

Vote 3

Provincial Treasury

	2017/18 To be appropriated	2018/19	2019/20
MTEF allocations	R308 184 000	R338 130 000	R357 514 000
Responsible MEC	Provincial Minister of Finance		
Administering Department	Provincial Treasury		
Accounting Officer	Head of Department and Head Official: Provincial Treasury		

1. Overview

Vision

Good financial governance.

Mission

To improve governance through:

- Enhancing accountability and oversight;
- Creating public value;
- Enabling delivery of quality services through partnerships; and
- Capacity building in public sector finance.

Core functions and responsibilities

The core functions, powers and responsibilities of the Provincial Treasury are captured in section 18 of the PFMA and section 5 of the MFMA. To give effect to the National Strategic Outcomes (NSO) 9 and 12 and Provincial Strategic Goal 5 (PSG 5): Embed good governance and integrated service delivery through partnerships and spatial alignment, the branches Fiscal and Economic Services and Governance and Asset Management will execute the following core functions and responsibilities:

- To manage the provincial and municipal fiscal resources effectively;
- To facilitate the effective and efficient management of assets and financial systems; and
- To promote accountability in financial activities and compliance with financial norms and standards.

Main services and core functions

Within the legislative context of section 18 of the PFMA and section 5 of the MFMA, the main services to be provided by the Provincial Treasury include the following:

Internally:

- provide ministerial support services;
- improve corporate management processes; and
- provide financial administrative services to the Department.

Transversally or Externally:

- conduct research and advise on the management of the provincial and municipal fiscal resources;
- promote effective resource allocation within the provincial and municipal budgets through research, analysis and advice;
- improve the conformance, credibility, sustainability and guide and monitor the efficient implementation of the provincial budget;
- guide and monitor the implementation of municipal budgets;
- institutionalise and standardise good practice methodologies, tools and systems for physical infrastructure delivery and maintenance;
- render an effective data and information management service;
- provide policy direction and facilitating the management of supply chain and asset management systems and practices in departments and municipalities;
- provide for the implementation, management and oversight of provincially operated financial systems and the migration to the Integrated Financial Management System;
- improve the understanding and application of accounting standards and financial reporting within municipalities;
- improve the application of accounting practices in line with the reporting framework, prepare provincial consolidated financial statements and gradually drive financial governance reform; and
- develop, monitor and advise on norms and standards of corporate governance within municipalities and financial legislation in departments.

Demands and changes in service

During the 2016/17 financial year, an amount of R3.6 million was transferred to the 30 municipalities within the Province, to develop a similar bursary programme as the Provincial Treasury, within each respective municipality. The focus of these programmes would be to assist the bursars with the development of skills required in their financial management units. The funding is R7.2 million in 2017/18, R10.8 million in 2018/19 and R14.4 million in 2019/20.

Acts, rules and regulations

The legislative mandate, within which the Provincial Treasury operates, mainly consists of the following mix of national and provincial legislation:

- Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA)
- Local Government Municipal Finance Management Act, 2003 (Act 56 of 2003)
- Annual Division of Revenue Act
- Government Immoveable Asset Management Act, 2007 (Act 19 of 2007)
- Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997)
- Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)
- Public Audit Act, 2004 (Act 25 of 2004)
- Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)
- Provincial Tax Regulation Process Act, 2001 (Act 53 of 2001)
- Public Service Act, 1994 (Act 103 of 1994) as amended
- Western Cape Adjustments Appropriation Act, 2016 (Act 6 of 2016)
- Western Cape Direct Charges Act, 2000 (Act 6 of 2000) as amended
- Western Cape Gambling and Racing Act, 1996 (Act 4 of 1996) as amended

Budget decisions

The total allocation for Provincial Treasury increased compared to the 2016/17 financial year. The budget increased by R53.636 million from R254.548 million in 2016/17 (revised estimate) to R308.184 million in 2017/18, this equates to a nominal growth of 21.07 per cent.

The current (2016/17) budget was used as a basis, to which the following were added:

- Salary increases as per 2015 Wage Agreement.
- Inflation on Goods and Services estimated as 6.1 per cent in 2017/18 financial year.

The Provincial Treasury's 2017/18 budget aims to strengthen on fiscal gains made during the 2016/17 budget:

- Roll-out of Provincial Financial Capacity Building to all departments and municipalities.
- Support the municipalities with further roll-out of the Financial Management Support Grant (FMSG), with emphasis on governance, cash management, revenue efficiency gains, In-Year Monitoring (IYM) and asset management.
- Further funding to the Western Cape Gambling and Racing Board (WCGRB) as a result of the loss of exclusivity fees.
- A second round of interns will be taken up in the Chartered Accountant (CA) Academy which started in the 2015/16 financial year.

Aligning departmental budgets to achieve government's prescribed outcomes

The budget is aligned to contribute to Chapter 13 – Building a capable and developmental state of the National Development Plan. It also responds to National Outcome 9: A responsive, accountable, effective and efficient local government system; and National Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship of the Medium-Term Strategic Framework 2014 - 2019.

The budget provides for the resources to execute the key projects and activities to achieve Provincial Strategic Goal 5 (PSG 5): Embed Good Governance and Integrated Service Delivery through Partnerships and Spatial alignment of the Provincial Strategic Plan (PSP).

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

For the 2016/17 financial year, the Provincial Treasury and the Western Cape Government faced a number of challenges. The following services within the Provincial Treasury were rendered to give effect to the policy priorities:

Effective financial resource allocation was promoted to give effect to policy priorities during the whole Provincial Budget Allocation process.

Credibility and sustainability was ensured of the budget by exercising prudent provincial expenditure management.

Improved conformance, credibility and sustainability of municipal budgets was always part of the Municipal Planning and Budgeting Process.

Economic and socio-economic research (Provincial Economic Review and Outlook (PERO) and Municipal Economic Review and Outlook (MERO)) to ensure evidence-based planning and budgeting in the Western Cape Government was maintained.

Tools and systems for efficient and effective physical infrastructure delivery and maintenance as a lever for economic development were used and adhered to.

Policy direction was provided to facilitate the management of supply chain and asset management systems and practices in departments.

Policy guidance was provided to facilitate the management of supply chain and asset management systems and practices in municipalities.

Management and oversight of provincially operated financial systems were provided.

Improved understanding and application of accounting standards and financial reporting within municipalities was driven forward as a priority.

Improved application of accounting practices were provided in line with the reporting framework, prepare provincial consolidated financial statements and gradually drive financial governance reform.

Monitoring and advice on norms and standards were further developed to promote good corporate governance within departments and municipalities.

Capacity building and training interventions played an important role where Provincial Treasury interacted with other departments, entities and municipalities.

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

Key areas of focus and delivery for the 2017/18 financial year mainly entail the continuing of key themes:

Programme 2

Fiscal Policy Research Unit

Conduct research and analysis informing the development of the provincial and local government's fiscal frameworks and budget policy that includes sustainability of provincial and municipal revenue budgets.

Provide support initiatives, advice and guidance to departments and municipalities on revenue related and cash management matters.

Analyse and report on the in-year cash flow and revenue performance for both provincial and local government.

Maintain Departmental oversight of the Western Cape Gambling and Racing Board (WCGRB).

Provincial Government Budget Office

The Provincial Government Budget Office will focus on the alignment of policy, planning and budgeting processes which includes the annual Provincial Economic Review and Outlook.

Focus on impact evaluations and assessments of budget priorities and spend, overall, the research, analysis and assessments is to support provincial departments on budget policy matters and inform the formulation of the provincial budget policy to recommend allocations in line with government's strategic priorities outlined in the Provincial Strategic Plan and other applicable national policies.

Coordinate the Western Cape Medium Term Budget Policy Statement (WC MTBPS) and provide the economic, fiscal and policy context within which the provincial budget is formulated.

Communicate the intended budget policy framework and budget priorities that support the delivery of the WCG's policies, programmes and projects that drives service delivery within the Province.

Local Government Budget Office

Provides research, advice and analysis on the regional and local economy, issues and trends relevant to local government budget and fiscal policy matters.

Research and analysis culminates in two key annual publications: the Municipal Economic Review and Outlook (MERO) and the Socio-economic Profiles for Local Government (SEP-LG).

Focus and inform the municipal planning and budgetary processes to promote planning led budgeting.

