Total payments and estimates	**119 330**	**118 856**	**130 629**	**114 001**	**116 607**	**109 311**	**117 119**	**121 589**	**128 464**

TABLE 12.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**110 165**	**115 434**	**125 365**	**111 706**	**113 843**	**106 537**	**113 637**	**119 147**	**125 885**
Compensation of employees	62 585	80 898	82 185	77 305	79 974	69 496	77 202	81 794	86 375
Goods and services	47 580	34 536	42 603	34 401	33 661	36 833	36 435	37 353	39 510
Interest and rent on land			577		208	208			
Transfers and subsidies to:	**377**	**396**	**620**	**143**	**554**	**556**	**150**	**159**	**168**
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	377	396	620	143	554	556	150	159	168
Payments for capital assets	**8 734**	**3 026**	**4 559**	**2 152**	**1 445**	**1 445**	**3 332**	**2 284**	**2 411**
Buildings and other fixed structures		326	783		29	43			
Machinery and equipment	8 734	2 457	3 776	2 152	1 416	1 402	3 332	2 284	2 411
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		243							
Payments for financial assets	**54**		**85**		**765**	**773**			
Total economic classification	**119 330**	**118 856**	**130 629**	**114 001**	**116 607**	**109 311**	**117 119**	**121 589**	**128 464**

The programme's expenditure increased by 9 per cent from R119.3 million in 2013/14 to R130.6 million in the 2015/16 financial year.

Expenditure on compensation of employees increased by 32 per cent from R62.6 million in 2013/14 to R82.1 million in 2015/16 due to increased cost of living adjustments and other salary related costs as well as filling of vacancies in line with the recruitment plan. Goods and services expenditure decreased by 11 per cent from R47.6 million in 2013/14 to R42.6 million in 2015/16.

Transfers and subsidies increased by 64 per cent from R377 000 in 2013/14 to R620 000 in 2015/16 due to an increase in the leave gratuity. The 2017 MTEF allocation to transfers and subsides increases by 12 per cent from R150 000 in 2017/18 to R168 000 in 2019/20 to make provision for leave gratuities.

Payments for capital assets decreased by 47 per cent from R8.7 million in 2013/14 to R4.6 million in 2015/16 due to decentralisation of provision of ICT, machinery and equipment. The 2017 MTEF allocation for capital assets decreased by 27 per cent from R3.3 million in 2017/18 to R2.4 million in 2019/20.

The 2017 MTEF allocation increases by 9 per cent from R117.1 million in 2017/18 to R128.4 million in 2019/20 to ensure that good governance is enhanced and services delivery improved. The increase in the 2017 MTEF allocation for goods and services of 9 per cent from R36.4 million in 2017/18 to R39.5 million in 2019/20 is due to inflationary adjustments.

PROGRAMME 2: CULTURAL AFFAIRS

Programme description

The aim of the Cultural Affairs programme is to identify, develop, support, promote, preserve and protect arts and heritage resources in the province. In so doing, the programme contributes to the following DSACR strategic goals:

- Enhance the implementation of integrated and sustainable arts, culture and recreation programmes; and
- Gauteng economically transformed through creative and cultural industries.

The programme consists of the following sub-programmes: Creative Arts; Creative Industries (including the Gauteng Film Commission) and Heritage (including Museums; Languages; Indigenous Knowledge Systems and Geographical Names).

Programme objectives

- Reposition and retain Gauteng as the home of creative industries through intensified talent identification development and nurturing in arts and culture;
- Cultivate, facilitate and enhance a conducive environment which will allow Gauteng to excel in the creative industries;
- Host and retain major events through vigorous marketing and bidding which will contribute to sustainable economic growth and opportunities;
- Accelerate the transformation of provincial heritage landscape by identifying, preserving, protecting and promoting provincial heritage resources; and
- Promote multilingualism to redress the past linguistic imbalances or intolerances.

TABLE 12.9: SUMMARY OF PAYMENTS AND ESTIMATES: CULTURAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Management	5 667	4 600	6 290	6 708	6 771	8 034	7 279	7 766	8 200
2. Arts and Culture	68 027	64 805	71 010	105 264	107 288	107 288	97 256	104 280	110 119
3. Heritage Resource Services	25 198	34 691	34 414	75 501	74 743	71 507	82 186	80 183	84 673
4. Language Services	275	655	1 716	2 284	2 284	2 284	3 703	3 957	4 178
Total payments and estimates	**99 167**	**104 751**	**113 430**	**189 757**	**191 086**	**189 113**	**190 423**	**196 185**	**207 170**

TABLE 12.10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CULTURAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**62 759**	**69 963**	**74 313**	**117 884**	**120 615**	**118 622**	**112 507**	**149 510**	**157 881**
Compensation of employees	14 927	18 512	21 683	49 818	36 418	37 681	53 039	58 887	66 783
Goods and services	47 832	51 451	52 630	68 066	84 197	80 941	59 467	90 623	91 098
Interest and rent on land									
Transfers and subsidies to:	**36 349**	**34 685**	**37 556**	**39 157**	**38 755**	**38 765**	**39 666**	**43 220**	**45 641**
Provinces and municipalities									
Departmental agencies and accounts	21 563	24 747	25 993	27 397	28 397	28 397	28 766	30 434	32 139
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	14 777	9 934	11 461	11 760	10 330	10 330	10 900	12 786	13 502
Households	9	4	102		28	38			

TABLE 12.10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CULTURAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Payments for capital assets	**5**	**103**	**1 265**	**32 716**	**31 716**	**31 726**	**38 251**	**3 455**	**3 648**
Buildings and other fixed structures			1 145	30 000	30 000	30 000	34 985		
Machinery and equipment	5	103	120	2 716	1 716	1 726	3 266	3 455	3 648
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	**54**		**296**						
Total economic classification	**99 167**	**104 751**	**113 430**	**189 757**	**191 086**	**189 113**	**190 423**	**196 185**	**207 170**

Expenditure increased by 14 per cent from R99.2 million in 2013/14 to R113.4 million in 2015/16 due to an increase in arts and cultural projects and the increase in allocation for transfers to the Gauteng Film Commission.

Expenditure for compensation of employees from R14.9 million in 2013/14 to R21.7 million in 2015/16 due to the filling of posts in line with the recruitment plan. Goods and services increased from R47.8 million in 2013/14 to R52.6 million in 2015/16 due to the increased allocation for operationalisation of monuments and Hubs.

The overall budget allocation increased from R189.7 million 2016/17 main budget to R190.4 million in 2017/18 due to funding for the operationalisation of monuments and completion of the Women's' Living Heritage Monument in the 2017/18 financial year and carried through over the MTEF.

The increase in compensation of employees of 47 per cent from R36.4 million 2016/17 adjusted budget to R53 million in 2017/18 is the result of the permanent appointment of contract workers and realignment of staff in Hubs from Programme 4: Sport and Recreation who provide services for cultural activities. The transfers and subsidies allocation increases by 2.6 per cent from R38.7 million 2016/17 adjusted budget to R39.7 million in 2017/18 as a result of enhanced implementation of various arts and culture mass participation programmes across the province.

The 2017 MTEF allocation increases by 9 per cent from R190.4 million in 2017/18 to R207.2 million in 2019/20 due to increased allocation for operationalisation of monuments and increasing support for and coordinating of language services and major arts and culture events such as the Gauteng Carnival, music festivals and indigenous games. An additional amount of R6.9 million is allocated in 2017/18 for turning Liliesleaf into a Centre of Remembrance. This facility will continue to preserve the memories of the revolutionary struggle and pave a path for nation building and a better society.

SERVICE DELIVERY MEASURES

PROGRAMME 2: CULTURAL AFFAIRS

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
2.1. ARTS AND CULTURE			
National Performance Measure Indicators			
Number of EPWP job opportunities created	70	70	70
Number of community structures supported	60	60	60
Number of community conversation/dialogues conducted	9	9	9
Number of practitioners benefitting from capacity building programmes	146	150	155
Provincial Performance Measure Indicators			
Annual Gauteng Carnival hosted	1	1	1
Number of craft hubs implementing Product and Enterprise Development Programmes(non- cumulative)	5	5	5
Number of Puisano live music showcases hosted	7	8	8
Number of arts and culture events supported (signature, local and community)	6	8	8

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
2.2 HERITAGE			
National Indicators			
Number of national and historical days celebrated	6	6	6
Number of promotional interventions on National Symbols and Orders conducted	25	25	25
Number of oral history project undertaken	1	1	1
Number of language coordinating structures supported	1	1	1
Provincial Indicators			
Number of provincial heritage liberation routes sites identified, researched, graded and declared	25		
Number of heroes and heroines of the liberation struggle commemorated	3	3	3
Number of heritage monuments supported	3	3	
2.4 GAUTENG FILM COMMISSION			
Provincial Indicators			
Number of temporary jobs directly created in the sector	440	484	533
Number of productions supported	14	16	220
Number of individuals trained in the film industry	414	455	500
Number of film permits facilitated	165	175	180

PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES

Programme description

The purpose of the programme is to establish and maintain community libraries that provide access to knowledge, resources and services to meet the needs of individuals and groups for education, information and personal development. Libraries, as knowledge hubs, achieve the broad imperatives of socio-economic development and nation building.

The programme contributes to DSACR strategic goal: "Develop, transform, promote and modernise a sustainable library information and archives service."

Programme objectives

- Expand and recapitalise community-based libraries;
- Modernise libraries in terms of technological transformation;
- Inculcate the culture of reading in order to enhance knowledge and access to information;
- Transform and modernise the governance of library and information services; and
- Collect and preserve the knowledge-base and provide access to the province's archival records.

TABLE 12.11: SUMMARY OF PAYMENTS AND ESTIMATES: LIBRARY AND ARCHIVES SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Management	1 031	1 190	5 241	1 554	1 755	3 098	1 595	1 801	1 902
2. Library Services	87 193	138 417	143 652	194 847	216 448	218 973	223 404	233 817	271 051
3. Archives	20 808	90 445	129 285	77 606	82 479	82 202	55 610	46 976	49 607
Total payments and estimates	**109 032**	**230 052**	**278 178**	**274 007**	**300 682**	**304 273**	**280 609**	**282 594**	**322 560**

TABLE 12.12: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LIBRARY AND ARCHIVES SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**6 205**	**7 767**	**21 562**	**28 143**	**20 708**	**24 299**	**47 825**	**68 031**	**74 128**
Compensation of employees	3 701	5 129	10 462	15 618	12 438	16 029	28 469	46 090	53 270
Goods and services	2 504	2 638	11 100	12 525	8 270	8 270	19 356	21 941	20 858
Interest and rent on land									
Transfers and subsidies to:	**37 638**	**55 804**	**103 212**	**119 488**	**129 497**	**129 497**	**131 897**	**136 486**	**144 129**
Provinces and municipalities	37 488	55 666	103 111	117 138	126 116	126 116	129 097	135 136	142 703
Departmental agencies and accounts									

TABLE 12.12: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LIBRARY AND ARCHIVES SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions				750	1 750	1 750	2 000	750	792
Households	150	138	101	1 600	1 631	1 631	800	600	634
Payments for capital assets	**65 184**	**166 481**	**153 395**	**126 376**	**150 477**	**150 397**	**100 887**	**78 078**	**104 303**
Buildings and other fixed structures	64 180	164 147	150 846	121 096	141 693	141 613	91 886	66 646	95 031
Machinery and equipment	1 004	2 334	2 333	5 280	8 784	8 784	9 001	11 432	9 272
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets			216						
Payments for financial assets	**5**		**9**			**80**			
Total economic classification	**109 032**	**230 052**	**278 178**	**274 007**	**300 682**	**304 273**	**280 609**	**282 594**	**322 560**

Programme expenditure increased by 155 per cent from R109 million in 2013/14 to R278.2 million in 2015/16 due to the increase in the conditional grant and a significant allocation for building the Provincial Archives Centre.

Compensation of employee's expenditure increased from R3.7 million in 2013/14 to R10.5million in 2015/16 due to the appointment of staff and cost of living adjustments.

Expenditure on transfers and subsidies increased from R37.6 million in 2013/14 to R103.2 million in 2015/16 due to transfers to municipalities for operationalisation of libraries.

Expenditure on payments for capital assets increased by 135 per cent from R65.2 million in 2013/14 to R153.4 million in 2015/16 due to the construction of the Provincial Archives Centre and the new community libraries.

The total allocation decreases from an adjusted budget of R300.7 million in 2016/17 to R280.6 million in 2017/18 due to the anticipated completion of the Provincial Archives Centre and the allocation from the equitable shares for construction of libraries. The 2017 MTEF allocation to compensation of employees increases by 87 per cent from R28.5 million in 2017/18 to R53.3 million in 2019/20 due to the planned appointment of staff for the operationalisation of the Provincial Archives Centre. The allocation to transfers and subsidies increases from R131.9 million in 2017/18 to R144.1 million in 2019/20 for the operationalisation and the digital modernisation of libraries.

SERVICE DELIVERY MEASURES

PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
National Performance Measure Indicators			
Number of library materials procured	150	150	150
Number of new libraries built	3 under construction	3	5
Number of existing facility upgraded for public library purposes	1	2	2
Number of library community outreach programmes in libraries conducted			
	4 outreach programmes in libraries	4 outreach programmes in libraries	4 outreach programmes in libraries
	2 outreach programmes in archives	2 outreach programmes in archives	2 outreach programmes in archives
Provincial Performance Measure Indicators			
Number of subscriptions for e-services and resources renewed	6	6	6

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
3.2. ARCHIVAL SERVICES			
Provincial Performance Measure Indicators			
Archives centre established and operationalised	Construction of Archives Centre completed	Archival services rendered	Archives Centre rendered
Number of archives and records management trainings conducted	4	4	4

PROGRAMME 4: SPORT AND RECREATION

Programme description
The aim of the programme is to promote sport and recreation and school sport; facilitate talent identification; and promote sport development and high performance to make Gauteng the Home of Champions.

The programme contributes to the following DSACR strategic goals:
- Nation building, social cohesion, economic growth and the creation of job opportunities and promoting sustainable livelihoods for sportsmen and sportswomen;
- Ensuring the effective and efficient co-ordination of preparations for hosting major events in Gauteng, and other special projects;
- Enhance the implementation of integrated and sustainable sport programmes; and
- Gauteng economically transformed through the business of sport.

The programme consists of the following sub-programmes: Mass Participation/Siyadlala hubs; School Sport Development and Co-ordination; and Competitive Sport.

Programme objectives
- Reposition and retain Gauteng as the Home of Champions through intensified talent identification, development and nurturing in sport toward excellence;
- Transform and promote socially inclusive sport and recreational programmes;
- Expand community based library, sport and cultural facilities; and
- Create a competitive edge that will enhance Gauteng as a cornerstone for business in sport to contribute to sustainable economic growth and opportunities.

Key Policies, Priorities and Outputs
National Sport Plan

TABLE 12.13: SUMMARY OF PAYMENTS AND ESTIMATES: SPORT AND RECREATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Management	5 744	6 312	11 340	9 007	9 007	9 699	5 752	8 054	8 505
2. Sport	78 421	68 861	61 167	100 478	106 510	106 510	113 288	142 351	149 848
3. Recreation	68 261	72 351	70 028	86 933	83 764	88 750	129 218	125 019	131 176
4. School Sport	39 647	41 423	39 561	46 876	41 345	41 345	38 927	56 513	59 130
Total payments and estimates	**192 073**	**188 947**	**182 096**	**243 294**	**240 626**	**246 304**	**287 184**	**331 937**	**348 659**

TABLE 12.14: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT AND RECREATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**160 249**	**168 674**	**165 676**	**227 845**	**223 323**	**228 689**	**239 228**	**297 277**	**312 619**
Compensation of employees	62 120	70 094	69 506	96 559	88 636	94 166	104 926	114 804	123 513
Goods and services	98 129	98 580	96 160	131 286	134 687	134 523	134 301	182 474	189 106
Interest and rent on land			10						
Transfers and subsidies to:	**16 005**	**15 406**	**14 003**	**11 896**	**13 570**	**13 882**	**19 270**	**21 449**	**22 650**
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									

TABLE 12.14: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT AND RECREATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	15 852	14 898	13 788	11 896	13 570	13 570	19 270	21 449	22 650
Households	153	508	215			312			
Payments for capital assets	**15 787**	**4 867**	**2 417**	**3 553**	**3 733**	**3 733**	**28 686**	**13 210**	**13 390**
Buildings and other fixed structures	15 268	3 223		2 000	2 000	2 000	26 254	10 000	10 000
Machinery and equipment	519	1 644	2 417	1 553	1 733	1 733	2 432	3 210	3 390
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	**32**								
Total economic classification	**192 073**	**188 947**	**182 096**	**243 294**	**240 626**	**246 304**	**287 184**	**331 937**	**348 659**

The decrease in expenditure of R10 million from R192 million in 2013/14 to R182 million in 2015/16 is due to once-off expenditure relating to specific major sporting events during 2013/14 such as the South African Open Championship and the Sports Academy.

Compensation of employee's expenditure increased from R62.1 million in 2013/14 to R69 million in 2015/16 as a result of the realignment of the personnel budget to this programme to increase service delivery. The allocation to compensation of employees increases from R104.9 million in 2017/18 to R123.5 million in 2019/20 due to the permanent appointment of contract workers in the hubs and inflation-related adjustments.

Expenditure on goods and services decreased from R98.1 million in 2013/14 to R96.2 million in 2015/16 due to cost containment measures. Expenditure on transfers and subsidies decreased by 13 per cent from R16 million in 2013/14 to R14 million in 2015/16 due to decreased support for non-profit institutions the department provided some services itself.

The 2017 MTEF allocation to transfers and subsides increases by 18 per cent from R19.2 million in 2016/17 to R22.7 million in 2019/20 to support the sporting federations for strengthening various sporting codes such as tennis, cricket and netball.

Expenditure on payments for capital assets decreased by R13.4 million from R15.8 million in 2013/14 to R2.4 million in 2015/16 due to a decreased allocation for the upgrading of sporting facilities in communities during the specific period.

The 2017 MTEF budget increases from R287.2 million in 2017/18 to R348.7 million in 2019/20 due to the allocation from bidding and hosting of three signature events (the Arnold Games, Under-17 Future Champions and the Southern Sunshine Tour) as part of ensuring that competitive sporting events are properly funded. In the 2017/18 financial year, an additional R20 million is made available for ten multi-purpose sports facilities in the Western and Southern development corridors.

The department received R13.5 million for the Nelson Mandela Run activity, the OR Tambo Soncini Games, the Learn to Swim water safety programme and the international rugby games. This is to intensify social transformation through sport development activities which increases interaction among citizens.

SERVICE DELIVERY MEASURES

PROGRAMME 4: SPORT AND RECREATION

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
4.1 SPORTS DEVELOPMENT			
National Performance Measure Indicators			
Number of schools, hubs and clubs provided with equipment and/or attire as per the established norms and standards	400 Schools	400 Schools	400 Schools
	27 Hubs	27 Hubs	27 Hubs
	160 Clubs	170 Clubs	170 Clubs

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of sport academies supported	6	6	6
Number of athletes supported by the sport academies	1 500	1 900	1 900
Number of people trained to deliver the Club Development Programme	650	750	750
Provincial Performance Measure Indicators			
Number of people participating in the Water Safety Programme	1 050	2 300	2 300
Number of sport and active recreation projects implemented by the Provincial Sport Confederation	5	8	9
Annual Gauteng Sport Awards hosted	1	1	1
Number of local leagues supported	35	40	40
4.2. COMPETITIVE SPORT			
Annual Mandela Remembrance Walk hosted	1	1	1
Number of sport events supported (major, community, local and signature events)	8	8	8
4.3. RECREATION			
Number of people trained to deliver Siyadlala mass participation programme in communities	280	300	320
Number of people actively participating in organised sport and active recreation events	165 000	170 000	170 000
Minister's Outreach programme facilitated and coordinated	1	1	1
Number of EPWP jobs created in sport and recreation	108	108	108
Number of youth participating in the National Youth Camp	250	250	250
Number of active recreation events organised and implemented	47	47	47
4.4 SCHOOL SPORTS			
National Performance Measure Indicators			
Number of people trained to deliver school sports programmes	400	350	350
Number of provincial school sport games hosted	3	3	3
Number of learners participating in school sports tournaments at a district level	3 552	3 552	3 552
Number of learners supported to participate in the National School Sports competition	790	800	810
Number of school sports coordinators remunerated	35	35	35

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and cost

TABLE 12.15: PERSONNEL NUMBERS AND COSTS: SPORT, ARTS, CULTURE AND RECREATION

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	158	224	256	248	289	289	304
2. Cultural Affairs	53	105	109	108	108	108	112
3. Library and Archives Services	19	16	17	17	17	17	17
4. Sport and Recreation	466	279	284	292	302	302	317
Direct charges							
Total provincial personnel numbers	**696**	**624**	**666**	**665**	**716**	**716**	**750**
Total provincial personnel cost (R thousand)	143 333	174 633	183 836	217 372	263 637	301 575	329 941
Unit cost (R thousand)	206	280	276	327	368	421	440

There is a steady increase in compensation of employees due to ongoing capacitation to ensure that the department caters for the growing needs of the province. There is ongoing clean-up of the department's structure and alignment of personnel to ensure good governance and compliance with relevant legislation. Recruitment for administration posts will be kept to a minimum without compromising the quality of administrative support to the department.

The personnel headcount shows a decrease from 696 in 2013/14 to 666 in 2015/16 due to appointment of staff in line with the recruitment plan. The personnel cost increased by 28 per cent from R143.3 million in 2013/14 to R183.8 million in 2015/16 due to yearly increments and the appointment of staff.

The 2017 MTEF personnel headcount increases from 716 in 2017/18 to 750 in 2019/20 due to the anticipated approval of the new organisational structure. Recruitment will be aimed at ensuring that the department continues to deliver on its core programmes.

TABLE 12.16: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: SPORT, ARTS, CULTURE AND RECREATION

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	86	9 090	95	16 146	95	17 309	187	2	189	31 293	230	38 711	230	53 781	242	56 789	8.6%	22.0%	16.7%
7 – 10	247	70 376	256	80 519	273	87 550	227	46	273	112 472	273	132 811	273	144 480	287	159 453	1.7%	12.3%	49.1%
11 – 12	44	27 876	48	34 643	51	37 137	42	10	52	31 034	52	37 828	52	44 351	54	51 433	1.3%	18.3%	14.9%
13 – 16	37	29 428	33	34 163	34	36 623	21	15	36	27 099	36	37 802	36	39 878	37	42 113	0.9%	15.8%	12.9%
Other	282	6 562	192	9 161	213	9 821	115		115	15 474	125	16 485	125	19 085	130	20 153	4.2%	9.2%	6.4%
Total	**696**	**143 333**	**624**	**174 633**	**666**	**188 440**	**592**	**73**	**665**	**217 372**	**716**	**263 637**	**716**	**301 575**	**750**	**329 941**	**4.1%**	**14.9%**	**100.0%**
Programme																			
1. Administration	158	62 585	224	80 898	256	82 185	216	32	248	70 471	289	81 215	289	87 380	304	92 274	7.0%	9.4%	29.5%
2. Cultural Affairs	53	14 927	105	18 512	109	21 683	96	12	108	37 196	108	49 987	108	60 878	112	68 885	1.2%	22.8%	19.7%
3. Library And Archives Services	19	3 701	16	5 129	17	10 462	15	2	17	15 703	17	17 301	17	31 094	17	39 719		36.3%	10.2%
4. Sport And Recreation	466	62 120	279	70 094	284	69 506	265	27	292	94 002	302	115 133	302	122 222	317	129 063	2.8%	11.1%	40.7%
Direct charges																			
Total	**696**	**143 333**	**624**	**174 633**	**666**	**183 836**	**592**	**73**	**665**	**217 372**	**716**	**263 637**	**716**	**301 575**	**750**	**329 941**	**4.1%**	**14.9%**	**100.0%**
Employee dispensation classification																			
Educators and related professionals																			
Others such as interns, EPWP, learnerships, etc.																			
Total																			

The department is in the process of implementing the service delivery model that will increase the capacity in the corridors to ensure enhanced delivery in communities. The department in-sourced security and cleaning services during the previous financial year and has made provision for those services to be permanently employed as part of the staff compliment.

9.2 Training

TABLE 12.17: INFORMATION ON TRAINING: SPORT, RECREATION, ARTS AND CULTURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	696	624	666	665	665	665	716	716	750
Number of personnel trained	310	310	310	350	350	350	368	389	411
of which									
Male	130	130	130	150	150	150	158	167	176
Female	180	180	180	200	200	200	210	222	235
Number of training opportunities	82	82	82	78	78	78	82	87	92
of which									
Tertiary	45	45	45	40	40	40	42	44	47
Workshops	30	30	30	30	30	30	32	33	35
Seminars	2	2	2	5	5	5	5	6	6
Other	5	5	5	3	3	3	3	3	4
Number of bursaries offered	75	75	75	40	48	48	145	50	50
Number of interns appointed	50	50	50	50	60	60	60	60	60
Number of learnerships appointed	100	100	100	30	16	16	30	30	30
Number of days spent on training	100	100	100	100	100	100	105	111	117
Payments on training by programme									
1. Administration	1 045	1 101	1 200	1 280	2 312	2 899	2 786	3 010	3 316
2. Cultural Affairs	243	256	260	480	240	223	550	575	607
3. Library And Archives Services	47	50	60	50	455	455	221	290	307
4. Sport And Recreation	296	312	320	583	28	28	600	642	678
Total payments on training	**1 631**	**1 719**	**1 840**	**2 393**	**3 035**	**3 605**	**4 157**	**4 517**	**4 908**

The department continues to build capacity and improve the efficiency and effectiveness of staff members by encouraging participation in skills development programmes, management development programmes and bursary opportunities. In line with the priority of government to build the capacity of the state and to operate as a developmental state, the department continues to provide internship, learnership and bursary opportunities to young people in the province. The allocation for the 2017 MTEF increases from R4.1 million in 2017/18 to R4.9 million in 2019/20 to build capacity and develop skills in line with the departmental work skills plan.

9.3 Reconciliation of structural changes

N/A

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 12.18: SPECIFICATION OF RECEIPTS: SPORT, RECREATION, ARTS AND CULTURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			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	**168**	**265**	**291**	**242**	**317**	**317**	**310**	**311**	**312**
Sale of goods and services produced by department (excluding capital assets)	168	265	291	242	317	317	310	311	312
Sales by market establishments	110	221	234	195	233	233	225	225	225
Administrative fees	58	44	57	47	84	84	85	86	87
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Other governmental units									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	**30**	**4**	**162**	**13**	**250**	**250**	**14**	**14**	**15**
Interest	30	4	162	13	250	250	14	14	15
Dividends									
Rent on land									
Sales of capital assets									
Land and sub-soil assets									
Other capital assets									
Transactions in financial assets and liabilities	**115**	**164**	**206**	**65**	**100**	**100**	**68**	**72**	**76**
Total departmental receipts	**313**	**433**	**659**	**320**	**667**	**667**	**392**	**397**	**403**

TABLE 12.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT, RECREATION, ARTS AND CULTURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	**339 378**	**361 838**	**386 916**	**485 578**	**478 489**	**478 147**	**513 196**	**633 966**	**670 513**
Compensation of employees	143 333	174 633	183 836	239 300	217 466	217 372	263 637	301 575	329 941
Salaries and wages	143 333	154 949	161 692	211 421	191 705	191 269	229 476	263 698	289 945
Social contributions		19 684	22 144	27 879	25 761	26 103	34 161	37 877	39 996
Goods and services	196 045	187 205	202 493	246 278	260 815	260 567	249 560	332 391	340 572
Administrative fees	552	194	118	113	363	313	149	90	95
Advertising	9 094	9 143	5 125	8 247	10 528	12 943	9 170	11 576	11 671
Minor assets	346	351	1 174	4 100	488	580	2 433	6 091	6 420
Audit cost: External	2 155	2 776	4 417	2 967	3 967	4 025	4 323	2 817	2 975
Bursaries: Employees	528	250	1 197	1 114	924	916	946	569	601
Catering: Departmental activities	11 407	9 225	8 235	10 845	16 069	17 518	6 570	10 013	10 916
Communication (G&S)	6 000	4 242	5 217	4 572	3 714	4 333	4 715	4 738	5 662
Computer services	6 710	305	2 529	1 676	4 904	5 184	6 169	1 924	2 031
Consultants and professional services: Business and advisory services	1 380	980	522		503	876		1 677	1 771
Legal services	873	513	3 903	2 237	4 010	4 557	2 571	2 060	2 585
Contractors	40 916	52 716	45 559	77 969	83 066	81 761	93 520	106 725	115 822
Agency and support / outsourced services	40 306	37 812	45 163	50 082	24 467	20 609	30 434	62 990	57 923
Entertainment							22	23	24

TABLE 12.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT, RECREATION, ARTS AND CULTURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Fleet services (including government motor transport)	2 712	3 056	1 466	3 641	3 209	2 807	1 794	3 645	3 848
Housing									
Inventory: Clothing material and accessories	66	1							
Inventory: Farming supplies									
Inventory: Food and food supplies	273	285							
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material	261	60		3 159	928	806	6 053	3 589	3 290
Inventory: Materials and supplies	16 069	17 767	16 343	13 625	15 934	13 734	14 839	25 325	22 816
Inventory: Medical supplies	1			16			18	19	20
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies								500	528
Consumable supplies	44	600	979	775	2 047	2 294	871	1 161	1 247
Consumable: Stationery, printing and office supplies	2 173	1 747	3 349	3 797	3 757	4 039	3 613	4 370	4 466
Operating leases	74	829	938	1 876	2 994	3 117	1 057	1 118	1 181
Property payments	4 925	3 743	12 175	8 816	17 988	16 869	11 388	12 779	12 996
Transport provided: Departmental activity	14 250	17 759	15 067	14 086	25 771	26 154	16 902	24 013	27 358
Travel and subsistence	8 401	5 102	7 327	9 370	10 507	12 802	10 268	11 875	12 790
Training and development	1 697	2 524	3 627	1 908	3 035	3 647	2 355	2 230	2 355
Operating payments	3 877	5 214	6 778	5 613	5 028	5 782	6 356	6 739	6 654
Venues and facilities	20 955	10 011	11 285	15 674	16 614	14 901	13 023	23 733	22 527
Rental and hiring									
Interest and rent on land			587		208	208			
Interest			587		208	208			
Rent on land									
Transfers and subsidies	**90 369**	**106 291**	**155 391**	**170 684**	**182 376**	**182 700**	**190 983**	**201 314**	**212 588**
Provinces and municipalities	37 488	55 666	103 111	117 138	126 116	126 116	129 097	135 136	142 703
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	37 488	55 666	103 111	117 138	126 116	126 116	129 097	135 136	142 703
Municipalities	37 488	55 666	103 111	117 138	126 116	126 116	129 097	135 136	142 703
Municipal agencies and funds									
Departmental agencies and accounts	21 563	24 747	25 993	27 397	28 397	28 397	28 766	30 434	32 139
Social security funds									
Provide list of entities receiving transfers	21 563	24 747	25 993	27 397	28 397	28 397	28 766	30 434	32 139
Higher education institutions									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions	30 629	24 832	25 249	24 406	25 650	25 650	32 170	34 985	36 944
Households	689	1 046	1 038	1 743	2 213	2 537	950	759	802
Social benefits	312	461	382	100	259	568			
Other transfers to households	377	585	656	1 643	1 954	1 969	950	759	802

TABLE 12.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT, RECREATION, ARTS AND CULTURE

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Payments for capital assets	**89 710**	**174 477**	**161 636**	**164 797**	**187 371**	**187 301**	**171 156**	**97 026**	**123 752**
Buildings and other fixed structures	79 448	167 696	152 774	153 096	173 722	173 656	153 125	76 646	105 031
Buildings	79 448	3 549	1 145	2 000	2 000	2 000	96 393	10 000	105 031
Other fixed structures		164 147	151 629	151 096	171 722	171 656	56 732	66 646	
Machinery and equipment	10 262	6 538	8 646	11 701	13 649	13 645	18 031	20 380	18 721
Transport equipment			3 042	517	668	1 880	1 229	242	256
Other machinery and equipment	10 262	6 538	5 604	11 184	12 981	11 765	16 802	20 138	18 465
Heritage Assets									
Software and other intangible assets		243	216						
Payments for financial assets	**145**		**390**		**765**	**853**			
Total economic classification	**519 602**	**642 606**	**704 333**	**821 059**	**849 001**	**849 001**	**875 336**	**932 306**	**1 006 853**

TABLE 12.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**110 165**	**115 434**	**125 365**	**111 706**	**113 843**	**106 537**	**113 637**	**119 147**	**125 885**
Compensation of employees	62 585	80 898	82 185	77 305	79 974	69 496	77 202	81 794	86 375
Salaries and wages	62 585	71 660	72 203	67 436	69 735	61 063	67 053	70 397	74 340
Social contributions		9 238	9 982	9 869	10 239	8 433	10 149	11 397	12 035
Goods and services	47 580	34 536	42 603	34 401	33 661	36 833	36 435	37 353	39 510
Administrative fees	41	44	65	46	53	63	73	39	41
Advertising	1 984	1 619	519	1 290	450	519	641	679	718
Minor assets	160	51	138	988	83	165	595	631	666
Audit cost: External	2 155	2 776	4 417	2 967	3 967	4 025	4 323	2 817	2 975
Bursaries: Employees	528	250	1 197	1 014	924	916	946	472	498
Catering: Departmental activities	493	402	321	401	201	242	462	488	516
Communication (G&S)	4 304	2 515	3 044	3 092	1 972	2 161	2 114	1 739	1 494
Computer services	6 401	247	1 315	1 590	4 370	4 650	4 169	1 828	1 930
Consultants and professional services: Business and advisory services	530	252						1 677	1 771
Legal services	873	373	3 677	2 207	3 980	4 527	2 531	1 963	2 482
Contractors	726	3 014	178	982	516	548	2 490	984	1 039
Agency and support / outsourced services	10 877	5 761	5 274	2 948	2 875	3 262	2 660	3 039	3 209
Entertainment							22	23	24
Fleet services (including government motor transport)	1 902	2 032	831	2 632	1 415	1 038	1 365	2 686	2 836
Housing									
Inventory: Clothing material and accessories	29	1							
Inventory: Farming supplies									
Inventory: Food and food supplies	235	285							
Inventory: Materials and supplies	62	624							
Inventory: Medical supplies				16			18	19	20
Consumable supplies	38	105	614	229	479	548	239	253	267
Consumable: Stationery, printing and office supplies	2 036	1 680	2 531	2 251	2 001	2 214	1 578	1 899	2 005
Operating leases	28			257	1 157	1 280	318	336	355

TABLE 12.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Property payments	4 248	3 002	6 509	4 264	4 209	4 353	5 117	6 140	6 484
Transport provided: Departmental activity	382	371	326		389	428			
Travel and subsistence	3 754	1 629	3 608	2 512	809	841	2 597	3 056	3 227
Training and development	976	2 216	3 602	1 212	2 312	2 983	1 301	1 377	1 454
Operating payments	2 464	3 448	2 080	2 098	1 167	1 746	2 247	2 382	2 516
Venues and facilities	2 354	1 839	2 357	1 405	332	324	630	2 825	2 983
Rental and hiring									
Interest and rent on land			577		208	208			
Interest			577		208	208			
Rent on land									
Transfers and subsidies	**377**	**396**	**620**	**143**	**554**	**556**	**150**	**159**	**168**
Provinces and municipalities									
Non-profit institutions									
Households	377	396	620	143	554	556	150	159	168
Social benefits			65						
Other transfers to households	377	396	555	143	554	556	150	159	168
Payments for capital assets	**8 734**	**3 026**	**4 559**	**2 152**	**1 445**	**1 445**	**3 332**	**2 284**	**2 411**
Buildings and other fixed structures		326	783		29	43			
Buildings		326							
Other fixed structures			783		29	43			
Machinery and equipment	8 734	2 457	3 776	2 152	1 416	1 402	3 332	2 284	2 411
Transport equipment			1 241		29	966	1 000		
Other machinery and equipment	8 734	2 457	2 535	2 152	1 387	436	2 332	2 284	2 411
Software and other intangible assets		243							
Payments for financial assets	**54**		**85**		**765**	**773**			
Total economic classification	**119 330**	**118 856**	**130 629**	**114 001**	**116 607**	**109 311**	**117 119**	**121 589**	**128 464**

TABLE 12.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CULTURAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**62 759**	**69 963**	**74 313**	**117 884**	**120 615**	**118 622**	**112 507**	**149 510**	**157 881**
Compensation of employees	14 927	18 512	21 683	49 818	36 418	37 681	53 039	58 887	66 783
Salaries and wages	14 927	16 924	19 713	43 275	30 559	31 778	45 618	51 344	58 818
Social contributions		1 588	1 970	6 543	5 859	5 903	7 421	7 543	7 965
Goods and services	47 832	51 451	52 630	68 066	84 197	80 941	59 467	90 623	91 098
Administrative fees	130		8			15			
Advertising	3 278	4 521	1 411	2 991	3 072	3 185	2 759	2 922	3 085
Minor assets	4	2		55	136	146	57	61	64
Audit cost: External									
Catering: Departmental activities	5 255	6 289	4 457	7 302	7 014	7 354	3 991	2 357	2 490
Communication (G&S)	199	208	395	460	502	502	483	1 007	1 063
Computer services			261						
Consultants and professional services: Business and advisory services	850	554	522		503	876			
Infrastructure and planning									
Legal services				30	30	30	40	97	103

TABLE 12.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CULTURAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Contractors	9 899	11 835	8 987	14 122	18 527	18 527	24 894	27 476	31 187
Agency and support / outsourced services	18 193	16 978	21 173	26 291	15 701	11 343	6 972	32 893	27 964
Entertainment									
Fleet services (including government motor transport)		15							
Housing									
Inventory: Materials and supplies	1								
Inventory: Medical supplies	1								
Inventory: Medicine									
Consumable supplies		400	236	214	1 238	1 238	451	16	17
Consumable: Stationery, printing and office supplies	14	1	671	929	929	929	1 067	551	581
Operating leases			934	733	1 837	1 837			
Property payments	66		5 616	4 288	13 779	12 516	5 981	4 921	5 197
Transport provided: Departmental activity	5 121	8 191	4 186	4 157	12 306	12 796	7 485	10 844	11 451
Travel and subsistence	1 856	1 181	1 172	1 711	4 715	4 909	1 827	1 916	2 023
Training and development	7	112		280	240	186	294	282	298
Operating payments	74	336	1 259	1 868	887	1 187	852	1 888	1 993
Venues and facilities	2 884	828	1 342	2 635	2 781	3 365	2 314	3 393	3 582
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**36 349**	**34 685**	**37 556**	**39 157**	**38 755**	**38 765**	**39 666**	**43 220**	**45 641**
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	21 563	24 747	25 993	27 397	28 397	28 397	28 766	30 434	32 139
Social security funds									
Provide list of entities receiving transfers	21 563	24 747	25 993	27 397	28 397	28 397	28 766	30 434	32 139
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions	14 777	9 934	11 461	11 760	10 330	10 330	10 900	12 786	13 502
Households	9	4	102		28	38			
Social benefits	9		102		28	38			
Other transfers to households		4							
Payments for capital assets	**5**	**103**	**1 265**	**32 716**	**31 716**	**31 726**	**38 251**	**3 455**	**3 648**
Buildings and other fixed structures			1 145	30 000	30 000	30 000	34 985		
Buildings			1 145				34 985		
Other fixed structures				30 000	30 000	30 000			

TABLE 12.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CULTURAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Machinery and equipment	5	103	120	2 716	1 716	1 726	3 266	3 455	3 648
Transport equipment			39						
Other machinery and equipment	5	103	81	2 716	1 716	1 726	3 266	3 455	3 648
Heritage Assets									
Software and other intangible assets									
Payments for financial assets	**54**		**296**						
Total economic classification	**99 167**	**104 751**	**113 430**	**189 757**	**191 086**	**189 113**	**190 423**	**196 185**	**207 170**

TABLE 12.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LIBRARY AND ARCHIVES SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**6 205**	**7 767**	**21 562**	**28 143**	**20 708**	**24 299**	**47 825**	**68 031**	**74 128**
Compensation of employees	3 701	5 129	10 462	15 618	12 438	16 029	28 469	46 090	53 270
Salaries and wages	3 701	4 509	9 581	13 888	11 808	15 061	25 200	42 383	49 355
Social contributions		620	881	1 730	630	968	3 269	3 707	3 915
Goods and services	2 504	2 638	11 100	12 525	8 270	8 270	19 356	21 941	20 858
Administrative fees	33	26	45	67	150	155	76	51	54
Advertising	471	226	619	68	824	825	868	505	533
Minor assets	161	294	567	2 986	188	188	1 291	4 379	4 613
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	185	122	188	209	514	520	501	319	337
Communication (G&S)	45	52	71	60	100	100	81	615	650
Computer services	54	58	853	86	534	534	2 000	96	101
Consultants and professional services: Business and advisory services		174							
Legal services		140	226						
Contractors			30	2 008	271	271	58	4 233	3 971
Agency and support / outsourced services	371	755	5 088	3 008	480	391	4 287	2 552	2 695
Entertainment									
Fleet services (including government motor transport)		30	17		20	22	50	558	589
Housing									
Inventory: Learner and teacher support material	261	60		3 159	928	806	6 053	3 589	3 290
Inventory: Other supplies								500	528
Consumable supplies			96	68	66	188	117	124	131
Consumable: Stationery, printing and office supplies	1	38	80	176	386	386	476	690	729
Operating leases									
Property payments			27					1 400	978
Transport provided: Departmental activity	(3)	6	57		60	60			
Travel and subsistence	93	89	392	250	607	618	780	1 324	598
Training and development			25	55	455	455	307	92	97
Operating payments	677	413	2 534	325	2 457	2 457	2 262	913	964
Venues and facilities	155	155	185		230	294	150		
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									

TABLE 12.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LIBRARY AND ARCHIVES SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Transfers and subsidies	**37 638**	**55 804**	**103 212**	**119 488**	**129 497**	**129 497**	**131 897**	**136 486**	**144 129**
Provinces and municipalities	37 488	55 666	103 111	117 138	126 116	126 116	129 097	135 136	142 703
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	37 488	55 666	103 111	117 138	126 116	126 116	129 097	135 136	142 703
Municipalities	37 488	55 666	103 111	117 138	126 116	126 116	129 097	135 136	142 703
Municipal agencies and funds									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions				750	1 750	1 750	2 000	750	792
Households	150	138	101	1 600	1 631	1 631	800	600	634
Social benefits	150	138		100	231	331			
Other transfers to households			101	1 500	1 400	1 300	800	600	634
Payments for capital assets	**65 184**	**166 481**	**153 395**	**126 376**	**150 477**	**150 397**	**100 887**	**78 078**	**104 303**
Buildings and other fixed structures	64 180	164 147	150 846	121 096	141 693	141 613	91 886	66 646	95 031
Buildings	64 180						35 154		95 031
Other fixed structures		164 147	150 846	121 096	141 693	141 613	56 732	66 646	
Machinery and equipment	1 004	2 334	2 333	5 280	8 784	8 784	9 001	11 432	9 272
Transport equipment			86		122	122			
Other machinery and equipment	1 004	2 334	2 247	5 280	8 662	8 662	9 001	11 432	9 272
Heritage Assets									
Software and other intangible assets			216						
Payments for financial assets	**5**		**9**			**80**			
Total economic classification	**109 032**	**230 052**	**278 178**	**274 007**	**300 682**	**304 273**	**280 609**	**282 594**	**322 560**

TABLE 12.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT AND RECREATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**160 249**	**168 674**	**165 676**	**227 845**	**223 323**	**228 689**	**239 228**	**297 277**	**312 619**
Compensation of employees	62 120	70 094	69 506	96 559	88 636	94 166	104 926	114 804	123 513
Salaries and wages	62 120	61 856	60 195	86 822	79 603	83 367	91 605	99 574	107 432
Social contributions		8 238	9 311	9 737	9 033	10 799	13 321	15 229	16 081
Goods and services	98 129	98 580	96 160	131 286	134 687	134 523	134 301	182 474	189 106
Administrative fees	348	124			160	80			
Advertising	3 361	2 777	2 576	3 898	6 182	8 414	4 902	7 469	7 335
Minor assets	21	4	469	71	81	81	490	1 020	1 077
Audit cost: External									
Bursaries: Employees				100				97	103

TABLE 12.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT AND RECREATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Catering: Departmental activities	5 474	2 412	3 269	2 933	8 340	9 402	1 616	6 849	7 573
Communication (G&S)	1 452	1 467	1 707	960	1 140	1 570	2 038	1 377	2 455
Computer services	255		100						
Contractors	30 291	37 867	36 364	60 857	63 752	62 415	66 078	74 032	79 625
Agency and support / outsourced services	10 865	14 318	13 628	17 835	5 411	5 613	16 514	24 506	24 055
Entertainment									
Fleet services (including government motor transport)	810	979	618	1 009	1 774	1 747	379	401	423
Housing									
Inventory: Clothing material and accessories	37								
Inventory: Farming supplies									
Inventory: Food and food supplies	38								
Inventory: Materials and supplies	16 006	17 143	16 343	13 625	15 934	13 734	14 839	25 325	22 816
Consumable supplies	6	95	33	264	264	320	64	768	832
Consumable: Stationery, printing and office supplies	122	28	67	441	441	510	493	1 230	1 151
Operating leases	46	829	4	886			739	782	826
Property payments	611	741	23	264			290	319	337
Transport provided: Departmental activity	8 750	9 191	10 498	9 929	13 016	12 870	9 417	13 169	15 907
Travel and subsistence	2 698	2 203	2 155	4 897	4 376	6 434	5 064	5 579	6 942
Training and development	714	196		361	28	23	453	479	506
Operating payments	662	1 017	905	1 322	517	392	996	1 556	1 181
Venues and facilities	15 562	7 189	7 401	11 634	13 271	10 918	9 929	17 515	15 962
Rental and hiring									
Interest and rent on land			10						
Interest			10						
Rent on land									
Transfers and subsidies	**16 005**	**15 406**	**14 003**	**11 896**	**13 570**	**13 882**	**19 270**	**21 449**	**22 650**
Provinces and municipalities									
Provinces									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions	15 852	14 898	13 788	11 896	13 570	13 570	19 270	21 449	22 650
Households	153	508	215			312			
Social benefits	153	323	215			199			
Other transfers to households		185				113			
Payments for capital assets	**15 787**	**4 867**	**2 417**	**3 553**	**3 733**	**3 733**	**28 686**	**13 210**	**13 390**
Buildings and other fixed structures	15 268	3 223		2 000	2 000	2 000	26 254	10 000	10 000
Buildings	15 268	3 223		2 000	2 000	2 000	26 254	10 000	10 000
Other fixed structures									
Machinery and equipment	519	1 644	2 417	1 553	1 733	1 733	2 432	3 210	3 390
Transport equipment			1 676	517	517	792	229	242	256
Other machinery and equipment	519	1 644	741	1 036	1 216	941	2 203	2 968	3 134
Software and other intangible assets									

TABLE 12.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT AND RECREATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Payments for financial assets	**32**								
Total economic classification	**192 073**	**188 947**	**182 096**	**243 294**	**240 626**	**246 304**	**287 184**	**331 937**	**348 659**

TABLE 12.24: TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY AND MUNICIPALITY: SPORT, RECREATION, ARTS AND CULTURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Category A	**15 688**	**19 173**	**42 030**	**40 120**	**43 120**	**43 120**	**40 483**	**46 000**	**48 000**
Ekurhuleni Metro	3 700	5 200	9 579	12 000	13 000	13 000	13 800	14 000	14 500
City Of Johannesburg	7 888	9 690	19 015	16 120	17 120	17 120	15 921	18 000	19 000
City Of Tshwane	4 100	4 283	13 436	12 000	13 000	13 000	10 762	14 000	14 500
Category B	**21 000**	**35 993**	**58 578**	**74 218**	**79 696**	**79 696**	**85 814**	**86 336**	**91 903**
Emfuleni	800	4 690	9 225	11 300	12 300	12 300	15 207	15 500	16 303
Midvaal	2 600	4 080	7 050	8 300	8 800	8 800	9 003	9 000	10 500
Lesedi	4 050	5 158	6 700	8 670	9 670	9 670	11 454	11 500	11 500
Mogale City	4 125	8 502	12 700	15 200	15 700	15 700	14 980	15 000	16 000
Merafong City	4 025	5 845	9 903	11 422	12 900	6 300	15 010	15 010	16 200
Rand West City	5 400	7 718	13 000	19 326	20 326	26 926	20 160	20 326	21 400
Category C	**800**	**500**	**2 503**	**2 800**	**3 300**	**3 300**	**2 800**	**2 800**	**2 800**
Sedibeng									
West Rand	800	500	2 503	2 800	3 300	3 300	2 800	2 800	2 800
Total transfers to municipalities	**37 488**	**55 666**	**103 111**	**117 138**	**126 116**	**126 116**	**129 097**	**135 136**	**142 703**

VOTE 13

DEPARTMENT OF e-GOVERNMENT

To be appropriated by Vote in 2017/18	R1 356 832 000
Responsible MEC for e-Government	MEC for Finance
Administering Department	Department of e-Government
Accounting Officer	Head of Department

1. OVERVIEW

Vision
A connected Gauteng City Region that leverages technology to provide quality services to citizens.

Mission
To realize the intent of a connected government through:
- Provision of relevant technologies, standards and governance
- Creation of an environment of collaboration between key stakeholders; and
- Facilitation of the evolution of the Gauteng City Region (GCR) service delivery.

Strategic objectives
The key strategic objectives of the department are to:
- Build an enabling infrastructure for connected GCR government;
- Create an enabling platform and support services to enable GCR entities to design, develop and deliver e-Government services;
- Establish a GCR e-Government governance structure to drive priorities, policies, standards and regulations;
- Promote the use of e-Government services by citizens, businesses and government entities; and
- Stimulate the ICT economy by facilitating incubation and innovation and by encouraging public-private partnerships (PPPs) to develop and roll out e- Government services.

Core functions and responsibilities
- To roll out the Gauteng Broadband Network (GBN);
- To develop and maintain all provincial government owned ICT infrastructure;
- To develop and maintain applications, networks and services;
- To improve and provide customer-driven HR services;
- To implement e-Recruitment solutions for job seekers; and
- To deploy HR systems in the province.

Main services
The main services of the department relate to:
- Providing universal access to broadband (as defined by the national broadband policy) for citizens, business and government institutions;
- Building the network infrastructure and information super-highway to encourage the development of an advanced workforce with increased ICT skills;
- Enhancing economic productivity through ICT infrastructure development to lower the cost of doing business and increase connectivity for companies and especially small, medium and micro enterprises (SMMEs);
- Improving service delivery by providing high-quality ICT services through e-government; and
- Building capability and improving the quality of service and client experience in the provision of human resource services. These are executed by improving efficiency through the automation of transactional services.

Ten-Pillar programme of transformation, modernisation and re-industrialisation
The main services of the department are delivered by ensuring that it operationalises the provincial 2015-2020 GCR e-Government Strategy. The department has adopted five strategic pillars of the 2015-2020 provincial GCR e-Government

strategy as its strategic objectives, a more focused approach is taken by the department for service delivery to the province.

The five strategic pillars of the GCR e-Government Strategy 2015-2020 are:

Pillar 1: To build an enabling ICT infrastructure for GCR connected government

Pillar 2: To create the platform and support services to enable GCR entities to design, develop and deliver e-Government services

Pillar 3: To establish a GCR e-Government governance structure to drive priorities, policies, standards and regulations

Pillar 4: To promote the use of e-Government services by citizens, businesses and government entities

Pillar 5: To stimulate the ICT economy by facilitating incubation and innovation and by encouraging PPPs for the development and roll-out of e-Government services.

National Development Plan
The national broadband policy gives expression to South Africa's vision in the NDP of a "seamless information infrastructure by 2030 that will underpin a dynamic and connected vibrant information society". The plan also states the need for a knowledge economy that is inclusive, equitable and prosperous: "in line with this, the Department of e-Government will promote digital inclusion by connecting citizens to a high-speed broadband. The broadband will be connected through the Thusong centres located in townships across the province. Finally, the department intends to act as an economic enabler by ensuring that priority townships and economic regeneration zones have access to high-speed broadband.

External activities and events relevant to budget decisions
The compilation of the department's budget has been informed by the provincial Ten-Pillar Programme (TPP) of transformation, modernisation and re-industrialisation and other provincial strategies such as the GCR wide e-Government strategy. The key activity of the department will be to maintain and improve ICT service delivery and to implement modern, reliable and secure government-wide solutions. The department has seen an increase in demand for connectivity and this directly affects delivery of e-Government services. There is therefore a need for more investment to match the growing demand with service delivery.

Acts, rules and regulations

- Public Administrative and Management Act 11, 2014;
- Treasury Regulations 2005 and Delegations;
- Electronic Communications Act, 2005;
- Municipal Finance Management Act, 2004;
- Prevention and Combating of Corrupt Activities Act, 2004;
- Broad-Based Black Economic Empowerment Act, 2003;
- Government Employees Pension Law Amendment Act 35, 2003;
- The Tender Board Repeal Act, 2002;
- Municipality Systems Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Promotion of Access to Information Act, 2000 (Act 2 of 2000);
- Promotion of Administrative Justice Act, 2000;
- Public Finance Management Act, 1999;
- Employment Equity Act, 1998;
- National Skills development Act, 1998;
- Basic Conditions of Employment Act, 1997;
- Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997);
- Public Service Laws Amendment Act, 1997;
- Borrowing Powers of Provincial Government Act,1996 (Act 48 of 1996);
- The Constitution of the Republic of South Africa, 1996;
- The National Archives Act, 1996;
- Development Facilitation Act, 1995;
- Labour Relations Act, 1995;
- Occupational Health and Safety Act, 1995;
- Public Service Act, 1994 Regulations and Delegations; and
- Division of Revenue Act

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

The Department of e-Government derives its mandate from the need to modernising the public service and economy through information and communications technologies (ICTs). Supporting this is the rollout of a core network infrastructure that will connect all government buildings, Thusong Centres, urban renewal zones and targeted economic zones.

The department has continuously engaged partners and stakeholders to share knowledge and experiences through various stakeholder engagements such as the Gauteng ICT e-Government Summit. The aim of the engagements is to evaluate the progress made by the GPG in implementing the City Region e-government strategy.

To date, 222 sites have been connected including Thusong Centres, urban renewal zones and targeted economic zones. 99.98 per cent broadband and access point network availability was achieved against a target of 98 per cent for the year. This achievement reflects the department's plans to create an enabling environment through network connectivity focusing on government-to-government, government-to-business and government-to-citizens to make service delivery efficient and effective.

Part of the "radical transformation" is to support SMMEs, especially those which are township-based, by providing them with the opportunity to expand and create jobs. In the year under review the department procured 52 per cent of goods and services below R500 000 from township enterprises, and accredited 150 township entrepreneurs. The department also facilitated 706 training and job opportunities for unemployed youth particularly those with ICT background thus achieving more than the target of 300.

The department is committed to creating an enabling platform and support services to enable GCR entities to design, develop and deliver services.The first phase of the common platform is the redesign of the GPG website which was live in January 2017. The Design and Validation Centre (DAV) has been re-established and built within the Tshimologong Precinct at the University of the Witwatersrand. An initial set of applications is being tested and validated at the centre and a range of entrepreneurship workshops have been conducted with the aim of developing skills and encouraging innovation within the ICT sector.

An ICT summit was held in Soweto during the period under review. The summit was aimed at promoting digital and mobile technology start-ups within the township economy. To stimulate the ICT economy, strategic partnerships have been concluded with SITA and Sci-Bono. It is envisioned that the partnerships will yield positive results.

During the reporting period, nine entrepreneurship-training sessions were conducted in Soweto and Garankuwa eKasi labs. The programme was aimed at promoting a culture of innovation and entrepreneurship at school level. Throughout the year, there has been consistent compliance with the e-Government Township Economy Framework.

The appointment of a champion for e-Services to promote e-Services and to advocate the available e-Services led to an increase in the number of registered users of e-Services. To date, more than 80 000 users have registered for GPG e-services, mainly using e-recruitment services and the central supplier database.

The department aims to create an enabling ICT infrastructure. In this regard, nine entities have been assessed for cloud readiness. Consultation processes are in place with relevant stakeholders to ensure that proper legislation is in place to assess the remaining entities in Gauteng. With regard to the automation of human resource back office processes, plans are in place to roll out the Automated Termination Services (HR21 and HR24) and the electronic Performance Management and Development Systems (e-PMDS) in earmarked departments that are SAP-enabled.

The department plans to build an enabling ICT infrastructure for the GCR through appropriate solutions, systems and operations. A number of frameworks have been developed and approved to support the establishment of a e- Governance structure to drive priorities, policies, standards and regulations within the GPG ICT environment: the GCR e-Government Governance Framework; GCR e-Government Communities of Practice; GCR e-Government Forums' Terms of Reference; GCR e-Government Information Security Framework; e-Government Township Economy Framework; service prototyping; and the service scaling framework.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

The department's plans for the new financial year are to continue to champion the modernisation of government in the province through continued rollout of the Gauteng Broadband Network (GBN), particularly in the West Rand and Sedibeng municipal offices. It is envisioned that 800 GBN sites will be rolled out in 2017/18. These consist of 785 Government-to-Government (G2G) sites, 13 Government-to-Citizen (G2C) sites and 2 Government-to-Business (G2B) sites. E-Government services will also be rolled out to citizens in the province.

The department will continue to ensure that there is 98 per cent network availability of broadband and access points for the province, and that core network sites are upgraded to avoid service interruptions. The department aims to upgrade four core sites during the 2017/18 financial year.

With regard to cloud computing, the department aims to migrate all provincial departments to the cloud environment. It will assess the readiness of 2 entities and migrate them to the provincial private cloud. This approach is taken as a precautionary measure to mitigate against threats to the ICT environment resulting from rapid changes in technology. As part of Phase 1 of the development of the Common Platform, the newly designed GPG website will provide a single window of government sector specific e-Services to citizens.

During the 2017/18 financial year, the department aims to publish 8t e-Services on the Common Platform and to develop four mobile applications. To increase the number of citizens registered as users of e-Services, the department will appoint 20 digital ambassadors, the ambassadors will advocate and promote the usage of e-Services amongst citizens. In addition to the promotion of e-Services by the digital ambassadors, the department aims to further utilise its existing partnerships to promote the usage of available e-Services by promoting at least six e-Services. Another strategy to promote the use of e-Services will be the rollout of 20 e-Service incentive programmes and promotions through the Ntirhisano and Qondis'Ishishini Lakho community outreach programmes.

To stimulate the provincial ICT economy, the department will approve the provincial strategy on the ICT Industry Stimulation. This will help to create a provincial framework and implementation plan. The strategy and the plan will drive the provincial ICT economy through the development and incubation of township ICT projects. The DAV Centre in the Tshimologong precinct will be used for testing and validating ICT projects from the township.

4. REPRIORITISATION

The department reprioritized the budget baselines to fund the requirements of the new organisational structure that the DPSA is yet to approve. The revised organisational structure is aligned with the revised mandate that repositions the department to be ICT-focused.

Funds are reprioritised mainly from compensation of employees in Programme 1: Administration and Programme 2: ICT Shared Services towards goods and services in Programme 1 and Programme 2 over the MTEF. These funds are provided to goods and services mainly for the maintenance and upkeep of the provincial ICT infrastructure. In 2017/8, a total of R59 million is reallocated to fund goods and services items such as computer services and contractors. R46.9 million of this amount is reallocated to Programme 2 for the requirements of the GBN and other projects. An amount of R11.4 million is reallocated from the capital budget for software to goods and services to relocate the budget to the goods and services item against which the software expenditure is incurred in terms of the standard chart of accounts.

In 2018/19, R110.9 million is reprioritised from compensation of employees. Of this amount, R90.2 million is reallocated mainly to computer services and contractors under goods and services in Programme 2 for the requirements of the GBN and other projects.

Programme 3: Human Resources receives R6 million per annum under goods and services in 2017/18 and 2018/19 to fund the procurement of the Security and Performance Monitoring Service (SPMS).

5. PROCUREMENT

There are no major planned procurements for the 2017 MTEF period. The department has opted to strengthen its contract management processes. Critical posts within the SCM unit have been filled, including the Director and Deputy Director: Contracts Management. The department's Demand Management unit has also been capacitated by the appointment of a Deputy Director: Procurement. This will enable the department to fully and solely account for the financial resources at its disposal and all related activities that derive from the resources allocated to the department.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 13.1 : SUMMARY OF RECEIPTS: E-GOVERNMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	1 103 571	1 252 648	1 175 647	1 212 275	1 263 186	1 263 186	1 356 832	1 168 426	1 231 414
Total receipts	**1 103 571**	**1 252 648**	**1 175 647**	**1 212 275**	**1 263 186**	**1 263 186**	**1 356 832**	**1 168 426**	**1 231 414**

The department is funded through the equitable share. These funds amount to R1.1 billion annually over the period under review. Adjustments to the allocation have been made to cater for function shifts during the 2013/14, 2014/15, 2015/16 and 2016/17 financial years.

During the provincial process of streamlining the provincial functions to improve efficiencies in the service delivery, budget was reallocated from the department to the Office of the Premier (OoP) in respect of Organisational Development, the Employee Health and Wellness Programme and the GPG Hotline; and to the Gauteng Provincial Treasury (GPT) in respect of the transversal procurement and internal audit functions. The equitable share adjustments include the reverse migration of procurement functions to GPG departments.

The main appropriation increases from R1.2 billion in 2016/17 to R1.3 billion in 2017/18 and decreases to R1.2 billion in 2019/20. The trend in the budget allocation is informed mainly by funds allocated for the Gauteng Broadband Network project.

6.2 Departmental receipts

TABLE 13.2 : SUMMARY OF DEPARTMENTAL RECEIPTS: E-GOVERNMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		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	953	850	572	751	538	538	557	580	604
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	41	15	11	11	11	11	12	12	12
Sales of capital assets									
Transactions in financial assets and liabilities	416	1 285	1 224	155	39	39	43	46	49
Total departmental receipts	**1 410**	**2 150**	**1 807**	**917**	**588**	**588**	**612**	**638**	**665**

Departmental revenue sources are made up of gym membership fees, parking fees, fees charged for the sale of tender documents and commission earned on third-party payments for insurance premiums paid on behalf of the department's employees. A decrease in the revenue from R1.4 million in 2013/14 to R612 000 in 2017/18 results from a decrease in the staff complement following the steps taken to improve efficiencies by migrating some functions to the OoP and GPT, and decentralising the departments-specific procurement function from e-Gov to other provincial departments in 2013/14. Revenue is projected to increase slightly from a projected R612 000 in 2017/18 to R665 000 in 2019/20.

7. PAYMENT SUMMARY

7.1 Key assumptions

The 2017 MTEF budget is guided and informed by the e-Gov Strategic Plan and Annual Performance Plan, the TMR objectives and the GPG Programme of Action (POA). The key assumptions underpinning the budget are:

- Provision for annual salary adjustments at the prescribed growth rates of consumer price index (CPI) plus 1 per cent for

2016/17; 2017/18 and 2019/20. The prescribed CPI is 6.1 per cent, 5.9 per cent and 5.8 per cent in 2017/18, 2018/19 and 2019/20 respectively.

- Provision for provincial priorities including the Gauteng Broadband Network and GPG ICT infrastructure maintenance and support.

7.2 Programme summary

TABLE 13.3 : SUMMARY OF PAYMENTS AND ESTIMATES BY DEPARTMENT: E-GOVERNMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	263 201	145 283	173 848	246 830	216 484	216 431	239 764	245 033	258 755
2. Information Communication Technology(Ict) Shared Services	683 615	989 770	900 980	863 313	955 975	956 028	1 003 224	801 648	842 077
3. Human Resources Services	76 286	78 686	80 078	102 132	90 727	90 727	113 844	121 745	130 582
Total payments and estimates	**1 023 102**	**1 213 739**	**1 154 906**	**1 212 275**	**1 263 186**	**1 263 186**	**1 356 832**	**1 168 426**	**1 231 414**

7.3 Summary of economic classification

TABLE 13.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: E-GOVERNMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**1 010 326**	**766 844**	**778 623**	**1 187 451**	**1 211 630**	**1 211 598**	**1 329 188**	**1 141 192**	**1 203 932**
Compensation of employees	244 248	251 813	270 891	500 630	324 545	324 545	422 434	454 799	487 816
Goods and services	766 078	515 031	507 732	686 821	887 085	887 053	906 754	686 394	716 116
Interest and rent on land									
Transfers and subsidies to:	**386**	**1 924**	**23 485**	**550**	**23 350**	**23 350**	**23 377**	**23 410**	**23 445**
Provinces and municipalities									
Departmental agencies and accounts		1 589							
Higher education institutions		78			22 800	22 800	22 800	22 800	22 800
Foreign governments and international organisations									
Public corporations and private enterprises	5								
Non-profit institutions									
Households	381	257	23 485	550	550	550	577	610	645
Payments for capital assets	**11 343**	**444 910**	**352 457**	**24 274**	**28 206**	**28 236**	**4 267**	**3 823**	**4 037**
Buildings and other fixed structures									
Machinery and equipment	10 708	320 882	250 431	7 874	28 206	28 171	4 267	3 823	4 037
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	635	124 028	102 026	16 400		65			
Payments for financial assets	**1 047**	**61**	**341**			**2**			
Total economic classification	**1 023 102**	**1 213 739**	**1 154 906**	**1 212 275**	**1 263 186**	**1 263 186**	**1 356 832**	**1 168 426**	**1 231 414**

A major portion of e-Gov's allocation is for maintenance of the provincial ICT infrastructure in accordance with the department's primary strategic objective of providing a modern, reliable and secure ICT infrastructure for GPG as custodian and catalyst of e-governance in the province. The department's estimated expenditure averages R1.1 billion annually over the period under review. It increased by R200 million from 2013/14 to 2014/15, driven by the design and rollout of the broadband network in the province. The decrease from R1.2 billion in 2014/15 to R1.1 billion in 2015/16 resulted from the migration of certain functions from the department to the OoP and GPT. Programme 2: ICT Shared Services accounts for 70 per cent of the department's allocation. This is mainly due to the GBN project, payments for software licences and other ICT related costs.

The budget for compensation of employees grew to R323 million in 2016/17 from R270.8 million in 2015/16. It is set to increase from R422.4 million in 2017/18 to R487.8 million in 2019/20 to fund the filling of vacant and critical posts in line with implementation of the department's interim establishment. The department is in consultation with the DPSA regarding approval of the structure. It is envisioned that this will be approved in the 2017/18 financial year.

Medium term estimates of notch progression annual performance bonuses as regulated by the DPSA and required by the National Treasury have been provided for in the budget. Changes to the budget for compensation of employees and related annual cost-of-living adjustments over the 2017 MTEF are consistent with growth rates prescribed by National Treasury.

Expenditure on goods and services at R766.1 million in 2013/14 was higher than the following financial years due to expenditure on the GBN project during the design and rollout phases in the first year of the project. The expenditure reduced to R507.7 million in 2015/16. The budget increase, from R686.8 million to R887 million, in the adjustment budget in 2016/17 was mainly to fund the GBN project and a shortfall in the budget for the office software package. A further increase in the budget from R887 million in 2016/17 to R906.7 million in 2017/18 relates to funds allocated to increase the number of connected sites for the GBN project. The goal is to connect 3000 sites by 2019. The budget for goods and services decreases as part of cost-cutting measures in departmental non-core item, such as communications, catering, stationery and printing and venues and facilities, as required in the National Treasury Practice of 2014/15.

The main cost drivers under goods and services are payments for professional services under the GBN project; payments for utilities; maintenance and support services for the provincial government ICT infrastructure; e-mail as a service; the fully managed data centre and SITA under computer services; project management; and property payment items. Provision has been made for departmental operational costs such as utilities, building maintenance and other administrative costs such as lease payments for the department's car fleet, labour saving devices and payments for audit services.

During the design and rollout phases of the GBN, capital expenditure amounted to R444.9 million and R352.5 million in 2014/15 and 2015/16 respectively. There was additional expenditure on the design and rollout of the province's GBN and the department's out-of-warranty computer equipment, including servers, were replaced during this period.

During the 2015/16 financial year, the department spent R102 million on the renewal of software licences. Estimates for capital expenditure over the 2017 MTEF average R4 million annually to provide for computer upgrades and the purchase of relevant software.

Transfers and subsidies to households relate to payment for leave gratuities for employees exiting the public service, and average R611 000 annually over the 2017 MTEF.

7.4 Infrastructure payments

N/A

7.4.1 Departmental infrastructure payments

N/A

7.4.2

N/A

7.5 Transfers

7.5.1 Transfers to public entities

N/A

7.5.2 Transfers to other entities

TABLE 13.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Departmental Agencies and Accounts		1 589							
Total departmental transfers		**1 589**							

The department transferred R1.6 million to the Public Sector Education Training Agency (PSETA) for skills development as per the directive from the Department of Public Service and Administration.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description
To provide executive leadership, oversight and accountability and corporate support services.

Programme objectives
To manage the Department of e-Government efficiently through executive steer and accountability, and the execution of corporate support services supported by effective reporting, risk management and compliance practices.

TABLE 13.6 : SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office Of The HOD	6 222	5 074	6 518	7 859	7 161	7 316	10 361	11 040	11 659
2. Risk Management	2 992	2 747	2 786	6 267	3 594	3 594	3 980	4 274	4 514
3. Office Of The CFO	150 981	31 832	60 998	56 979	51 602	51 144	62 671	60 681	64 079
4. Corporate Services	103 006	105 630	103 546	175 725	154 127	154 377	162 752	169 038	178 503
Total payments and estimates	**263 201**	**145 283**	**173 848**	**246 830**	**216 484**	**216 431**	**239 764**	**245 033**	**258 755**

TABLE 13.7 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**258 446**	**140 980**	**148 526**	**245 840**	**213 011**	**213 009**	**234 920**	**240 599**	**254 073**
Compensation of employees	86 082	88 472	96 920	164 062	121 270	121 270	139 667	151 541	162 550
Goods and services	172 364	52 508	51 606	81 778	91 741	91 739	95 253	89 059	91 523
Interest and rent on land									
Transfers and subsidies to:	**138**	**1 776**	**23 152**	**550**	**513**	**460**	**577**	**610**	**645**
Provinces and municipalities									
Departmental agencies and accounts		1 589							
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises	5								
Non-profit institutions									
Households	133	187	23 152	550	513	460	577	610	645
Payments for capital assets	**3 581**	**2 485**	**2 113**	**440**	**2 960**	**2 960**	**4 267**	**3 823**	**4 037**
Buildings and other fixed structures									
Machinery and equipment	2 946	2 485	2 100	440	2 960	2 960	4 267	3 823	4 037

TABLE 13.7 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	635		13						
Payments for financial assets	**1 036**	**42**	**57**			**2**			
Total economic classification	**263 201**	**145 283**	**173 848**	**246 830**	**216 484**	**216 431**	**239 764**	**245 033**	**258 755**

Expenditure on the Administration programme decreased from R263.2 million in 2013/14 to R173.8 million in 2015/16. The decrease was due to the shared costs of utilities with GPT. The main budget reduced from R246.8 million to R216.5 million during the adjustment budget process in 2016/17 due to the reallocation of unutilized funds for vacant posts to the GBN project. The budget will increase from R239.8 million in 2017/18 to R258.7 million in 2019/20.

The programmes provides for centralised and shared expenditure items within HR services such as training and development, bursaries, the internship programme and payroll-related expenses such as performance bonuses. Audit fees, telephony costs and bank charges are provided for under the Financial Management sub-programme. The Corporate Services sub-programme accounts for 68 per cent of the programme budget mainly due to shared expenditure items such as office automation and labour saving devices, lease payments and provision for building and facilities maintenance, utilities and other operational costs. The Office of the HoD sub-programme, which accounts for 4.3 per cent of the overall programme allocation, incurs personnel expenditure to support efficient administration and management of the department.

Expenditure on compensation of employees increased from R86.1 million in 2013/14 to R96.9 million in 2015/16. The budget increased to R164.1 million in 2016/17 in line with the organisational structure that was expected to be approved. However, delays in the approval of the organisational structure resulted in excess funds in respect of vacant posts. This resulted in the downward adjustment of the budget to R121.3 million in 2016/17. In anticipation of approval of the organisational structure, the budget increases from R139.7 million in 2017/18 to R162.5 million in 2019/20 to fill the funded and critical posts.