Support the municipal budget process through recommendations to improve the responsiveness of the budgets to target socio-economic and policy objectives and coordination of the Local Government Expenditure Medium Term Committee engagements.

Provincial Government Finance

Collate and compile the Adjusted Estimates and Main Budget Estimates.

Assessment of provincial budgets to improve the credibility and sustainability thereof and monitor the implementation of budgets to enhance accountability, efficiency and data integrity.

Fiscal consolidation as part of the Fiscal Strategy and therefore the focus on expenditure control within budget limits and stringent management of personnel budgets.

Improving on the efficiency of expenditure management in departments through an integrated approach with the Provincial Treasury Supply Chain Management unit.

Assist in the improvement of data integrity, specifically relating to the recording of expenditure.

Local Government Finance (Groups 1 and 2)

Facilitates and co-ordinates the implementation of the MFMA in Provincial Treasury and municipalities to ensure that the objectives of the Local Government reform agenda is achieved.

Drive the implementation of the MFMA through Inter-Governmental Relations (IGR) coordination between municipalities, provincial national departments and other related stakeholders.

Monitoring, support and intervention in respect of the MFMA implementation, budget implementation and revenue and expenditure management.

Strengthening municipalities' financial management and budgeting practices the unit analyses and report on the in-year revenue and expenditure management for municipalities.

Infrastructure

Drive the Infrastructure Delivery Management System (IDMS) to enhance efficiency in the delivery of infrastructure and value realised through the provincial asset base.

Embed in the IDMS, is an integrated approach to planning and budgeting for departments and also for roll it out within the local sphere of government.

Roll-out and institutionalise the IDMS within the local sphere of government.

Monitor the infrastructure spending of designated departments and support the Western Cape Ministerial Infrastructure Coordinating Committee (WCMI CoCo), to improve efficient and effective delivery.

Assess User Asset Management Plans (U-AMPs), Custodian Asset Management Plans (C-AMPs), as well as Concept Reports and Project Proposals of Departments (in terms of the Guidelines for Performance Based Incentive Process).

Business Information and Data Management

Manage the centralised filing system aiming for conformance to the Western Cape Archives and Records Service prescripts. The centralised repository is a system, providing a means for Provincial Treasury employees to enable proper decision-making, safeguard information and facilitate the retention of information.

Manage Security aspects and coordinate requests for information in terms of the Promotion of Access to Information Act, 2000 (PAIA) for the Provincial Treasury.

Manage data sets in support of Provincial Treasury's strategic goals and embrace and promote special integration of information between spheres of government.

Mainstream Information Communication Technology (ICT) within the Department through the implementation of the Department of Public Service and Administration (DPSA) Corporate Governance Information Communication Technology Policy Framework and the monitoring of the Strategic ICT Plan Initiatives.

Programme 3**Supporting and Interlinked Financial Systems (SIFS)**

Provision of user account services to the 13 departments, the Provincial Revenue as well as the Provincial Parliament when required.

Continue to focus on improving the integrity of data in the legacy systems to ensure smooth migration to the IFMS when implemented.

The creation of a legacy system data warehouse to host all financial data and from which the necessary dashboards will be built to provide credible financial data to our stakeholders.

Provision of training services in respect of transversal financial systems to all provincial departments and where required to other provincial and national departments.

Supply Chain Management: Provincial Government

Focus on using technology as an enabler to improve Supply Chain Management (SCM) performance.

Continued implementation of the central supplier database, improved efficiencies and governance on the e-procurement solution for quotations and the continuous building of the business intelligence competence to support procurement decision-making and better supply chain information management.

Procurement efficiencies and prudent procurement spending will continue to be supported by strategic sourcing methodologies in the procurement planning process to leverage efficiency gains and economies of scale through bulk/consolidated buying initiatives and potential transversal contracts.

SCM skills and knowledge development of practitioners in institutions will be facilitated through bespoke training interventions, helpdesk support, assistance and guidance, road shows and the SCM Forum and its sub-fora.

Various platforms will also be used to engage with suppliers to ensure that they are capacitated and better equipped in understanding the provincial SCM environment.

Supply Chain Management: Local Government

Continue driving the District SCM model where municipalities are provided the opportunity to take ownership of SCM related issues in their district with the support of the relevant district municipalities.

Driving the implementation of the Standard for Infrastructure Procurement and Delivery Management (SIPDM) in municipalities.

Focus on sustainable procurement initiatives to drive local economic development within the respective districts through integrated planning between municipal SCM, Local Economic Development and Integrated Development Planning managers.

Building of data analytics and business intelligence competencies to support the municipalities in using procurement information to improve decision-making.

Capacity development for both Supply Chain and asset management officials will continue via SCM forums, assessments, SCM Indaba, asset management colloquiums, asset management baselines, helpdesk, on-site bespoke training, and training via professional institutions.

Commence with the development of an asset management framework for municipalities.

Programme 4

Local Government Accounting

Ensure accurate and complete recording of transactions as required by Generally Recognized Accounting Practices (GRAP) to municipalities.

Ensure conformance with applicable financial laws, regulations and the municipal standard chart of accounts.

Preventing material misstatements, irregularities and the deeper analysis of financial statements that could drive key policy decisions within municipalities.

Provincial Government Accounting and Compliance

Ensure the complete and accurate recording and reporting of transactions as required in terms of the associated financial reforms within.

Assist in preventing irregularities and material financial misstatements in both the modified cash basis of accounting applied by departments and accrual basis of accounting applied by public entities.

Coordinating and incrementally drive financial norms and standards.

Monitor and reports quarterly on the departmental Corporate Governance Review and Outlook (CGRO) governance action plans to enable the improvement of financial management.

Continuously improve both governance and the application of the accounting framework through structured training programmes and the further enhancement of the e-GAP tool.

Corporate Governance

Coordinate the Municipal Governance Review and Outlook (MGRO) and progressively driving the maturity criteria across various disciplines to achieve higher levels of governance.

Drive norms and standards, and the established forums, such as the Chief Risk Officer and Chief Audit Executive (CAE) fora is used to direct relevant training.

Review, assess and propose relevant financial legislation affecting all spheres of government and consequently, ensuring that stakeholders are informed, and to some extent, trained.

Develop and drive norms and standards, as well as compliance to legislation in respect of capacity building.

4. Reprioritisation

As part of the Western Cape Youth Empowerment initiative, funds will be reprioritised during the 2017 MTEF period to make provision for the funding of the transversal Financial Management Capacity Building for the Province. The vote's personnel budget will increase during the 2017 MTEF, as a result of these initiatives. The Department continues to reprioritise funds towards National and Provincial priorities. To remain within the allocated compensation of employees upper limits, the Department established a committee to stabilise the spending on personnel by identifying critical positions to be filled.

5. Procurement

During the 2016/17 financial year, the Department embarked on a new competitive bidding process to appoint a service provider for the provision of Commercial Banking Services for the Western Cape Government as the existing provincial banking service expires on 31 March 2017. The contract was awarded for a period of five (5) years.

Based on the Municipal Financial Management Act (MFMA), the goals and objectives of the Local Government units within the Provincial Treasury provides support, training and capacity building interventions within municipalities. In achieving these goals, the Department's three (3) year contract with the current service provided for specialised training to municipalities will expire on 31 March 2017. The Department is currently in the process of obtaining a new service provider by means of an open bid process which commenced in November 2016. It is expected that the new service provider will be appointed early in the 2017/18 financial year.

6. Receipts and financing

Summary of receipts

Table 6.1 below depicts the sources of funding for the vote.