Expenditure on goods and services decreased from R172.3 million in 2013/14 to R51.6 million in 2015/16. The reduction resulted partly from a drive to limit growth in the administration programme and migration of functions from the department to other provincial departments. The main budget of R81.8 million in 2016/17 enabled centralisation of administrative items to improve control and yield efficiencies. The centralised and shared items are office automation and labour saving devices, external audit services, lease payments, fleet management, communication and printing services, staff development and training, municipal service costs and property payments. The budget was adjusted up to R91.7 million to fund the completion of office refurbishment and the purchase of security equipment in 2016/17. The budget ranges between R95.2 million and R89.1 million over the MTEF to provide for the Administration function of the department.

Provision for transfers and subsidies relating to leave gratuities and injuries on duty are centralised under the Administration programme. This budget is reallocated to other programmes to defray expenditure incurred during the financial year.

PROGRAMME 2: INFORMATION COMMUNICATION TECHNOLOGY SHARED SERVICES

Programme description

The programme is responsible for establishing an ICT e-Government governance structure for the department and the GCR; building an enabling ICT infrastructure and platform for common GCR e-Services according to a standardised approach for a connected GCR government; and promoting the use of e-Government services by citizens, businesses and government entities through transformation and incentive programmes.

Programme objectives

- To establish a GCR e-Government governance structure that drives and enables priorities, policies, standards and regulations through approved frameworks;
- To ensure that the ICT infrastructure required for the GCR connected government exists, and is enabled by an upgraded core network, availability of Wi-Fi hotspots and a maintained network availability allowing GCR entities to be connected and to provide e-Services to the citizens of the province through a common enabling platform;

- To promote the use of e-Government services by citizens, business and government entities; and
- To stimulate the ICT economy by facilitating incubation and innovation and by encouraging public private partnerships for the development and roll-out of e-Government services.

TABLE 13. 8: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: INFORMATION COMMUNICATION TECHNOLOGY(ICT) SHARED SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Applications	462 108	738 989	677 846	472 927	602 291	602 344	643 332	447 231	472 276
2. Operations	210 997	228 996	208 504	325 998	335 314	335 314	317 715	309 605	319 475
3. Business Alignment	9 510	18 680	13 882	62 330	16 821	16 821	39 487	41 915	44 262
4. Information Communication Technology Programme Support	1 000	3 105	748	2 058	1 549	1 549	2 690	2 897	6 064
Total payments and estimates	**683 615**	**989 770**	**900 980**	**863 313**	**955 975**	**956 028**	**1 003 224**	**801 648**	**842 077**

TABLE 13.9 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFORMATION COMMUNICATION TECHNOLOGY(ICT) SHARED SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**675 808**	**547 179**	**550 207**	**839 479**	**907 910**	**907 880**	**980 424**	**778 848**	**819 277**
Compensation of employees	82 579	85 236	94 436	235 280	113 591	113 591	175 823	188 440	201 999
Goods and services	593 229	461 943	455 771	604 199	794 319	794 289	804 601	590 408	617 278
Interest and rent on land									
Transfers and subsidies to:	**35**	**147**	**145**		**22 830**	**22 883**	**22 800**	**22 800**	**22 800**
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions		78			22 800	22 800	22 800	22 800	22 800
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	35	69	145		30	83			
Payments for capital assets	**7 762**	**442 425**	**350 344**	**23 834**	**25 235**	**25 265**			
Buildings and other fixed structures									
Machinery and equipment	7 762	318 397	248 331	7 434	25 235	25 200			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		124 028	102 013	16 400		65			
Payments for financial assets	**10**	**19**	**284**						
Total economic classification	**683 615**	**989 770**	**900 980**	**863 313**	**955 975**	**956 028**	**1 003 224**	**801 648**	**842 077**

The increase in expenditure on the programme from R683.6 million in 2013/14 to R989 million 2014/15 was mainly due to the capital costs of implementing and rolling out the GBN. The mandate to the department to increase the number of connectivity sites by 2019 resulted in the increase of the main budget from R863.3 million to R956 million in 2016/17. The 2017/18 allocation increases to R1 billion to cover the increased connectivity sites. 96 per cent of the programme's allocation is accounted for under the Applications and Operations sub-programmes.

Spending on compensation of employees increased from R82.6 million in 2013/14 to R94.4 million in 205/16. With the department's mandate being revised to focus more on delivery of ICT in the province, it planned to increase human resource capacity in the core service delivery programmes. This resulted in the main budget for compensation of employees increasing to R235.3 million in 2016/17, adjusted down to R113.6 million in the same financial year due to posts remaining vacant whilst DPSA approval of the organisational structure is pending. The budget is set to increase from R175.8 million in 2017/18 to R202 million in 2019/20 based on the revised organisational structure that supports the department's mandate of championing the modernisation of government in Gauteng to rollout broadband and other e-government services.

Goods and services expenditure decreased from R593.2 million in 2013/14 to R455.8 million in 2015/16. Three cost drivers accounted for the major portion of this budget: the e-learning project, computer services, and license support and maintenance for the province. From 2014/15, the budget provides for digitisation of back office support (including the digitisation of provincial HR functions); maintenance of the GPG ICT infrastructure; licence support and maintenance; a fully managed data centre; an email management and archiving solution; and information security operations.

The programme also support the delivery of e-government services, applications, a common platform and enterprise content management. Maintenance and upkeep of the provincial ICT infrastructure, services and applications are located in this programme. Ensuring the security of GPG's information and transaction monitoring (risk management) and related firewalls, matters concerning management of GPG's fully-managed data centre, business intelligence, and software licence management are the main focus of the operations programme.

Rollout and implementation of the GBN project is one of the programme's key mandates. GBN has three key objectives: to improve government efficiency and to save government and citizens time and money; to promote digital inclusion by connecting citizens to high-speed broadband, initially through Thusong Centres in townships across the province; and to act as an economic enabler by ensuring that priority townships and economic regeneration zones have access to high speed broadband.

By the end of the 2014/15 financial year, 6 core sites had been built and connected: Chris Hani Baragwanath Hospital, 75 Fox Street, 82 Grayston Drive, the West Rand District Offices in Randfontein, and Teraco in Kempton Park for internet and Telkom for the government Data Centre. The core sites are distribution nodes from which it is possible to start connections to other government buildings. The number of sites increases to 800 in 2017/18 and 850 in 2018/19. The expenditure estimates provide for maintenance and management of the broadband project over and above the planned new sites to connect.

The allocation of resources and the priority given to the ICT programme are guided by the principle that limited resources should be used efficiently and geared towards capital investment as opposed to consumption expenditures: rollout of broadband, digitisation of the back office functions and allocating resources to core items that support the e-Gov mandate.

Provision is made under transfers amounting to R22.8 million over MTEF period for the upkeep and maintenance of the DAV centre. The DAV Centre under the Tshimologong precinct will be used for testing and validating ICT projects for the department.

R124 million was paid for SAP licences and capital expenditure relating to GBN in 2014/15 and R 102 million in 2015/16. Whilst over the MTEF provision is made under capital expenditure for the replacement of computer equipment, including personal computers and servers.

SERVICE DELIVERY MEASURES

PROGRAMME 2: INFORMATION COMMUNICATION TECHNOLOGY SERVICES SHARED SERVICES

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of GCR situational analyses of ICT functions conducted	1		
Number of service delivery improvement plans developed	1		
Number of GCR ICT standards approved	5	4	3
Number of GCR communities of practice established	1	1	1
Number of GCR frameworks on rights of way approved	1		
Number of PABX policies approved	1		
Number of GCR LAN maintenance policies approved	1		
Number of frameworks on the design standards for e-Service applications approved	1		
Number of provincial ICT policies tabled	2	1	1
Number of GCR ICT commercialisation and revenue generation plans approved	1		
Number of G2C sites connected (Thusong Centres & libraries)	13	13	
Number of G2B sites connected (Economic zones, iKasi Labs, mLabs)	2	1	
Number of G2G sites connected	785	836	458
Number of core networks upgraded	4	4	None
Percentage of Broadband Network availability	98%	98%	98%
Number of departments/entities assessed for cloud readiness	2		

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Departments migrated to the standard cloud package	5		
Number of entities connected to the private cloud	2	4	4
Number of common platforms with functionality layers implemented	1		
Number of e-Services published on the e-Government convenience platform (Common Platform website)	8	14	20
Number of GCR e-Government mobile applications developed (GCR Mobile App Platform, GRV, e-Recruitment, CRM)	4	8	12
Number of e-Services tested and validated by the DAV Centre	6	11	16
Percentage availability of GPG transversal services	98%	98%	98%
Number of e-Government data classifications completed	1		
Number of GCR common business processes automated (G2G)	1	3	5
Number of enterprise Content Management systems implemented	1		
Number of digital ambassadors appointed	20	30	40
Number of registered users utilising the e-service	22 722	22 840	23 000
Number of workshops on SAP advocacy	6	6	-
Number of Customer Satisfaction Surveys conducted (G2G, G2B, G2C)	3	3	4
Number of GCR entities using G2G services	10	4	5
Number of e-Services promoted by partnerships	6	7	8
Number of GCR e-Service Incentive Programmes rolled out	20	30	40
Number of ICT Industry Stimulation Strategies approved	1		
Number of partnership agreements concluded	3	7	-
Number of township concepts tested	5	10	20
Number of township developers appointed to develop e-services	5	5	5

PROGRAMME 3: HUMAN RESOURCE SERVICES

Programme description

To modernise HR business processes within GPG through providing ICT systems and promoting their optimal use, and to produce analytical HR information useful for purposes of decision-making.

Programme objectives

To optimise, digitise and promote HRS related business processes to enable efficient decision-making.

TABLE 13.10 : SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: HUMAN RESOURCES SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. HR Chief Dir Support	2 300	2 410	889	11 951	1 053	1 053	5 880	6 313	8 685
2. HR Administration Cluster 1	15 704	17 751	18 666	21 463	21 669	21 669	22 914	24 562	25 938
3. HR Administration Cluster 2	18 303	18 973	17 797	18 812	18 753	18 753	26 517	28 012	29 581
4. HR Information Management	1 517	2 363	2 447				5 489	5 895	6 225
5. Payroll Services	19 411	17 110	18 666	22 939	21 979	21 979	24 381	26 183	27 649
6. Debt Administration	14 949	14 687	15 193	20 067	18 714	18 714	21 763	23 371	24 680
7. Injury On Duty	4 102	5 392	6 420	6 900	8 559	8 559	6 900	7 409	7 824
Total payments and estimates	**76 286**	**78 686**	**80 078**	**102 132**	**90 727**	**90 727**	**113 844**	**121 745**	**130 582**

TABLE 13.11 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN RESOURCES SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**76 072**	**78 685**	**79 890**	**102 132**	**90 709**	**90 709**	**113 844**	**121 745**	**130 582**
Compensation of employees	75 587	78 105	79 535	101 288	89 684	89 684	106 944	114 818	123 267
Goods and services	485	580	355	844	1 025	1 025	6 900	6 927	7 315
Interest and rent on land									
Transfers and subsidies to:	**213**	**1**	**188**		**7**	**7**			
Provinces and municipalities									

TABLE 13.11 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN RESOURCES SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	213	1	188		7	7			
Payments for capital assets					**11**	**11**			
Buildings and other fixed structures									
Machinery and equipment					11	11			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	**1**								
Total economic classification	**76 286**	**78 686**	**80 078**	**102 132**	**90 727**	**90 727**	**113 844**	**121 745**	**130 582**

The HR services programme is responsible for processing the mandates of the GPG departments, which include termination of staff employment; leave pay; pension withdrawals; and Senior Management Services. The cost driver in this programme is compensation of employees which accounted for almost 99 percent of the total expenditure and budget between 2013/14 and 2016/17. Aligned with the mandate of this programme, the Provincial Payroll Services sub-programme and the Debt Administration sub-programme account for 41 per cent of the total programme budget. The increased budget for goods and services over the MTEF reduces the share of compensation of employees to 6 percent of the total.

Expenditure by the programme increased from R76 million in 2013/14 to R80.1 million in 2015/16. In line with the new organisational structure of the department, the budget increases from R102.1 million in 2016/17 to R130.6 million in 2019/20 to provide human resource capacity.

Expenditure on goods and services increased from R487 000 in 2013/14 to R355 000 in 2015/16. The budget increases to R844 000 in 2016/17 to support the operations. The planned procurement of the Security and Performance Monitoring Service (SPMS) over the MTEF increases the budget from R6.9 million in 2017/18 to R7.3 million in 2019/20. The other cost drivers in the programme over the 2017 MTEF include costs relating to the Professional Jobs Centre in Maponya Mall and debt management solutions.

To improve operational efficiency in managing the high volumes of paper-based mandates, a customised, automated tracking service is needed to provide professional services and meet client expectations within GPG departments and by employees exiting the public service. This will improve turnaround times for processing benefits across the GPG. The SPMS will:

- Electronically log all HR mandates with built-in workflow management;
- Manage tasks relating to HR mandates;
- Accurately track the status of HR mandates;
- Monitor end-user activity from fraud and productivity perspectives;
- Measure, display and report on the SLA performance of all HR mandates;
- Measure and report on individual and team performances; and
- Measurably drive productivity within the service unit.

SERVICE DELIVERY MEASURES

PROGRAMME 3: HUMAN RESOURCE SERVICES

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of GBN enabled entities rolled out on SAP ESS	6	12	18
Number of Thusong centres accessing E-Recruitment	7	21	24
Number of analytical reports on GPG job creation published	1	2	3

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 13.12 : 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	259	261	257	256	316	316	316
2. Information Communication Technology(Ict) Shared Services	157	154	154	166	258	258	258
3. Human Resources Services	190	191	201	243	265	265	265
Direct charges							
Total provincial personnel numbers	**606**	**606**	**612**	**665**	**839**	**839**	**839**
Total provincial personnel cost (R thousand)	244 248	251 813	270 891	324 545	422 434	454 799	487 816
Unit cost (R thousand)	403	416	443	488	503	542	581

TABLE 13.13: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	175	36 529	181	39 596	139	46 155	118		118	28 848	160	38 023	160	41 250	160	44 286	11%	15%	9%
7 – 10	296	114 392	298	119 976	357	124 597	404		404	156 502	485	198 787	485	212 832	485	228 346	6%	13%	47%
11 – 12	102	58 190	97	59 598	81	46 769	107		107	73 023	147	111 543	147	119 711	147	128 532	11%	21%	25%
13 – 16	33	35 137	30	32 643	35	30 465	36		36	34 587	47	51 657	47	55 481	47	59 528	9%	20%	12%
Other						22 905				31 585		22 424		25 525		27 124	0%	-5%	7%
Total	**606**	**244 248**	**606**	**251 813**	**612**	**270 891**	**665**		**665**	**324 545**	**839**	**422 434**	**839**	**454 799**	**839**	**487 816**	**8%**	**15%**	**100%**
Programme																			
1. Administration	259	86 082	261	88 472	257	96 920	256		256	121 270	316	139 667	316	151 251	316	162 550	7%	10%	34%
2. Information Communication Technology(Ict) Shared Services	157	82 579	154	85 236	154	94 436	166		166	113 591	258	175 823	258	188 730	258	201 999	16%	21%	40%
3. Human Resources Services	190	75 587	191	78 105	201	79 535	243		243	89 684	265	106 944	265	114 818	265	123 267	3%	11%	26%
Direct charges																	0%	0%	0%
Total	**606**	**244 248**	**606**	**251 813**	**612**	**270 891**	**665**		**665**	**324 545**	**839**	**422 434**	**839**	**454 799**	**839**	**487 816**	**8%**	**15%**	**100%**

The department's personnel headcount decreased from 725 as at 31 March 2014 to 653 as at 31 March 2016. This was because of the migration of functions from the department to other provincial departments to improve efficiency in the province's public service delivery through streamlined functions. Over MTEF personnel headcount increases from 665 to 839 in 2017/18. This is due to the department's plan to implement the new structure. The implementation of the new structure is aligned with the strategic mandate and service delivery model to bring about the transformation, modernisation and re-industrialisation for the province.

9.2 Training

TABLE 13.14 : INFORMATION ON TRAINING: E-GOVERNMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	725	666	653	665	665	665	839	839	839
Number of personnel trained	820	535	628	668	668	668	683	683	683
of which									
Male	380	215	362	389	389	389	291	291	291
Female	440	320	266	279	279	279	392	392	392
Number of training opportunities	562	776	1 000	900	900	900	1 067	1 067	1 067
of which									
Tertiary	320	227	389	350	350	350	387	387	387
Workshops	150	128	111	100	100	100	120	120	120
Seminars	40	56	56	50	50	50	60	60	60
Other	52	365	444	400	400	400	500	500	500
Number of bursaries offered	266	227	90	75	75	75	85	85	85
Number of interns appointed	40	40	44	40	40	40	75	80	90
Number of learnerships appointed		40	45	40	40	40	50	50	50
Number of days spent on training									
Payments on training by programme									
1. Administration	1 648	3 155	1 637	2 300	2 300	2 300	2 600	2 600	2 600
2. Information Communication Technology(Ict) Shared Services									
3. Human Resources Services									
Total payments on training	**1 648**	**3 155**	**1 637**	**2 300**	**2 300**	**2 300**	**2 600**	**2 600**	**2 600**

The number of beneficiaries of training increased from 535 in 2014/15 to 628 in 2015/16. This number increases to 668 in 2016/17 and to 683 in 2017/18. The increase is based on training provided for staff and on the department's response to the Tshepo 500 000 initiative which aims to create 500 000 sustainable jobs and enhance township entrepreneurship in the province. The department's mandate requires it to provide competitive skills that enable the achievement of the vision of a 'Connected Gauteng City Region'.

By intensifying training programmes that related to the world of work and by implementing skills development programmes such as learnerships and internships, the department will ensure that the youth skills development initiatives produce young people who are employable. Over 5 per cent of the establishment is made up of young people involved with the skills development programmes of this type.

Continued investment in human capital is critical to ensuring that public servants deliver services efficiently and effectively to GPG departments and the province's people. The skills development initiatives are aligned with the Skills Development Act of 1998, the National Skills Development Strategy and all related legislation.

1.2. Reconciliation of structural changes

TABLE 13.15 : RECONCILIATION OF STRUCTURAL CHANGES: E-GOVERNMENT

2016/17		2017/18	
Programmes	**R'000**	**Programmes**	**R'000**
1. Administration	**194 819**	**1. Administration**	**239 764**
1. Office Of The HOD	7 161	1. Office Of The HOD	10 361
2. Risk Management	3 594	2. Risk Management	3 980
3. Office Of The CFO	51 602	3. Office Of The CFO	62 671
4. Corporate Services	132 462	4. Corporate Services	162 752
2. Policy Planning, Strategy and Support services	**503 913**	**2. Information Communication Technology(Ict) Shared Services**	**1 003 224**
1.Policy Planning programme	–	1. Applications	643 332
2. ICT Architecture	6 414	2. Operations	317 715
3. Program management	7 906	3. Business Alignment	39 487
Innovation Platforms	2 501	4. Information Communication Technology Programme Support	2 690
BN connectivity	487 092	**3. Human Resources Services**	**113 844**
		1. Hr Chief Dir Support	5 880
3. Solutions, System and Operations	**554 861**	2. Hr Administration Cluster 1	22 914
1. Programme Support Operations	1 549	3. Hr Administration Cluster 2	26 517
2. Operations Management	293 299	4. Hr Information Management	5 489
3. Applications	115 199	5. Payroll Services	24 381
4.Infrastructure Management	32 422	6. Debt Administration	21 763
5. Business Automation Process	112 392	7. Injury On Duty	6 900
4. Regulations, Compliance and Public Relations	**9 593**		
1. Programme Support Regulations			
2. Regulations and Compliance			
3. Public Relations and Oversight	9 593		
Total	**1 263 186**		**1 356 832**

As part of repositioning the department underwent structural changes, the changes will enable the department to be an ICT- centred and oriented hub for GPG

ANNEXURES TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 13.16: SPECIFICATION OF RECEIPTS: E-GOVERNMENT

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Tax receipts									
Casino taxes									
Motor vehicle licences									
Sales of goods and services other than capital assets	**953**	**850**	**572**	**751**	**538**	**538**	**557**	**580**	**604**
Sale of goods and services produced by department (excluding capital assets)	953	850	572	751	538	538	557	580	604
Sales by market establishments	953	850	572	751	538	538	557	580	604
Administrative fees									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Other governmental units									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	**41**	**15**	**11**	**11**	**11**	**11**	**12**	**12**	**12**
Interest	41	15	11	11	11	11	12	12	12
Dividends									
Rent on land									
Sales of capital assets									
Land and sub-soil assets									
Other capital assets									
Transactions in financial assets and liabilities	**416**	**1 285**	**1 224**	**155**	**39**	**39**	**43**	**46**	**49**
Total departmental receipts	**1 410**	**2 150**	**1 807**	**917**	**588**	**588**	**612**	**638**	**665**

TABLE 13.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: E-GOVERNMENT

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**1 010 328**	**766 845**	**778 623**	**1 187 451**	**1 211 630**	**1 211 598**	**1 329 188**	**1 141 192**	**1 203 932**
Compensation of employees	244 248	251 813	270 891	500 630	324 545	324 545	422 434	454 799	487 816
Salaries and wages	231 522	220 599	236 705	449 662	293 153	293 154	373 070	401 736	431 782
Social contributions	12 726	31 214	34 186	50 968	31 392	31 391	49 364	53 063	56 034
Goods and services	766 078	515 032	507 732	686 821	887 085	887 053	906 754	686 394	716 116
Administrative fees	184	492	1 421	1 234	1 214	1 214	1 510	1 715	1 811
Advertising	1 339	634	856	2 070	1 716	1 716	2 371	2 051	2 166
Minor assets	90	1 798	377	223	850	867	525	510	538
Audit cost: External	4 989	5 536	3 673	6 075	6 075	6 075	6 427	6 800	7 181
Bursaries: Employees	2 038	1 733	1 054	1 880	1 880	1 774	1 607	1 734	1 831
Catering: Departmental activities	194	46	77	84	608	609	90	95	100
Communication (G&S)	7 181	7 176	4 613	7 736	2 927	3 132	2 247	1 584	1 673
Computer services	682 754	420 790	420 927	572 101	758 615	758 505	777 023	563 533	588 899

TABLE 13.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: E-GOVERNMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Consultants and professional services: Business and advisory services	6 353	8 469	7 468	1 487	1 052	1 052	950	973	1 028
Infrastructure and planning									
Legal services	2 771	1 380	1 464	2 951	2 883	2 883	3 122	3 303	3 488
Contractors	6 806	7 986	4 424	12 444	9 183	8 159	24 517	16 156	14 536
Fleet services (including government motor transport)	1 532	429	397	2 586	2 586	2 586	2 736	2 895	3 057
Consumable supplies	523	126	985	351	534	573	711	189	199
Consumable: Stationery,printing and office supplies	1 530	1 669	1 749	613	1 969	3 033	1 266	1 390	1 467
Operating leases	25 363	28 843	28 007	32 055	42 848	42 848	36 858	36 922	38 990
Property payments	15 483	19 978	19 014	35 494	39 754	39 861	34 001	34 463	36 392
Transport provided: Departmental activity									
Travel and subsistence	2 103	1 659	968	1 548	1 548	1 578	1 645	1 732	1 829
Training and development	1 648	3 152	1 637	1 868	4 511	4 518	2 737	3 105	3 279
Operating payments	2 114	2 033	2 731	2 877	4 670	4 743	4 878	5 545	5 857
Venues and facilities	1 083	1 103	5 886	1 145	1 648	1 313	1 503	1 670	1 763
Rental and hiring			4		14	14	30	30	32
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**388**	**1 951**	**23 485**	**550**	**23 350**	**23 350**	**23 377**	**23 410**	**23 445**
Provinces and municipalities									
Departmental agencies and accounts		1 589							
Social security funds									
Provide list of entities receiving transfers		1 589							
Higher education institutions		78			22 800	22 800	22 800	22 800	22 800
Foreign governments and international organisations									
Public corporations and private enterprises	5								
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises	5								
Subsidies on production	5								
Other transfers									
Non-profit institutions									
Households	383	284	23 485	550	550	550	577	610	645
Social benefits	383	284	23 485	550	544	544	577	610	645
Other transfers to households					6	6			
Payments for capital assets	**11 343**	**444 910**	**352 457**	**24 274**	**28 206**	**28 236**	**4 267**	**3 823**	**4 037**

TABLE 13.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: E-GOVERNMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	10 708	320 882	250 431	7 874	28 206	28 171	4 267	3 823	4 037
Transport equipment		1 587	855		3 000	5 879			
Other machinery and equipment	10 708	319 295	249 576	7 874	25 206	22 292	4 267	3 823	4 037
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	635	124 028	102 026	16 400		65			
Payments for financial assets	**1 047**	**61**	**341**			**2**			
Total economic classification	**1 023 102**	**1 213 739**	**1 154 906**	**1 212 275**	**1 263 186**	**1 263 186**	**1 356 832**	**1 168 426**	**1 231 414**

TABLE 13.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Current payments	**258 446**	**140 980**	**148 526**	**245 840**	**213 011**	**213 009**	**234 920**	**240 599**	**254 073**
Compensation of employees	86 082	88 472	96 920	164 062	121 270	121 270	139 667	151 541	162 550
Salaries and wages	83 325	75 888	83 571	145 478	104 586	104 308	120 798	131 396	141 278
Social contributions	2 757	12 584	13 349	18 584	16 684	16 962	18 869	20 145	21 272
Goods and services	172 364	52 508	51 606	81 778	91 741	91 739	95 253	89 059	91 523
Administrative fees	155	456	1 403	1 038	1 018	1 018	1 344	1 549	1 636
Advertising	1 297	634	856	2 045	1 521	1 521	2 346	2 026	2 140
Minor assets	75	225	139		500	526	70	55	58
Audit cost: External	4 989	5 536	3 673	6 075	6 075	6 075	6 427	6 800	7 181
Bursaries: Employees	2 038	1 733	1 054	1 880	1 880	1 774	1 607	1 734	1 831
Catering: Departmental activities	194	46	77	84	605	605	90	95	100
Communication (G&S)	1 325	1 846	1 087	738	733	938	760	797	842
Computer services	123 486	129	139	13	226	226	14	15	16
Consultants and professional services: Business and advisory services	2 665	1 944	1 141	398	894	894	950	973	1 028
Infrastructure and planning									
Laboratory services									
Scientific and technological services									
Legal services	2 771	1 380	1 464	2 951	2 883	2 883	3 122	3 303	3 488
Contractors	656	1 328	1 700	11 190	8 586	7 562	23 497	15 136	13 459
Agency and support / outsourced services									
Entertainment									
Fleet services (including government motor transport)	1 532	429	397	2 586	2 586	2 586	2 736	2 895	3 057
Consumable supplies	519	95	304	351	428	465	711	189	199

TABLE 13.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Consumable: Stationery,printing and office supplies	1 520	1 591	1 742	613	1 969	3 033	1 266	1 390	1 467
Operating leases	6 868	7 520	6 702	9 176	9 961	9 961	6 229	6 287	6 639
Property payments	15 483	19 742	18 687	35 423	39 683	39 790	33 926	34 385	36 310
Transport provided: Departmental activity									
Travel and subsistence	2 103	1 658	911	1 548	1 548	1 578	1 645	1 732	1 829
Training and development	1 648	3 152	1 616	1 834	4 505	4 512	2 695	3 063	3 235
Operating payments	1 987	1 961	2 699	2 691	4 478	4 465	4 315	4 966	5 245
Venues and facilities	1 053	1 103	5 811	1 145	1 648	1 313	1 503	1 670	1 763
Rental and hiring			4		14	14			
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**138**	**1 776**	**23 152**	**550**	**513**	**460**	**577**	**610**	**645**
Provinces and municipalities									
Departmental agencies and accounts		1 589							
Social security funds									
Provide list of entities receiving transfers		1 589							
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises	5								
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises	5								
Subsidies on production	5								
Other transfers									
Non-profit institutions									
Households	133	187	23 152	550	513	460	577	610	645
Social benefits	133	187	23 152	550	513	460	577	610	645
Other transfers to households									
Payments for capital assets	**3 581**	**2 485**	**2 113**	**440**	**2 960**	**2 960**	**4 267**	**3 823**	**4 037**
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	2 946	2 485	2 100	440	2 960	2 960	4 267	3 823	4 037
Transport equipment		1 587	855						
Other machinery and equipment	2 946	898	1 245	440	2 960	2 960	4 267	3 823	4 037
Heritage Assets									
Software and other intangible assets	635		13						

TABLE 13.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Payments for financial assets	**1 036**	**42**	**57**			**2**			
Total economic classification	**263 201**	**145 283**	**173 848**	**246 830**	**216 484**	**216 431**	**239 764**	**245 033**	**258 755**

TABLE 13.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFORMATION COMMUNICATION TECHNOLOGY(ICT) SHARED SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**675 808**	**547 179**	**550 207**	**839 479**	**907 910**	**907 880**	**980 424**	**778 848**	**819 277**
Compensation of employees	82 579	85 236	94 436	235 280	113 591	113 591	175 823	188 440	201 999
Salaries and wages	82 727	76 650	84 524	216 471	112 858	113 137	160 663	172 014	184 653
Social contributions	(148)	8 586	9 912	18 809	733	454	15 160	16 426	17 346
Goods and services	593 229	461 943	455 771	604 199	794 319	794 289	804 601	590 408	617 278
Administrative fees									
Advertising					170	170			
Minor assets	17	1 573	238	223	350	341	455	455	480
Catering: Departmental activities						1			
Communication (G&S)	5 856	5 330	3 526	6 998	2 194	2 194	1 487	787	831
Computer services	558 883	420 272	420 635	571 677	757 978	757 868	770 553	557 044	582 046
Consultants and professional services: Business and advisory services	3 687	6 525	6 327	1 089	158	158			
Contractors	6 150	6 658	2 724	1 234	500	500	1 000	1 000	1 056
Consumable supplies	4	31	681		106	108			
Consumable: Stationery,printing and office supplies		78							
Operating leases	18 495	21 235	21 176	22 758	32 766	32 766	30 501	30 501	32 209
Property payments		168	279						
Travel and subsistence		1	57						
Training and development			21	34	6	6	42	42	44
Operating payments	107	72	32	186	91	177	563	579	612
Venues and facilities	30		75						
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**35**	**147**	**145**		**22 830**	**22 883**	**22 800**	**22 800**	**22 800**
Provinces and municipalities									
Provinces									
Higher education institutions		78			22 800	22 800	22 800	22 800	22 800
Foreign governments and international organisations									
Public corporations and private enterprises									

TABLE 13.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFORMATION COMMUNICATION TECHNOLOGY(ICT) SHARED SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Households	35	69	145		30	83			
Social benefits	35	69	145		30	83			
Other transfers to households									
Payments for capital assets	**7 762**	**442 425**	**350 344**	**23 834**	**25 235**	**25 265**			
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	7 762	318 397	248 331	7 434	25 235	25 200			
Transport equipment					3 000	5 879			
Other machinery and equipment	7 762	318 397	248 331	7 434	22 235	19 321			
Heritage Assets									
Software and other intangible assets		124 028	102 013	16 400		65			
Payments for financial assets	**10**	**19**	**284**						
Total economic classification	**683 615**	**989 770**	**900 980**	**863 313**	**955 975**	**956 028**	**1 003 224**	**801 648**	**842 077**

TABLE 13.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN RESOURCES SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	**76 074**	**78 686**	**79 890**	**102 132**	**90 709**	**90 709**	**113 844**	**121 745**	**130 582**
Compensation of employees	75 587	78 105	79 535	101 288	89 684	89 684	106 944	114 818	123 267
Salaries and wages	65 470	68 061	68 610	87 713	75 709	75 709	91 609	98 326	105 851
Social contributions	10 117	10 044	10 925	13 575	13 975	13 975	15 335	16 492	17 416
Goods and services	487	581	355	844	1 025	1 025	6 900	6 927	7 315
Administrative fees	29	36	18	196	196	196	166	166	175
Advertising	42			25	25	25	25	25	26
Catering: Departmental activities					3	3			
Communication (G&S)									
Computer services	385	389	153	411	411	411	6 456	6 474	6 837
Consultants and professional services: Business and advisory services	1								
Contractors				20	97	97	20	20	21
Consumable: Stationery,printing and office supplies	10		7						
Operating leases		88	129	121	121	121	128	134	142
Property payments		68	48	71	71	71	75	78	82
Operating payments	20				101	101			
Venues and facilities									
Rental and hiring							30	30	32
Interest and rent on land									

TABLE 13.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN RESOURCES SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**	**2016/17**			**2017/18**	**2018/19**	**2019/20**
Interest									
Rent on land									
Transfers and subsidies	**215**		**188**		**7**	**7**			
Provinces and municipalities									
Provinces									
Non-profit institutions									
Households	215		188		7	7			
Social benefits	215		188		1	1			
Other transfers to households					6	6			
Payments for capital assets					**11**	**11**			
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment					11	11			
Transport equipment									
Other machinery and equipment					11	11			
Heritage Assets									
Software and other intangible assets									
Payments for financial assets	**1**								
Total economic classification	**76 290**	**78 686**	**80 078**	**102 132**	**90 727**	**90 727**	**113 844**	**121 745**	**130 582**

VOTE 14

GAUTENG PROVINCIAL TREASURY

To be appropriated by vote in 2017/18	R712 634 000
Responsible MEC	MEC for Finance
Administering Department	Gauteng Provincial Treasury
Accounting Officer	Head of Department

1. OVERVIEW

Vision
To provide strategic leadership in financial and fiscal matters to ensure sustainable and inclusive social and economic development of the people of Gauteng so that all may enjoy value for money services of the highest quality.

Mission
We are an activist Treasury that enables and promotes quality service delivery for the citizens of Gauteng through:
- Sustainable financing and funding that ensures developmentally focused allocation of resources and innovative revenue generation;
- Efficient cash management that ensures sustainable liquidity levels in the province;
- Effective financial management and reporting that ensures responsible stewardship and transparent resource utilization and expenditure; and
- A well-structured governance framework that ensures accountability, transparency and fiscal discipline in line with statutory obligations.

Strategic goals
- To promote better planning and budgeting synergy across all spheres of government in the province;
- To ensure balanced budgeting and sustainable funding for legislative mandates and strategic priorities of the province;
- To ensure approved financial resources are spent efficiently, effectively and economically across the province;
- To support all departments, entities and municipalities to achieve unqualified audits;
- To reduce fraud and corruption and promote clean government across the province; and
- To ensure statutory obligations are met and that decision-makers facilitate appropriate interventions.

Core functions and responsibilities
The functions of the Gauteng Provincial Treasury (GPT) are described in the Public Finance Management Act (PFMA, 1999) and the Municipal Finance Management Act (MFMA, 2003). These can be summarised as follows:
- To manage the budget allocation for the Gauteng Provincial Government;
- To ensure the instilling of fiscal discipline and corporate governance in the province;
- To ensure proper cash management;
- To ensure the effective and efficient utilisation of resources – value for money and compliance with all relevant legislation;
- To develop, implement and monitor compliance with corporate governance norms and standards relating to provincial and local government; and
- To ensure adequate financial accountability.

Main services
The mandate of the Gauteng Provincial Treasury is to promote good governance by providing stewardship on all financial matters in the province and to ensure that provincial budgets and budgetary processes promote transparency, accountability and the effective financial management of resources.

In essence, the role of the department is to ensure that provincial strategies are funded through projects and other initiatives which are aligned to the provincial priorities.

Ten-Pillar Programme of Transformation, Modernisation and Re-industrialisation
The fifth Administration has placed emphasis on radical socio-economic transformation, an activist and responsive government. The strategic thrust which is a Gauteng City Region (GCR) wide programme and policy of radical socio-economic transformation known as Transformation, Modernisation and Reindustrialisation (TMR) underpinned by a ten-pillar programme. The mandate of the Gauteng Provincial Treasury is essentially centered on promoting good governance by providing stewardship on all financial matters in the province. In essence, the role of the department is thus focused on ensuring that strategies and key provincial priorities and projects which align to the TMR programme are funded. In this regards, the GPT supports all ten pillars in the TMR programme through reprioritizing and ensuring all the new provincial priorities are resourced.

At a departmental level, the department directly supports the following provincial pillars:
- Pillar 1: Radical economic transformation;
- Pillar 4: Transformation of state and governance; and
- Pillar 5: Modernisation of the public service.

As an activist Treasury, we have adopted pillars which support and align to the TMR programme and also operationalise the department's mission and vision. The adopted departmental pillars are as follows:
- Promoting better planning and budgeting synergy across all spheres of government in the province;
- Sustainable financing and funding;
- Effective and efficient financial management;
- Support radical economic transformation; and
- Perform all Treaury's statutory obligations and promote a transparent and accountable government.

The Gauteng Provincial Treasury has implemented and continues to implement the departmental strategic pillars which are aligned to the Transformation, Modernisation and Re-industrialisation agenda. To date, the GPT has achieved the following:
- Improved synergy in planning and budgeting processes among three spheres of government to ensure key priorities as espoused in the TMR programme are adequately funded in order to accelerate service delivery to the Gauteng citizenry;
- Implementation of the revenue enhancement strategy;
- Stabilization of the provincial wage bill against budget;
- Prudent cash management practices resulting in sustainable liquidity levels in the GPG;
- Provision of structured and targeted training to government institutions resulting in improvement in audit outcomes;
- Implementation of the open tender process as a measure to reduce fraud and corruption in government procurement processes;
- Compliance with regulatory and legislated requirements and standards;
- Implementation of Business Intelligence (BI) tools and automation of systems to improve efficiencies in financial management and enhance data integrity;
- Implementation of initiatives that support the Township Economy Revitalisation Strategy; and
- Maintenance of an unqualified audit opinion with no matters of emphasis for the department and the Provincial Revenue Fund.

National Development Plan

The National Development Plan (NDP) envisions a South Africa where everyone feels free yet bounded to others; where everyone embraces their full potential, a country where opportunity is determined not by birth, but by ability, education and hard work. The realisation of such a society will require transformation of the economy and focused efforts to build the country's capabilities. The main challenge has been unevenness in capacity that leads to uneven performance in local, provincial and national government. Part of building the country's capabilities includes the work described in Chapter 13 of the NDP where it is indicated that there is a need to build the capability of the state to play a developmental and transformative role.

In alignment with the need to build a capable and developmental state, the GPT has aligned its objectives with and supports the initiatives espoused in the provincial TMR programme.

Some of the key objectives under the NDP chapter are:
- A state that is capable of playing a developmental and transformative role;
- A public service immersed in the development agenda but insulated from undue political interference;
- Relations between national, provincial and local government are improved through a more proactive approach to

managing the intergovernmental system; and
- Strengthening local government.

Under this programme, the GPT aims to develop systems and interventions to ensure effective financial management in the province. Parts of the interventions in this regard are providing support to departments and municipalities to achieve unqualified audits, elimination of wastage and monitoring of cost containment in the province. Another important aspect of measures the department has undertaken in this regard is ensuring that government plans and budgets are synergised.

External activities and events relevant to budget decisions

The province continues to be the country's economic hub accounting for an estimated 35.4 per cent of the country's Gross Domestic Product (GDP) in 2015. Economic activity in the Gauteng City Region continues to be dominated by the finance & business services, followed by government, social & personal services sectors.

The fifth administration of the Gauteng Provincial Government (GPG) adopted the TMR programme that carries the future plans of the Gauteng City Region. The central economic and social objectives of the TMR remain:
- To change income distribution;
- To enhance equity and thereby raise the living standards of all our people; and
- To change ownership patterns and bring black people into the economic mainstream of the province.

The work towards the realization of these objectives continues with emphasis on the transformation of the industrial structure, the promotion of innovation-driven industries, investment into skills development, transformation of apartheid spatial patterns, investment into infrastructure, and the building of strategic transformative partnerships with the private sector.

Due to the interconnectedness of South Africa's economy, the fragile global recovery and weakening national outlook poses challenges for the province's economy. The subdued economic environment means that the country will face a challenging fiscal outlook over MTEF. During the 2016 Medium Term Budget Policy Statement speech made by the Minister of Finance, the emphasis was placed on the need to accelerate fiscal consolidation in order to limit budget deficit and slow the pace of debt accumulation, whilst supporting stronger public and private infrastructure investment.

Fiscal discipline remains important to ensure that fiscal targets are achieved. To stimulate economic activity, emphasis must be placed on meeting spending targets, particularly in infrastructure and in the economic development space. In addition, the rollout of the TMR agenda should be accelerated where possible, as well as the enhancement of the Gauteng City Region to further advance inclusive growth, with a particular emphasis on employment programmes. The 'Brexit' is expected to further dampen global economic growth prospects, potentially having an adverse impact on emerging markets (including South Africa, and eventually Gauteng), thus putting pressure on the current budget and the need to contain costs.

Acts, rules and regulations
- Division of Revenue Act (DORA), 2016;
- Treasury Regulations 2005 and Delegations;
- Prevention and Combating of Corrupt Activities Act, 2004;
- Municipal Finance Management Act, 2004;
- Broad-Based Black Economic Empowerment Act, 2003;
- The Tender Board Repeal Act, 2002;
- Preferential Procurement Policy Framework Act, 2000;
- Promotion of Access to Information Act, 2000 (Act 2 of 2000);
- Municipality Systems Act (2000) and Development Facilitation Act (1995);
- Promotion of Administrative Justice Act, 2000;
- Public Finance Management Act, 1999;
- Employment Equity Act, 1998;
- Basic Conditions of Employment Act, 1997;
- Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997);
- Public Service Laws Amendment Act; 1997;
- Government Employees Pension Law, 1996;
- The National Archives Act, 1996;
- Borrowing Powers of Provincial Government Act, 1996 (Act 48 of 1996);
- The Constitution of the Republic of South Africa, 1996;
- Labour Relations Act, 1995;
- Occupational Health and Safety Act, 1995; and
- Public Service Act, 1994 Regulations and Delegations.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

The department supported the implementation of the GPG Transformation, Modernisation and Re-industrialisation programme in the 2016/17 financial year and contributed directly to three pillars of the TMR programme (namely: Pillar 1 - Radical economic transformation; Pillar 4 - Transformation of state and governance; and Pillar 5 - Modernisation of public service).

The department contributed towards eight priority areas that are critical in institutionalising the Gauteng City Region by directly contributing towards these four areas:

- Revitalising and mainstreaming of the township economy and development of SMMEs and cooperatives through active industrial incentives and transformative procurement policy that promotes the growth of township-based manufacturing and services;
- Constructing and advocating for a capable, responsive, accountable, clean, activist government machinery through interventions such as Ntirhisano Programme and Service Delivery War Room, Administration Roadmap, Integrity Management Units and Open Tender System;
- Investing massively in catalytic infrastructure to facilitate spatial transformation across the five development corridors of the GCR – public transport, energy, water, sanitation, broadband and open green spaces; and
- Intervening through different programmes to address the explosive situation of youth unemployment and marginalisation.

Pillar 1: Radical economic transformation

The department continued to support provincial initiatives in driving the radical economic transformation of the provincial economy including the township economy and reindustrialisation of the province by ensuring that township enterprises, co-operatives and SMMEs are registered on the government service provider database and are compliant with the regulatory requirements in order for them to do business with government. In this regard, a total of 7 024 township suppliers have been registered on the GPG supplier database through the National Treasury's centralised supplier database. The department has achieved 99 per cent payment of invoices within 30 days in 2016/17. In its quest for continuous improvement, the department has started monitoring its payment of suppliers within 15 days with the intention of targeting 15 days as a standard for supplier payment.

To improve the GPG market share for township enterprises, partnerships have been established with private sector to develop suppliers in designated sectors. The department has also implemented measures to improve the market share for local content and township enterprises, with monitoring of spending on designated sectors and identification of suppliers for development into designated economic sectors. Current spending by GPG departments, entities and municipalities is at 22.1 per cent of total procurement against a target of 18 per cent for the financial year.

The implementation of the department's Phase 1 of the Township Economy Revitalisation (TER) Strategy focused on increasing procurement from township enterprises, increasing awareness of market access for township enterprises and growing the GPG supplier database through targeted drives for the registration of new township suppliers.

As part of the implementation of Phase 2 of the TER Strategy, the department made inputs into the National Treasury's Strategic Procurement Framework which informed the development of the GPG Sourcing Strategy. Furthermore, the department has a signed a Memorandum of Agreement with a specialist in SMME development to promote the private sector participation in the TER. To date, more than 10 supplier enterprises are being trained and taken through the supplier development and incubation process. It is envisioned that this partnership will assist the GPT in creating vibrant and sustainable township enterprises that will grow the economy and address the current socio-economic challenges.

Pillar 4: Transformation of state and governance

The GPT assessed and reviewed the budgets of provincial departments through the MTEC process and assessed the municipal budgets to align them with provincial priorities to ensure that limited resources are spent on provincial priorities in line with the TMR programme and wastage of resources is eliminated.

The GPT, Gauteng Planning Division (in the Office of the Premier), Department of Cooperative Governance and Traditional Affairs and municipalities collaborated in the development of an integrated planning framework to improve synegy in government planning and programmes.

With regard to the improvement of financial management in the province, the department's interventions assisted all provincial departments and entities to achieve unqualified audit outcomes. This was achieved through training seesions held with departments early in the financial year and other training sessions scheduled towards the end of the financial year to prepare for the audit period.

The department intensified the monitoring of municipalities and deployed staff members to assist with the preparation of annual financial statements in municipalities. Audit findings for the 2015/16 financial year were assessed and improvement

plans were implemented; this assisted in ensuring that all municipalities achieved unqualified audit outcomes. The municipal fiscal responsiveness assessments were conducted throughout the financial year to ensure that municipal financial management systems are effective in revenue collection; to ensure that the database of debtors is correct; and to ensure that billing is accurate. All these are aimed at improving citizen's confidence in government systems. The province put processes in place to reduce amounts owed by provincial departments to municipalities to contribute to the financial stability in municipalities.

The open tender system is one of the strategies that the GPG has adopted to transform procurement processes within supply chain management in order to eliminate corruption, non-compliance and promote transparency and good governance in the province. An analysis and selection of projects for the open tender process identified 59 projects of which 57 are already in the open tender process . The open tender process has been extended to municipalities and public entities, which resulted in 5 of their projects going through the open tender system.

Pillar 5: Modernization of the Public Service
With regard to building institutional capacity and enhancing transparency in government accounting and procurement processes as measures to combat corruption and fraud, the GPG supply chain management officials and bid committee members received training. And the lessons learnt from the probity audits provided invaluable information on the skills of procurement officials, which assisted in customising targeted training interventions.

The department continued its drive to modernise financial management systems in the province. The BI tool to track and trace accruals, commitments and irregular expenditure has been deployed in all departments.

A total of 68 learners were placed in the department during the financial year, with 20 being SAIPA learners who have a 3-year contract while the balance have a 1-year contract. This is part of the department's SAIPA Learnership Programme and Work Experience Placement Programme where the interns and learners are given an opportunity to learn practical work skills. These programmes contribute to the Tshepo 500 000 Programme.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

The 2017/18 financial year is the mid-term mark for the fifth administration. It is necessary for the department to reflect on its achievements to date and it is crucial for the department to put measures in place that will see to the attainment of the provincial priorities that are espoused in the TMR programme and the departmental strategic plan to ensure the acceleration of service delivery in Gauteng Province.

The TMR programme, the Gauteng Economic Development Strategy, the Township Economy Revitilisation Strategy and the Infrastructure Master Plan remain the key policies that the Gauteng City Region has adopted to accelerate service delivery to the Gauteng citizenry. The GPT will support these policies through the following:

PILLAR 1: RADICAL ECONOMIC TRANSFORMATION

To create an enabling environment for township-based SMMEs to do business with GPG
The key focus area for the Township Economy Revitalisation Strategy is the revitalisation and mainstreaming of the township economy and the development of SMMEs and co-operatives through active industrial incentives and a transformative procurement policy that promotes the growth of township-based businesses.

To support the development and implementation of the Township Economy Revitalisation Strategy that encourages the increase in township spend
The combined efforts of GPG departments, entities and municipalities, to support the Township Economy Revitalisation Strategy has resulted in the target for procurement from township enterprises being realised and this effort will continue to be a focus area in the 2017/18 financial year. The department will increase the number of township suppliers on the GPG database and it will continue to provide opportunities such as supplier development and incubation as a means to ensure suppliers benefit from public procurement spend by partnering with different stakeholders. Part of the supplier development will include development workshops and training to ensure that suppliers are fully complaint with government prescripts relating to procurement.

The GPT is committed to ensuring that SMMEs and co-operatives are paid within 30 days in order for the businesses to sustain themselves and continue to operate.

PILLAR 4: TRANSFORMATION OF STATE AND GOVERNANCE

Promoting better planning and budgeting synergy across all spheres of government
South Africa, being an emerging economy, is affected by the fragile global recovery. The weakening and bleak national

outlook pose challenges for the GP economy as it indicates the country's fiscal outlook going forward. In this regard, the department will put measures in place to ensure that provincial own revenue targets are realised as stated in the Provincial Revenue Enhancement Strategy. Strategies such as sourcing alternative funding solutions will be explored. Various bilaterals will be hosted with provincial departments and municipalities to continue engaging through dialogues on budget plans proposed, alignment of TMR, other key policies and strategies adopted for implementation in the Gauteng City Region.

Platforms such as Budget Fora, Premier's Budget Committee and inter-governmental relations structures will be utilised to realise this and to ensure full participation by all stakeholders in streamlining planning processes, creating synergy and improving the credibility of planning processes in the different spheres of government.

Ensuring balanced budgeting and sustainable funding for legislative mandates and strategic priorities of the province
Key focus areas for the TMR include investing massively in catalyst infrastructure projects to facilitate spatial transformation across the five development corridors of the GCR to accelerate the delivery of services and improve economic growth.

The GPT will explore partnerships that might assist with revenue generation in the province and find alternative funding solutions for other related infrastructure projects. Together with CoGTA, GPT will implement strategies that will tackle the rising municipal debt and improve revenue collection in the local government sphere.

Ensuring that approved financial resources are spent efficiently, effectively and economically across the province
To stimulate economic activity, the department will put emphasis on meeting spending targets on infrastructure and economic development and ensure that GPG departments spend in line with approved budget and avoid over-commitments.

The GPT will coordinate and implement the strategy of cost containment in the province. The strategy relates to a reduction of expenditure on nine identified items that are regarded as non-core in public service delivery. The GPT will continue to monitor the spending on personnel, which is targeted to remain below 60 percent of the total budget. The department will also continue to monitor and to ensure improvement in the spending on infrastructure and conditional grants.

Prudent cash management practices have resulted in steady and sustainable liquidity levels within GPG. The department will ensure that the liquidity levels remain unchanged through monitoring and ensuring that the cash outflows do not exceed the provincial revenue streams.

Supporting all departments, entities and municipalities to achieve unqualified audits
Various interventions by the GPT have resulted in gradual improvement in audit outcomes of departments, public entities and local municipalities. The department will continue to provide technical support, structured and targeted training to address issues raised by the Auditor-General during audits and to ensure that the province gradually moves towards having unqualified audit outcomes in all its provincial institutions. These efforts are aimed at ensuring the implementation of sound financial management practices and the implementation of recommendations specified in the action plans.

The Gauteng Audit Services will conduct internal audits which will be a precursor to the Auditor-General's audits and will highlight matters that need speedy interventions to ensure improvement of audit outcomes. The GPT will provide structured and targeted training on key problematic areas highlighted as needing prompt interventions.

Reducing fraud and corruption and promoting clean government across the province
The current administration in Gauteng Provincial Government is aiming at constructing and advocating for a capable, responsive, accountable, clean, activist government machinery. As a result, various interventions are in place to realise this; and one of the key projects is the implementation of the open tender system by government institutions. The GPT will accelerate the implementation of the project and ensure that 80 percent of government procurement is implemented through the open tender system.

The department will implement the Forensic Services Strategy which focuses on five pillars (namely: Deterrence, Prevention, Detection, Investigation and Sanctions and Recovery) to ensure eradication of fraud and corruption within the GPG.

Ensuring that statutory obligations are met and that decision-makers facilitate appropriate interventions
Timeous submission of credible statutory and regulatory reports is fundamental to a Treasury function. As a result, the GPT takes pride in having maintained the number one spot in the provincial Management of Performance Assessment Tool (MPAT) results. The GPT endeavours to work even harder to improve on areas where interventions are required to ensure full compliance with the MPAT standards and requirements in the coming financial year.

The department will continue to ensure compliance with regulatory prescripts and framework and to put measures in place to promote transparency and improve public confidence in government processes.

PILLAR 5: MODERNISATION OF THE PUBLIC SERVICE

The pilot and the rollout of the automated In-Year Monitoring (IYM) system to provincial departments will continue in the ensuing financial year. The automation of the IYM is aimed at ensuring credible financial data and improve efficiencies in budgeting and expenditure reporting processes.

The BI tools that were rolled out in the prior financial year will be further enhanced to improve the existing financial systems and processes. The department will carry out a pilot on the patient management system, a system that aims to have centralised data for patients.

The online payroll certificate system deployed in provincial departments will be implemented in public entities and the GPT will engage appropriate stakeholders in the municipalities to commence discussions on the rollout of Municipal Standard Chart of Account (MSCOA).

4. REPRIORITISATION

GPT performed the reprioritisation exercise to identify savings that will be utilised to fund the spending plan over MTEF. The baselines for goods and services in core programmes were reprioritised. The department reduced funds allocated to non-core items and savings were realised to fund priority areas.

The department reprioritised R124 million in 2017/18 and R128 million in 2018/19 among all the departmental programmes. Inclusive in these amounts is R17.4 million in 2017/18 and R16.7 million in 2018/19 that was reallocated to increase compensation of employees in order to provide for the additional capacity that is required under Municipal Financial Governance, Provincial Supply Chain Management and Gauteng Audit Services.

The identified savings under goods and services were redirected to fund the continued support of the open tender process through probity audits; the implementation requirements of specialised audits in order to enhance transparency, good governance and a clean government. Good governance will be achieved through strengthening the internal control and regulatory environment in the province, automation of AFS production and deployment of SAP project system & PPM Modules.

Furthermore, the reprioritisation will cater for providing assistance to municipalities to improve and promote sound financial governance, financial management and administration to optimize revenue collection. Overall, the reprioritisation will contribute towards expenditure reduction, improving municipal audit outcomes and addressing institutional challenges. The overall service delivery will not be negatively affected by the budget reprioritisation.

5. PROCUREMENT

The 2017/18 financial year will see a continuation of various systems that the GPT procured in the prior years. These projects include specialist capacity on the infrastructure development management system (IDMS), economic impact analysis (CGE Model), IYM automation pilot roll out and probity auditors for the open tender projects.

The department is planning to procure business solutions on its existing SAP platforms ranging from SCOA configurations to support municipalities in Gauteng, Infrastructure Project Management, Data Analytics, Fraud Risk Management Tool and Patient Administration.

To support annual financial statement reporting, the GPT will procure a solution to automate the AFS production and continue with the annual AFS training for municipalities, department and entities.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE14.1: SUMMARY OF RECEIPTS: GAUTENG PROVINCIAL TREASURY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	429 322	482 189	555 189	607 394	641 552	638 836	712 634	764 513	813 070
Total receipts	429 322	482 189	555 189	607 394	641 552	638 836	712 634	764 513	813 070

The department is funded through the equitable share. The 2015/16 financial year takes into account the reconfiguration implemented to align to the generic structure prescribed for Provincial Treasuries. The department has created new specialised and focused programmes, which includes the functions taken over from the former Gauteng Department of Finance (now Department of e-Government).

The department's equitable share budget increased from R429.3 million in 2013/14 to R555.2 million in 2015/16. The increases were attributable to the funds provided for the Health Intervention project in 2013/14 and 2014/15. The 2016/17 main budget increases from R607.4 million to R641.5 million during the adjustment budget process due to funds allocated to the department's entity, i.e. Gauteng Infrastructure Funding Agency (GIFA).

Over the 2017 MTEF, the budget increases from R712.6 million in 2017/18 to R813.1 million in 2019/20 to fund the implementation of the revised organisational structure and other projects such as the Probity Audit for the open tender system, Infrastructure Delivery Management Systems, Computable General Equilibrium Model, Forensic Audit Information Systems, Fraud risk management tool, Data analytics tool, P-Card software licenses, training on GRAP or modified cash standards for departments and entities and the automation of annual financial statements compilation of provincial departments.

6.2. Departmental receipts

TABLE 14.2:SUMMARY OF DEPARTMENTAL RECEIPTS COLLECTION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Tax receipts									
Casino taxes									
Sales of goods and services other than capital assets	235	338	555	1 000	1 000	986	1 050	1 111	1 173
Transfers received						10			
Interest, dividends and rent on land	247 283	481 452	622 676	150 000	480 000	575 138	300 000	350 000	369 600
Sales of capital assets			214						
Transactions in financial assets and liabilities	375	477	451	415	400	395	450	500	528
Total receipts	**247 893**	**482 267**	**623 896**	**151 415**	**481 400**	**576 529**	**301 500**	**351 611**	**371 1**

The departmental receipts are generated from interest earned on favourable cash balances, staff parking fees, and debt recovered from previous financial years.

Approximately 99 per cent of the department's total receipts is the interest revenue earned. The interest revenue increases from R247.9 million in 2013/14 to R622.7 million in 2015/16. The 2016/17 budget for interest revenue increases from R150 million to R480 million during the adjustment budget process due to revenue over-collection in the first few months of the financial year. The budget is set conservatively given that an increased spending in the province would reduce the cash balances and result in lower interest revenue earned. For this reason, the budget increases from R300 million in 2017/18 to R369.6 million in 2019/20.

The other revenue sources, particularly the parking fees, increase gradually from R338 000 in 2014/15 to R555 000 in 2015/16. As the staff complement increased in 2015/16 after a transfer of functions from the former Gauteng Department of Finance, the revenue collection from this source is now higher. The sale of tender documents contributes to the increase in departmental receipts.

7. PAYMENT SUMMARY

7.1. Key assumptions

The strategic documents that inform the department's budget for the MTEF include the Strategic Plan, Annual Performance Plan, provincial outcomes and the Gauteng Provincial Government's programme of action (POA).

The salary growth rates prescribed by the National Treasury inform the provision for the annual salary adjustments, which are as follows: 7.1 percent in 2017/18, 6.9 percent in 2018/19 and 5.8 percent in 2019/20. The personnel budget takes into account the other personnel-related costs such as notch progression, performance bonuses, housing allowances, long service award and employer's medical aid contributions.

7.2. Programme summary

TABLE 14.3:SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: GAUTENG PROVINCIAL TREASURY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	79 876	92 037	106 291	121 342	123 342	123 342	128 921	140 529	148 675
2. Sustainable Fiscal Resource Management	109 128	139 420	183 041	149 645	174 645	174 645	141 751	151 201	159 973
3. Financial Governance	101 776	109 809	126 678	128 028	132 536	131 866	145 585	155 523	164 541
4. Provincial Supply Chain Management	58 311	59 200	53 460	91 537	95 637	94 240	122 614	130 891	132 120
5. Municipal Financial Governance	27 526	28 525	29 995	36 303	37 853	37 853	61 384	65 376	73 537
6. Gauteng Audit Services	52 705	53 198	55 724	80 539	77 539	76 890	112 379	120 992	134 224
Total payments and estimates	**429 322**	**482 189**	**555 189**	**607 394**	**641 552**	**638 836**	**712 634**	**764 513**	**813 070**

7.3. Summary of economic classification

TABLE 14.4:SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG PROVINCIAL TREASURY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**374 481**	**401 859**	**429 043**	**552 102**	**524 608**	**522 820**	**644 664**	**693 318**	**748 328**
Compensation of employees	290 627	332 226	364 346	453 361	418 467	415 539	548 318	590 162	629 631
Goods and services	83 854	69 633	64 697	98 741	106 141	107 281	96 345	103 156	118 697
Interest and rent on land									
Transfers and subsidies to:	**51 119**	**76 944**	**120 659**	**52 888**	**112 540**	**112 697**	**66 335**	**69 559**	**63 014**
Departmental agencies and accounts	50 000	75 000	120 000	52 650	102 650	102 650	55 335	58 544	61 940
Higher education institutions									
Non-profit institutions					8 955	8 955	10 000	10 000	
Households	1 119	1 944	659	238	935	1 092	1 000	1 015	1 074
Payments for capital assets	**3 718**	**3 262**	**5 487**	**2 404**	**4 404**	**3 319**	**1 635**	**1 636**	**1 728**
Buildings and other fixed structures									
Machinery and equipment	3 557	2 970	5 487	2 404	4 404	3 319	1 635	1 636	1 728
Software and other intangible assets	161	292							
Payments for financial assets	**4**	**124**							
Total economic classification	**429 322**	**482 189**	**555 189**	**607 394**	**641 552**	**638 836**	**712 634**	**764 513**	**813 070**

Due to the department's structural reconfiguration the previous years' outcomes and the 2017 MTEF period is inclusive of the adopted functions. Spending increased from R429.3 million in 2013/14 to R555.2 million in 2015/16. This level of spending includes the department's interventions in the Department of Health to improve financial and operational management. The 2016/17 main appropriation increases from R607.4 million to R641.5 million during the adjustment budget process mainly because of additional funds provided to the Gauteng Infrastructure Funding Agency and the funds reallocated to the Department of e-Government (e-Gov) following the transfer of a function back to e-Gov. The budget increases from R712.6 million to R813.1 million over the MTEF.

Expenditure on compensation of employees increases from R290.6 million in 2013/14 to R364.3 million in 2015/16. The 2016/17 main budget decreases from R453.4 million to R418.5 million during the adjustment budget process when the funds for vacant posts are reallocated for the priorities of the department. Over the MTEF, the budget increases from R548.3 million to R629.6 million to cater for the cost of the revised organisational structure.

Expenditure on goods and services was R83.8 million in 2013/14. The amount of R69.6 million spent in 2014/15 includes R30 million for the Health Intervention project. The increase in the 2016/17 main budget from R98.7 million to R106.1 million during the adjustment budget process includes R5.3 million allocated for the provincial forensic assignments undertaken to improve transparency and accountability in the use of public resources. Over the MTEF, the department is funding various key projects including Probity Audit for the open tender system, Infrastructure Delivery Performance Management, Computable General Equilibrium Model, Forensic Audit Information Systems, fraud risk management tool, data analytics tool, P-Card software licenses, training on GRAP/ modified cash standards for departments and entities and the automation of annual financial statements of departments.

The department is still responsible for the Gauteng Infrastructure Funding Agency. Transfers made to the departmental agency over the MTEF period are as follows: R55.3 million in 2017/18, R58.5 million in 2018/19 and R61.9 million in 2019/20. The department introduced a transfer to the South African Diversity Council during 2016/17 adjustment period and over the 2017 MTEF to implement the supplier development and incubation programme that will contribute to the Township Economic Revitalisation programme in order to capacitate township suppliers to participate in government's procurement of goods and services.

The payment for capital assets mainly fund the provision of tools of trade for the officials to perform their functions efficiently and effectively. The resourcing is based on a structured IT equipment refresh process which is informed by the economic useful life of the various IT assets and warranties. The allocation over the MTEF period will be as follows: R1.6 million in 2017/18 and 2018/19 and R1.7 million in 2019/20.

6.4. Infrastructure payments
N/A

6.4.1. Departmental infrastructure payments
N/A

6.4.2. Maintenance
N/A

6.4.3. Non infrastructure items
N/A

6.4.4. Departmental Public-Private-Partnership (PPP) projects
The department does not have any PPP projects. The Provincial Treasury's oversight responsibilities for PPPs within the Province are housed under Sub-programme: Infrastructure Management (Element: PPP unit).

6.5. Transfers

6.5.1. Transfers to public entities
N/A

6.5.2. Transfers to other entities

TABLE 14.5:SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES: GAUTENG PROVINCIAL TREASURY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
GAUTENG INFRASTRUCTURE FUNDING AGENCY	50 000	75 000	70 000	52 650	102 650	102 650	55 335	58 544	61 940
Total departmental transfers	**50 000**	**75 000**	**70 000**	**52 650**	**102 650**	**102 650**	**55 335**	**58 544**	**61 940**

Transfers to the Gauteng Infrastructure Funding Agency increase from R50 million in 2013/14 to R70 million in 2015/16. The main appropriation increases from R52.6 million to R102.6 million during the 2016/17 adjustment budget process to provide capital amount for the Project Preparation Facility that funds the costs of feasibility studies for infrastructure projects. Over the MTEF, the allocation for GIFA increases from R55.3 million to R61.9 million to ensure a sustainable pipeline of strategic infrastructure projects that are catalysts for socio-economic development in the province.

6.5.3. Transfers to local government
N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: Administration

Programme description
The programme aims to provide effective leadership, management and administrative support to the Treasury's Programmes, Member of the Executive Council (MEC) and the Accounting Officer. This is done to carry out the mandate of the department.

Programme objectives

- To provide for the well-functioning of the Member of Executive Council for Finance to enable the MEC to provide political leadership and ensure alignment to the Ministerial Handbook.
- To render administrative leadership to the department. The programme is further sub-divided into Strategy Management, a function which manages and coordinates strategic planning, corporate performance, monitoring & evaluation of the department and also provides internal risk management services.
- Financial Management Services which house the Office of the Chief Financial Officer (CFO) to ensure sound financial management in GPT, by ensuring, amongst things, budgets which align to the outcomes and priorities of the department and compliance with Supply Chain prescripts.
- Human Resources, Communications, Legal Services and Information, Communications and Technology (ICT) functions reside in this programme and their purpose is to ensure compliance to good governance principles by providing corporates support services to the department.

Key policies, priorities and outputs

Some of the key priorities for the Administration programme in the 2017/18 financial year are as follows:

- Management of the departmental vacancies to acceptable levels;
- Full implementation of the generic structure to ensure human capacity;
- Prudent management of financial resources resulting in an unqualified audit opinion on the Annual Financial Statements (AFS) and Pre-Determined Objectives (PDOs);
- Ensure compliance to the Management of Performance Assessment Tool (MPAT) standards and requirements;
- Ensure full compliance with legislation and other mandatory regulatory matters and prescripts; and
- Ensure timeous payments of service providers.

TABLE 14.6:SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office Of The MEC	7 033	6 471	5 840	8 270	8 270	7 740	7 288	7 696	8 141
2. Office Of The HOD	10 314	14 692	15 064	16 789	17 389	19 381	17 709	18 834	19 927
3. Corporate Management	41 855	52 534	59 682	70 936	70 774	71 561	77 865	84 001	88 870
4. Financial Management Services (CFO)	20 674	18 340	25 705	25 347	26 909	24 660	26 059	29 998	31 737
Total payments and estimates	**79 876**	**92 037**	**106 291**	**121 342**	**123 342**	**123 342**	**128 921**	**140 529**	**148 675**

TABLE 14.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**77 006**	**88 524**	**100 590**	**120 100**	**120 035**	**119 697**	**126 286**	**137 878**	**145 873**
Compensation of employees	44 926	62 021	68 642	78 862	78 797	79 776	91 902	99 254	105 007
Goods and services	32 080	26 503	31 948	41 238	41 238	39 921	34 384	38 624	40 866
Interest and rent on land									
Transfers and subsidies to:	**75**	**1 499**	**214**	**238**	**303**	**326**	**1 000**	**1 015**	**1 074**
Departmental agencies and accounts									
Households	75	1 499	214	238	303	326	1 000	1 015	1 074
Payments for capital assets	**2 795**	**2 006**	**5 487**	**1 004**	**3 004**	**3 319**	**1 635**	**1 636**	**1 728**
Machinery and equipment	2 774	1 731	5 487	1 004	3 004	3 319	1 635	1 636	1 728
Software and other intangible assets	21	275							
Payments for financial assets		**8**							
Total economic classification	**79 876**	**92 037**	**106 291**	**121 342**	**123 342**	**123 342**	**128 921**	**140 529**	**148 675**

The expenditure for Administration increased from R79.9 million in 2013/14 to R 106.3 million in 2015/16. The 2016/17 main budget increases from R121.3 million to R123.3 million during the adjustment budget process to procure new laptops and desktops for employees. Over the MTEF, the budget increases from R128.9 million in 2017/18 to R148.7 million in 2019/20.

The main costs drivers under goods and services are utilities, external audit, lease payments, communication and property payments. The department also has various projects earmarked and catered for under goods and services. These projects include the hosting of network servers externally, IT equipment refresh programme, Corporate Performance and Evaluation Information System and the establishment of the disaster recovery site.

Expenditure on compensation of employees increased from R44.9 million in 2013/14 financial year to R68.6 million in 2015/16 to fund the provision of human capacity in line with the growing department. The main budget decreases from R78.9 million to R78.8 million in 2016/17 due to the reallocation of funds for the vacant posts towards the priorities of the department. The budget increases from R91.9 million to R105 million over the MTEF to provide for the implementation of the revised organisational structure.
Expenditure on goods and services increased from R26.5 million in 2014/15 to R31.9 million in 2015/16. The higher expenditure included payments for operational requirements such as property payments, operating leases and staff training. The budget increases from R34.4 million in 2017/18 to R40.9 million over the MTEF to support the revised organisational structure.

Over the MTEF, spending for payments for capital assets is expected to stay at average allocation of R2 million per financial year. The estimated allocation being R2 million for 2017/18; 2018/19, 2019/20 financial years respectively.

SERVICE DELIVERY MEASURES

PROGRAMME1: ADMINISTRATION

Performance Measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Auditor-General's audit outcome for the department	Unqualified audit opinion with no other matters year	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters
% of external audit recommendations tracked before next audit cycle	100%	100%	100%
% of supplier payments paid within 15 days after receipt of correct invoice	98%	98%	98%
% compliance with regulatory and legislated reporting requirements as per the compliance dashboard	100%	100%	100%
% implementation of the GPG Capacity Building and Support training plan	100%	100%	100%
Number of youth developed through partnerships with firms and professional bodies	50	100	150
Number of evaluations conducted	3	3	3

PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

Programme description
To ensure the effective and efficient administration of provincial and fiscal resources.

Programme objectives
- The Budget Management sub-programme develops and manages the implementation of policy frameworks relating to budget matters in the province and monitors spending in accordance to allocated budgets to ensure that limited financial resources are spent effectively and efficiently;
- The Economic and Fiscal Policy Oversight sub-programme provides socio-economic research and analysis and further ensures effective oversight over revenue collection in the province;
- Infrastructure Management sub-programme intends to enhance and monitor infrastructure performance of provincial departments, entities and municipalities as a means of monitoring the implementation of the Provincial Infrastructure Master Plan;
- The Financial Assets and Liabilities Management sub-programme promotes and enforces transparency and effective management of the financial asset portfolio of the province by ensuring prudent cash flow management processes and that the liquidity levels in the province are sustained. This sub-programme is also responsible for the management of the Provincial Revenue Fund; and
- The main objective of the Public Finance sub-programme is to monitor and report on financial and non-financial performance in provincial institutions.

Key policies, priorities and outputs
Some of the key priorities for the Sustainable Fiscal Resource Management programme in the 2017/18 financial year are as follows:
- Ensure measures are put in place to ensure attainment of the own revenue target as prescribed in the Provincial Revenue Enhancement Strategy;
- Explore partnerships that might enhance revenue generation in the province;
- Explore alternate funding solutions for infrastructure projects as aligned in the Provincial Infrastructure Master Plan; and
- Reduction of spending on non-core budgetary items.