Table 6.1 Summary of receipts

Receipts R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- priation 2016/17	Adjusted appro- priation 2016/17	Revised estimate 2016/17	% Change from Revised estimate 2017/18	2016/17	2018/19	2019/20
Treasury funding										
Equitable share	44 103	(56 936)	(104 922)	20 839	14 648	14 648	48 742	232.76	70 182	74 549
Financing	(63 610)	10 560	25 108		52 500	52 500	6 167	(88.25)		
Provincial Revenue Fund	(63 610)	10 560	25 108		52 500	52 500	6 167	(88.25)		
Total Treasury funding	(19 507)	(46 376)	(79 814)	20 839	67 148	67 148	54 909	(18.23)	70 182	74 549
Departmental receipts										
Tax receipts	441 130	519 340	553 914	432 267	432 267	432 267	498 141	15.24	527 017	556 541
Sales of goods and services other than capital assets	2 646	2 608	3 591	1 214	1 214	1 214	1 214		1 284	1 356
Transfers received				1	1	1	1		1	1
Fines, penalties and forfeits	693	309	295							
Interest, dividends and rent on land	8	6	3	52 500			1		1	1
Sales of capital assets		1								
Financial transactions in assets and liabilities	8 038	1 231	8 023	47	47	47	47		50	53
Total departmental receipts	452 515	523 495	565 826	486 029	433 529	433 529	499 404	15.20	528 353	557 952
Total receipts (Treasury funding and departmental receipts)	433 008	477 119	486 012	506 868	500 677	500 677	554 313	10.71	598 535	632 501
Own receipts - Provincial Treasury (allocated to other votes)	(233 041)	(244 971)	(245 625)	(246 129)	(246 129)	(246 129)	(246 129)		(260 405)	(274 987)
Total receipts (allocated to Vote 3)	199 967	232 148	240 387	260 739	254 548	254 548	308 184	21.07	338 130	357 514

Summary of receipts:

Total receipts allocated to Vote 3 increased by R53.636 million or 21.1 per cent from R254.548 million (revised estimate) in 2016/17 to R308.184 million in 2017/18. This is mainly as a result of the adjustments for salary increases of 9.1 per cent for 2017/18 (inclusive of a 2 per cent pay progression), as well as the funding of the Provincial Financial Capacity Building for bursary holders who completed their studies.

Treasury funding of which:

Equitable share allocations will amount to R48.742 million in 2017/18, R70.182 million in 2018/19 and R74.549 million in 2019/20.

Total departmental receipts for 2017/18 of R499.404 million will be allocated between the Department of the Premier (R246.129 million) and Provincial Treasury (R253.275 million) as part of the Governance and Administration Cluster.

Details of departmental receipts:

The departmental own receipts increases from R433.529 million in 2016/17 (revised estimate) to R499.404 million in 2017/18. The main source of this income is in respect of gambling tax receipts.

Tax receipts, of which casino and horse racing taxes are the main contributors, increase by R65.874 million or 15.2 per cent from a revised estimate of R432.267 million in 2016/17 to R498.141 million in 2017/18. The projected tax receipts over the MTEF show increases of 5.8 per cent in 2018/19 and 5.6 per cent in 2019/20.

Sales of goods and services (other than capital assets) comprises less than 0.3 per cent of the departmental receipts.

Donor funding (excluded from vote appropriation)

None.

7. Payment summary**Key assumptions**

Adjustments for salary increases are based on the 2015 Wage agreement of 9.1 per cent for 2017/18 and 8.9 per cent for 2018/19 and 8.8 per cent for 2019/20, inclusive of a 2 per cent pay progression provision in each financial year. Adjustments for the majority of the non-personnel expenditure items, classified as goods and services and payments for capital assets, are based on CPI headline estimates of 6.1 per cent in 2017/18, which is estimated to decrease to 5.9 per cent in 2018/19 and 5.8 per cent in 2019/20.

National and provincial priorities

Nationally, the two outcomes (NSOs) being responded to, are NSO 9: A responsive, accountable, effective and efficient local government system; and NSO 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

Provincially, both these national outcomes have been incorporated in the Provincial Strategic Goal 5 (PSG 5): Embed Good Governance and Integrated Service Delivery through Partnerships and Spatial Alignment.

Programme summary

Table 7.1 indicates the budget or estimated expenditure per programme and Table 7.2 per economic classification. Details of the Government Financial Statistics (GFS) economic classifications are annexed hereto in Table A.2.

Table 7.1 Summary of payments and estimates

Programme R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- priation 2016/17	Adjusted appro- priation 2016/17	Revised estimate 2016/17	% Change from Revised estimate 2016/17	2017/18	2018/19	2019/20
1. Administration	40 780	44 218	47 749	44 063	50 934	50 934	64 825	27.27	75 466	80 531
2. Sustainable Resource Management	86 182	101 491	108 379	121 990	113 943	113 943	140 563	23.36	151 775	161 560
3. Asset Management	47 520	55 732	53 472	57 930	54 833	54 833	59 820	9.09	63 769	65 923
4. Financial Governance	25 485	30 707	30 787	36 756	34 838	34 838	42 976	23.36	47 120	49 500
Total payments and estimates	199 967	232 148	240 387	260 739	254 548	254 548	308 184	21.07	338 130	357 514

Note: Programme 1: MEC total remuneration package: R1 901 726 with effect from 1 April 2016.

Earmarked allocation:

Aggregate compensation of employees' upper limit (Vote specific): R168 509 000 (2017/18), R182 685 000 (2018/19) and R196 674 000 (2019/20).

Aggregate compensation of employees' upper limit (Provincial Financial Capacity Building): R17 156 000 (2017/18), R27 657 000 (2018/19) and R30 066 000 (2019/20).

Summary by economic classification

Table 7.2 Summary of payments and estimates by economic classification

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- piation 2016/17	Adjusted appro- piation 2016/17	Revised estimate 2016/17	% Change from Revised estimate 2017/18	2016/17	2018/19	2019/20
Current payments	172 782	193 043	197 057	221 459	214 712	214 712	249 657	16.28	275 048	291 199
Compensation of employees	125 299	137 911	148 038	165 228	159 228	159 228	185 665	16.60	210 342	226 740
Goods and services	47 483	55 132	49 019	56 231	55 484	55 484	63 992	15.33	64 706	64 459
Transfers and subsidies to	22 389	35 241	38 595	35 800	36 530	36 530	53 867	47.46	59 051	62 343
Provinces and municipalities	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434
Departmental agencies and accounts	5 525	10 409	5 247	9 911	9 912	9 912	16 411	65.57	17 346	18 329
Non-profit institutions		100								
Households	1 495	2 932	4 201	4 375	4 604	4 604	3 490	(24.20)	3 394	3 580
Payments for capital assets	4 359	3 778	4 630	3 480	3 194	3 194	4 660	45.90	4 031	3 972
Machinery and equipment	4 324	3 753	4 014	3 455	3 155	3 155	4 619	46.40	3 988	3 926
Software and other intangible assets	35	25	616	25	39	39	41	5.13	43	46
Payments for financial assets	437	86	105		112	112		(100.00)		
Total economic classification	199 967	232 148	240 387	260 739	254 548	254 548	308 184	21.07	338 130	357 514

Infrastructure payments

None.

Departmental Public Private Partnership (PPP) projects

The Provincial Treasury does not have any departmental Public Private Partnership (PPP) projects.

The Provincial Treasury's oversight responsibilities for PPPs within the Province are housed under Sub-programme: Public Finance (Element: Infrastructure).

Transfers

Transfers to public entities

Table 7.3 Summary of departmental transfers to public entities

Public entities R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- piation 2016/17	Adjusted appro- piation 2016/17	Revised estimate 2016/17	% Change from Revised estimate 2017/18	2016/17	2018/19	2019/20
Western Cape Gambling and Racing Board	5 523	10 406	5 244	9 908	9 908	9 908	16 407	65.59	17 342	18 325
Total departmental transfers to public entities	5 523	10 406	5 244	9 908	9 908	9 908	16 407	65.59	17 342	18 325

Note: The Western Cape Gambling and Racing Board (WCGRB) falls within the oversight responsibilities of the Provincial Treasury.

Transfers to other entities

Table 7.4 Summary of departmental transfers to other entities

Entities R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Departmental Agencies and Accounts other: SABC- Radio & TV license	2	3	3	3	4	4	4		4	4
Total departmental transfers to other entities	2	3	3	3	4	4	4		4	4

Transfers to local government

Table 7.5 Summary of departmental transfers to local government by category

Departmental transfers R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Category A		300	300	120	340	340	240	(29.41)	360	480
Category B	11 939	17 635	23 512	2 880	15 174	15 174	5 760	(62.04)	8 640	11 520
Category C	3 430	3 865	5 335	600	6 500	6 500	1 200	(81.54)	1 800	2 400
Unallocated				17 914			26 766		27 511	26 034
Total departmental transfers to local government	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434

Earmarked allocation:

Support initiatives to municipalities to improve financial governance introduced during 2011/12 will continue over the MTEF, amounting to R16.077 million, R16.999 million and R17.929 million in 2017/18, 2018/19 and 2019/20 respectively for diverse financial support to municipalities. Some amounts are unallocated at this stage and will be shifted in the respective Adjusted Estimates that will be based on the outcomes and recommendations of Integrated Municipal Engagements (e.g. Municipal Governance Review and Outlook (MGRO), Integrated Development Plans (IDP) and Local Government Medium Term Expenditure Committee (LG MTEC)) processes.