TABLE 14.8: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME:SUSTAINABLE FISCAL RESOURCE MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Programme Support/Office Of The DDG	55 911	79 280	124 207	59 166	108 945	107 203	60 415	63 940	67 650
2. Budget Management	12 406	13 355	16 496	21 483	16 733	17 149	22 570	23 879	25 265
3. Economic And Fiscal Policy Oversight	8 058	9 382	10 074	12 058	11 068	11 807	13 651	14 443	15 281
4. Infrastructure Management	3 114	3 287	6 359	27 734	7 195	9 607	15 175	16 523	17 481
5. Financial Asset And Liabilities Management	16 962	18 836	8 664	12 040	9 540	9 840	12 425	12 223	12 931
6. Public Finance	12 677	15 280	17 241	17 164	21 164	19 039	17 514	20 193	21 365
Total payments and estimates	**109 128**	**139 420**	**183 041**	**149 645**	**174 645**	**174 645**	**141 751**	**151 201**	**159 973**

TABLE14.9:SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**59 088**	**64 270**	**62 840**	**95 595**	**70 563**	**71 880**	**86 416**	**92 657**	**98 033**
Compensation of employees	53 562	59 773	55 072	71 629	61 597	61 372	75 424	80 458	85 126
Goods and services	5 526	4 497	7 768	23 966	8 966	10 508	10 992	12 199	12 907
Transfers and subsidies to:	**50 040**	**75 150**	**120 201**	**52 650**	**102 682**	**102 765**	**55 335**	**58 544**	**61 940**
Departmental agencies and accounts	50 000	75 000	120 000	52 650	102 650	102 650	55 335	58 544	61 940
Households	40	150	201		32	115			
Payments for capital assets				**1 400**	**1 400**				
Machinery and equipment				1 400	1 400				
Payments for financial assets									
Total economic classification	**109 128**	**139 420**	**183 041**	**149 645**	**174 645**	**174 645**	**141 751**	**151 201**	**159 973**

The expenditure for Sustainable Fiscal Resource Management increased from R109.1 million in 2013/14 to R183 million in 2015/16. The main budget increases from R149.6 million to R174.6 million during the adjustment budget process in 2016/17 to increase the capital amount required for the Project Preparation Facility within the Gauteng Infrastructure Funding Agency (GIFA). Over the MTEF period, the allocation is as follows; R141.7 million in the 2017/18 financial year, R151.2 million in the 2018/19 financial year and R159.9 million in the 2019/20 financial year. The MTEF expenditure provides mainly for the additional capacity required for the infrastructure management function.

Expenditure on compensation of employees increased from R53.6 million in 2013/14 to R59.8 million in 2014/15 financial year. It further increased from R55.1 million in the 2015/16 financial year to R71.6 million in the 2016/17 financial year. In the MTEF period the allocation is as follows; R75.4 million in the 2017/18 financial year, R80.5 million in the 2018/19 financial year and R85.1 million in the 2019/20 financial year. The increase in the budget is due to the additional human capital requirements under the infrastructure management unit. The growth in personnel represents the department's plans to implement the revised organisational structure.

Expenditure on goods and services amounted to R5.5 million in 2013/14. There was an decrease of R1.1 million in expenditure to R4.5 million in the 2014/15 financial year. Expenditure then increased to R7.8 million in the 2015/16 financial year. Over the MTEF period, the allocation is as follows: R11 million in the 2017/18 financial year, R12.2 million in the 2018/19 financial year and R12.9 million in the 2019/20 financial year. The main cost drivers under this programme are Computable General Equilibruim Model, Infrastructure Delivery Management System, as well as the printing of provincial budget and economic publications.

The transfer to be made to the Gauteng Infrastructure Funding Agency (GIFA) over the MTEF amounts to R55.3 million in 2017/18, R58.5 million in 2018/19 and R61.9 million in 2019/20.

SERVICE DELIVERY MEASURES

PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

Budget Management

Performance measures	Estimated Annual Targets Target		
	2017/18	2018/19	2019/20
Number of engagements conducted with GPG departments on the alignment of budgets to the TMR programme	14 MTEC sessions held and key MTEC resolutions prepared	14 MTEC sessions held and key MTEC resolutions prepared	14 MTEC sessions held and key MTEC resolutions prepared
	15 Budget Fora held	15 Budget Fora held	15 Budget Fora held
Number of engagements conducted with GPG departments on the alignment of budgets to the TMR programme	1 MTEF budget that resources the TMR tabled	1 MTEF budget that resources the TMR tabled	1 MTEF budget that resources the TMR tabled
	1 Adjustment budget that resources the TMR tabled	1 Adjustment budget that resources the TMR tabled	1 Adjustment budget that resources the TMR tabled
% variance between projections and actuals	Actual payment transfers should not exceed the quarterly projections by 7%	Actual payment transfers should not exceed the quarterly projections by 5%	Actual payment transfers should not exceed the quarterly projections by 5%
	Actual expenditure on CoE should not exceed the quarterly projections by 7%	Actual expenditure on CoE should not exceed the quarterly projections by 5%	Actual expenditure on CoE should not exceed the quarterly projections by5%
Number of budgets tabled according to the prescribed timeframes	1 MTEF budget that resources the TMR tabled	1 MTEF budget that resources the TMR tabled	1 MTEF budget that resources the TMR tabled
	1 Adjustment budget that resources the TMR tabled	1 Adjustment budget that resources the TMR tabled	1 Adjustment budget that resources the TMR tabled

Economic and Fiscal Policy Oversight

Performance measures	Estimated Annual Targets Target		
	2017/18	2018/19	2019/20
Average % increase in own revenue collection	8%	8%	% increase according to CPI
Tabling of SERO according to the prescribed timeframes	SERO tabled	SERO tabled	SERO tabled
Tabling of MTBPS at Legislature according to the prescribed timeframes	MTBPS tabled	MTBPS tabled	MTBPS tabled

Infrastructure Management

Performance measures	Estimated Annual Targets Target		
	2017/18	2018/19	2019/20
Number of infrastructure budgets tabled according to the prescribed timeframes	2	2	2
% spent on infrastructure allocation	98%	98%	98%

Financial Assets and Liabilities Management

Performance measures	Estimated Annual Targets Target		
	2017/18	2018/19	2019/20
AG Audit outcomes for the Provincial Revenue Fund	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters
Cash-outflows for departments within the provincial revenue streams	Disbursement to departments do not exceed appropriated funds	Disbursement to departments do not exceed appropriated funds	Disbursement to departments do not exceed appropriated funds
Number of departments with ring-fenced funds for compensation of employees, conditional grants, critical services, municipalities and infrastructure (provincial equitable share)	All departments	All departments	All departments

Public Finance

Performance measures	Estimated Annual Targets Target		
	2017/18	2018/19	2019/20
Number of budget bilaterals conducted	1	1	1
Number of annual budget assessments for identified key programmes / departments conducted	4	5	6
% of GPG wage bill against budget	60%	60%	60%
% spent on conditional grants allocation	98%	98%	98%

PROGRAMME 3: FINANCIAL GOVERNANCE

Programme description
To promote accountability through substantive reflection of financial activities as well as compliance with financial norms and standards in PFMA compliant institutions.

Programme objectives
- The Provincial Accounting Services sub-programme enforces the effective implementation of accounting practices and also prepares accurate consolidated financial statements by focusing on, amongst others; financial accounting matters, asset management, banking and issues related to statutory deductions;
- The main focus for the Provincial Forensic Audit sub-programme is the provision of forensic audit services in the province;
- The Transversal Internal Audit and Risk Management sub-programme provides risk management support services to provincial institutions and plays an oversight role on internal audit function;
- The Compliance sub-programme monitors and enforces compliance with the PFMA and other regulatory prescripts by provincial institutions; and
- The Financial Information Management Systems sub-programme provides oversight and oversees the management of transversal financial systems in the province.

Key policies, priorities and outputs
Some of the key priorities for the Financial Governance programme in the 2017/18 financial year are as follows:
- Maintenance and achievement of unqualified audit outcomes for provincial departments and public entities;
- Management of the contractual partnership with the Provincial Banker;
- Introduction of Business Intelligence tools to modernize processes and improve data integrity; and
- Implementation of the Forensic Services strategy in order to eradicate fraud and corruption in the province.

TABLE14.10:SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: FINANCIAL GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Programme Support/Office Of The DDG	28 986	32 613	15 294	4 315	3 564	4 076	3 948	4 432	4 687
2. Provincial Accounting Services	30 896	30 992	43 019	53 597	49 202	47 126	54 233	58 333	61 717
3. Provincial Forensic Audits	14 341	14 848	19 215	23 171	26 671	27 356	25 312	28 123	29 753
4. Transversal Internal Audit and Risk Management	10 377	11 822	14 030	16 797	16 797	16 034	17 759	19 523	20 653
5. Norms And Standards	6 075	12 564	14 240	6 948	9 956	9 923	3 959	5 213	5 516
6. Financial Information Management Systems	11 101	6 970	20 880	23 200	26 346	27 351	40 374	39 900	42 215
Total payments and estimates	**101 776**	**109 809**	**126 678**	**128 028**	**132 536**	**131 866**	**145 585**	**155 523**	**164 541**

TABLE 14.10:SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FINANCIAL GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**99 974**	**108 469**	**126 573**	**128 028**	**132 366**	**131 677**	**145 585**	**155 523**	**164 541**
Compensation of employees	63 907	73 959	107 726	116 097	115 085	114 557	129 892	140 280	148 416
Goods and services	36 067	34 510	18 847	11 931	17 281	17 120	15 693	15 243	16 125
Transfers and subsidies to:	**879**	**112**	**105**		**170**	**189**			
Departmental agencies and accounts									
Households	879	112	105		170	189			
Payments for capital assets	**923**	**1 228**							
Machinery and equipment	783	1 228							
Software and other intangible assets	140								
Payments for financial assets									
Total economic classification	**101 776**	**109 809**	**126 678**	**128 028**	**132 536**	**131 866**	**145 585**	**155 523**	**164 541**

The expenditure for Financial Governance increases from R 101.8 million in 2013/14 financial year to R109.8 million in the 2014/15 and R126.7 million in the 2015/16 financial year. In 2016/17 financial the budget allocation is R128 million. Over the MTEF period, the allocation is R145.5 million in 2017/18, R155.5 million in 2018/19 and R164.5 million in 2019/20.

The increase will fund various projects that support the modernisation of the public service for effective service delivery,

i.e. Forensic Lab establishment, forensic audit information system, Fraud risk management tool, P-Card software licenses, training on GRAP/ modified cash standards, automated compilation of annual financial statements of departments and entities and the deployment of the SAP project system.

Expenditure on compensation of employees increases from R63.9 million in 2013/14 to R73.9 million in 2014/15 and R107.7 million in 2015/16. The budget increases from R129.9 million in 2017/18 to R148.4 million in 2019/20. The increases in compensation of employees over the MTEF is due to inflationary adjustments.

Goods and services was at R36 million in 2013/14 and it decreased to R34.5 million in 2014/15 and to R18.8 million in 2015/16. The significant decrease is due to the Health Intervention project (R70 million) that was concluded in 2014/15. The 2016/17 main budget increases from R11.9 million to R17.3 million during the adjustment budget due to R5.3 million allocated for the provincial forensic assignments undertaken to improve transparency and accountability in the use of public resources. The allocation for the MTEF period increases from R15.7 million in 2017/18 to R16.1 million in 2019/20. Spending focus over MTEF will be on various project listed above.

SERVICE DELIVERY MEASURES

PROGRAMME 3: FINANCIAL GOVERNANCE

Provincial Accounting Services

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
% of audit recommendations tracked at public entities before the next audit cycle (issues relating to the AFS only)	100%	100%	100%
Number of reports produced on the monitoring of the implementation of 90% compliance of 30 days payments in three departments (Health, Education and Infrastructure Development)	4	4	4

Provincial Forensics Audits

Performance Indicators	Medium-Term Targets		
	2017/18	2018/19	2019/20
% of planned fraud detection reviews conducted	100%	100%	100%

Transversal Internal Audit and Risk Management

Performance Indicators	Medium-Term Targets		
	2017/18	2018/19	2019/20
Updated risk profiles for departments and development of risk profiles for municipalities	Update risk profiles for all departments and by 31 March 2018	Update risk profiles for all departments and entities by 31 March 2019	Update risk profiles for all departments and entities by 31 March 2020
	Develop risk profiles for 2 municipalities by 30 June 2018	Develop risk profile for all delegated municipalities by 30 June 2019	Develop risk profile for all delegated municipalities by 30 June 2020

PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

Programme description
To promote and enforce transparency and effective Supply Chain Management in the province.

Programme objective
- The Supply Chain Management Norms and Standards, Governance, Compliance, Monitoring & Evaluation functions oversees the establishment of uniform SCM policy, norms & standards and ensures monitoring and reporting on SCM matters;
- The Client Support function promotes, supports and develops capacity through institutional, organisational, individual and stakeholder development;
- The Transversal Contract Management sub-programme establishes SCM transversal contract management mechanisms in the Province; and
- Strategic Procurement establishes SCM strategic procurement mechanisms in support and in alignment to the Township Economic Revitilisation strategy.

Key policies, priorities and outputs

Some of the key priorities for the Provincial Supply Chain Management programme in the 2017/18 financial year are as follows:

- Increase the number of open tender projects from 60% to 80% of government procurement. Establishing frameworks, guidelines and norms and standards in departments to ensure consistency and uniformity in applying open tender principles and also promoting good governance and transparency.
- There shall be a state of the art procurement hub where all tenders will be evaluated and adjudicated. As a minimum, the hub will be fitted with electronic devices such as voice recordings and video cameras to record all the proceedings during briefing sessions, closing of bids, evaluation and adjudication of bids. This is a project that will be delivered through the Kopanong Precinct. GPT and GIFA are working together to ensure the completion and delivery of the project. The HUB is planned to be complete in 2018/19.
- Development of township suppliers is critical in ensuring that township suppliers are ready to provide consistent goods and services into the Government supply chain at the required scale. A thorough knowledge of the supply side capacity is essential, an assessment and verification of supplier profile will provide a clear indication of interventions needed. Further, developing township suppliers will facilitate greater participation in government procurement and ensures attainment of the growth targets as set out in the NDP.
- There are township spend targets that have been set for the corridors to achieve, however not all corridors were able to achieve targets and these are Southern and Western corridors. Interventions aimed at improving spend are in place and these are: - analysis of demand by government institution, matching suppliers to the demand to create business opportunities and development of suppliers.
- All pillars of TER strategy implemented and delivery of identified programmes.

TABLE14.11:SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME:PROVINCIAL SUPPLY CHAIN MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Programme Support/Office Of The DDG	2 347	3 159	6 461	20 047	28 047	26 649	28 260	29 657	40 935
2. SCM Policy, Norms And Standards				10 000	6 100	5 043	14 232	15 143	19 358
3. Governance, Compliance, Monitoring And Evaluation				4 836	4 836				
4. SCM Client Support				31 025	31 025	37 465	34 335	37 126	39 279
5. Strategic Procurement				7 868	7 868	11 205	17 138	19 235	20 350
6. Transversal Contract Management				17 761	17 761	13 878	28 649	29 731	12 198
7. Movable Asset Management									
8. Procurement Services	55 964	56 041	46 999						
Total payments and estimates	**58 311**	**59 200**	**53 460**	**91 537**	**95 637**	**94 240**	**122 614**	**130 891**	**132 120**

TABLE14.12:SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL SUPPLY CHAIN MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**58 228**	**59 058**	**53 399**	**91 537**	**86 317**	**84 879**	**112 614**	**120 891**	**132 120**
Compensation of employees	56 132	57 798	49 796	77 013	63 793	62 432	92 511	99 912	100 367
Goods and services	2 096	1 260	3 603	14 524	22 524	22 447	20 103	20 979	31 753
Transfers and subsidies to:	**79**	**9**	**61**		**9 320**	**9 361**	**10 000**	**10 000**	
Departmental agencies and accounts									
Non-profit institutions					8 955	8 955	10 000	10 000	
Households	79	9	61		365	406			
Payments for capital assets		**17**							
Software and other intangible assets		17							
Payments for financial assets	**4**	**116**							
Total economic classification	**58 311**	**59 200**	**53 460**	**91 537**	**95 637**	**94 240**	**122 614**	**130 891**	**132 120**

The expenditure was R58.3 million in the 2013/14 financial year and it increased to R59.2 million in 2014/15. In the 2015/16 financial year, there was decrease in the budget to R53.5 million. The allocation over the MTEF is as follows: R122.6 million in the 2017/18 financial year, R130.9 million in 2018/19 financial and R132.1 million in 2019/20. The main contributor to the increase in the budget is the personnel to be added in the areas of SCM policy, norms and standards, governance, SCM compliance monitoring and evaluation and the procurement of services for facilitation of the open tender process,

procurement hub and supplier development to support township revitalization.

Expenditure on compensation of employees was R56.1 million in 2013/14 and it increased to R57.8 million in the 2014/15 financial year. The expenditure decreases to R49.8 million in the 2015/16 financial year. The main budget decreases from R77 million to R63.8 million during the adjustment budget process in 2016/17 due to the reallocation of unspent funds for vacant posts to other priorities of the department. The allocation over the MTEF is as follows: R92.5 million in 2017/18, R99.9 million in 2018/19 financial year and R100.4 million in 2019/20.

The goods and services expenditure was R2.1 million in 2013/14 and R1.3 million in 2014/15. The expenditure in the 2015/16 financial year was R3.6 million and it increased to R14.5 million in 2016/17. The allocation over the MTEF is as follows: R20.1 million for the 2017/18 financial year, R21 million in 2018/19 and R31.7 million in 2019/20. The spending focus will be on services procured to facilitate the open tender process and procurement hub.

The transfers to be made to the South African Supplier Development Council (SASDC), which commenced during the 2016/17 financial year, will end in the 2018/19 financial year. The aim of the transfer is to support the township economic revitalization programme of the province through improving the capability of township businesses to participate in the government procurement of goods and services.

SERVICE DELIVERY MEASURES

PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

Provincial Supply Chain Management

Performance measures	Estimated Annual Targets		
	2017/18	2018/19	2019/20
Number of departments, local municipalities & public entities implementing the open tender process	14 departments, 5 entities and 3 local municipalities	14 departments, 7 entities and 5 local municipalities	14 departments, all entities and 7 local municipalities
Number of registered suppliers undergoing targeted supplier development	1 060	1 410	1 500
Number of departments implementing the strategic sourcing strategy	2	Remaining departments and entities	Impact assessment of TER strategy implementation
% spend in procurement on registered Township suppliers	28%	40%	40%
% increase in procurement spend on township suppliers in the 5 developmental corridors	Central – 39%	Central – 39%	Central – 39%
	Northern – 27%	Northern – 27%	Northern – 27%
	Eastern – 25%	Eastern – 25%	Eastern – 25%
	Southern – 6%	Southern – 6%	Southern – 6%
	Western – 3%	Western – 3%	Western – 3%

PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

Programme description

The programme monitors the effective, efficient, sustainable financial management and financial reporting of all municipal fiscal resources for municipalities and municipal entities and it coordinates the provisioning of capacity building. The Municipal Financial Governance Programme is divided into various sub-programmes that enables it to attain its set strategic objectives, deliverable and targets.

Programme objective

- The Local Government Financial Services sub-programme ensures optimal and sustainable budget management process in delegated local municipalities and further monitors the effective and efficient compliance with financial assets and liabilities management.
- The Municipal Accounting and Asset Management sub-programme monitors compliance with financial management and annual reporting framework and further promotes the understanding and implementation of accounting standards (GRAP), as well as the reviewing and reporting on the quality of Annual Financial Statements.
- Municipal Compliance and Financial Management Support sub-programme coordinates, monitors and reports on MFMA implementation and enforces compliance with the MFMA and other regulatory prescripts by local municipalities.

Key policies, priorities and outputs

Some of the key priorities for the Municipal Financial Governance programme in the 2017/18 financial year are as follows:

- Monitor and provide technical financial management reviews on the implementation of municipal budgets;
- Guide and advice municipalities on effective rollout and preservation management of all local government service delivery resources;
- Provide guidance and support to ensure that all municipal fiscal planning and budgets are funded, credible and

aligned to the TMR through benchmark engagements;
- Guide and support the merger process through the Finance and ICT Sub-stream towards assisting in the creation of a functional RandWest City municipality;
- Strengthen and optimize municipal revenue management value chain through technical and targeted support within the statutory framework;
- Strengthen intergovernmental fiscal relations, through Municipal Finance IGR structures within the MFMA prescripts and build collaboration and capacity with all key stakeholders involved in local government level matters.

TABLE14.13:SUMMARY OF PAYMENTS AND ESTIMATES BY SUB PROGRAMME:MUNICIPAL FINANCIAL GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Programme Support/Office Of The DDG	27 526	28 525	29 995	5 374	37 853	37 853	11 285	11 682	12 359
2. Local Government Financial Services				12 305			13 243	11 471	12 136
3. Municipal Accounting And Asset Management				12 249			12 127	12 830	13 574
4. Municipal Compliance And Financial Management Support				6 375			24 729	29 393	35 468
Total payments and estimates	**27 526**	**28 525**	**29 995**	**36 303**	**37 853**	**37 853**	**61 384**	**65 376**	**73 537**

TABLE 14.14:SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MUNICIPAL FINANCIAL GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**27 526**	**28 387**	**29 971**	**36 303**	**37 803**	**37 812**	**61 384**	**65 376**	**73 537**
Compensation of employees	20 061	27 681	28 847	35 130	31 080	29 807	54 409	58 760	66 537
Goods and services	7 465	706	1 124	1 173	6 723	8 005	6 974	6 616	7 000
Transfers and subsidies to:		**138**	**24**		**50**	**41**			
Non-profit institutions									
Households		138	24		50	41			
Payments for capital assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**27 526**	**28 525**	**29 995**	**36 303**	**37 853**	**37 853**	**61 384**	**65 376**	**73 537**

The spending for the programme increases from R27.5 million in 2013/14 to R30 million in 2015/16. The budget for the 2016/17 financial year is R36.3 million. The budget over the MTEF is R61.4 million in 2017/18 and R65.4 million in 2018/19 and R73.5 million in 2019/20.

The expenditure on compensation of employees was R20.1 million in 2013/14 and it increased to R28.8 million in 2015/16. The increase in spending between 2013/14 to 2014/15 was mainly to fund the Municipal Advisor Programme for hands-on financial management support in municipalities.

The personnel budget over the MTEF period is as follows: R54.4 million in the 2017/18 financial year, R58.8 million in the 2018/19 financial year and R66.5 million in 2019/20. The increase is due to inflationary adjustment (Annual cost of living adjustment, notch progression and performance bonus) and the additional capacity under Municipal Compliance and Financial Management Support.

The goods and services expenditure was R7.5 million in the 2013/14 financial year. The expenditure at R706 000 was lower in 2014/15 because the various interventions in municipalities had been concluded in 2013/14. The expenditure increased to R1.1 million in 2015/16. The main budget increased to R6.7 million during the adjustment budget process in 2016/17 to fund the data cleansing project which assists with the detention of unconfirmed government properties and the verification of accounts information to assist with the reduction of municipal debt. The allocation for goods and services for the programme over the MTEF is as follows: R7 million in the 2017/18 financial year, R6.6 million in the 2018/19 financial year and R7 million in the 2019/20 financial year.

The main cost drivers are printing of gazettes, travel expenditure to municipalities, software licenses and training and development for municipalities. The programme will also embark on a new project that will help municipalities to improve and promote sound financial governance, financial management and administration to optimise revenue, improve municipal audit outcomes and address the institutional challenges.

SERVICE DELIVERY MEASURES

PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

Local Government Financial Services

Performance Indicators	Medium-Term Targets		
	2017/18	2018/19	2019/20
Number of municipal budget assessments conducted	16	16	16
Number of municipal SDBIP assessments conducted	8	8	8
% reduction of confirmed provincial government debt that is over 90 days	40%	50%	70%
% spent on provincial transfers to municipalities	75%	85%	90%
Number of municipal fiscal responsiveness assessments conducted	32	32	32

Municipal Accounting and Assets Management

Performance Indicators	Medium-Term Targets		
	2017/18	2018/19	2019/20
% of audit recommendations tracked at local municipalities	100%	100%	100%

PROGRAME 6: GAUTENG AUDIT SERVICES

Programme description

To enhance transparency, good governance and a clean government through strengthening the internal control and regulatory environment in the province and to render audit services in the GPG.

Programme objective

- The Risk and Compliance Audit Services sub-programme manages and ensures performance of risk and compliance audits for the GPG; and
- Performance and Computer Audit Services sub-programme manages and conducts performance and computer audits for GPG departments.

Key policies, priorities and outputs

The key priorities for the Gauteng Audit Services programme in the 2017/18 financial year are :

- Conduct audit services that will ensure improvement on audit outcomes for GPG departments and public entities; and
- Implementation of the Combined Assurance Model.

TABLE 14.15:SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG AUDIT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Programme Support/Office Of The DDG	1 910	3 768	3 249	7 981	11 261	11 128	10 563	12 009	12 706
2. Risk And Compliance Audit Services(Cluster1,2,3)	15 136	14 194	13 002	25 378	21 598	21 151	37 139	38 428	40 657
3. Risk And Compliance Audit Services(Cluster 4,5,6)	16 569	17 824	20 635	25 487	25 487	25 430	37 090	45 513	48 153
4. Performance And Computer Audit Services	14 204	12 913	15 156	21 693	18 921	18 910	27 587	25 042	32 708
5. Audit Centre Of Excellence	4 886	4 499	3 682						
6. Financial Audit And Risk Compliance					272	271			
Total payments and estimates	**52 705**	**53 198**	**55 724**	**80 539**	**77 539**	**76 890**	**112 379**	**120 992**	**134 224**

TABLE 14.16:SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**52 659**	**53 151**	**55 670**	**80 539**	**77 524**	**76 875**	**112 379**	**120 992**	**134 224**
Compensation of employees	52 039	50 994	54 263	74 630	68 115	67 595	104 180	111 498	124 178
Goods and services	620	2 157	1 407	5 909	9 409	9 280	8 199	9 494	10 046
Transfers and subsidies to:	**46**	**36**	**54**		**15**	**15**			
Departmental agencies and accounts									
Non-profit institutions									
Households	46	36	54		15	15			

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Payments for capital assets		**11**							
Machinery and equipment		11							
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**52 705**	**53 198**	**55 724**	**80 539**	**77 539**	**76 890**	**112 379**	**120 992**	**134 224**

The expenditure for Gauteng Audit Services (GAS) increased from R52.7 million in 2013/14 to R55.7 million in 2015/16. The 2016/17 main budget reduces from R80.5 million to R77.5 million during the adjustment budget process due to the reallocation of funds from compensation of employees to goods and services to fund the outsourcing of specialized audit services to eliminate backlogs in the project of addressing the recommendations of the Auditor-General regarding annual audit. The budget increases from R112.4 million in 2017/18 to R134.2 million in 2019/20.

More than 90 percent of the GAS budget is allocated in compensation of employees. Due to the scarce skills in the audit industry in general, priority has been directed toward ensuring adequate capacity for the Programme in order to execute its provincial obligations that contribute towards the achievement of clean audits in the province.

The expenditure on compensation of employees increased from R52 million in 2013/14 to R54.3 million in 2015/16. The main budget decreases from R74.6 million to R68.1 million during the 2016/17 adjustment budget process to fund the abovementioned prioritized project of the programme. Over the MTEF, the budget increases from R104.2 million in 2017/18 to R124.2 million in 2019/20 given that the programme is actively recruiting in the audit market and adopting various strategies to attract and retain audit talent.

Funds for goods and services provide mainly for specialised audits which are not resident internally, necessitating the augmentation of this gap by the use of consultants to assist with the execution of these specialised audits. Expenditure on goods and services increases from R620 000 in 2013/14 to R9.3 million in 2016/17. The budget is set to increase from R8.2 million to R10 million over the MTEF to fund the requirements of specialised audits (Performance Audits and Risk & Compliance Audits) in order to enhance transparency, good governance and a clean government through strengthening the internal control and regulatory environment in the province.

SERVICE DELIVERY MEASURES

PROGRAME 6: GAUTENG AUDIT SERVICES

Performance measures	Estimated Annual targets 2017/18	2018/19	2019/20
% implementation of Internal Audit Plans	90%	90%	90%
% of internal audit recommendations tracked by depts. and trading entities	90%	90%	95%
% of AG significant findings (Findings causing audit qualification) followed-up by Internal Audit	100%	100%	100%

9. OTHER PROGRAMME INFORMATION

9.1. Personnel numbers and costs

TABLE 14.17: 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	175	226	192	211	214	230	268
2. Sustainable Fiscal Resource Management	72	80	86	89	91	94	95
3. Financial Governance	101	258	233	227	253	268	275
4. Provincial Supply Chain Management			136	126	144	147	155
5. Municipal Financial Governance			51	46	55	57	79
6. Gauteng Audit Services	135	103	98	116	132	134	174

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
Direct charges							
Total provincial personnel numbers	**483**	**667**	**796**	**815**	**889**	**930**	**1 046**
Total provincial personnel cost (R thousand)	290 627	332 226	364 346	415 539	548 316	590 162	629 631
Unit cost (R thousand)	602	498	458	510	617	635	602

The personnel numbers for the department indicate the department's dedication to align with the generic structure for treasuries. Personnel numbers increase from 796 in March 2016 to 889 in March 2018. Personnel numbers are set to increase to 1 046 in March 2020 in line with full implementation of the new organisational structure.

PERSONNEL NUMBERS AND COSTS

TABLE14.18:SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT

	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		
R thousands	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Filled posts	Additional posts	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel numbers[1]	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	70	17 197	148	21 824	172	35 543	35	67	102	19 036	122	23 624	135	25 368	171	26 708	18,8%	11,9%	4,3%
7 – 10	252	62 168	324	78 913	394	181 888	479		479	207 271	510	265 698	545	288 686	595	307 136	7,5%	14,0%	49,1%
11 – 12	99	12 533	128	61 138	126	76 417	152		152	104 885	162	135 482	159	151 564	175	162 739	4,8%	15,8%	25,6%
13 – 16	62	45 062	67	53 701	104	93 800	82		82	84 347	92	121 297	87	122 976	100	131 278	6,8%	15,9%	20,7%
Other						3 644					3	2 216	4	1 568	5	1 770			0,2%
Total	**483**	**136 960**	**667**	**215 576**	**796**	**391 292**	**748**	**67**	**815**	**415 539**	**889**	**548 316**	**930**	**590 162**	**1 046**	**629 631**	**8,7%**	**14,9%**	**100,0%**
Programme																			
1. Administration	175	44 926	226	62 021	192	68 642	144	67	211	79 776	214	91 903	230	99 253	268	105 007	8,3%	9,6%	17,4%
2. Sustainable Fiscal Resource Management	72	53 562	80	59 773	86	55 072	89		89	61 372	91	75 424	94	80 458	95	85 126	2,2%	11,5%	13,9%
3. Financial Governance	101	63 907	258	73 959	233	107 726	227		227	114 557	253	129 892	268	140 280	275	148 416	6,6%	9,0%	24,7%
4. Provincial Supply Chain Management		56 132		57 798	136	49 796	126		126	62 432	144	92 511	147	99 912	155	100 367	7,1%	17,1%	16,1%
5. Municipal Financial Governance		20 061		27 681	51	28 847	46		46	29 807	55	54 407	57	58 760	79	66 537	19,8%	30,7%	9,5%
6. Gauteng Audit Services	135	52 039	103	50 994	98	54 263	116		116	67 595	132	104 180	134	111 498	174	124 178	14,5%	22,5%	18,5%
Total	**483**	**290 627**	**667**	**332 226**	**796**	**364 346**	**748**	**67**	**815**	**415 539**	**889**	**548 316**	**930**	**590 162**	**1 046**	**629 631**	**8,7%**	**14,9%**	**100,0%**

The total departmental personnel costs increase from R290.6 million in 2013/14 to R629.6 million in 2019/20 in respect of personnel headcount that increases from 483 to 1 046 during the same period. The implementation of the new organisational structure informs this trend. This significant growth in personnel ensures that the department continues to provide oversight and technical support to GPG departments.

TABLE 14.19:INFORMATION ON TRAINING:GAUTENG PROVINCIAL TREASURY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	483	667	796	815	815	815	889	930	1 046
Number of personnel trained	366	350	450	500	500	500	525	555	586
of which									
Male	148	140	160	180	180	180	189	200	211
Female	218	210	290	320	320	320	336	355	375
Number of training opportunities	333	490	600	710	710	710	746	789	833
of which									
Tertiary	150	250	300	350	350	350	368	389	411
Workshops	153	200	250	300	300	300	315	333	352
Seminars	30	40	50	60	60	60	63	67	70
Other									
Number of bursaries offered	150	173	200	200	200	200	210	222	235
Number of interns appointed	26	35	40	45	45	45	42	42	44
Number of learnerships appointed	18	18	20	25	25	25	30	30	30
Number of days spent on training									
Payments on training by programme									
1. Administration	3 199	1 337	1 711	2 293	2 293	2 999	1 088	1 663	1 760
2.Sustainable Fiscal Resource Management	268	525	364	451	451	370	522	553	585
3. Financial Governance	3 776	1 399	1 885	1 867	2 117	2 234	1 953	1 241	1 313
4. Provincial Supply Chain Management		495	929	1 303	1 303	1 821	1 368	1 448	1 532
5. Municipal Financial Governance	167					188			
6. Gauteng Audit Services				729	729	859	775	820	867
Total payments on training	**7 410**	**3 756**	**4 889**	**6 643**	**6 893**	**8 471**	**5 706**	**5 725**	**6 057**

The transformation of GPT requires a continuous and an uncompromising acquisition of the required skills. A lifelong learning is a vital mind set for a learning organisation that needs to thrive in the 21st Century moreover with essential response to the service requests of the people of Gauteng. The department recognizes that it's most important asset is its employees, and this asset will need to be managed to ensure the continued success of the department.

The department will achieve this through the implementation of meaningful skills programs, internships, learnership and SAIPA programs. To maintain the productivity, well-being and motivation of employees within the rapidly changing environment, GPT must underpin these changes with adequate, appropriate and supportive development and training opportunities.

Training interventions will focus on improving the generic and functional skills of employees, which includes seminars and workshops. All training interventions will be in line with the approved Workplace Skills Plan, as well as the individual Personal Development Plans (PDPs) which form part of the performance management and development system.

The department is continuously committed to addressing skills shortages and scares skills, and aims to appoint at least 8 per cent of the staff establishment as interns, work intergrated learning and SAIPA each financial year. This exceeds the mandated 5 per cent. In implementing the above-mentioned programmes, the department is contributing towards halving poverty, creating jobs, youth development and ultimately addressing skills shortages in the country. Interns and learners are appointed additional to the staff establishment, and must therefore be budgeted for.

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 14.20: SPECIFICATION OF RECEIPTS:GAUTENG PROVINCIAL TREASURY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Tax receipts									
Casino taxes									
Motor vehicle licences									
Sales of goods and services other than capital assets	**235**	**323**	**555**	**1 000**	**1 000**	**986**	**1 050**	**1 111**	**1 173**
Sale of goods and services produced by department (excluding capital assets)	235	323	555	1 000	1 000	986	1 050	1 111	1 173
Sales by market establishments	235	323	555	1 000	1 000	986	1 050	1 111	1 173
Administrative fees									
Other sales									
Of which									
Health patient fees									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:						**10**			
Other governmental units									
Higher education institutions									
Foreign governments									
International organisations									
Public corporations and private enterprises						10			
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	**247 283**	**481 453**	**622 676**	**150 000**	**480 000**	**575 138**	**300 000**	**350 000**	**369 600**
Interest	247 283	481 453	622 676	150 000	480 000	575 138	300 000	350 000	369 600
Dividends									
Rent on land									
Sales of capital assets			**214**						
Land and sub-soil assets									
Other capital assets									
Transactions in financial assets and liabilities	**375**	**490**	**451**	**415**	**400**	**395**	**450**	**500**	**528**
Total departmental receipts	**247 893**	**482 266**	**623 896**	**151 415**	**481 400**	**576 529**	**301 500**	**351 611**	**371 301**

TABLE 14.21:PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG PROVINCIAL TREASURY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**			**2016/17**	**2017/18**	**2018/19**	**2019/20**
Current payments	**374 481**	**401 859**	**429 044**	**552 102**	**524 608**	**522 820**	**644 662**	**693 318**	**748 328**
Compensation of employees	290 627	332 226	364 347	453 361	418 467	415 539	548 316	590 162	629 631
Salaries and wages	232 115	295 256	319 920	385 698	355 716	365 735	477 621	513 341	546 412
Social contributions	58 512	36 970	44 427	67 663	62 751	49 804	70 695	76 821	83 219
Goods and services	83 854	69 633	64 697	98 741	106 141	107 281	96 345	103 156	118 697
Administrative fees	281	61	84	277	299	295	114	129	136
Advertising	2 719	2 855	3 130	1 916	4 836	3 543	1 951	2 064	2 185
Minor assets	197	85	558	232	164	83	244	258	273

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation	Revised estimate 2016/17	Medium-term estimates 2017/18	2018/19	2019/20
Audit cost: External	2 164	2 879	3 213	4 525	4 525	3 071	5 323	5 547	5 869
Bursaries: Employees	1 217	1 218	1 761	1 535	1 535	2 939	2 545	2 692	2 848
Catering: Departmental activities	1 624	374	410	811	848	901	836	796	843
Communication (G&S)	1 835	1 999	3 139	4 699	4 052	3 903	3 401	3 538	3 743
Computer services	3 445	2 535	5 978	7 633	9 453	9 559	12 081	12 565	13 293
Consultants and professional services: Business and advisory services	39 293	35 008	21 045	43 053	38 999	39 941	42 315	44 105	56 221
Legal services	917	660	555	27	6 087	6 346	893	979	1 036
Contractors	5 599	1 306	1 008	2 361	2 076	552	491	1 366	1 445
Agency and support / outsourced services	58								
Entertainment									
Fleet services (including government motor transport)	1 452	668	751		349	411	560	590	624
Inventory: Fuel, oil and gas				38					
Consumable supplies	801	343	508	598	599	470	373	609	644
Consumable: Stationery, printing and office supplies	1 735	2 063	3 417	2 124	3 151	4 048	2 450	3 403	3 600
Operating leases	1 443	2 494	3 588	4 043	4 081	5 223	5 196	5 415	5 729
Property payments	4 291	7 924	6 191	9 575	6 928	7 303	5 020	5 624	5 950
Transport provided: Departmental activity									
Travel and subsistence	4 001	964	1 725	3 633	4 719	3 242	2 475	2 803	2 965
Training and development	7 410	3 756	5 308	6 643	6 893	8 471	5 706	5 725	6 057
Operating payments	1 923	1 638	1 626	2 463	2 383	2 276	2 366	2 669	2 827
Venues and facilities	1 449	803	702	2 555	4 164	4 704	2 005	2 278	2 409
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**51 119**	**76 944**	**120 658**	**52 888**	**112 540**	**112 697**	**66 335**	**69 559**	**63 014**
Provinces and municipalities									
Departmental agencies and accounts	50 000	75 000	120 000	52 650	102 650	102 650	55 335	58 544	61 940
Social security funds									
Provide list of entities receiving transfers	50 000	75 000	120 000	52 650	102 650	102 650	55 335	58 544	61 940
Non-profit institutions					8 955	8 955	10 000	10 000	
Households	1 119	1 944	658	238	935	1 092	1 000	1 015	1 074
Social benefits	1 119	1 944	612		697	854			
Other transfers to households			46	238	238	238	1 000	1 015	1 074
Payments for capital assets	**3 718**	**3 262**	**5 487**	**2 404**	**4 404**	**3 319**	**1 635**	**1 636**	**1 728**
Machinery and equipment	3 557	2 970	5 487	2 404	4 404	3 319	1 635	1 636	1 728
Transport equipment									
Other machinery and equipment	3 557	2 970	5 487	2 404	4 404	3 319	1 635	1 636	1 728
Software and other intangible assets	161	292							
Payments for financial assets	**4**	**124**							
Total economic classification	**429 322**	**482 189**	**555 189**	**607 394**	**641 552**	**638 836**	**712 632**	**764 513**	**813 070**

TABLE 14.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Current payments	**77 006**	**88 524**	**100 590**	**120 100**	**120 035**	**119 697**	**126 286**	**137 878**	**145 873**
Compensation of employees	44 926	62 021	68 642	78 862	78 797	79 776	91 902	99 254	105 007
Salaries and wages	35 941	54 809	60 350	63 680	63 615	70 769	79 673	86 243	91 242
Social contributions	8 985	7 212	8 292	15 182	15 182	9 007	12 229	13 011	13 765
Goods and services	32 080	26 503	31 948	41 238	41 238	39 921	34 384	38 624	40 866
Administrative fees	116	46	73	261	277	261	96	110	117
Advertising	1 284	2 114	1 347	1 067	1 018	1 412	1 108	1 172	1 240
Minor assets	195	67	558	232	164	83	244	258	273
Audit cost: External	1 082	1 738	2 209	3 116	3 116	1 948	3 841	3 979	4 210
Bursaries: Employees	1 217	1 218	1 761	1 535	1 535	2 939	2 545	2 692	2 848
Catering: Departmental activities	1 580	170	218	264	256	234	219	240	255
Communication (G&S)	1 835	1 999	3 139	4 699	4 052	3 903	3 401	3 538	3 743
Computer services	283	1 802	3 854	3 896	4 885	4 885	4 833	5 031	5 322
Consultants and professional services: Business and advisory services	1 302	723	393	1 738	2 338	1 304	1 044	1 415	1 497
Legal services		67	555	27	1 587	1 079	893	979	1 036
Contractors	5 597	1 298	940	2 361	2 050	526	491	1 366	1 445
Agency and support / outsourced services									
Entertainment									
Fleet services (including government motor transport)	1 452	668	751		349	411	560	590	624
Housing									
Inventory: Fuel, oil and gas				38					
Consumable supplies	797	338	488	598	598	469	373	609	644
Consumable: Stationery, printing and office supplies	1 051	1 054	2 304	1 241	1 241	1 554	1 026	1 405	1 487
Operating leases	1 443	2 494	3 588	4 043	4 081	5 223	5 196	5 415	5 729
Property payments	4 291	7 924	6 191	9 575	6 928	7 303	5 020	5 624	5 950
Travel and subsistence	3 391	278	840	2 026	2 502	1 401	713	812	859
Training and development	3 199	1 337	1 418	2 293	2 293	2 999	1 088	1 663	1 760
Operating payments	539	411	779	752	752	873	570	603	639
Venues and facilities	1 426	757	542	1 476	1 216	1 114	1 123	1 123	1 188
Rental and hiring									
Interest and rent on land									
Interest									
Transfers and subsidies	**75**	**1 499**	**214**	**238**	**303**	**326**	**1 000**	**1 015**	**1 074**
Provinces and municipalities									
Non-profit institutions									
Households	75	1 499	214	238	303	326	1 000	1 015	1 074
Social benefits	75	1 499	168		65	88			
Other transfers to households			46	238	238	238	1 000	1 015	1 074
Payments for capital assets	**2 795**	**2 006**	**5 487**	**1 004**	**3 004**	**3 319**	**1 635**	**1 636**	**1 728**
Machinery and equipment	2 774	1 731	5 487	1 004	3 004	3 319	1 635	1 636	1 728
Transport equipment									
Other machinery and equipment	2 774	1 731	5 487	1 004	3 004	3 319	1 635	1 636	1 728
Land and sub-soil assets									
Software and other intangible assets	21	275							
Payments for financial assets		**8**							
Total economic classification	**79 876**	**92 037**	**106 291**	**121 342**	**123 342**	**123 342**	**128 921**	**140 529**	**148 675**

TABLE 14.23:PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SUSTAINABLE FISCAL RESOURCES MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**	**2016/17**			**2017/18**	**2018/19**	**2019/20**
Current payments	**59 088**	**64 270**	**62 840**	**95 595**	**70 563**	**71 880**	**86 416**	**92 657**	**98 033**
Compensation of employees	53 562	59 773	55 072	71 629	61 597	61 372	75 424	80 458	85 126
Salaries and wages	42 580	53 040	49 069	61 165	54 295	54 864	65 179	69 495	73 526
Social contributions	10 982	6 733	6 003	10 464	7 302	6 508	10 245	10 963	11 600
Goods and services	5 526	4 497	7 768	23 966	8 966	10 508	10 992	12 199	12 907
Administrative fees		7	2	5	7	9	6	6	6
Advertising	1 124	361	1 500	486	486	486	511	540	572
Minor assets									
Audit cost: External		560	485	745	745	745	785	831	879
Bursaries: Employees									
Catering: Departmental activities	44	29	53	269	236	162	232	246	260
Communication (G&S)									
Computer services			345			76			
Consultants and professional services: Business and advisory services	1 427	906	2 818	19 033	4 029	5 286	6 065	6 666	7 052
Legal services	917	593							
Contractors			68		26	26			
Consumable supplies			20						
Consumable: Stationery, printing and office supplies	542	632	693	660	871	1 312	693	733	775
Operating leases									
Travel and subsistence	106	227	93	588	597	584	590	785	830
Training and development	268	525	936	451	451	370	522	553	585
Operating payments	1 098	657	755	1 261	1 261	1 125	1 177	1 404	1 488
Venues and facilities				468	257	327	411	435	460
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**50 040**	**75 150**	**120 201**	**52 650**	**102 682**	**102 765**	**55 335**	**58 544**	**61 940**
Provinces and municipalities									
Provinces									
Departmental agencies and accounts	50 000	75 000	120 000	52 650	102 650	102 650	55 335	58 544	61 940
Social security funds									
Provide list of entities receiving transfers	50 000	75 000	120 000	52 650	102 650	102 650	55 335	58 544	61 940
Higher education institutions									
Non-profit institutions									
Households	40	150	201		32	115			
Social benefits	40	150	201		32	115			
Other transfers to households									
Payments for capital assets				**1 400**	**1 400**				
Machinery and equipment				1 400	1 400				

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Other machinery and equipment				1 400	1 400				
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**109 128**	**139 420**	**183 041**	**149 645**	**174 645**	**174 645**	**141 751**	**151 201**	**159 973**

TABLE 14.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FINANCIAL GOVERNANCE

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Current payments	**99 974**	**108 469**	**123 595**	**128 028**	**132 366**	**131 677**	**145 585**	**155 523**	**164 541**
Compensation of employees	63 907	73 959	104 748	116 097	115 085	114 557	129 892	140 280	148 416
Salaries and wages	51 009	64 702	91 256	98 888	99 626	100 050	111 822	121 093	128 117
Social contributions	12 898	9 257	13 492	17 209	15 459	14 507	18 070	19 187	20 299
Goods and services	36 067	34 510	18 847	11 931	17 281	17 120	15 693	15 243	16 125
Administrative fees		6	5	11	11	11	12	13	13
Advertising		94		94	63				
Minor assets	2	18							
Audit cost: External	1 082	581	519	664	664	378	697	737	780
Catering: Departmental activities	–	175	49	200	218	236	100	113	120
Computer services	2 828	634	863	2 718	3 670	3 020	5 367	5 532	5 853
Consultants and professional services: Business and advisory services	27 980	31 066	16 112	5 340	9 840	10 277	6 879	6 641	7 025
Contractors		7							
Agency and support / outsourced services	58								
Consumable supplies		4							
Consumable: Stationery, printing and office supplies	10	2	7	3	3	3	3	3	3
Travel and subsistence	160	208	234	477	495	453	419	460	487
Training and development	3 776	1 399	1 001	1 867	2 117	2 234	1 953	1 241	1 313
Operating payments	171	270	35	157	150	130	164	174	184
Venues and facilities		46	22	400	50	378	100	328	347
Interest and rent on land									
Interest									
Transfers and subsidies	**879**	**112**	**87**		**170**	**189**			
Non-profit institutions									
Households	879	112	87		170	189			
Social benefits	879	112	87		170	189			
Other transfers to households									
Payments for capital assets	**923**	**1 228**							
Machinery and equipment	783	1 228							
Transport equipment									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Other machinery and equipment	783	1 228							
Software and other intangible assets	140								
Payments for financial assets									
Total economic classification	**101 776**	**109 809**	**123 682**	**128 028**	**132 536**	**131 866**	**145 585**	**155 523**	**164 541**

TABLE 14.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL SUPPLY CHAIN MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**		**2016/17**		**2017/18**	**2018/19**	**2019/20**
Current payments	**58 228**	**59 058**	**56 378**	**91 537**	**86 317**	**84 879**	**112 614**	**120 891**	**132 120**
Compensation of employees	56 132	57 798	52 775	77 013	63 793	62 432	92 511	99 912	100 367
Salaries and wages	44 906	52 604	45 303	66 240	53 020	53 380	81 181	87 091	86 340
Social contributions	11 226	5 194	7 472	10 773	10 773	9 052	11 330	12 821	14 027
Goods and services	2 096	1 260	3 603	14 524	22 524	22 447	20 103	20 979	31 753
Administrative fees	165	1			2	2			
Advertising	195	286	283	269	3 269	1 645	282	299	316
Catering: Departmental activities			24	4	54	86	105	112	118
Consultants and professional services: Business and advisory services	1 700	277	1 722	12 555	15 055	16 243	18 034	18 789	29 437
Legal services									
Contractors	2	1							
Agency and support / outsourced services									
Consumable supplies	2								
Consumable: Stationery, printing and office supplies			23		4	4			
Operating leases									
Property payments									
Travel and subsistence	8	20	7	83	383	52	88	93	98
Training and development		495	1 406	1 303	1 303	1 821	1 368	1 448	1 532
Operating payments	1	180		99	43	13	105	110	117
Venues and facilities	23		138	211	2 411	2 581	121	128	135
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	**79**	**9**	**78**		**9 320**	**9 361**	**10 000**	**10 000**	
Non-profit institutions					8 955	8 955	10 000	10 000	
Households	79	9	78		365	406			
Social benefits	79	9	78		365	406			
Other transfers to households									
Payments for capital assets		**17**							
Software and other intangible assets		17							

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Payments for financial assets	**4**	**116**							
Total economic classification	**58 311**	**59 200**	**56 456**	**91 537**	**95 637**	**94 240**	**122 614**	**130 891**	**132 120**

TABLE 14.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MUNICIPAL FINANCIAL GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**27 526**	**28 387**	**29 971**	**36 303**	**37 803**	**37 812**	**61 384**	**65 376**	**73 537**
Compensation of employees	20 061	27 681	28 847	35 130	31 080	29 807	54 409	58 760	66 537
Salaries and wages	16 049	25 185	26 016	30 021	25 971	26 810	47 815	50 784	57 486
Social contributions	4 012	2 496	2 831	5 109	5 109	2 997	6 594	7 977	9 051
Goods and services	7 465	706	1 124	1 173	6 723	8 005	6 974	6 616	7 000
Administrative fees			2		2	12			
Advertising	116								
Catering: Departmental activities			66	74	84	183	180	85	90
Communication (G&S)									
Computer services	79	99	204	518	383	305	365	398	421
Consultants and professional services: Business and advisory services	6 621				750	750	5 092	5 092	5 388
infrastructure and planning									
Legal services					4 500	5 267			
Consumable supplies		1			1	1			
Consumable: Stationery, printing and office supplies	132	375	390	220	532	680	728	442	467
Travel and subsistence	336	231	405	361	444	518	558	539	570
Training and development	167					188			
Operating payments	14		57		27	27	50	60	64
Venues and facilities						74			
Rental and hiring									
Interest and rent on land									
Interest									
Transfers and subsidies		**138**	**24**		**50**	**41**			
Households		138	24		50	41			
Social benefits		138	24		50	41			
Other transfers to households									
Payments for capital assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**27 526**	**28 525**	**29 995**	**36 303**	**37 853**	**37 853**	**61 384**	**65 376**	**73 537**

TABLE 14.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**52 659**	**53 151**	**55 670**	**80 539**	**77 524**	**76 875**	**112 379**	**120 992**	**134 224**
Compensation of employees	52 039	50 994	54 263	74 630	68 115	67 595	104 180	111 498	124 178
Salaries and wages	41 631	44 916	47 926	65 704	59 189	59 862	91 953	98 635	109 701
Social contributions	10 408	6 078	6 337	8 926	8 926	7 733	12 227	12 863	14 477
Goods and services	620	2 157	1 407	5 909	9 409	9 280	8 199	9 494	10 046
Administrative fees		1	2						
Advertising							50	53	57
Computer services	255		712	501	515	1 273	1 516	1 604	1 697
Consultants and professional services: Business and advisory services	263	2 036		4 387	6 987	6 081	5 200	5 502	5 822
Consumable supplies	2								
Consumable: Stationery, printing and office supplies					500	495		820	868
Operating leases									
Property payments									
Transport provided: Departmental activity									
Travel and subsistence			146	98	298	234	108	114	121
Training and development			547	729	729	859	775	820	867
Operating payments	100	120		194	150	108	300	317	335
Venues and facilities					230	230	250	264	279
Rental and hiring									
Interest and rent on land									
Interest									
Transfers and subsidies	**46**	**36**	**54**		**15**	**15**			
Non-profit institutions									
Households	46	36	54		15	15			
Social benefits	46	36	54		15	15			
Other transfers to households									
Payments for capital assets		**11**							
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment		11							
Transport equipment									
Other machinery and equipment		11							
Software and other intangible assets									
Payments for financial assets									
Total economic classification	**52 705**	**53 198**	**55 724**	**80 539**	**77 539**	**76 890**	**112 379**	**120 992**	**134 224**

VOTE 15

DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

To be appropriated by vote in 2017/18	R 2 542 122 000
Responsible MEC	MEC for Infrastructure Development
Administering Department	Department of Infrastructure Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision
To be a leading sustainable infrastructure provider and facilitator that positions Gauteng as a globally competitive city region with inclusive economic growth and decent work for all.

Mission
To contribute towards the radical transformation, modernisation and re-industrialisation of Gauteng by accelerating integrated service delivery, maintenance and management of public infrastructure and deploying build environment professionals while encouraging the active participation of an empowered citizenry.

Strategic Goals
- Optimise state assets for economic development and the support of entrepreneurs;
- Empowering communities through job creation in partnership with the public and private sectors;
- Accelerate service delivery;
- Integrated planning;
- Sustainable infrastructure; and
- Organisational development for building state capacity.

Core functions and responsibilities
- Implementation of social infrastructure;
- Skills development;
- Community participation;
- Capital project management;
- Maintenance services; and
- Provincial property management.

Main services
Our mandate is to develop and maintain socio-economic infrastructure that enables all the province's people to have access to social services by:
- Utilising the construction sector as a catalyst for the development of sustainable communities;
- Ensuring participation and involvement of communities through the implementation of the Expanded Public Works Programme (EPWP) within Gauteng Provincial Government (GPG) capital expenditure (CAPEX) projects and other departmental projects;
- Ensuring the implementation of all infrastructure programmes and projects reflected in the short, medium and long term plans of the GPG;
- Managing the construction of GPG CAPEX projects such as schools, hospitals, clinics and recreation centres;
- Managing the provision of maintenance services for all GPG infrastructure; and
- Managing the provincial property portfolio.

Ten Pillar programmes of Transformation, Modernisation and Reindustrialisation
The department's plans and initiatives are aligned to the outcomes planned for the Gauteng City Region in terms of the Transformation, Modernisation and Re-industrialisation Programme. The outcomes and initiatives planned under each pillar as aligned to the TMR are below.

Pillar 1: Radical economic transformation
The Gauteng Provincial Government (GPG) is determined to revitalise and mainstream the township economy by supporting the development of township enterprises, co-operatives and SMMEs that will produce goods and services that meet the needs of Gauteng township residents.

The provincial government has identified key sectors that have the potential to address the twin policy imperatives of creating decent employment and greater economic inclusion. These include finance, the automotive industry, manufacturing, ICT, tourism, pharmaceuticals, creative industries, construction and real estate. The promotion of new small, medium and micro enterprises (SMMEs) and township enterprises will also be brought into these key sectors of the economy.

Pillar 3: Accelerated social transformation
Economic and spatial transformation is underpinned and supports an accelerated programme of social transformation at the centre of which is raising the living standards and quality of life of all the people of Gauteng. At the centre of Gauteng's social transformation is our determination to improve the quality of education and healthcare, provide social protection to the vulnerable, in particular women and children, and to eradicate poverty and build social cohesion and social solidarity. The department has identified its key initiatives to deliver on the stated objectives, as follows:

It will continue with its interventions to construct and maintain health infrastructure in the province. A key focus over the Medium-Term will be the roll-out of the National Health Insurance (NHI) based clinics across selected corridors of the GCR. These clinics will be built using the small clinic prototype and a turnkey project management approach where value for money justifies the approach.

Pillar 4: Transformation of the state and governance
The Gauteng Department of Infrastructure Development (GDID) is the custodian of a significant portion of immovable assets vested in the provincial government. The appointed service provider has completed the process of verifying and updating the immovable asset register (IAR). Based on this and the newly approved Property Optimisation Strategy, the department is moving towards a new approach towards delivering and managing high impact infrastructure in the province. The department continues to put the citizens of Gauteng first through community outreach and sectoral engagements. In this context, it has launched a new initiative, the #ICareWeCare Campaign that will see community members take more responsibility and ownership for state property within their immediate environments.

The implementation of the National Treasury prescribed Infrastructure Delivery Management System (IDMS) model continues to be a catalyst for the introduction of a new strategy, organizational structure, systems and processes that supports the delivery and management of infrastructure within the department. The operationalization of the IDMS continues to be a departmental priority. In terms of the IDMS framework there are processes and decision gates through which approvals are obtained for the implementation of infrastructure and maintenance projects. The department has mapped these key processes and trained relevant staff on their use during the year under review.

Pillar 5: Modernisation of public service
The GDID has introduced innovative technologies that will enable it to better manage its portfolio of infrastructure procurement and construction projects. The Primavera Project Management system is now being used by all units involved in the management of infrastructure procurement and construction. The Unifier System application is also being used for ensuring better workflow management of the contract management and payment processes within the GDID. This is primarily to address issues around supply chain management that continue to hamper the GDID's infrastructure procurement processes, thereby impacting its ability to ensure timely payment of service providers appointed to implement infrastructure and maintenance projects.

Linkages with an Oracle Business Intelligence (BI) application enable the GDID to draw high-level project reports and performance dashboards that can be used by various levels of management to resolve project related issues. Similarly the ArchiBUS system remains the key system to ensure that the GDID Immovable Asset Portfolio is properly tracked and managed. Until recently the GDID did not have a common or single view of the truth as it was utilising these individual systems and sources of information to guide its management of its projects and property portfolio as well its decision making processes. There was also no tool or mechanism to interrogate and analyse project/portfolio data as well as no central point of coordination and collaboration with client departments

The GDID established the Lutsinga Infrastructure House, a departmental nerve centre, to provide an integrated view of project performance across GDID that will be used to coordinate and better manage the portfolio of projects and properties on behalf of our client departments in the GCR. The Lutsinga Infrastructure House will do this by integrating the outputs of various internal systems, capabilities and a dedicated operational team under one roof. These inputs can then be used to monitor, analyse and manage key construction, maintenance, EPWP and property portfolio management projects and portfolio management related progress reports. The key internal systems that are currently used for managing and tracking various projects include the Primavera System, the Archibus system, the e-maintenance system and the EPWP reporting

system.

Pillar 6: Modernisation of the economy
The provincial government has identified key sectors that have the potential to address the twin policy imperatives of creating decent employment and greater economic inclusion. These sectors include finance, automotive industry, manufacturing, ICT, tourism, pharmaceuticals, creative industries, construction and real estate.
The department has identified its key initiatives to deliver on the stated objectives of the Green Agenda within the province. In terms of this various PPP projects are in the pipeline to convert coal boilers to gas, supply gas to the boilers, install trigen/ cogen plants at health facilities and install solar rooftop panels.

National Development Plan
The Transformation, Modernisation and Re-industrialisation Programme of the GPG are directly aligned to the National Development Plan (NDP). Thus all the above sections directly align to the NDP.

External activities and events relevant to budget decisions
The department continues to play a pivotal role in the establishment and provision of social infrastructural resources for the province. Developing and maintaining good working relationships with client departments is important in accomplishing this. This is especially so during the planning process as infrastructure projects are complex and often behind schedule and encounter cost escalations. The department is actively engaging client departments to ensure that changes to projects, project scope and escalations are timely and costs are minimised. Agreements in this regards will soon be signed with client departments.

As part of GDID's project implementation role, it also focuses on building maintenance. In coming years, the provision to fund maintenance of buildings is expected to increase, as many buildings owned by the state require extensive rehabilitation. GDID supports initiatives relating to revenue increases, which will assist in managing the province's budget.
Part of GDID's responsibility is to facilitate projects relating to EPWP, and to ensure skills development in Gauteng communities. This relates particularly to skills improvement for artisans. Investment in training programmes ensures the delivery of effective and efficient services to the citizens of the province. The department also conducts skills profile surveys relating to engineers, architects, project managers and quantity surveyors to ensure adequate numbers of these skilled professionals in the built environment field are appointed in the department.

Acts, rules and regulations
- Government Immovable Assets Management Act, 2007;
- Rental Housing Amendment Act, 2007;
- Space Planning Norms and Standards Notice, No. 1665 of 2005;
- Local Government: Municipal Property Rates Act, 2004;
- Broad Based Black Economic Empowerment Act, 2003;
- Gauteng Planning and Development Act, 2003;
- Planning Professions Act, 2002;
- Project and Construction Management Act, 2000;
- Property Valuers' Profession Act, 2000;
- Preferential Procurement Policy Act, 2000;
- Framework for Supply Chain Management, 1999;
- Rental Housing Act, 1999;
- Prevention of Illegal Eviction from and Unlawful Occupation of Land Act, 1998;
- Constitution of the Republic of South Africa, 1996;
- Gauteng Land Administration Act, 1996;
- Occupational Health and Safety Act, 1993 (and particularly the associated construction regulations);
- Rating of State Property Act, 1984;
- Deeds Registries Act, 1937;
- Expanded Public Works Programme Guidelines for implementation of labour intensive construction.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2016/17)

Pillar 1: Radical economic Transformation
The EPWP is a public employment programme that aims to provide temporary work to economically marginalised citizens between the ages of 18 and 35 years, while Zivuseni recruits 18 to 65. The programme is aimed at providing an economic safety net to ensure that there is some sort of income in households to provide for basic needs. The department managed to coordinate the creation of jobs through the NYS and Zivuseni programmes. Despite the challenge of some beneficiaries exiting the programme, a total of 4 596 jobs were created.

In terms of this outcome, the department has managed to ensure that 95.8 per cent and above of its procurement is spent on black owned companies while over 51.6 per cent is spent on black women owned companies by the end of Quarter 3 of the 2016/17 financial year. Procurement spend on youth owned companies is above 46.1 per cent while that on companies owned by people with disabilities stands at 1 per cent at the end of Quarter 3 of the 2016/17 financial year.

The EPWP will coordinate the creation of work opportunities within GPG departments and municipalities. This is besides the 6 500 young people participating in the National Youth Service (NYS) and Zivuseni Reloaded Programme in the 2016/17 Financial Year.

To empower emerging contractors for economic growth, the department supported 20 SMME contractors with accredited skills and training support throughout the 2016/17 financial year. Above 34.5 per cent of total departmental procurement was allocated to SMMEs in 2016/17 financial year, while the total procurement in terms of township enterprise revitalisation was 8.9 per cent at the end of quarter 3 of the 2016/17 financial year.

Pillar 3: Accelerated social transformation

Output 1: Construct education/health and other infrastructure projects
The department plays a crucial role in improving the quality of education and healthcare, providing social protection to the vulnerable, in particular women and children, and eradicating poverty and building social cohesion and social solidarity. To date, the department managed to complete the construction of the Department of Education project to build six new schools: Garankuwa Primary School, Bophelong Secondary School, Nellmapius Secondary School, Rethabiseng Primary School, Braamfisherville Primary School and Moses Kotane Primary School. Restorative repairs projects have been completed at eighteen schools: Jabulane Technical High School, Hugenoot Primary School, Pretoria Technical High School, Bronkhorstpruit Primary School, Thabaneng Primary School, Norwood Primary School, Uvuyo Primary School, Kholwani Primary School, Boiteko LSEN School, Bramley Primary School, Gressworld Senior Secondary School, Chris J Botha Secondary School, Alra Park Primary School, Qoqa Secondary School, Itereleng Primary School, Cosmo City Secondary School and Clapham High School. Major refurbishment and conversion of normal to smart classrooms were conducted in the following schools: Alexandra High School, Lyndhurst Primary School, Sunward Park High, Ponelopele Oracle Smart School, Dalpark Secondary School and Tshepisa Primary School.

It will continue to contribute to this pillar by implementing the construction of education infrastructure projects. To this effect, at least 2 schools will be completed during the 2017/18 financial year, while tenders for 39 education projects will be advertised.

In relation to Sports, Transport, Agriculture, Rural and Social Development (STARS) the department has managed to complete the maintenance project at Mary Moodley CYCC. The scope has been amended to include parking which delayed the completion of phase two. The department has also managed to improve the condition of Roodeplaat Dam by ensuring that it is suitable for use. Chiller plants at 30 Simmonds Street have also been revamped. Specifications to appoint mechanical, electrical and general building contractors for precinct buildings were successfully prepared. The maintenance work for 20 social development facilities that are occupied was carried out.

The department has completed two projects for the Department of Agriculture namely; Roodeplaat Nature Reserve: New Pipe Network which was completed on 17 November 2016 and Kareekloof Camp: Site-renovation of oxidation tank which was completed on 25 November 2016 as per the contractually agreed time.

Currently three NHI Clinics are under construction, using the small clinic prototype design, and due to be completed during the 2017/18 financial year. A further three NHI clinics are at tender stage, and construction will commence during the 2017/18 financial year. During the current financial year, planning will continue for five flagship projects, under the hospital revitalization sub programme. These five projects are at an advanced stage and procurement of tenderers is expected within the financial year.

The department also completed the construction of new examination hall at Bonalesedi Nursing College and emergency refurbishment at Weskopies (wards 8, 9, 12, 13 and 49) and Cullinan (wards 2B, 3A, 4B and 9B).

Flagship projects are research and development projects that are strategically and scientifically defined and are of substantial size in scientific and financial volume, the number of project partners and the running time. Flagship projects serve to strengthen a sector or to generate model solutions to important social challenges.

Nokuthula LSEN School is a flagship project that consists of a school and a boarding facility for learners with special needs. The site is located between Lombardy and Alexandra Township. The facility is designed to maximize the potential of learners and is the first of its type in the province. The facility has a design capacity to accommodate 550 learners in the school

and 80 learners in the boarding facility. It comprises classrooms, sports facilities, administration block, orthopaedic block, boarding facilities and heavy vocational workshops (trade workshops). The project is 78 per cent complete. Contractual completion is in June 2017. Internal finishes completed involve heavy vocational work in Block K, foundation phase in Block D, boys' dormitories, multimedia centre and science lab. With regard to structure and roofing, roof sheeting on the girls' dormitories has been completed, as has roof sheeting on block N which is the dining hall, and roof sheeting for block P which is the early childhood area. Finishes that have been affected include those relating to electrical wiring in the ablutions, ceilings, glazing to windows, timber doors, locks etc.

Kagiso Memorial is aimed at identifying and recognizing contributions to the struggle by veterans from Mogale City Municipality. The project entails building a new indoor sports centre with dedicated heritage exhibition space. The new facility is an indoor recreation, sports, arts and craft centre. The Arts and Culture Centre will accommodate a studio for performing art, workshop space for different artists, exhibition space for visual art, etc. The Indoor Sports Arena will accommodate sport activities. It should be noted that the overall construction of the facility is complete. For the quarter under review, the challenges to sewers were resolved with permanent sewer and electricity connections completed. Currently the main contractor is providing its security service at the department's cost until the Department of Sport, Arts, Culture and Recreation takes over responsibility.

The Woman's Living Heritage Monument was developed by the province and the City of Tshwane to honour the spirit of women in the struggle for freedom. The scope of works in this phase includes construction; fabrication and installation of the heritage component. Consultants are working with the contractors to make up for the delays experienced to further improve on-site productivity. Funds allocated this financial year were insufficient to pay for the pending certificates and DID and SACR are working on the challenge to fast-track the payments.

Pillar 4: Transformation of the state and governance
The department is disposing of GPG's residential properties through an online auction facilitated by Tirhani Auctioneers. The first disposal phase started with 18 immovable properties which include the official residence of the Premier of Gauteng. Of the 18, 11 were successfully sold.

In terms of revenue generation, the department managed to lease 13 properties for commercial purposes. Revenue collected to date amounts to about R14 million, this also includes income generated from the sale of tender documents, sale of goods and services and interest on bank accounts. The department also managed to register a total of 5 250 immovable assets in the asset register in accordance with National Treasury's mandatory requirements.

Pillar 5: Modernisation of the public service
As part of a recruitment drive to capacitate and strengthen the departmental labour force, the department has to date managed to recruit 603 people, register 99 learners on the learnership programme, and enrol 19 learners on IT learnership programmes, while 168 learners were appointed as interns. The department further allocated bursaries to 167 employees, of whom 78 were males and 89 females.

Apart from recruitment drives, the department has forged a partnership with Statistics South Africa (StatsSA) to discuss and deliberate on the "data revolution" and "its implications for high impact infrastructure delivery". The partnership with StatsSA is aimed at assimilating the data analytics capabilities and skills required to improve the design of infrastructure projects to enhance their socio-economic impact**.**

2. OUTLOOK FOR THE COMING FINANCIAL YEAR (2017/18)

Pillar 1: Radical economic transformation
The following are the strategic initiatives that will be the focus of the department:

Increasing Labour Intensive Construction Content in Projects: The inability to meet departmental and provincial targets in terms of employment opportunities over the year has highlighted the need to consider alternative means of increasing labour intensive construction (LIC) methodologies in departmental and provincial projects. The department has begun a process, first targeted at its own internal officials, that enables them to understand and build LIC into their CAPEX and maintenance projects where possible. These workshops and sessions have started showing results with close to 436 projects being created through CAPEX projects during the year. The Department has also targeted provincial departments and municipalities for these workshops so that they too can increase LIC content in their projects. The tender documents of the Department are being revised to ensure that they factor in LIC requirements for all new projects advertised, with stringent reporting requirements of work opportunities created.

Coordination of provincial implementation of EPWP Phase 3: Provincial co-ordination of the EPWP function is a GDID mandate. The emphasis will be on addressing key data collection challenges that continue to face the department, other

provincial departments and municipalities. Currently, the national Department of Public Works (NDPW) has recruited a service provider to assist with addressing its data challenge issues. Together with the service providers, training sessions are being held with provincial departments and municipalities to resolve data generation and storage challenges that have arisen from the stricter document verification requirements.

Another key priority will be ensuring that the challenges faced in making timely payments to genuine beneficiaries of the EPWP programme are addressed. The bio-metric system implemented in 2016/17 will be used extensively during the year. The department will coordinate the creation of 110 096 work opportunities within GPG. This will include creating work opportunities for 60 660 (55 per cent of the total) women and youth and 2 205 (2 per cent of the total) for people with disabilities.

Implementation of the NYS and the Zivuseni Reloaded Programme: The inability to meet departmental EPWP targets has resulted in a new approach that seeks to directly recruit artisans as part of the EPWP process. These artisans will then be trained at the proposed Artisan Training Academy before being allocated to maintenance crack-teams.

Implementation of the Contractor Incubation Programmes and Enterprise Development Programme: These programmes seek to:

- Catalyse the upward development of CIDB Level 1 contractors towards Level 2 contractors;
- Mainstream SMMEs into the economic sector through their participation in the Township economy; and
- Put in place special interventions aimed at poverty alleviation and job creation.

At least 20 enterprises will benefit from this programme.

Development of a Cooperative Model of Development Framework: The department is in the process of developing a Cooperative Model of Development Framework that seeks to make it easier for the department to support the development of cooperatives, especially from the townships. The incubation of these cooperatives in areas relevant to the department in the construction sector is also expected to assist the department to meet its maintenance targets.

Pillar 3: Accelerated social transformation

The department contributes to this pillar by ensuring swift delivery of social infrastructure projects to reduce poverty, inequality and unemployment. Over the medium-term, it will continue to work with the Departments of Education, Health, Social Development, Agriculture and Rural Development, Sports, Arts, Culture and Recreation to implement planned infrastructure projects in the province. The following are the strategic initiatives that will be the focus of the Department over the next three years.

Implementation of Social Infrastructure Projects: In terms of social infrastructure related projects, the focus over the Medium-Term will be to ensure that 90 per cent of projects implemented on behalf of the Department of Education, Health, Social Development, Agriculture and Rural Development, Sports, Arts, Culture and Recreation are implemented on time and within budget. Additionally, the Department will begin focussing on the quality of the projects managed by ensuring that 95 per cent of projects are delivered with zero defects.

These projects are spread across all five developmental Corridors of GCR. The release of National Minimum Uniform Norms and Standards by the National Treasury has meant that the costs of new school construction are kept within the newly defined costs norms by utilising prototypes where possible to ensure the standardisation of project design and costs.

The department will also focus on the construction of new libraries across the province as well as the upgrade and maintenance of nature reserves under its management.

Adherence to the IDMS Delivery Process: The implementation of CAPEX projects in terms of the IDMS prescribed processes is based on clearly defined deliverables that will be processed through decision-gates that have been defined for each stage of the CAPEX project. The department is developing a comprehensive memorandum to the provincial Executive Committee (EXCO) that proposes new measures and requirements that must be complied with by all client departments to comply with the IDMS based processes and the approval of User-Asset Management Plans (U-AMPs) and Custodian-Asset Management Plans (C-AMPs) (covered further under Pillar 5). This will involve a comprehensive checklist of key deliverables that must be in place before a project can be implemented in terms of the IDMS processes.