8. Programme description

Programme 1: Administration

Purpose: To give strategic direction and to provide quality financial and other support services to the Minister and the Head of Department.

Analysis per sub-programme

Sub-programme 1.1: Office of the Minister

to assist the member of the Provincial Cabinet with those functions as assigned by legislation and/or the Premier

Sub-programme 1.2: Management Services

to provide strategic and operational management support services

Sub-programme 1.3: Financial Management

to assist the Accounting Officer to drive financial management in the Department

Policy developments

No specific policy changes are currently being considered.

Changes: Policy, structure, service establishment, etc. Geographic distribution of services

None.

Strategic goal as per Strategic Plan

Programme 1: Administration

Efficient and effective departmental governance support services.

Strategic objectives as per Annual Performance Plan

Sub-programme 1.1: Office of the Minister

To provide ministerial support services.

Sub-programme 1.2: Management Services

To improve corporate management processes.

Sub-programme 1.3: Financial Management

To provide financial administrative services to the Department.

Table 8.1 Summary of payments and estimates – Programme 1: Administration

Sub-programme R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- piation 2016/17	Adjusted appro- piation 2016/17	Revised estimate 2016/17	% Change from Revised estimate			
							2017/18	2016/17	2018/19	2019/20
1. Office of the Minister	6 242	5 698	6 199	6 530	6 268	6 268	6 512	3.89	6 924	7 285
2. Management Services	11 832	13 993	17 688	13 519	21 352	21 352	30 148	41.20	39 687	43 526
3. Financial Management	22 706	24 527	23 862	24 014	23 314	23 314	28 165	20.81	28 855	29 720
Total payments and estimates	40 780	44 218	47 749	44 063	50 934	50 934	64 825	27.27	75 466	80 531

Note: Sub-programme 1.1: MEC total remuneration package: R1 901 726 with effect from 1 April 2016.

Sub-programme 1.3: Corporate Services and Sub-programme 1.5: Internal Audit as per the National Treasury uniform budget and programme structure, is not utilised as it is centralised with the Department of the Premier (Corporate Services Centre/CSC).

Table 8.1.1 Summary of payments and estimates by economic classification – Programme 1: Administration

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- piation 2016/17	Adjusted appro- piation 2016/17	Revised estimate 2016/17	% Change from Revised estimate			
							2017/18	2016/17	2018/19	2019/20
Current payments	34 594	37 483	39 786	40 820	44 964	44 964	57 016	26.80	68 195	72 975
Compensation of employees	23 170	25 124	29 869	29 496	34 006	34 006	43 404	27.64	53 531	59 150
Goods and services	11 424	12 359	9 917	11 324	10 958	10 958	13 612	24.22	14 664	13 825
Transfers and subsidies to	1 390	2 871	3 844	3	2 804	2 804	3 298	17.62	3 398	3 584
Departmental agencies and accounts	2	3	3	3	4	4	4		4	4
Non-profit institutions		100								
Households	1 388	2 768	3 841		2 800	2 800	3 294	17.64	3 394	3 580
Payments for capital assets	4 359	3 778	4 014	3 240	3 054	3 054	4 511	47.71	3 873	3 972
Machinery and equipment	4 324	3 753	4 014	3 215	3 015	3 015	4 470	48.26	3 830	3 926
Software and other intangible assets	35	25		25	39	39	41	5.13	43	46
Payments for financial assets	437	86	105		112	112		(100.00)		
Total economic classification	40 780	44 218	47 749	44 063	50 934	50 934	64 825	27.27	75 466	80 531

Details of transfers and subsidies

Economic classification R'000	Outcome			Main appro- priation 2016/17	Adjusted appro- priation 2016/17	Revised estimate 2016/17	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2013/14	2014/15	2015/16				2017/18	2016/17	2018/19	2019/20
Transfers and subsidies to (Current)	1 390	2 871	3 844	3	2 804	2 804	3 298	17.62	3 398	3 584
Departmental agencies and accounts	2	3	3	3	4	4	4		4	4
Departmental agencies (non-business entities)	2	3	3	3	4	4	4		4	4
Other	2	3	3	3	4	4	4		4	4
Non-profit institutions		100								
Households	1 388	2 768	3 841		2 800	2 800	3 294	17.64	3 394	3 580
Social benefits	213	415	18		18	18	268	1388.89		
Other transfers to households	1 175	2 353	3 823		2 782	2 782	3 026	8.77	3 394	3 580

Expenditure trends analysis

The programme increased by R13.891 million from R50.934 million in 2016/17 (revised estimate) to R64.825 million in 2017/18, this equates to a nominal growth of 27.27 per cent. The growth from the 2016/17 (revised estimate) of R50.934 million to R80.531 million in 2019/20 reflects an annual average growth of 16.50 per cent over the three-year period. The substantial growth relates to the reprioritisation of the provincial financial capacity building initiative which forms part of the external bursary programme.

Programme 2: Sustainable Resource Management

Purpose: To ensure the efficient and effective management of provincial and municipal financial resources.

Analysis per sub-programme**Sub-programme 2.1: Programme Support**

to provide management and administrative support to the programme

Sub-programme 2.2: Fiscal Policy

to research, analyse and advise on the policy, strategy and management of provincial and municipal fiscal resources

Sub-programme 2.3: Budget Management**Provincial Government Budget Office**

to promote effective financial resource allocation, by providing socio-economic and policy research, analysis and advice that informs the preparation of the provincial budget, as well as the monitoring of budget implementation and performance

Local Government Budget Office

to promote effective financial resource allocation and provide socio-economic policy research, analysis and advice that inform the preparation of municipal budgets and monitor budget implementation

Sub-programme 2.4: Public Finance

Provincial Government Finance

to compile a credible and sustainable main and adjustments budget, and to guide and monitor the efficient implementation thereof

Local Government Finance (Groups 1 and 2)

to drive the implementation of the MFMA and assist and guide municipalities to prepare budgets and monitor the implementation thereof

Infrastructure

to promote the delivery of new and maintenance of existing physical infrastructure

Business Information and Data Management

to render a client interface, data collating, data and information management and records management service to the Provincial Treasury

Policy developments

Policy developments that will receive further attention in 2017/18 are:

A key objective of Provincial Treasury is to continue to balance public finances and maintain fiscal stability within the new constrained fiscal environment with the emphasis on appropriate management of fiscal risk and where possible, strengthening fiscal consolidation and the building up of reserves for contingencies. A specific strategy adopted by Provincial Treasury for the 2017/18 to 2019/20 MTEF, is to build on previous initiatives around containing the wage bill and to set personnel ceilings over the 2017 MTEF.

Changes: Policy, structure, service establishment, etc. Geographic distribution of services

None.

Strategic goals as per Strategic Plan

Programme 2: Sustainable Resource Management

Effective, efficient and sustainable management of provincial and municipal fiscal resources.

Strategic objectives as per Annual Performance Plan**Sub-programme 2.1: Programme Support**

To provide management and administrative support to Programme 2 - Sustainable Resource Management.

Sub-programme 2.2: Fiscal Policy

To conduct research and advise on the management of the provincial and municipal fiscal resources.

Sub-programme 2.3: Budget Management***Provincial Government Budget Office***

To promote effective resource allocation within the provincial budget through research, analysis and advice.

Local Government Budget Office

To promote effective resource allocation within municipal budgets through research, analysis and advice.

Sub-programme 2.4: Public Finance***Provincial Government Finance***

To improve the conformance, credibility, sustainability and guide and monitor the efficient implementation of the provincial budget.

Local Government Finance (Groups 1 and 2)

To guide and monitor the implementation of municipal budgets.

Infrastructure

To institutionalise and standardise good practice methodologies, tools and systems for physical infrastructure delivery and maintenance.

Business Information and Data Management

To render an effective data and information management service.