Pillar 4: Transformation of the state and governance

The following are the strategic initiatives that will be the focus of the department over the next three years.

Leveraging procurement to benefit previously disadvantaged entities and individuals: Infrastructure-based programmes and projects continue to be a key catalyst for economic growth and development by leveraging the public sector's

procurement processes to benefit previously disadvantaged entities and individuals. At the heart of addressing the challenges within the procurement/supply chain management function will be continued strengthening of the centralised procurement system that will ensure that 100 per cent of all properly submitted invoices are paid within 30 days of receipt from the service provider. This process is being managed as a project by the department, with a dedicated team monitoring the payment of service providers on a weekly basis. It involves the use of the Oracle Unifier System to process payments for CAPEX projects under the management of the department.

Strengthening the contracting process by establishing SLAs with service providers will also be a key priority as this is expected to lead to better management of deliverables and their associated payments. By extension, it will also involve client departments signing MOUs to ensure that they adhere to project deliverables and payment conditions.

Infrastructure programmes/project procurement will be packaged to ensure local content, and in particular attract entities including BBBEE-owned entities, Black women owned entities, youth owned entities, people with disability owned entities, military veteran owned entities and SMMEs particularly from previously disadvantaged townships to tender for the department's contracts. The emphasis will be on creating opportunities for people with disability and military veteran owned entities, as the department has consistently battled to attract procurement from these categories of entities.

Improving human resource capacity and capability: The department has worked tirelessly to ensure that it has the right capacity and skills to provide the infrastructure delivery and management services required for its mandate and the new organisational structure in place since January 2015. Since then, the HR function has filled 2366 (84 per cent) of the 2811 posts on the organisational structure, with 2272 (81 per cent) being core and technical posts. Of these, 599 are registered build professionals, candidate engineering and related professionals, chief artisans, artisans, foremen and planners. The focus will be on increasing this pool by a further 257 professionals. Plans are also underway to enhance the number of artisans in the department by recruiting 500 artisans through the EPWP. The development and strengthening of the skill set of existing technical staff will also be prioritised through bursaries and in-house training opportunities, so that as many of them as possible can be fully registered professionals in their respective fields.

Filling the vacant funded posts will also take into account policy imperatives on employment equity (50 per cent of women in management positions and 2 per cent of people with disabilities and military veterans) within the department and will strive to ensure all vacant posts are filled (with a 10 per cent variation). The department will continue to outsource work for which it does not have the internal capacity and expertise, especially as it relies on professional service providers (PSPs) for the delivery of standalone projects and turnkey infrastructure projects. The deliberate and focused mainstreaming of issues around gender, youth, people with disabilities and military Veterans will continue to be strengthened over the medium term.

Effective and sustainable management of departmental resources: Effective and sustainable management of departmental resources is crucial for implementation of the IDMS framework. This requires implementation and compliance monitoring of appropriate financial, human resources, governance and planning management policies, procedures and systems across the department. In particular policies that deal with non-compliance and misuse of resources (financial, physical and human) will be implemented as a matter of urgency. The department has established a team to manage the process of achieving a clean audit by the end of the present medium term period. These initiatives are expected to lead to better compliance and scores in terms of the Management Performance Assessment Tool (MPAT) over the medium term.

Operationalisation of IDMS: During the 2016/17 financial year, many of the processes and systems planned by the department in terms of operationalising the IDMS model went live. These are already helping the department to address issues around poor planning, project management, contract management, infrastructure spending, proper business processes, technical capacity and SCM. The next phase will involve the value optimisation of the newly implemented processes and systems, with an increasing emphasis on technology and utilisation of data.

Utilising IT, innovation and benchmarking to stay ahead of the infrastructure delivery curve: The Oracle Primavera project management system and the Oracle Unifier payment processing system are now live within the department. A total of 434 health, education and STARS related CAPEX projects are already being planned, managed and monitored through the Primavera and Unifier systems. The inputs from the systems are linked to Oracle Business Intelligence (BI) that can generate dashboards to be utilised to make technical and operational decisions relating to CAPEX projects.

The Archibus immovable asset management system has also gone live in the department. It has enabled the department to digitalise its entire immovable asset register (IAR) for the first time. The property portfolio data, consisting of 50 961 assets for which the department is custodian, has enabled the department to develop a viable and sustainable Property Optimisation Strategy for the province that will result in better service delivery and revenue generation opportunities.

Reducing the contingent liability of the department: The department has a number of litigation cases that have arisen out of contractual disputes with project implementing contractors and from rental disputes with landlords. By providing proper legal advice in relation particularly to newly developed contracts with contractors and service providers, the aim is to ensure that such cases are resolved as quickly as possible and to prevent new cases from arising. Implementing the departmental contract management guidelines will be crucial in this context. In addition, the development of SLAs with service providers and MoUs with client departments will ensure tighter contract management. Service providers not complying with the SLAs will be monitored and dealt with speedily to reduce the impact on service delivery caused by delays and under-performance. Tighter controls and interrogation around professional indemnity (PI) cover early in the tender process will be put in place to prevent unwanted surprises later in the construction process. In addition, standardisation of contracts for specific types of construction projects is also in the pipeline.

Informing the review of norm and standards, and defining policies for infrastructure delivery and property management: The department will conduct reviews of norms and standards related to infrastructure delivery and property management with the objective of:

- Informing branches within the department of any changes to the existing norms and standards; and
- Verifying alignment of the department's project planning and design with sector-specific norms and standards.

This will involve the newly introduced Standard for Infrastructure Procurement and Delivery Management (SIPDM) as well as the National Minimum Uniform Norms and Standards for Schools.

The formulation of new policies that support the strategic direction that the department is embarking on, including precinct development and value realisation, is also on the cards. Conducting awareness campaigns on new and existing policies with department officials and external stakeholders is part of this process.

Building the image and reputation of the department: Although the department has only been existence for seven years, many of the problems it faces are based on historic challenges and issues in the delivery of infrastructure. All of the strategic initiatives highlighted above being rolled-out are intended to ensure that these historic challenges and issues are addressed and that the department is able to reposition itself as a thought leader in the infrastructure sector. This will include on-going and continuous engagement and partnerships with key stakeholders including the communities that the department serves the client departments, key suppliers and service providers, and key research institutions and sector professional bodies. Key campaigns like the #ICareWeCare campaign will be strengthened to ensure that the public property that department delivers and manages is safe-guarded by the communities it serves.

Pillar 5: Modernisation of the public service

Updating and maintaining a compliant immovable asset register: The GDID is the custodian of a significant portion of immovable assets vested with the provincial government. Until recently, it did not have access to a reliable and accurate immovable asset register (IAR). This made it extremely difficult to plan, manage and deliver infrastructure towards the service delivery priorities and revenue generation priorities of the province. The department has not only managed to put a fully compliant IAR in place but to digitalise it, ensuring that the details of these assets are maintained accurately and in accordance with the Government Immovable Asset Management Act (GIAMA) is a key strategic priority for the department.

Property Management Optimisation Plan: The benefit of having an accurate and updated electronic IAR is that for the first time it enables the department to have broad view of its property portfolio that can then be drilled down in terms of various property characteristics. The current project of updating the IAR involved conducting condition assessments for many of the facilities, based on which much more detailed information on the various property related characteristics were obtained.

Disposal of non-core and non-strategic assets: One of the key policy decisions that have resulted from the Provincial Property Management Optimisation Plan is that non-core and non-strategic assets, mainly consisting of suburban medium-sized residential properties and small-sized undeveloped land in residential areas, will be disposed of to reduce maintenance costs and generate revenue for the province. A private auctioneer has been appointed to manage the online auctioning process to dispose of those properties identified and confirmed as redundant in compliance with Treasury Regulations 16. Currently, 60 properties have been identified/earmarked by Tirhani Auctioneers as properties that could be disposed at the first auction, with further properties to be disposed of in the medium-term. In addition, the department has embarked on engagements with tertiary institutions in the GCR to understand how it can contribute to alleviating accommodation issues faced by students as raised in the recent #FeesMustFall campaign. Underused properties near universities will be identified for accommodation purposes and suitable mechanisms to transfer these properties to the Universities will be investigated in coordination with Gauteng Treasury.

High-impact precinct development: Another policy decision that has resulted from the Provincial Property Management Optimisation Plan is that all future developments must encompass elements of developing high-impact precincts. This

is based on current local and global trends that favour the development of compact, integrated multi-purpose precincts that have a significant socio-economic impact on the people working and residing in the vicinity of such precincts. The department will establish relevant frameworks and processes to enable the identification and development of suitable precincts that can then be offered for development to client departments, municipalities and the private sector.

Development of User-Asset Management Plans and Custodian-Asset Management Plans: In terms of GIAMA, the department has a role to play in assisting client departments (including the department itself) to develop their individual U-AMPS. Currently, the processes around the development and approval of U-AMPS are not effective and efficient enough to drive the development of a proper C-AMP that can then be submitted to the Gauteng Treasury for funding. As a result, projects implemented by client departments tend not to be aligned with U-AMP or the C-AMP, the Estimates of Capital Expenditure (ECE) or even the final client department confirmation letters. These have repeatedly impacted on the prioritisation and selection of projects to be implemented, their funding requirements and the capacity and capability requirements to implement them.

The department has embarked on a process to develop clear frameworks and guidelines that will enable and require client departments to follow the correct process of developing U-AMPS in alignment with the adopted IDMS Model. A submission to the Gauteng EXCO to approve this framework and guidelines is currently being developed and all future projects will be identified, funded and implemented based on their alignment with their respective U-AMPS. Internally, the processes and capacity to deal with U-AMPS and C-AMPS is also receiving urgent attention.

Accelerated delivery of client projects through Lutsinga Infrastructure House: One of the key tools established to accelerate the delivery of infrastructure projects on behalf of client Departments is the Lutsinga Infrastructure House, which serves as nerve centre within the Department. It will involve all key client departments and leverage the new technologies implemented within the Department to resolve and fast-track the delivery of CAPEX, maintenance and property related projects implemented on behalf of client departments.

Value optimisation of the Infrastructure Delivery Management System: The focus during the 2016/17 financial year has been on completing the foundation activities to establish detailed GDID-IDMS-aligned business processes, job aids and enabling systems. For the 2017/18 financial year and beyond, as custodian of the IDMS business processes and systems, the focus will be on embedding the use of these processes and systems across the department. This will be supported by a strong focus on data-driven monitoring and auditing to enable assessment of value realisation from implementing the IDMS framework as the key enabler for infrastructure.

Continuous improvement and monitoring of IDMS business processes and systems: Over 160 detailed business processes, more than 100 job aids and four core IDMS systems (including Primavera P6, Unifier, Archibus and Record Care) have been delivered as part of the foundational phase. The phase that follows will focus on stabilising these processes and systems. The process governance structure created during the foundational phase will be re-energised to enable continuous improvement of governance and decision making. The continuous improvement will focus on:

- Conducting scheduled engagements with business areas across the organisation and client departments impacted by the business processes and systems, to collect business requirements for further enhancement of the foundational processes and systems; and
- Conducting scheduled process audits to gauge the use of all IDMS delivery processes and systems by impacted business users. The objective is to use the process audits to identify gaps and opportunities for further enhancements of the business processes.

Provide support for the implementation of IDMS processes and systems: The close-out of the foundational phase of the processes and systems has included knowledge transfer between the Directorate Portfolio, Programme and Project Systems team and various service providers. As part of managing and providing support on the IDMS processes and system going forward, this team will be:

- Scheduling and conducting IDMS process and system training sessions for department areas and client department staff impacted by the business processes to embed knowledge; and
- Leveraging Lutsinga Infrastructure House as a support centre for system users to get assistance with queries regarding project data and functionality support.

Pillar 6: Modernisation of the Economy

Implementation of green technology solutions at GPG facilities: The department will continue with the design and construction of facilities that incorporate energy efficiency mechanisms. Six hospitals have been identified to have trigen/cogen plants installed in the 2017/18 financial year: Chris Hani Baragwanath Hospital (CHBAH) followed by Charlotte Maxeke Academic Hospital (CMAH), Dr. George Mukhari Academic Hospital (DGMAH), Steve Biko Academic Hospital (SBAH), Bheki Mlangeni District Hospital and Thele Mogwerane Hospital in 2018/19. The department will target the achievement of 100

per cent of key milestones for the cogeneration/trigeneration project at the six hospitals. Sixteen health institutions will be targeted for the installation of rooftop solar PV in Phase 1. The solar PV project is managed as a PPP project and registered as such with National Treasury. The department will target the achievement of 100 per cent of key milestones for the project.

Pillar 7: Modernisation of Human Settlements and Urban Development
Infrastructure maintenance: GDID is responsible for providing good quality maintenance services to the assets under its custodianship. One of its key responsibilities is to ensure that all public health facilities in GCR are properly maintained. It does this through the roll-out of the e-maintenance strategy and e-maintenance system that have been implemented across all public health facilities. Over the medium term, increased attention will be paid to enhancing the role of maintenance of immovable assets and public health facilities under its custodianship. This follows from global studies that show a saving of at least 15 per cent if infrastructure is maintained properly as this extends its useful life (RUL) (Mckinsey, 2016).

Establishing a maintenance crack-team: This team will be responsible for identifying health facilities needing rapid and comprehensive maintenance, based on the Condition Assessment reports referred to above. A comprehensive maintenance plan is being developed based on these reports. The team will consist of all the required technical staff seconded from within the department. They will move into the identified facility and within a fixed time complete all the identified maintenance work before handing the facility back. This will be a high-performance team that is expected to set new standards and benchmarks for carrying out maintenance work. A pilot project at Orlando Clinic was completed, and new facilities will be identified for maintenance in the new financial year based on the analysis of the key learnings from the pilot project at Orlando Clinic.

Centre of Excellence (West Hoven Training Centre): The increased emphasis on maintenance of provincial facilities, and health facilities in particular, calls for additional capacity in the department to carry out this work. In addition, the formation of the Maintenance Task-team has necessitated making available additional man-power to ensure that projects are completed as rapidly as possible. Most importantly, there is a need to build a high-caliber technical workforce that utilises standardized methodologies to carry out maintenance work to reduce work cost as well timelines. This has necessitated the establishment of a state of the art Artisan Training Academy, a Centre of Excellence, at the West Hoven Regional Office. Once operational, this facility will be the key training point and source for artisans employed by the department. All EPWP beneficiaries will be expected to be trained at this Training Academy.

Strengthening the implementation of the e-maintenance strategy and system: The focus of Health Maintenance will be to continue with the implementation of the e-maintenance strategy which commits the department to attend to minor breakdowns within 24 hours and major breakdowns within 7 days, and to carry out major refurbishments within 365 days. This is to ensure that small-scale maintenance and day to day issues are resolved quickly and efficiently: without having to go through the whole procurement value chain .Through adopting a single supplier system to ensure quality and timeous delivery, removing the need for the continuous SCM processes.

Optimal procurement and storage of materials and tools of trade: One of the critical elements of the 24/7/365 strategy is to provide tools of trade to all GDID artisans, specifically toolboxes and cell-phones, to ensure that they are able to conduct their work effectively and efficiently. Ensuring the optimal procurement, storage, distribution and use of tools of trade as well materials required for maintaining health facilities is required if operational costs are to be brought down. Currently, the department has an agreement with Builders Warehouse to provide materials. Over the medium-term, the emphasis will also be bringing on board a number of smaller businesses as specialised material suppliers in addition to the existing agreement with Builders Warehouse to provide material and tools of trade for maintenance activities.

Provision of electromechanical maintenance services: The GDID conducts maintenance on electromechanical equipment at health facilities. This includes replacement and maintenance of lifts, generators, HVAC systems and laundry equipment. The statutory inspection of boilers every three years will be continued during this period. Modernisation of laundries and remote monitoring of all electromechanical equipment are key priorities for the next three years.

While significant work has been undertaken to replace lifts and boilers at health facilities, the focus over the next few years will be on ensuring they are reliable and available in terms of accepted industry benchmarks than previously.

4. REPRIORITISATION

The department continues to review its operations to identify cost savings and eliminate inefficiencies. These savings will assist the department to continue to reprioritise planning and funds towards achieving the transformation, modernisation and reindustrialisation (TMR) programme. The department will continue to implement cost-containment measures and to

reduce spending obligations on non-core items. It continues to explore less expensive technologies including prioritising the green agenda in GPG buildings. Over the 2017 MTEF the department reprioritised R392.5 million in 2017/18 and R188 million in 2017/18, the majority of the reprioritised funds occurred in the Expanded public Works programme to ensure outputs are delivered with efficiency.

The province has prioritised the establishment of the Infrastructure Delivery Management System (IDMS) to improve the delivery of infrastructure to stimulate economic growth. Infrastructure development allocation includes the tools of the trade for personnel who will be employed in the IDMS.

The department is now at a point where reprioritisation of expenditure from administrative expenditure to core operational costs is no longer yielding substantial funds to deal with the current budget pressures. The attention is now turned to reducing costs within the core business areas by working smarter and reducing wastage.

This involves strict implementation of norms relating to allowable costs per square meter relating to tenant installations for office accommodation. Client departments are forced to limit their specifications to be within the allowable amounts or pay for any excess costs.

Maintenance teams are required to share vehicles instead of procuring additional vehicles to enable them to maintain a fast incident response time. This will help to reduce the total cost of fleet required for these teams. More attention is being focussed on improving the supply chain processes to ensure value for money and cost efficiencies.

5. PROCUREMENT

Supply Chain remains a trajectory for service delivery and there have been consistent improvements in the area as a result of changes to or the introduction of new regulatory frameworks. The following are key initiatives and challenges within the supply chain environment.

Standards for Infrastructure Procurement and Delivery Management
The Standard for Infrastructure Procurement and Delivery Management (SIPDM) that covers the SCM system for infrastructure delivery came into effect on 1 July 2016. The aim of the standard is to ensure that SCM processes are executed efficiently to minimise time delays, scope creep and unproductive costs; and to mitigate the effects of uncertainty on objectives so as to maintain the value-for-money proposition formulated at the outset of the project.

To this end, the department has developed its processes in alignment with the standard to ensure efficiency in procurement and timeous project implementation.

The standard also identifies a Framework Agreement as a suitable procurement method. The department is in the preparatory stages of ensuring full compliance with the provisions of the standards. The main aim is to shorten turnaround times and have in place service providers with the necessary capacity and capability.

Open tender processes
In the 2015/16 financial year, the province introduced open tenders. These were applicable to tenders above R50 million, with the public allowed to observe tender adjudication proceedings. This was done in the interests of transparency, fairness, value for money, equity and cost-effectiveness in tender processes. The department has participated in open adjudication processes and thus far has successfully awarded tenders to the amount of R663 million to Black-owned companies through open adjudication.

Irregular expenditure
The department has implemented guidelines and a procedures manual to assist with early detection, timeous reporting and prevention of irregular, unauthorized and fruitless and wasteful expenditure. Reporting processes have been improved to ensure completeness of disclosures and investigations so that action is taken to prevent recurrence. Irregular expenditure reduced by 34.9 per cent in the 2015/16 financial year compared to 2014/15.

Achievements
The department continues to exceed its targets in the development of SMMEs, Black-owned businesses and women and youth empowerment. The department also continues to improve in township procurement and enterprise development through various training/workshops facilitated through the SCM function.

Challenges
Supply Chain Management (SCM) has a high vacancy rate. However, interviews are in progress to fill these positions and the department has filled 73.3 per cent of vacancies in SCM.

In terms of procurement targets, there has been under-achievement in the area of people living with disabilities and military veterans. Workshops, training initiatives and public engagements are being strengthened to encourage competition amongst these groups to avert underperformance.

6. RECEIPTS AND FINANCING

6.1. Summary of receipts

TABLE 15.1 : SUMMARY OF DEPARTMENTAL RECEIPTS: DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Equitable share	1 529 044	1 880 117	2 349 141	2 489 661	2 489 661	2 489 661	2 686 747	2 848 650	3 008 174
Conditional grants	3 037	5 511	9 205	17 167	17 167	17 167	19 192		
Expanded Public Works Programme Incentive Grant for Provinces	3 037	5 511	9 205	17 167	17 167	17 167	19 192		
Total receipts	**1 532 081**	**1 885 628**	**2 358 346**	**2 506 828**	**2 506 828**	**2 506 828**	**2 705 939**	**2 848 650**	**3 008 174**

Departmental receipts increased from R1.9 billion in 2014/15 to R 2.4 billion in the 2015/16 financial year, an increase of 23 per cent. The allocation in the main appropriation for 2015/16 came as a result of an increase in funds earmarked for payment of rates and taxes to municipalities. Over the 2016/17 MTEF, the department's allocation shifts from R2.5 billion in 2016/17 to R 3 billion in 2019/20.

For 2017/18, the department has been allocated an R 19 million EPWP Incentive Grant. This is to support continuous implementation of the EPWP job incentive programme.

6.2. Departmental receipts

TABLE 15.2 : SUMMARY OF DEPARTMENTAL RECEIPTS: DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Tax receipts									
Sales of goods and services other than capital assets	16 184	18 023	18 152	22 410	22 410	22 410	23 531	24 895	26 289
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	(5)	27	119			21			
Sales of capital assets									
Transactions in financial assets and liabilities	1 576	795	2 002	590	590	929	619	655	692
Total departmental receipts	**17 755**	**18 845**	**20 273**	**23 000**	**23 000**	**23 360**	**24 150**	**25 550**	**26 981**

The department generates income from the sales of tender documents to service providers for construction and maintenance of the government properties, leasing of commercial & residential properties and granting access to the holiday resorts for camping and fishing. On revenue performance the department, has collected 65 percent of their appropriated target of R23 million, as end of December 2016.

The revenue increased from R17.8 million in the 2013/14 financial year to R23 million in 2016/17 financial year. Over the 2016 MTEF, revenue is projected to increase from R24 million in 2017/18 to R26.9 million in 2019/20 financial year which represent a steady increase 5 per cent per annum. The department has developed Property Optimisation Strategy during the 2015-16 financial year.

The main outcome of the asset management strategy framework is a transformed spatial, social and economic landscape of the Gauteng City Region. GDID identified key themes for the asset management strategy that will drive strategies for property groups and individual properties. The following are the portfolio management themes that guide asset management activities for the portfolio:

- Utilization of large land parcels for large mixed use town centre developments with greater transformational impact.
- Redevelopment of existing facilities utilized for service delivery to modern and current environmental sustainability levels.

- Development of vacant undeveloped land and large properties for government office precincts enhancing government service delivery at national, provincial and municipal levels
- Development of vacant undeveloped land through medium to long terms land leases with private sector for mixed use integrated developments.
- Leasing of unoccupied government buildings, such as closed schools and hospitals for development initiatives that support TMR.
- Sale/disposal of vacant land parcels smaller than 1000 m2 for development by private sector
- Sale/disposal of residential properties that do not support service delivery.
- Redevelopment of land with buildings through medium to longer terms leases
- Private-Public-Partnerships for integrated mixed use developments.
- Establishment of a Property Management Entity (PMTE) for more efficient management of the portfolio and effective implementation of the asset management strategy.

7. PAYMENT SUMMARY

7.1. Key assumptions

The department will continue to provide for the infrastructure needs of the province as mandated by the provincial administration. New schools will be built, refurbishments and rehabilitations of existing buildings completed and day to day maintenance conducted on state-owned buildings.

The following elements have been taken into account when determining budgets for the 2017/18 MTEF:

Personnel: The Department will continue to fill vacant and critical positions as per the approved IDMS structure and the recruitment plan. Implementation of the current retention strategies will assist the department to retain and minimise vacancy rates of technical staff in particular. Over the MTEF, personnel costs will increase by 7.1 per cent in 2017/18, 6.9 per cent in 2018/19 and 6.6 per cent in the 2019/20 financial year. Provision has been made for 1.5 percent pay progression and performance bonus.

Goods and services: The CPI inflation projection will be used for all non-personnel items over the MTEF. The allocation includes operational costs such as security services, operating leases, precinct maintenance and EPWP training programme. This budget growth will sustain the department's activities provided that the office accommodation needs of client departments remain static and that the precinct projects starts to save on the maintenance costs of old buildings and rental payments for privately owned buildings.

7.2. Programme summary

TABLE 15.3:SUMMARY OF PAYMENTS AND ESTIMATES:INFRASTRUCTURE DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Administration	205 289	313 650	442 542	419 596	449 596	468 962	325 307	314 398	337 896
2. Public Works Infrastructure	1 055 400	1 214 021	1 677 464	1 812 515	1 782 014	1 836 254	1 912 116	2 077 690	2 108 404
3. Expanded Public Works Programme	272 533	302 865	296 097	280 310	280 310	164 049	304 698	292 435	326 618
Total payments and estimates	**1 533 222**	**1 830 536**	**2 416 103**	**2 512 421**	**2 511 920**	**2 469 265**	**2 542 122**	**2 684 523**	**2 772 918**

7.3. Summary of economic classification

TABLE 15.4:SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION:INFRASTRUCTURE DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**1 072 394**	**1 299 443**	**1 480 663**	**1 585 875**	**1 587 873**	**1 586 764**	**1 694 822**	**1 789 255**	**1 902 692**
Compensation of employees	554 981	574 716	708 008	838 189	838 187	837 461	914 901	1 015 698	1 105 773
Goods and services	514 834	724 161	766 295	746 333	748 333	748 829	779 522	772 855	796 177
Interest and rent on land	2 579	566	6 360	1 353	1 353	474	399	702	742
Transfers and subsidies to:	**314 785**	**306 210**	**682 843**	**727 921**	**727 922**	**729 022**	**766 462**	**809 344**	**854 386**
Provinces and municipalities	308 686	300 646	679 060	718 544	718 544	718 545	757 462	801 394	846 272
Departmental agencies and accounts		2		1	1	1		4	4
Households	6 099	5 562	3 783	9 376	9 377	10 476	9 000	7 946	8 110

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Payments for capital assets	**145 495**	**219 732**	**251 898**	**198 625**	**196 125**	**152 327**	**80 838**	**85 924**	**15 840**
Buildings and other fixed structures	114 584	193 548	185 480	169 825	169 325	125 164	48 838	70 924	
Machinery and equipment	30 911	25 687	28 467	28 800	26 800	27 163	32 000	15 000	15 840
Software and other intangible assets		497	37 951						
Payments for financial assets	**548**	**5 151**	**699**			**1 152**			
Total economic classification	**1 533 222**	**1 830 536**	**2 416 103**	**2 512 421**	**2 511 920**	**2 469 265**	**2 542 122**	**2 684 523**	**2 772 918**

The budget for IDMS implementation has been utilised for filling critical posts and also for strategic training, skills development and provision of tools of trade within the organisation. The departmental budget over the MTEF will increase from R2.5 billion to R 2.7 billion in the outer year, an average annual increase of 6 per cent. The department plans to use these funds to continue with IDMS implementation. Among other activities, this includes recruitment of skilled personnel, provision of resources, maintenance of technical resources currently used and change management.

The Public Works programme is the core business programme of the department and houses the Health, Education & other and Immovable Asset Management components. It is allocated approximately 70 per cent of the total equitable share of the Vote.

The compensation of employee's budget has increased significantly as a result of filling of critical posts and implementation of the IDMS. It will increase over the MTEF from R 914 million to R 1.1 billion as the Land administration function is in the process of being assigned to GDID from the Department of Human Settlements.

Goods and services will increase by 4 percent per annum over the MTEF. This allocation decreases from R 780 million in 2017/18 to R772 million in 2018/19 as the IDMS project is anticipated to be complete in 2016/17. It will increase to R 796 million in 2019/20 financial year due to inflation. It provides for EPWP training, tools of trade for new appointments, the Maintenance Turn Around strategy budget for the e-Maintenance implemented by the Health Branch, and other commitments such as property leases, utilities and security services.

Leasing of privately owned office space has been costly for government over the past decade and these costs will continue to put pressure on the budget allocation of the department. Through the implementation of the Kopanong Public Private Partnership (Kopanong PPP), government will reduce the cost of property leasing as the government owned buildings will be rehabilitating and refurbished to house all government departments. The costs of property leasing and rehabilitation will be used to fix and rehabilated the owned buildings.

Approximately 97 per cent of the transfers and subsidies budget relates to devolution of rates and taxes and is paid to various municipalities. The balance of 3 per cent is for leave gratuities and non-employees' bursaries.

The payment for capital assets allocation is for refurbishments at the Old Natalspruit and Kopanong Precincts. It also covers registration and upgrades of project management and administrative software.

7.4 Infrastructure payments

7.4.1 **Departmental infrastructure payments**

For details of infrastructure payments, refer to the 2017 Estimates of Capital Expenditure (ECE).

7.4.2 Departmental Public-Private-Partnership (PPP) projects

The department has registered the Kopanong Precinct Project as a Public Private Partnership (PPP) for refurbishment including the design, construction, operation, maintenance and finance of the head office accommodation for the Gauteng Provincial Government.

The department wishes to provide the public with a cost-effective and efficient services and related activities and requires the Services of an experienced Transactional Advisor (TA) in bringing the project through feasibility approval, competitive bidding and award to actual execution.

In September 2016, through the Gauteng Infrastructure Financing Agency (GIFA), the department has appointed a TA who will assist the department in conceptualising this project.

7.5 Transfers

7.5.1. Transfers to public entities
N/A

7.5.2. Transfers to other entities
N/A

7.5.3. Transfers to local government

TABLE 15.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY: :INFRASTRUCTURE DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Category A	272 847	244 565	566 223	615 938	615 938	630 388	647 532	681 285	719 437
Category B	35 840	56 111	105 178	102 606	102 606	78 416	109 930	120 109	126 835
Category C			7 658			9740			
Unallocated	(1)		1			1			
Total departmental transfers	**308 686**	**300 676**	**679 060**	**718 544**	**718 544**	**718 545**	**757 462**	**801 394**	**846 272**

Transfers refer to devolution of rates and taxes and are made in favour of local government for payments of utilities for schools and other buildings owned by the province. Spending was R308 million in 2013/14 and R301 million in 2014/15. This decrease was due to delays in submission of claims by municipalities. The amount increased to R718 million in 2016/17 after National Treasury ensured that all accruals would be cleared with the municipalities. Over the MTEF, the allocation increases from R757 million in 2017/18 to R846 million in 2019/20.

The department has seen an increase in expenditure over recent years, resulting in invoices being accrued to the following financial year due to the number claims submitted by municipalities. It is continuously investigating the claims received from the municipalities to ensure that they are for devolved properties only.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description
The purpose of this programme is to provide strategic leadership to the department and supports the core programmes as they implement the department's mandate. The programme provides strategic and operational support services to the MEC and HoD, financial management and SCM services, corporate support services including HRM, information systems management, internal and external communications, strategic planning, monitoring and evaluation, legal services, security management, internal audit and organisational risk management services. There are no changes to the purpose of the programme.

Programme objectives
The key objectives of this programme are the following:
- To contribute towards the growth and development of Broad-Based Black Economic Empowerment (BBBEE) owned enterprises owned by Previously Disadvantaged individuals by setting aside specific percentages of the total procurement budget;
- To create an enabling environment for the development and promotion of Small, Medium and Micro Enterprises (SMME's) and Co-Operatives by setting aside specific percentage of the total procurement budget;
- To improve the Financial Management System in order to enable service providers to be paid within 30 days of the receipt of proper invoices;
- To improve the Human Resource Capacity and Capability that will ensure that the Departmental vacancy rate is maintained at a rate of 10 per cent or below; and
- To ensure effective and sustainable management of Departmental resources to ensure an unqualified audit, with less matters of emphasis each financial year

Key Policies, Priorities and Outputs
- Leveraging procurement to benefit previously disadvantaged entities and individuals;
- Improving human resource capacity and capability;

- Effective and sustainable management of departmental resources;
- Operationalisation of IDMS;
- Utilising IT, innovation and benchmarking to stay ahead of the infrastructure delivery curve;
- Reducing the contingent liability of the department;
- Informing the review of norm and standards, and defining policies for infrastructure delivery and property management; and
- Building the image and reputation of the department.

TABLE 15.6: SUMMARY OF PAYMENTS AND ESTIMATES : ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Office Of The MEC	12 794	10 695	9 789	8 770	8 770	6 791	7 919	8 246	8 707
2. Corporate Support	179 604	292 217	427 911	401 447	431 447	451 390	306 142	294 484	316 869
3. Management Of The Department	12 891	10 738	4 842	9 379	9 379	10 781	11 246	11 668	12 320
Total payments and estimates	**205 289**	**313 650**	**442 542**	**419 596**	**449 596**	**468 962**	**325 307**	**314 398**	**337 896**

TABLE 15.6: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**182 067**	**287 418**	**398 680**	**383 242**	**415 242**	**433 035**	**287 308**	**293 227**	**315 820**
Compensation of employees	84 336	117 485	160 195	167 044	167 044	180 125	192 064	195 708	206 668
Goods and services	97 715	169 513	232 263	215 198	247 198	252 672	95 044	97 169	108 781
Interest and rent on land	16	420	6 222	1 000	1 000	238	200	351	371
Transfers and subsidies to:	**3 189**	**2 735**	**2 221**	**7 554**	**7 554**	**7 612**	**6 000**	**6 171**	**6 236**
Provinces and municipalities									
Households	3 189	2 735	2 221	7 554	7 554	7 612	6 000	6 171	6 236
Payments for capital assets	**20 033**	**23 346**	**40 943**	**28 800**	**26 800**	**27 163**	**32 000**	**15 000**	**15 840**
Buildings and other fixed structures									
Machinery and equipment	20 033	22 849	25 709	28 800	26 800	27 163	32 000	15 000	15 840
Heritage Assets									
Software and other intangible assets		497	15 234						
Payments for financial assets		**151**	**698**			**1 152**			
Total economic classification	**205 289**	**313 650**	**442 542**	**419 596**	**449 596**	**468 962**	**325 307**	**314 398**	**337 896**

The allocation for the programme increased from R205 million in 2013/14 to R 449.5 million in the 2016/17 financial year. The allocation over the 2017 MTEF will decrease to R 325 million in 2017/18 financial year and R314 million in the 2018/19 financial year. The reduction indicated that the department is prioritising funds to core programmes: Public Works Infrastructure and EPWP. The allocation will increase to R337 million in 2019/20 to take account of inflation.

The allocation for compensation of employees increased from R84 million in 2012/13 to R167 million in 2016/17. Over the MTEF, it increases to R192 million in 2017/18 and R206 million in 2019/20.

The allocation for goods and services increased from R97.1 million in 2013/14 to R247 million in 2016/17 financial year. This was for the implementation of the change management programme. The allocation decreases to R95 million in the 2017/18 financial year as it is anticipated that the IDMS project implementation will have been completed in 2016/17. Also funding for Security Services is reallocated to Immovable Asset Management where the core function of property management is based. Thereafter the budget slightly increases to R97 million and R108 million in the 2018/19 and 2019/20 financial years respectively.

Transfers and subsidies in terms of households include the allocation for bursaries for non-employees and leave gratuities. In the 2016/17 financial year, there was a large increase due to accrued expenditure relating to registration costs for the academic year that started in the fourth quarter of 2015/16 financial year. The allocation decreases to R6 million in the 2017/18 financial year as it will need to cover only the costs for one year. It will then increase to R6.2 million in the 2019/20 financial year

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Performance measures	Estimated Annual targets		
	2017/18	2018/19	2019/20
Revenue collected	R 24 150	R 25 550	R 26 981
Number of vacant critical posts filled	70 vacant critical posts filled	70 vacant critical posts filled	
Payment of rates and taxes	R 718 544	R 757 462	R 846 272
Number of employees trained based on skills audit	1 560 employees trained and developed	1 560 employees trained and developed	1 560 employees trained and developed

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

Programme Description

This Programme is responsible for providing the core services that are mandated to the Department. This includes being the only implementer of infrastructure and maintenance projects on behalf of all GPG Departments. Maintenance projects include renovations, refurbishments and upgrading. In the case of the Provincial Department of Health, it also includes the implementation of day-to-day, routine/preventative and emergency maintenance at all Health Facilities in the Province with the exception of Jubilee Hospital and ODI Hospital that is maintained by the Provincial Department of Health.