Table 8.2 Summary of payments and estimates – Programme 2: Sustainable Resource Management

Sub-programme R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
1. Programme Support	5 080	5 402	5 858	15 968	6 607	6 607	8 937	35.27	7 507	8 016
Programme Support	5 080	5 402	5 858	6 703	6 607	6 607	8 937	35.27	7 507	8 016
Capacity Building				9 265				26.65		
2. Fiscal Policy	13 832	20 245	14 594	20 799	21 650	21 650	29 735	37.34	31 913	33 837
Fiscal Policy	8 309	9 839	9 350	10 891	11 742	11 742	13 328	13.51	14 571	15 512
Western Cape Gambling and Racing Board	5 523	10 406	5 244	9 908	9 908	9 908	16 407	65.59	17 342	18 325
3. Budget Management	13 614	15 327	17 479	17 723	17 713	17 713	19 665	11.02	21 433	22 823
Provincial Government Budget Office	6 627	7 660	8 236	7 923	8 398	8 398	9 499	13.11	10 504	11 187
Local Government Budget Office	6 987	7 667	9 243	9 800	9 315	9 315	10 166	9.14	10 929	11 636
4. Public Finance	53 656	60 517	70 448	67 500	67 973	67 973	82 226	20.97	90 922	96 884
Provincial Government Finance	7 241	8 558	8 410	9 140	9 404	9 404	10 119	7.60	10 951	11 786
Local Government Finance Group 1	11 962	7 643	9 025	9 715	9 408	9 408	10 875	15.59	11 719	12 477
Local Government Finance Group 2	21 696	28 671	35 126	28 388	28 179	28 179	41 471	47.17	46 392	49 134
Infrastructure	6 137	6 333	7 604	7 700	7 472	7 472	8 417	12.65	9 453	10 233
Business Information and Data Management	6 620	9 312	10 283	12 557	13 510	13 510	11 344	(16.03)	12 407	13 254
Total payments and estimates	86 182	101 491	108 379	121 990	113 943	113 943	140 563	23.36	151 775	161 560

Note: Sub-programme 2.2: Economic Analysis as per the National Treasury uniform budget and programme structure, is subsumed as part of the Budget Office function.

Earmarked allocation:

Included in Sub-programme 2.4.2: Local Government Finance (Group 2) is an earmarked allocation amounting to R16.077 million, R16.999 million and R17.929 million in 2017/18, 2018/19 and 2019/20 respectively for diverse financial support to municipalities to improve financial governance introduced during 2011/12 and will continue over the MTEF, specifically to support the most vulnerable municipalities. Some amounts are unallocated at this stage and will be shifted in the respective Adjusted Estimates that will be based on the outcomes and recommendations of Integrated Municipal Engagements (e.g. Municipal Governance Review and Outlook (MGRO), Integrated Development Plans (IDP) and Local Government Medium Term Expenditure Committee (LG MTEC)) processes. (Also see Table 8.2.1 on the next page.)

Table 8.2.1 Summary of payments and estimates by economic classification – Programme 2: Sustainable Resource Management

Economic classification R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Current payments	65 222	69 193	73 806	87 792	81 858	81 858	90 190	10.18	96 122	102 801
Compensation of employees	51 322	57 808	60 461	70 913	62 531	62 531	72 026	15.18	78 816	85 203
Goods and services	13 900	11 385	13 345	16 879	19 327	19 327	18 164	(6.02)	17 306	17 598
Transfers and subsidies to	20 960	32 298	34 573	34 198	32 085	32 085	50 373	57.00	55 653	58 759
Provinces and municipalities	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434
Departmental agencies and accounts	5 523	10 406	5 244	9 908	9 908	9 908	16 407	65.59	17 342	18 325
Households	68	92	182	2 776	163	163		(100.00)		
Total economic classification	86 182	101 491	108 379	121 990	113 943	113 943	140 563	23.36	151 775	161 560

Details of transfers and subsidies

Economic classification R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Transfers and subsidies to (Current)	20 960	32 298	34 573	34 198	32 085	32 085	50 373	57.00	55 653	58 759
Provinces and municipalities	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434
Municipalities	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434
Municipal bank accounts	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434
Departmental agencies and accounts	5 523	10 406	5 244	9 908	9 908	9 908	16 407	65.59	17 342	18 325
Departmental agencies (non-business entities)	5 523	10 406	5 244	9 908	9 908	9 908	16 407	65.59	17 342	18 325
Western Cape Gambling and Racing Board	5 523	10 406	5 244	9 908	9 908	9 908	16 407	65.59	17 342	18 325
Households	68	92	182	2 776	163	163		(100.00)		
Social benefits	68	92	182	152	163	163		(100.00)		
Other transfers to households				2 624						

Expenditure trends analysis

The programme increased by R26.620 million from R113.943 million in 2016/17 (revised estimate) to R140.563 million in 2017/18, this equates to a nominal growth of 23.36 per cent. The growth from 2016/17 (revised estimate) of R113.943 million to R161.560 million in 2019/20 reflects an annual average growth of 12.34 per cent over the three-year period. The growth relates to financing of the Western Cape Gambling and Racing Board mainly due to the loss of the casino exclusivity fees and the priority funding allocations that are ring-fenced for municipal financial management improvement and capacity building support grants.

Programme 3: Asset Management

Purpose: To provide policy direction and to facilitate and enforce the management of provincial financial systems, supply chain and movable asset management within the provincial and municipal spheres.

Analysis per sub-programme

Sub-programme 3.1: Programme Support

to provide management and administrative support to the programme

Sub-programme 3.2: Supply Chain Management

Supply Chain Management: Provincial Government

to provide policy direction and facilitating the management of supply chain and asset management practices

Supply Chain Management: Local Government

to provide policy guidance and facilitating the management of supply chain and asset management practices

Sub-programme 3.3: Supporting and Interlinked Financial Systems

provide for the implementation, management and oversight of provincially operated financial systems and transition to the IFMS

Policy developments

Policy developments that will receive further attention in 2017/18 are:

In line with National Treasury efforts, improve procurement policy planning to support departments and municipalities to promote budget planning, efficiency in spending, strategic sourcing and provide structured support programmes to improve supply chain management governance.

Implement the revised Preferential Procurement Regulations in line with the objectives of PSG 1 but at the least possible cost.

Support National Treasury to optimise the current suite of financial systems, whilst at the same time assisting with the design and the ultimate roll-out of the integrated and revamped IFMS.

Changes: Policy, structure, service establishment, etc. Geographic distribution of services

None.

Strategic goals as per Strategic Plan

Programme 3: Asset Management

Financial system, supply chain and moveable asset governance within the provincial and municipal spheres.

Strategic objectives as per Annual Performance Plan

Sub-programme 3.1: Programme Support

To provide management and administrative support to Programme 3 - Asset Management.

Sub-programme 3.2: Supply Chain Management

Supply Chain Management: Provincial Government

To provide policy direction and facilitating the management of supply chain and asset management systems and practices in departments.

Supply Chain Management: Local Government

To provide policy guidance and facilitating the management of supply chain and asset management practices in municipalities.

Sub-programme 3.3: Supporting and Interlinked Financial Systems

To provide for the implementation, management and oversight of provincially operated financial systems and the migration to the IFMS.

Table 8.3 Summary of payments and estimates – Programme 3: Asset Management

Sub-programme R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
1. Programme Support	3 408	3 577	3 664	4 481	4 478	4 478	4 772	6.57	5 123	5 478
2. Supply Chain Management	14 815	20 799	19 269	19 483	18 886	18 886	28 141	49.00	29 993	31 371
Supply Chain Management: Provincial Government	10 020	14 327	12 514	12 421	12 377	12 377	20 663	66.95	21 873	22 699
Supply Chain Management: Local Government	4 795	6 472	6 755	7 062	6 509	6 509	7 478	14.89	8 120	8 672
3. Supporting and Interlinked Financial Systems	29 297	31 356	30 539	33 966	31 469	31 469	26 907	(14.50)	28 653	29 074
Total payments and estimates	47 520	55 732	53 472	57 930	54 833	54 833	59 820	9.09	63 769	65 923

Note: Sub-programme 3.2: Asset Management and Sub-programme 3.3: Liabilities Management as per the National Treasury uniform budget and programme structure, have been subsumed within the Sub-programme Supply Chain Management.

Table 8.3.1 Summary of payments and estimates by economic classification – Programme 3: Asset Management

Economic classification R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Current payments	47 496	55 686	53 310	56 331	53 192	53 192	59 624	12.09	63 769	65 923
Compensation of employees	28 058	29 810	32 454	35 238	34 514	34 514	38 298	10.96	41 500	43 526
Goods and services	19 438	25 876	20 856	21 093	18 678	18 678	21 326	14.18	22 269	22 397
Transfers and subsidies to Households	24	46	162	1 599	1 641	1 641	196	(88.06)		
	24	46	162	1 599	1 641	1 641	196	(88.06)		
Total economic classification	47 520	55 732	53 472	57 930	54 833	54 833	59 820	9.09	63 769	65 923

Details of transfers and subsidies

Economic classification R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Transfers and subsidies to (Current)	24	46	162	1 599	1 641	1 641	196	(88.06)		
Households	24	46	162	1 599	1 641	1 641	196	(88.06)		
Social benefits	24	46	162	1 599	1 641	1 641	196	(88.06)		

Expenditure trends analysis

The programme increased by R4.987 million from R54.833 million in 2016/17 (revised estimate) to R59.820 million in 2017/18, this equates to a nominal growth of 9.09 per cent. The growth from 2016/17 (revised estimate) of R54.833 million to R65.923 million in 2019/20 reflects an annual average growth of 6.33 per cent over the three-year period. The growth relates to the continued development of strategic sourcing methodologies to improve efficiencies in supply chain and movable asset management and maintenance of the central supplier database.

Programme 4: Financial Governance

Purpose: To promote accountability and financial governance within departments, entities and municipalities.

Analysis per sub-programme

Sub-programme 4.1: Programme Support

to provide management and administrative support to the programme

Sub-programme 4.2: Accounting Services

Local Government Accounting

to improve the application of accounting standards and financial reporting within municipalities

Provincial Government Accounting and Compliance

to drive financial governance reforms, the implementation of accounting practices and prepare consolidated financial statements

Sub-programme 4.3: Corporate Governance

to strengthen corporate governance within the Province through the implementation of risk management, internal audit and compliance with financial norms and standards

Policy developments

Policy developments that will receive further attention in 2017/18 are:

Continued improvement will be maintained on the initiatives that have been introduced under the banners of the LG MTEC and PG MTEC processes, CGRO and MGRO. These initiatives, which are aimed at supporting the National Development Plan, National Outcomes 9 and 12 and PSG 5, will be further refined during the 2017 MTEF. The Back to Basics (B2B) approach, adopted by National Department of Cooperative Governance and Traditional Affairs, National Treasury Financial Management Capability Maturity Model principles and fundamentals are already embedded in the MGRO approach that was previously adopted by all municipalities in the Western Cape.

Changes: Policy, structure, service establishment, etc. Geographic distribution of service

None.

Strategic goals as per Strategic Plan

Programme 4: Financial Governance

To embed good governance through financial management improvements and capacity building initiatives for departments, entities and municipalities.

Strategic objectives as per Annual Performance Plan

Sub-programme 4.1: Programme Support

To provide management and administrative support to Programme 4 – Financial Governance.

Sub-programme 4.2: Accounting Services

Local Government Accounting

To improve the understanding and application of accounting standards and financial reporting within municipalities.

Provincial Government Accounting and Compliance

To improve the application of accounting practices in line with the reporting framework, prepare provincial consolidated financial statements and gradually drive financial governance reform.

Sub-programme 4.3: Corporate Governance

To develop, monitor and advise on norms and standards of corporate governance within municipalities and financial legislation in departments.

Table 8.4 Summary of payments and estimates – Programme 4: Financial Governance

Sub-programme R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- priation 2016/17	Adjusted appro- priation 2016/17	Revised estimate 2016/17	% Change from Revised estimate			
							2017/18	2016/17	2018/19	2019/20
1. Programme Support	1 982	3 307	1 506	5 296	4 904	4 904	7 429	51.49	9 829	9 689
Programme Support	1 982	3 307	1 506	1 790	1 777	1 777	2 413	35.79	2 556	2 724
CA Academy				3 506	3 127	3 127	5 016	60.41	7 273	6 965
2. Accounting Services	13 419	16 101	17 479	18 119	18 070	18 070	21 083	16.67	22 415	24 026
Provincial Government Accounting and Compliance	6 505	8 623	10 712	10 028	10 341	10 341	10 699	3.46	11 161	12 029
Local Government Accounting	6 914	7 478	6 767	8 091	7 729	7 729	10 384	34.35	11 254	11 997
3. Corporate Governance	10 084	11 299	11 802	13 341	11 864	11 864	14 464	21.92	14 876	15 785
Total payments and estimates	25 485	30 707	30 787	36 756	34 838	34 838	42 976	23.36	47 120	49 500

Note: Sub-programme 4.3: Norms and Standards and Sub-programme 4.4: Risk Management as per the National Treasury uniform budget and programme structure, have been subsumed within the Sub-programme Corporate Governance.

Sub-programme 4.5: Provincial Internal Audit as per the National Treasury uniform budget and programme structure, was shifted to the Department of the Premier during the 2010/11 financial year.

Table 8.4.1 Summary of payments and estimates by economic classification – Programme 4: Financial Governance

Economic classification R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Current payments	25 470	30 681	30 155	36 516	34 698	34 698	42 827	23.43	46 962	49 500
Compensation of employees	22 749	25 169	25 254	29 581	28 177	28 177	31 937	13.34	36 495	38 861
Goods and services	2 721	5 512	4 901	6 935	6 521	6 521	10 890	67.00	10 467	10 639
Transfers and subsidies to	15	26	16							
Households	15	26	16							
Payments for capital assets			616	240	140	140	149	6.43	158	
Machinery and equipment				240	140	140	149	6.43	158	
Software and other intangible assets			616							
Total economic classification	25 485	30 707	30 787	36 756	34 838	34 838	42 976	23.36	47 120	49 500

Details of transfers and subsidies

Economic classification R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Transfers and subsidies to (Current)	15	26	16							
Households	15	26	16							
Social benefits	15	26	16							

Expenditure trends analysis

The programme increased by R8.138 million from R34.838 million in 2016/17 (revised estimate) to R42.976 million in 2017/18, this equates to a nominal growth of 23.36 per cent. The growth from 2016/17 (revised estimate) of R34.838 million to R49.500 million in 2019/20 reflects an annual average growth of 12.42 per cent over the three-year period. The growth relates to the continued support offered to municipalities, as well as providing transversal internal control services pertaining to the training office.

9. Other programme information

Personnel numbers and costs

Table 9.1 Personnel numbers and costs

Cost in R million	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 to 2019/20			
	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	25	3 763	24	3 880	42	4 745	(17)	61	44	7 663	86	17 115	113	28 330	113	29 925	36.9%	57.5%	10.6%	
7 – 10	210	62 889	208	69 230	201	74 907	171	14	185	78 564	194	89 294	193	97 155	194	104 395	1.6%	9.9%	47.2%	
11 – 12	65	35 574	66	41 331	63	44 665	59	1	60	46 799	64	50 504	65	54 910	65	59 865	2.7%	8.6%	27.1%	
13 – 16	21	21 408	19	21 727	20	21 650	22	1	23	25 270	23	27 943	24	29 445	24	32 044	1.4%	8.2%	14.7%	
Other	1	1 665	1	1 743	1	2 071	(4)	12	8	932	12	809	10	502	10	511	7.7%	(18.2%)	0.4%	
Total	322	125 299	318	137 911	327	148 038	231	89	320	159 228	379	185 665	405	210 342	406	226 740	8.3%	12.5%	100.0%	
Programme																				
Administration	65	23 170	76	25 124	82	29 869	19	63	82	34 006	123	43 404	150	53 531	160	59 150	25.0%	20.3%	24.3%	
Sustainable Resource Management	130	51 322	125	57 808	118	60 461	109		109	62 531	118	72 026	118	78 816	118	85 203	2.7%	10.9%	38.2%	
Asset Management	70	28 058	63	29 810	72	32 454	63	5	68	34 514	71	38 298	73	41 500	68	43 526		8.0%	20.2%	
Financial Governance	57	22 749	54	25 169	55	25 254	40	21	61	28 177	67	31 937	64	36 495	60	38 861	(0.5%)	11.3%	17.3%	
Total	322	125 299	318	137 911	327	148 038	231	89	320	159 228	379	185 665	405	210 342	406	226 740	8.3%	12.5%	100.0%	
Employee dispensation classification																				
Public Service Act appointees not covered by OSDs					327	148 038	320			159 228	297	168 509	299	182 685	294	196 674		7.3%	90.4%	
Others such as interns, EPWP, learnerships, etc											82	17 156	106	27 657	112	30 066			9.6%	
Total					327	148 038	320			159 228	379	185 665	405	210 342	406	226 740		12.5%	100.0%	

¹ Personnel numbers includes all filled posts together with those posts additional to the approved establishment.