The GDID manages the construction procurement projects for Provincial departments and issues framework/term contracts for day-to-day, routine/preventative maintenance, when required, for all Provincial departments. This also includes the maintenance and estate management services provided for shared offices, the Premiers residence and offices used by GDID itself. The Department is also responsible for managing immovable assets of the GPG as the Provincial Custodian. It manages and plans for effective and efficient utilisation of immovable assets, management of leases, estates and payment of creditors for allocated areas, management of acquisition and disposal of immovable properties and facilitation of property development."

Programme Objectives

The objectives of programme two are the following:

- To contribute towards the re-generation of the inner city by establishing the Kopanong Precinct by 2018;
- To contribute to the Gauteng City Region (GCR) through the delivery of educational, health and STARS infrastructure projects;
- To leverage the Provincial Immovable Assets Portfolio to generate revenue and meet service delivery requirements;
- To update and maintain an Immovable Asset Register that results in compliance to the Government Immovable Asset Management Act (GIAMA);
- To contribute towards a green Gauteng City Region (GCR) by implementing renewable energy solutions that include roof-top solar PVs, cogeneration/trigeneration plants and the supply of gas to health facilities in Gauteng; and
- To provide high quality and consistent maintenance services to client Departments through statutory, condition based, preventative maintenance and the replacement of aged and obsolete electromechanical plant and equipment to ensure uninterrupted service delivery.

TABLE 15.8: SUMMARY OF PAYMENTS AND ESTIMATES : PUBLIC WORKS INFRASTRUCTURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
1. Construction	60 980	74 650	324 391	319 521	289 521	293 316	149 226	168 959	103 526
2. Maintenance	347 212	335 451	404 092	405 938	405 939	466 423	531 261	596 584	663 170
3. Immovable Asset Management	647 208	803 920	948 981	1 087 055	1 086 554	1 076 515	1 231 629	1 312 147	1 341 708
Total payments and estimates	**1 055 400**	**1 214 021**	**1 677 464**	**1 812 515**	**1 782 014**	**1 836 254**	**1 912 116**	**2 077 690**	**2 108 404**

TABLE 15.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : PUBLIC WORKS INFRASTRUCTURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**704 159**	**812 517**	**804 707**	**922 428**	**892 427**	**989 689**	**1 102 816**	**1 203 709**	**1 260 376**
Compensation of employees	393 323	389 852	455 115	487 495	487 494	547 378	632 722	706 421	779 175
Goods and services	308 273	422 519	349 454	434 633	404 633	442 075	469 895	496 937	480 830
Interest and rent on land	2 563	146	138	300	300	236	200	351	371
Transfers and subsidies to:	**311 582**	**303 399**	**680 622**	**720 262**	**720 262**	**721 401**	**760 462**	**803 057**	**848 028**
Provinces and municipalities	308 686	300 646	679 060	718 544	718 544	718 545	757 462	801 394	846 272

TABLE 15.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : PUBLIC WORKS INFRASTRUCTURE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Departmental agencies and accounts		2		1	1	1		4	4
Households	2 896	2 751	1 562	1 717	1 717	2 855	3 000	1 659	1 752
Payments for capital assets	**39 659**	**98 105**	**192 134**	**169 825**	**169 325**	**125 164**	**48 838**	**70 924**	
Buildings and other fixed structures	28 934	95 267	185 480	169 825	169 325	125 164	48 838	70 924	
Machinery and equipment	10 725	2 838	2 743						
Software and other intangible assets			3 911						
Payments for financial assets			**1**						
Total economic classification	**1 055 400**	**1 214 021**	**1 677 464**	**1 812 515**	**1 782 014**	**1 836 254**	**1 912 116**	**2 077 690**	**2 108 404**

Expenditure on this programme increased from R1.1 billion in 2013/14 to R1.8 billion in 2016/17. The increase may seem minimal; however, the department has seen improvements in the manner in which infrastructure projects are implemented. In addition, payment of rates and taxes to the municipalities has resulted in an increased allocation due to the increase in the number of properties deemed and registered as State assets. Over the 2017 MTEF, the allocation increases from R1.9 billion in 2017/18 to R2.1 billion in 2019/20, an average annual increase of approximately 6 percent.

The department saw an increase in the appointment of registered engineers and technical staff over the 2015/16 MTEF. Of the 225 officials appointed, approximately 85 per cent are technical engineers. The department is anticipating a reduction in payment of overtime but an increase in subsistence and travelling claims due to site visits and management of projects. Over the MTEF, the compensation allocation will increase from R633million in 2017/18 to R779 million in the outer year of 2019/20.

Good and services in this programme consist of operational costs such as protective clothing, operating leases, utilities, cleaning services, travelling costs, G-fleet rentals, security services and maintenance of buildings. The maintenance turn-around strategy is also located under this programme, with an amount of R11.6 million in the 2016/17 financial year growing to R12.2 million in the 2016/17 financial year and by a 5.4 per cent increase to R12.9 million in 2018/19 financial year. Over the 2017 MTEF, the allocation is R470 in 2017/18 with slight increases to R 497 million in 2018/19 and slight decreases to R481 million in 2019/20. The decrease in budget relates to the anticipated cost reduction of leased fleet services and telephone costs.

As part of its goods and services budget, the department has been allocated R256.6 million in relation to GIAMA implementation over the 2017/18 MTEF. In 2017/18, it receives R80 million and R85.5 million in 2018/19, an increase of 6 per cent. The allocation in the final year of the MTEF is R91.4 million, a 7 per cent budget increase compared with 2017/18. These allocations are for updating and maintaining the Immovable Assets Register. Based on the modified accounting standards issued in December 2015, departments are mandated to implement the standard principle of ensuring that all assets with R1.00 values are valuated as at 31 March 2017. This principle requires that, over and above the municipal valuation roll, the department will be compelled to undertake further accurate and complete valuations in instances where properties still do not have values.

The second and related activity that the department will engage in speaks to the ownership verification process. This entails conveyancing, vesting and deeds rectification. Another pivotal action planned by the department is compilation of the Gauteng Asset Management Plan. In line with Pillar 5, this involves amongst other things space planning and technical condition assessment for the purpose of planning and budgetary control of projects.

The department's obligation to provide office accommodation has increased the cost of security services. Annual inflationary adjustments have also increased these costs. Expenditure in 2015/16 was R84 million excluding invoices accrued to the following financial year. For 2016/17, the department anticipates spending at least R106 million by year end due to these contracts being on a month to month basis. The department is in the process of appointing service providers to ensure continuous provision of security services for six new office spaces being leased. This will result in the costs incurred in 2016/17 being reduced.

Devolution of rates and taxes expenditure increased from R308 million in the 2013/14 financial year to R679 million in the 2015/16 financial year. Over the 2017 MTEF, the allocation increases from R 757 million in 2017/18 to R 846 million in the 2019/20 financial year.

The allocation for payments for capital assets increased from R39.6 million in the 2013/14 financial year to R192 million in 2015/16 and to R169 million in the 2016/17 financial year. Over the 2017 MTEF, the allocation is R48.8 million in 2017/18

and R71 million in 2018/19. The decrease results from the anticipated completion of construction projects over the 2017 MTEF.

SERVICE DELIVERY MEASURES

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

Performance measures	Estimated Annual targets		
	2017/18	2018/19	2019/20
Design/ Planning			
Number of infrastructure designs ready for tender	65	10	7
Construction			
Number of capital infrastructure projects completed within the agreed time period	44	13	13
Number of capital infrastructure projects completed within agreed budget	44	13	13
Number of planned maintenance projects awarded	70	90	110
Number of planned maintenance projects completed within the agreed contract period	70	85	95
Number of planned maintenance projects completed within agreed budget.	50	70	90
Number of immovable assets verified in the Immovable Asset Register (IAR) in accordance with the mandatory requirements of National Treasury	7 000	7 000	7000
Number of Market related Rental leases concluded for residential properties	20	20	20

PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

Programme Description

The purpose of Expanded Public Works Programme (EPWP) is to manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors. This includes the provincial management and co-ordination of the Expanded Public Works Programme. The EPWP is a nationwide programme aimed at the reorientation of the public sector spending in favour of projects that create more work opportunities.

Programme Objectives

The objectives of this programme are:

- To contribute towards poverty alleviation and reducing unemployment by providing work opportunities and skills development opportunities through the Expanded Public Work Programme;
- To contribute towards the development and implementation of interventions to support the coordination of the four provincial sectors within Expanded Public Work Programme; and
- To ensure the construction sector acts as a catalyst for the development of skills, the creation of jobs and the development of sustainable communities by supporting individual beneficiaries and enterprises

TABLE 15.10 : SUMMARY OF PAYMENTS AND ESTIMATES: EXPANDED PUBLIC WORKS PROGRAMME

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19	2019/20
1. Programme Support CBP	101 873	132 218	181 900	128 098	127 898	113 114	78 753	201 597	230 694
2. Community Development	170 660	170 647	114 197	152 212	152 412	50 935	225 945	90 838	95 924
Total payments and estimates	**272 533**	**302 865**	**296 097**	**280 310**	**280 310**	**164 049**	**304 698**	**292 435**	**326 618**

TABLE 15.11 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : EXPANDED PUBLIC WORKS PROGRAMME

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**186 168**	**199 508**	**277 276**	**280 205**	**280 204**	**164 040**	**304 698**	**292 319**	**326 496**
Compensation of employees	77 322	67 379	92 698	183 649	183 649	109 958	90 115	113 570	119 930
Goods and services	108 846	132 129	184 578	96 502	96 502	54 082	214 583	178 749	206 566
Interest and rent on land				53	53				
Transfers and subsidies to:	**14**	**76**		**105**	**106**	**9**		**116**	**122**
Households	14	76		105	106	9		116	122
Payments for capital assets	**85 803**	**98 281**	**18 821**						
Buildings and other fixed structures	85 650	98 281							
Machinery and equipment	153		15						

TABLE 15.11 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : EXPANDED PUBLIC WORKS PROGRAMME

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Software and other intangible assets			18 806						
Payments for financial assets	**548**	**5 000**							
Total economic classification	**272 533**	**302 865**	**296 097**	**280 310**	**280 310**	**164 049**	**304 698**	**292 435**	**326 618**

The department has been implementing the Zivuseni project since November 2013. The project has recruited more than 9 000 beneficiaries over the years. This is in addition to the NYS programme for which the department has recruited approximately 2 500 beneficiaries. These youth are placed in projects implemented directly by the department and those implemented on behalf of client departments. This initiative contributes to job opportunities for the youth in the province. A new intake will take place during the 2017/18 financial year for approximately 2 500 beneficiaries.

In 2016/17, the department received R17.2 million in incentives grants related to NYS programme. This will be increased over the MTEF period based on the performance. The allocated budget for the 2017/18 financial year is R19.2 million. These funds are released to the department based on performance against set targets.
Compensation of employees was R77 million in 2013/14, decreasing to R67 million in 2014/15 due to the high rate of NYS absenteeism and increasing to R183 million in the 2016/17 financial year. Over the MTEF, the allocation decreases to R 90 million in 2017/18 and increases R120 million in the 2019/20 financial year.

Goods and services under this programme are mainly training for NYS and Zivuseni beneficiaries and also for payment of stipends to Zivuseni beneficiaries. Goods and services expenditure increased from R109 million in the 2013/14 financial year to R186 million in 2015/16 and decreased in 2016/17 to R 154 million due to non-attendance by the beneficiaries and delays in training. Over the MTEF, the allocation increases to R 215 million in the 2017/18 financial year and decreases to R207 million in the 2019/20 financial year.

The Tshepo 500k programme that was implemented and managed by DID since 2015/16 financial year has been transferred to the Office of the Premier (OOP) effective from the 2017/18 financial year. The budget that was allocated over the 201718 MTEF to DID, has also been transferred to OOP to follow the function. In 2015/16 financial year an amount of R55 million was allocated but due to contracts only being signed in the 3rd quarter of the financial year, this resulted in only R1.9 million being spent during the that year. In 2016/17 financial year an amount of R92 million has been spent as at the end of the 3rd quarter of the financial year.

SERVICE DELIVERY MEASURES

PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

Performance measures	Estimated Annual targets		
	2016/17	2017/18	18/19
Number of EPWP work opportunities created by GDID	6 500	6 500	6 500
Number of full time equivalents (FTEs) created by GDID	2 543	2 543	2 543
Number of public bodies reporting on EPWP targets within the province	19	19	19
Number of interventions implemented to support public bodies in the creation of targeted number of work opportunities in the Province (4 sectors: Infrastructure, Social, Environment & Non-State)	4	4	4
Number of Beneficiary Empowerment Interventions	3	3	3

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and cost by programme

TABLE 15.12: 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	270	312	258	321	365	395	413
2. Public Works Infrastructure	2 006	1 677	1 662	1 838	1 959	2 072	2 184
3. Expanded Public Works Programme	120	48	29	29	31	31	31
Direct charges							
Total provincial personnel numbers	**2 396**	**2 037**	**1 949**	**2 188**	**2 355**	**2 498**	**2 628**
Total provincial personnel cost (R thousand)	554 981	574 716	708 008	837 461	914 901	1 015 698	1 105 773
Unit cost (R thousand)	232	282	363	383	388	407	421

TABLE 15.13: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND CCOSTS BY COMPONENT

	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		
R thousands	Personnel numbers1	Costs	Personnel numbers1	Costs	Personnel numbers1	Costs	Filled posts	Additional posts	Personnel numbers1	Costs	Personnel numbers1	Costs	Personnel numbers1	Costs	Personnel numbers1	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	1 617	161 137	1 363	169 560	1 313	200 519	1 419		1 419	255 248	1 550	285 022	1 668	305 725	1 788	335 392	8%	10%	30%
7 – 10	525	187 530	470	191 256	422	227 028	513		513	187 751	534	185 858	552	220 871	562	264 121	3%	12%	23%
11 – 12	189	109 824	152	114 014	158	125 908	188		188	147 988	195	147 187	202	179 072	202	189 132	2%	9%	17%
13 – 16	65	56 600	52	58 560	56	63 782	68		68	90 514	76	83 208	76	101 889	76	105 811	4%	5%	10%
Other		39 890		41 326		50 929				155 470		213 626		208 141		211 317	0%	11%	19%
Total	**2 396**	**554 981**	**2 037**	**574 716**	**1 949**	**668 166**	**2 188**		**2 188**	**836 971**	**2 355**	**914 901**	**2 498**	**1 015 698**	**2 628**	**1 105 773**	**6%**	**10%**	**100%**
Programme																			
1. Administration	270	84 336	312	117 485	258	160 195	321		321	171 967	365	145 252	395	190 416	413	234 273	9%	11%	20%
2. Public Works Infrastructure	2 006	393 323	1 677	389 852	1 662	455 115	1 838		1 838	482 510	1 959	537 810	2 072	598 980	2 184	632 523	6%	9%	58%
3. Expanded Public Works Programme	120	77 322	48	67 379	29	92 698	29		29	182 494	31	231 839	31	226 302	31	238 977	2%	9%	22%
Direct charges																	0%	0%	0%
Total	**2 396**	**554 981**	**2 037**	**574 716**	**1 949**	**708 008**	**2 188**		**2 188**	**836 971**	**2 355**	**914 901**	**2 498**	**1 015 698**	**2 628**	**1 105 773**	**6%**	**10%**	**100%**
Employee dispensation classification																			
Public Service Act appointees not covered by OSDs																			
Public Service Act appointees still to be covered by OSDs																			
Medical and related professionals																			
Total																			

Through implementation of the IDMS programme, the department saw an increase in filing of vacant through new appointments and promotions. In 2016/17 financial year, the department has appointed 683 employees of which 506 employees are new appointments whilst 132 are promotions. This figure excludes the number of resignations and deceased employees. The intake increased the number of engineers and technical staff critical to the maintenance and construction of the province's infrastructure. To curb the possibility of loss of skills to the private sector:

- The department pays for training and development opportunities for engineers and related technical occupations to obtain Continuous Professional Development (CPD) points needed to renew their annual professional registration with the relevant Councils.
- The department pays for annual professional registrations with relevant Councils for engineers and related technical occupations. Such employees have to serve the department for the year in which professional registration costs are paid.

The department received a function shift from Human settlements for the Land use management. This function is moving as a directorate with a structure and warm bodies of 11 personnel. Therefore the departments' structure within the Immovable asset Management branch will include one more directorate with 11 personnel. The budget that is allocated has been linked to the specific posts and notches of those individuals.

9.2 Training

TABLE 15.14: INFORMATION ON TRAINING: INFRASTRUCTURE DEVELOPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Number of staff	2 396	2 037	1 949	2 188	2 188	2 188	2 355	2 498	2 628
Number of personnel trained	1 878	1 310	810	1 510	1 510	1 510	1 610	1 710	1 806
of which									
Male	985	603	49	695	695	695	741	787	831
Female	893	707	761	815	815	815	869	923	975
Number of training opportunities	1 464	1 040	1 070	1 490	1 490	1 490	1 230	1 350	1 370
of which									
Tertiary	55	60	70	80	80	80	80	90	100
Workshops	44	328	334	470	470	470	130	140	150
Seminars	74	326	333	470	470	470	110	120	130
Other	1 291	326	333	470	470	470	910	1 000	990
Number of bursaries offered	223	100	150	100	100	100	150	100	150
Number of interns appointed	98	110	120	130	130	130	130	140	150
Number of learnerships appointed	93	60	70	80	80	80	100	120	140
Number of days spent on training									
Payments on training by programme									
1. Administration	7 555	5 652	6 782	5 934	5 934	5 934	6 528	7 181	7 583
2. Public Works Infrastructure	6 869	8 305	9 966	8 720	8 720	8 720	9 592	10 551	11 142
3. Expanded Public Works Programme	81	5 885	7 062	6 173	6 173	6 173	6 790	7 469	7 887
Total payments on training	**14 505**	**19 842**	**23 810**	**20 827**	**20 827**	**20 827**	**22 910**	**25 201**	**26 612**

The department's HRD department heads the training and development of employees to enable them to perform their duties efficiently and improve the performance of the department. New intakes come with other costs such as tools of the trade, training and provision of transport for technical staff. This has an impact on training costs and budget.

Employees such as tradesman aid, boiler assistants, handymen and storeman are currently being reskilled through the departmental artisan development programme. The intention is to reskill these employees to become qualified artisans. The department has awarded bursaries to employees currently deemed to be in excess of the establishment/structure of the department. This means that they could not be given suitable positions when the new structure was approved. These are the employees that are who could not be placed in posts due to either their post has been abolished on the new structure or they do not possess the necessary qualification for that post. Through this process, these employees are being reskilled in line with GDID occupational categories. Employees awarded bursaries are expected to serve one year in government after successful completion of the qualification.

9.3 Reconciliation of structural changes

N/A

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 15.15: SPECIFICATION OF RECEIPTS: INFRASTRUCTURE DEVELPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Tax receipts									
Sales of goods and services other than capital assets	**16 184**	**18 023**	**18 152**	**22 410**	**22 410**	**22 410**	**23 531**	**24 895**	**26 289**
Sale of goods and services produced by department (excluding capital assets)	16 184	18 023	18 152	22 410	22 410	22 410	23 531	24 895	26 289
Sales by market establishments	16 184	18 023	18 152	22 410	22 410	22 410	23 531	24 895	26 289
Interest, dividends and rent on land	**(5)**	**27**	**119**			**21**			
Dividends	(5)	27	119			21			
Transactions in financial assets and liabilities	**1 576**	**795**	**2 002**	**590**	**590**	**929**	**619**	**655**	**692**
Total departmental receipts	**17 755**	**18 845**	**20 273**	**23 000**	**23 000**	**23 360**	**24 150**	**25 550**	**26 981**

TABLE 15.16: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELPMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16		2016/17		2017/18	2018/19	2019/20
Current payments	**1 072 394**	**1 299 443**	**1 480 663**	**1 585 875**	**1 587 873**	**1 586 764**	**1 694 822**	**1 789 255**	**1 902 692**
Compensation of employees	554 981	574 716	708 008	838 189	838 187	837 461	914 901	1 015 698	1 105 773
Salaries and wages	554 981	571 751	639 492	749 868	749 866	757 947	809 329	927 290	1 012 396
Social contributions		2 965	68 516	88 321	88 321	79 514	105 572	88 409	93 377
Goods and services	514 834	724 161	766 295	746 333	748 333	748 829	779 522	772 855	796 177
Administrative fees	684	880	180	406	406	237	200	200	211
Advertising	10 466	11 259	8 273	9 229	9 230	3 217	2 099	3 000	3 168
Minor assets	4 539	919	3 015	5 841	1 640	2 779	3 000	4 001	4 224
Audit cost: External	7 451	7 717	5 579	15 000	15 000	6 119	7 500	8 200	10 900
Bursaries: Employees	1 784	3 929	4 873	3 500	3 500	2 063	2 200	2 949	5 000
Catering: Departmental activities	4 004	7 737	9 374	1 501	1 801	2 128	399	100	106
Communication (G&S)	12 075	11 679	12 882	7 203	7 204	14 027	13 200	21 000	22 176
Computer services	3 299	6 162	5 718	5 700	7 700	15 282	10 500	10 600	11 193
Consultants and professional services: Business and advisory services	10 335	32 248	15 460	12 830	12 830	27 512	13 000	3 100	3 274
Legal services	39 824	42 349	46 059	51 000	51 000	50 303	24 999	20 000	21 120
Contractors	24 567	33 441	11	1 809	1 809	143			
Agency and support / outsourced services	88 544	243 146	248 501	223 017	222 508	206 827	282 156	255 423	288 646
Entertainment	41	62		(9)					
Fleet services (including government motor transport)	68	5 246	38 691	20 795	29 911	27 978	36 000	36 500	41 152
Inventory: Clothing material and accessories	3 194	1 165	6 279	130	130	440	5 500		
Inventory: Food and food supplies		297	44	130	130	10	73	30	32
Inventory: Fuel, oil and gas		48				2			
Inventory: Learner and teacher support material			1						
Inventory: Materials and supplies	7 173	4 242	260			66	50		
Inventory: Medical supplies		26							
Consumable supplies	3 053	2 622	4 567	24 322	19 021	1 756	7 201	3 663	3 869

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2013/14**	**2014/15**	**2015/16**	**2016/17**			**2017/18**	**2018/19**	**2019/20**
Consumable: Stationery,printing and office supplies	7 141	7 716	10 215	18 663	16 462	5 875	8 000	11 476	12 119
Operating leases	143 419	192 005	203 021	213 000	213 000	217 031	284 393	303 550	275 500
Property payments	89 530	70 510	120 221	109 475	109 975	144 162	57 905	62 000	65 472
Transport provided: Departmental activity		55	1 003	300	300	82			
Travel and subsistence	41 970	22 587	10 458	12 792	14 276	10 668	10 000	15 671	16 547
Training and development	6 501	7 646	9 035	9 000	9 000	7 119	8 544	10 000	10 000
Operating payments	838	1 194	909	200	846	856	950	800	845
Venues and facilities	4 334	7 274	1 666	500	654	2 147	1 653	590	623
Rental and hiring									
Interest and rent on land	2 579	566	6 360	1 353	1 353	474	399	702	742
Interest	2 579		6 222	1 353	1 353	474	399	702	742
Rent on land		566	138						
Transfers and subsidies	**314 785**	**306 210**	**682 843**	**727 921**	**727 922**	**729 022**	**766 462**	**809 344**	**854 386**
Provinces and municipalities	308 686	300 646	679 060	718 544	718 544	718 545	757 462	801 394	846 272
Provinces			1						
Provincial Revenue Funds									
Provincial agencies and funds			1						
Municipalities	308 686	300 646	679 059	718 544	718 544	718 545	757 462	801 394	846 272
Municipalities	308 686	300 646	679 059	718 544	718 544	718 545	757 462	801 394	846 272
Municipal agencies and funds									
Departmental agencies and accounts		2		1	1	1		4	4
Social security funds									
Provide list of entities receiving transfers		2		1	1	1		4	4
Non-profit institutions									
Households	6 099	5 562	3 783	9 376	9 377	10 476	9 000	7 946	8 110
Social benefits		3 858	1 713	2 876	2 877	3 720	4 000	2 946	3 110
Other transfers to households	6 099	1 704	2 070	6 500	6 500	6 756	5 000	5 000	5 000
Payments for capital assets	**145 495**	**219 732**	**251 898**	**198 625**	**196 125**	**152 327**	**80 838**	**85 924**	**15 840**
Buildings and other fixed structures	114 584	193 548	185 480	169 825	169 325	125 164	48 838	70 924	
Buildings	114 584	193 548	185 480	169 825	169 325	125 164	48 838	70 924	
Other fixed structures									
Machinery and equipment	30 911	25 687	28 467	28 800	26 800	27 163	32 000	15 000	15 840
Transport equipment									
Other machinery and equipment	30 911	25 687	28 467	28 800	26 800	27 163	32 000	15 000	15 840
Software and other intangible assets		497	37 951						
Payments for financial assets	**548**	**5 151**	**699**			**1 152**			
Total economic classification	**1 533 222**	**1 830 536**	**2 416 103**	**2 512 421**	**2 511 920**	**2 469 265**	**2 542 122**	**2 684 523**	**2 772 918**

TABLE 15.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	**182 067**	**287 418**	**398 680**	**383 242**	**415 242**	**433 035**	**287 308**	**293 227**	**315 820**
Compensation of employees	84 336	117 485	160 195	167 044	167 044	180 125	192 064	195 708	206 668
Salaries and wages	84 336	117 485	143 855	148 710	148 710	160 132	171 467	173 915	183 655
Social contributions			16 340	18 334	18 334	19 993	20 598	21 792	23 013
Goods and services	97 715	169 513	232 263	215 198	247 198	252 672	95 044	97 169	108 781
Administrative fees	686	180	180	406	406	237	200	200	211
Advertising	5 265	8 940	7 629	9 230	9 230	3 082	2 000	3 000	3 168
Minor assets	1 081	853	2 604	1 388	1 388	1 161	1 000	1 000	1 056
Audit cost: External	7 451	7 717	5 579	15 000	15 000	6 119	7 500	8 200	10 900
Bursaries: Employees	1 648	3 929	4 873	3 500	3 500	2 063	2 200	2 949	5 000
Catering: Departmental activities	2 917	6 728	9 179	1 501	1 501	1 843	100	101	106
Communication (G&S)	6 930	3 294	6 374	2 204	2 204	4 132	8 199	15 000	15 840
Computer services	3 202	5 904	5 703	5 700	7 700	15 274	10 000	10 000	10 560
Consultants and professional services: Business and advisory services	10 335	10 187	15 303	12 830	12 830	24 970	13 000		
Legal services	26 084	29 593	46 059	21 000	51 000	50 303	20 000	20 000	21 120
Contractors	19			1 809	1 809	143			
Agency and support / outsourced services	1 706	60 456	97 468	104 209	104 200	118 293	2 467		
Entertainment				(9)					
Fleet services (including government motor transport)	33	915	7 905	4 095	4 563	6 092	7 200	9 000	12 112
Inventory: Clothing material and accessories	45	38		130	130				
Inventory: Food and food supplies		161	13	130	130	9	70	30	32
Inventory: Fuel, oil and gas		47							
Inventory: Learner and teacher support material			1						
Inventory: Materials and supplies	14	8				30		1	
Inventory: Medical supplies		13							
Consumable supplies	2 012	1 737	859	1 720	1 720	558			
Consumable: Stationery, printing and office supplies	5 304	5 492	6 638	12 863	12 863	4 610	6 262	6 609	6 978
Operating leases	1 386	2 157	2 912	3 000	3 000	2 912	3 000	6 550	6 917
Property payments						205			
Transport provided: Departmental activity		55	760	300	300	82			
Travel and subsistence	10 311	5 530	1 637	4 492	3 976	1 396	2 600	3 638	3 841
Training and development	6 476	7 646	9 035	9 000	9 000	7 119	8 544	10 000	10 000
Operating payments	816	663	138	200	236	203	200	300	317
Venues and facilities	3 994	7 270	1 414	500	512	1 836	503	590	623
Rental and hiring									
Interest and rent on land	16	420	6 222	1 000	1 000	238	200	351	371
Interest	16		6 222	1 000	1 000	238	200	351	371
Rent on land		420							
Transfers and subsidies	**3 189**	**2 735**	**2 221**	**7 554**	**7 554**	**7 612**	**6 000**	**6 171**	**6 236**
Households	3 189	2 735	2 221	7 554	7 554	7 612	6 000	6 171	6 236
Social benefits		1 031	151	1 054	1 054	977	1 000	1 171	1 236
Other transfers to households	3 189	1 704	2 070	6 500	6 500	6 635	5 000	5 000	5 000

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Payments for capital assets	**20 033**	**23 346**	**40 943**	**28 800**	**26 800**	**27 163**	**32 000**	**15 000**	**15 840**
Buildings and other fixed structures									
Machinery and equipment	20 033	22 849	25 709	28 800	26 800	27 163	32 000	15 000	15 840
Transport equipment									
Other machinery and equipment	20 033	22 849	25 709	28 800	26 800	27 163	32 000	15 000	15 840
Heritage Assets									
Software and other intangible assets		497	15 234						
Payments for financial assets		**151**	**698**			**1 152**			
Total economic classification	**205 289**	**313 650**	**442 542**	**419 596**	**449 596**	**468 962**	**325 307**	**314 398**	**337 896**

TABLE 15.18:SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC WORKS INFRASTRUCTURE

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**704 159**	**812 517**	**804 500**	**922 428**	**892 427**	**989 689**	**1 102 816**	**1 203 709**	**1 260 376**
Compensation of employees	393 323	389 852	455 115	487 495	487 494	547 318	632 722	706 421	779 175
Salaries and wages	393 323	389 852	404 591	438 137	438 135	489 924	554 807	656 680	726 632
Social contributions			50 524	49 358	49 359	57 454	77 914	49 740	52 543
Goods and services	308 273	422 519	349 454	434 633	404 633	442 075	469 895	496 937	480 830
Administrative fees	(2)								
Advertising	3 448	2 319	22	(1)		110			
Minor assets	3 458	66	411	4 453	252	1 618	2 001	3 000	3 168
Bursaries: Employees	127								
Catering: Departmental activities	47	19	5			1			
Communication (G&S)	4 025	6 434	4 379	4 999	5 000	5 000	5 000	6 000	6 336
Computer services	97	258	15			8	500	600	633
Consultants and professional services: Business and advisory services		12 402	157			2 542			
Legal services		10 451		30 000			5 000		
Contractors	24 548	33 441	11						
Agency and support / outsourced services	6 778	71 894	53 371	45 608	45 108	41 395	78 607	85 520	91 421
Entertainment	41	62							
Fleet services (including government motor transport)	35	4 192	29 005	12 700	21 348	20 801	27 600	26 500	27 984
Inventory: Clothing material and accessories	933	985	5 481			440	500		
Inventory: Food and food supplies		136	31			1	3		
Inventory: Fuel, oil and gas		1				2			
Inventory: Materials and supplies	253	72	260	(1)		36	50		
Inventory: Medical supplies		13							
Consumable supplies	1 036	885	3 181	6 300	1 299	1 198	2 201	2 532	2 674
Consumable: Stationery,printing and office supplies	1 796	2 068	3 495	3 800	1 599	1 063	1 538	2 859	3 020
Operating leases	142 033	189 848	120 109	210 000	210 000	214 119	281 393	297 000	268 583
Property payments	89 440	70 510	120 221	109 475	109 975	143 957	57 905	62 000	65 472
Transport provided: Departmental activity									
Travel and subsistence	29 815	15 956	8 493	7 300	9 300	8 990	6 700	10 427	11 011

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Training and development	3								
Operating payments	22	507	771	1	610	653	750	500	528
Venues and facilities	340		36		142	141	150		
Rental and hiring									
Interest and rent on land	2 563	146	138	300	300	236	200	351	371
Interest	2 563			300	300	236	200	351	371
Rent on land		146	138						
Transfers and subsidies	**311 582**	**303 399**	**680 622**	**720 262**	**720 262**	**721 401**	**760 462**	**803 057**	**848 028**
Provinces and municipalities	308 686	300 646	679 060	718 544	718 544	718 545	757 462	801 394	846 272
Provinces			1						
Provincial Revenue Funds									
Provincial agencies and funds			1						
Municipalities	308 686	300 646	679 059	718 544	718 544	718 545	757 462	801 394	846 272
Municipalities	308 686	300 646	679 059	718 544	718 544	718 545	757 462	801 394	846 272
Municipal agencies and funds									
Departmental agencies and accounts		2		1	1	1		4	4
Social security funds									
Provide list of entities receiving transfers		2		1	1	1		4	4
Non-profit institutions									
Households	2 896	2 751	1 562	1 717	1 717	2 855	3 000	1 659	1 752
Social benefits		2 751	1 562	1 717	1 717	2 734	3 000	1 659	1 752
Other transfers to households	2 896					121			
Payments for capital assets	**39 659**	**98 105**	**192 134**	**169 825**	**169 325**	**125 164**	**48 838**	**70 924**	
Buildings and other fixed structures	28 934	95 267	185 480	169 825	169 325	125 164	48 838	70 924	
Buildings	28 934	95 267	185 480	169 825	169 325	125 164	48 838	70 924	
Other fixed structures									
Machinery and equipment	10 725	2 838	2 743						
Transport equipment									
Other machinery and equipment	10 725	2 838	2 743						
Heritage Assets									
Software and other intangible assets			3 911						
Payments for financial assets			**1**						
Total economic classification	**1 055 400**	**1 214 021**	**1 677 464**	**1 812 515**	**1 782 014**	**1 836 254**	**1 912 116**	**2 077 690**	**2 108 404**

TABLE 15.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION : EXPANDED PUBLIC WORKS PROGRAMME

R thousand	Outcome 2013/14	2014/15	2015/16	Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates 2017/18	2018/19	2019/20
Current payments	**186 168**	**199 508**	**277 276**	**280 205**	**280 204**	**164 040**	**304 698**	**292 319**	**326 496**
Compensation of employees	77 322	67 379	92 698	183 649	183 649	109 958	90 115	113 570	119 930
Salaries and wages	77 322	64 414	91 046	163 021	163 021	107 891	83 055	96 694	102 109
Social contributions		2 965	1 652	20 628	20 628	2 067	7 060	16 876	17 821
Goods and services	108 846	132 129	184 578	96 502	96 502	54 082	214 583	178 749	206 566
Administrative fees		700							
Advertising	1 753		622			25	100		
Bursaries: Employees	9								
Catering: Departmental activities	1 040	990	190		300	284	300		
Communication (G&S)	1 120	1 951	2 129			4 895			

R thousand	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16	Main appropriation 2016/17	Adjusted appropriation 2016/17	Revised estimate 2016/17	Medium-term estimates 2017/18	Medium-term estimates 2018/19	Medium-term estimates 2019/20
Consultants and professional services: Business and advisory services		9 659						3 100	3 274
Legal services	13 740	2 305							
Contractors									
Agency and support / outsourced services	80 060	110 796	97 662	73 200	73 200	47 139	201 082	169 903	197 225
Fleet services (including government motor transport)		139	1 781	4 000	4 000	1 085	1 200	1 000	1 056
Inventory: Clothing material and accessories	2 216	142	798				5 000		
Inventory: Materials and supplies	6 906	4 162							
Consumable supplies	5		527	16 302	16 002		5 000	1 131	1 195
Consumable: Stationery,printing and office supplies	41	156	82	2 000	2 000	202	200	2 008	2 121
Operating leases			80 000						
Property payments	90								
Transport provided: Departmental activity			243						
Travel and subsistence	1 844	1 101	328	1 000	1 000	282	700	1 606	1 695
Training and development	22								
Operating payments		24							
Venues and facilities		4	216			170	1 000		
Rental and hiring									
Interest and rent on land				53	53				
Interest				53	53				
Rent on land									
Transfers and subsidies	**14**	**76**		**105**	**106**	**9**		**116**	**122**
Non-profit institutions									
Households	14	76		105	106	9		116	122
Social benefits		76		105	106	9		116	122
Other transfers to households	14								
Payments for capital assets	**85 803**	**98 281**	**18 821**						
Buildings and other fixed structures	85 650	98 281							
Buildings	85 650	98 281							
Other fixed structures									
Machinery and equipment	153		15						
Transport equipment									
Other machinery and equipment	153		15						
Software and other intangible assets			18 806						
Payments for financial assets	**548**	**5 000**							
Total economic classification	**272 533**	**302 865**	**296 097**	**280 310**	**280 310**	**164 049**	**304 698**	**292 435**	**326 618**