Training

Table 9.2 Information on training

Description	Outcome						Medium-term estimate			
				Main appro- priation	Adjusted appro- priation	Revised estimate	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Number of staff	322	318	327	341	320	320	379	18.44	405	406
Number of personnel trained	200	277	287	297	297	297	312	5.05	330	330
of which										
Male	100	128	120	136	136	136	141	3.68	149	149
Female	100	149	167	161	161	161	171	6.21	181	181
Number of training opportunities	266	529	603	558	558	558	580	3.90	613	613
of which										
Tertiary	69	49	39	52	52	52	53	1.92	56	56
Workshops	45	273	250	287	287	287	298	3.83	315	315
Seminars	22	13	11	15	15	15	16	5.00	17	17
Other	130	194	303	204	204	204	213	4.41	225	225
Number of bursaries offered	26	24	27	28	28	28	29	3.57	31	31
Number of interns appointed	18	16	14	16	16	16	17	6.25	18	18
Number of days spent on training	120	600	867	740	740	740	780	5.41	825	825
Payments on training by programme										
1. Administration	390	631	589	1 003	1 048	1 048	1 185	13.07	1 377	1 434
2. Sustainable Resource Management	396	488	290	709	625	625	720	15.20	788	852
3. Asset Management	175	201	248	352	345	345	383	11.01	415	435
4. Financial Governance	295	331	148	369	358	358	722	101.68	784	809
Total payments on training	1 256	1 651	1 275	2 433	2 376	2 376	3 010	26.68	3 364	3 530

Reconciliation of structural changes

None.

Annexure A to Vote 3

Table A.1 Specification of receipts

Receipts R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- piation 2016/17	Adjusted appro- piation 2016/17	Revised estimate 2016/17	% Change from Revised estimate 2017/18			
								2016/17	2018/19	2019/20
Tax receipts (Casino and LGM taxes)	441 130	519 340	553 914	432 267	432 267	432 267	498 141	15.24	527 017	556 541
Casino and LGM taxes	408 661	478 819	513 252	412 267	412 267	412 267	470 141	14.04	497 401	525 261
Horse racing taxes	32 469	40 521	40 662	20 000	20 000	20 000	28 000	40.00	29 616	31 280
Other taxes (Liquor licence fees)								40.00		
Sales of goods and services other than capital assets	2 646	2 608	3 591	1 214	1 214	1 214	1 214		1 284	1 356
Sales of goods and services produced by department (excluding capital assets)	2 646	2 606	3 589	1 213	1 213	1 213	1 213		1 283	1 355
Administrative fees	2 646	2 580	3 556	1 201	1 201	1 201	1 201		1 271	1 342
Other	2 646	2 580	3 556	1 201	1 201	1 201	1 201		1 271	1 342
Other sales		26	33	12	12	12	12		12	13
Commission on insurance		26	26							
Other			7	12	12	12	12		12	13
Sales of scrap, waste, arms and other used current goods (excluding capital assets)		2	2	1	1	1	1		1	1
Transfers received from				1	1	1	1		1	1
Households and non-profit institutions				1	1	1	1		1	1
Fines, penalties and forfeits	693	309	295							
Interest, dividends and rent on land	8	6	3	52 500			1		1	1
Interest	8	6	3	52 500			1		1	1
Sales of capital assets		1								
Other capital assets		1								
Financial transactions in assets and liabilities	8 038	1 231	8 023	47	47	47	47		50	53
Recovery of previous year's expenditure	230	1 074	1 238							
Unallocated credits			9							
Cash surpluses	7 479	64	6 701							
Other	329	93	75	47	47	47	47		50	53
Total departmental receipts	452 515	523 495	565 826	486 029	433 529	433 529	499 404	15.20	528 353	557 952

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Table A.2 Summary of payments and estimates by economic classification

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- piation 2016/17	Adjusted appro- piation 2016/17	Revised estimate 2016/17	% Change from Revised estimate			
							2017/18	2016/17	2018/19	2019/20
Current payments	172 782	193 043	197 057	221 459	214 712	214 712	249 657	16.28	275 048	291 199
Compensation of employees	125 299	137 911	148 038	165 228	159 228	159 228	185 665	16.60	210 342	226 740
Salaries and wages	110 382	121 867	130 376	145 981	140 470	140 470	164 727	17.27	187 662	202 187
Social contributions	14 917	16 044	17 662	19 247	18 758	18 758	20 938	11.62	22 680	24 553
Goods and services	47 483	55 132	49 019	56 231	55 484	55 484	63 992	15.33	64 706	64 459
of which										
Administrative fees	153	175	206	297	526	526	430	(18.25)	470	470
Advertising	914	490	882	826	782	782	822	5.12	907	920
Minor Assets	177	232	315	365	304	304	584	92.11	423	424
Audit cost: External	5 122	5 181	5 488	5 439	4 856	4 856	5 152	6.10	5 710	5 773
Bursaries: Employees	286	498	510	708	708	708	751	6.07	842	842
Catering: Departmental activities	521	371	360	394	553	553	630	13.92	630	630
Communication (G&S)	974	891	529	1 470	782	782	847	8.31	850	853
Computer services	6 135	5 222	5 304	6 105	8 135	8 135	8 590	5.59	9 209	9 209
Consultants and professional services: Business and advisory services	21 455	30 212	23 760	25 317	24 218	24 218	29 289	20.94	27 630	27 616
Legal costs	70									
Contractors	671	345	356	539	488	488	541	10.86	575	578
Agency and support/outsourced services	159	122	259	100	101	101		(100.00)		
Entertainment	123	105	105	212	210	210	210		210	210
Fleet services (including government motor transport)		930	1 075	1 018	1 018	1 018	1 080	6.09	1 210	1 210
Inventory: Food and food supplies	74									
Inventory: Materials and supplies	8									
Consumable supplies	40	216	144	233	226	226	223	(1.33)	228	230
Consumable: Stationery, printing and office supplies	3 229	2 595	2 317	3 167	1 987	1 987	2 158	8.61	2 264	2 387
Operating leases	332	250	407	345	345	345	378	9.57	400	410
Property payments	4						1 000		1 000	
Transport provided: Departmental activity	5	4	3	4	4	4	4		4	4
Travel and subsistence	4 562	4 791	4 913	5 909	5 538	5 538	5 794	4.62	6 099	6 426
Training and development	970	1 153	765	1 725	1 668	1 668	2 259	35.43	2 522	2 688
Operating payments	415	299	474	560	1 593	1 593	1 702	6.84	1 825	1 867
Venues and facilities	1 084	1 050	847	1 498	1 442	1 442	1 548	7.35	1 698	1 712
Transfers and subsidies to	22 389	35 241	38 595	35 800	36 530	36 530	53 867	47.46	59 051	62 343
Provinces and municipalities	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434
Municipalities	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434
Municipal bank accounts	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434
Departmental agencies and accounts	5 525	10 409	5 247	9 911	9 912	9 912	16 411	65.57	17 346	18 329
Departmental agencies (non-business entities)	5 525	10 409	5 247	9 911	9 912	9 912	16 411	65.57	17 346	18 329
Western Cape Gambling and Racing Board	5 523	10 406	5 244	9 908	9 908	9 908	16 407	65.59	17 342	18 325
Other	2	3	3	3	4	4	4		4	4
Non-profit institutions		100								
Households	1 495	2 932	4 201	4 375	4 604	4 604	3 490	(24.20)	3 394	3 580
Social benefits	320	579	378	1 751	1 822	1 822	464	(74.53)		
Other transfers to households	1 175	2 353	3 823	2 624	2 782	2 782	3 026	8.77	3 394	3 580
Payments for capital assets	4 359	3 778	4 630	3 480	3 194	3 194	4 660	45.90	4 031	3 972
Machinery and equipment	4 324	3 753	4 014	3 455	3 155	3 155	4 619	46.40	3 988	3 926
Transport equipment	1 043	1 217	1 663	1 327	1 327	1 327	1 408	6.10	1 577	1 577
Other machinery and equipment	3 281	2 536	2 351	2 128	1 828	1 828	3 211	75.66	2 411	2 349
Software and other intangible assets	35	25	616	25	39	39	41	5.13	43	46
Payments for financial assets	437	86	105		112	112		(100.00)		
Total economic classification	199 967	232 148	240 387	260 739	254 548	254 548	308 184	21.07	338 130	357 514

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Table A.2.1 Payments and estimates by economic classification – Programme 1: Administration

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- piation 2016/17	Adjusted appro- piation 2016/17	Revised estimate 2016/17	% Change from Revised estimate			
							2017/18	2016/17	2018/19	2019/20
Current payments	34 594	37 483	39 786	40 820	44 964	44 964	57 016	26.80	68 195	72 975
Compensation of employees	23 170	25 124	29 869	29 496	34 006	34 006	43 404	27.64	53 531	59 150
Salaries and wages	20 512	22 273	26 512	25 886	30 539	30 539	39 584	29.62	49 462	54 727
Social contributions	2 658	2 851	3 357	3 610	3 467	3 467	3 820	10.18	4 069	4 423
Goods and services	11 424	12 359	9 917	11 324	10 958	10 958	13 612	24.22	14 664	13 825
of which										
Administrative fees	119	171	204	171	395	395	430	8.86	470	470
Advertising	784	357	432	630	631	631	663	5.07	739	742
Minor Assets	177	232	315	365	304	304	584	92.11	423	424
Audit cost: External	3 523	2 943	3 620	3 489	2 939	2 939	3 118	6.09	3 494	3 494
Bursaries: Employees	286	498	510	708	708	708	751	6.07	842	842
Catering: Departmental activities	78	106	74	130	175	175	170	(2.86)	170	170
Communication (G&S)	792	259	121	273	162	162	188	16.05	188	188
Computer services	850	1 055	920	1 141	1 740	1 740	1 803	3.62	2 019	2 019
Consultants and professional services: Business and advisory services	1 320	3 251	396	191	191	191	901	371.73	913	913
Contractors	425	193	203	253	212	212	287	35.38	314	326
Agency and support/outourced services	46	14			1	1		(100.00)		
Entertainment	23	23	25	44	44	44	44		44	44
Fleet services (including government motor transport)		930	1 075	1 018	1 018	1 018	1 080	6.09	1 210	1 210
Inventory: Food and food supplies	12									
Inventory: Materials and supplies	8									
Consumable supplies	40	126	81	110	107	107	109	1.87	113	114
Consumable: Stationery, printing and office supplies	837	594	509	665	512	512	541	5.66	574	605
Operating leases	332	250	407	345	345	345	378	9.57	400	410
Property payments	4						1 000		1 000	
Transport provided: Departmental activity	2	4	3	4	4	4	4		4	4
Travel and subsistence	1 547	1 142	709	1 198	777	777	757	(2.57)	808	844
Training and development	104	133	79	295	340	340	434	27.65	535	592
Operating payments	89	64	71	116	178	178	185	3.93	196	206
Venues and facilities	26	14	163	178	175	175	185	5.71	208	208
Transfers and subsidies to	1 390	2 871	3 844	3	2 804	2 804	3 298	17.62	3 398	3 584
Departmental agencies and accounts	2	3	3	3	4	4	4		4	4
Departmental agencies (non-business entities)	2	3	3	3	4	4	4		4	4
Other	2	3	3	3	4	4	4		4	4
Non-profit institutions		100								
Households	1 388	2 768	3 841		2 800	2 800	3 294	17.64	3 394	3 580
Social benefits	213	415	18		18	18	268	1388.89		
Other transfers to households	1 175	2 353	3 823		2 782	2 782	3 026	8.77	3 394	3 580
Payments for capital assets	4 359	3 778	4 014	3 240	3 054	3 054	4 511	47.71	3 873	3 972
Machinery and equipment	4 324	3 753	4 014	3 215	3 015	3 015	4 470	48.26	3 830	3 926
Transport equipment	1 043	1 217	1 663	1 327	1 327	1 327	1 408	6.10	1 577	1 577
Other machinery and equipment	3 281	2 536	2 351	1 888	1 688	1 688	3 062	81.40	2 253	2 349
Software and other intangible assets	35	25		25	39	39	41	5.13	43	46
Payments for financial assets	437	86	105		112	112		(100.00)		
Total economic classification	40 780	44 218	47 749	44 063	50 934	50 934	64 825	27.27	75 466	80 531

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Table A.2.2 Payments and estimates by economic classification – Programme 2: Sustainable Resource Management

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- piation 2016/17	Adjusted appro- piation 2016/17	Revised estimate 2016/17	% Change from Revised estimate			
							2017/18	2016/17	2018/19	2019/20
Current payments	65 222	69 193	73 806	87 792	81 858	81 858	90 190	10.18	96 122	102 801
Compensation of employees	51 322	57 808	60 461	70 913	62 531	62 531	72 026	15.18	78 816	85 203
Salaries and wages	45 294	51 319	53 416	63 199	55 033	55 033	63 342	15.10	69 329	74 940
Social contributions	6 028	6 489	7 045	7 714	7 498	7 498	8 684	15.82	9 487	10 263
Goods and services	13 900	11 385	13 345	16 879	19 327	19 327	18 164	(6.02)	17 306	17 598
of which										
Administrative fees	17	4	1		5	5		(100.00)		
Advertising	92	126	423	146	101	101	106	4.95	112	119
Audit cost: External	790	1 335	866	950	950	950	1 008	6.11	1 129	1 129
Catering: Departmental activities	300	112	122	132	182	182	230	26.37	230	230
Communication (G&S)	122	179	181	666	286	286	307	7.34	310	313
Computer services	260	187	327	193	193	193	205	6.22	217	217
Consultants and professional services: Business and advisory services	7 845	5 079	6 847	8 916	11 813	11 813	10 191	(13.73)	8 875	8 875
Contractors	198	88	66	132	132	132	118	(10.61)	118	118
Agency and support/outsourced services	113	93	238	100	100	100		(100.00)		
Entertainment	63	52	56	108	108	108	108		108	108
Inventory: Food and food supplies	32									
Consumable supplies		46	32	69	66	66	66		67	68
Consumable: Stationery, printing and office supplies	1 911	1 509	1 436	1 846	940	940	1 089	15.85	1 132	1 193
Transport provided: Departmental activity	3									
Travel and subsistence	1 364	1 694	2 038	2 419	2 437	2 437	2 539	4.19	2 655	2 788
Training and development	396	488	290	709	625	625	720	15.20	788	852
Operating payments	257	183	349	265	1 162	1 162	1 218	4.82	1 290	1 303
Venues and facilities	137	210	73	228	227	227	259	14.10	275	285
Transfers and subsidies to	20 960	32 298	34 573	34 198	32 085	32 085	50 373	57.00	55 653	58 759
Provinces and municipalities	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434
Municipalities	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434
Municipal bank accounts	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434
Departmental agencies and accounts	5 523	10 406	5 244	9 908	9 908	9 908	16 407	65.59	17 342	18 325
Departmental agencies (non-business entities)	5 523	10 406	5 244	9 908	9 908	9 908	16 407	65.59	17 342	18 325
Western Cape Gambling and Racing Board	5 523	10 406	5 244	9 908	9 908	9 908	16 407	65.59	17 342	18 325
Households	68	92	182	2 776	163	163		(100.00)		
Social benefits	68	92	182	152	163	163		(100.00)		
Other transfers to households				2 624						
Total economic classification	86 182	101 491	108 379	121 990	113 943	113 943	140 563	23.36	151 775	161 560

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Table A.2.3 Payments and estimates by economic classification – Programme 3: Asset Management

Economic classification R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Current payments	47 496	55 686	53 310	56 331	53 192	53 192	59 624	12.09	63 769	65 923
Compensation of employees	28 058	29 810	32 454	35 238	34 514	34 514	38 298	10.96	41 500	43 526
Salaries and wages	24 585	26 135	28 301	30 725	30 010	30 010	33 437	11.42	36 255	37 851
Social contributions	3 473	3 675	4 153	4 513	4 504	4 504	4 861	7.93	5 245	5 675
Goods and services	19 438	25 876	20 856	21 093	18 678	18 678	21 326	14.18	22 269	22 397
of which										
Administrative fees	6		1							
Advertising	38	7	27	50	50	50	53	6.00	56	59
Catering: Departmental activities	65	153	61	66	66	66	80	21.21	80	80
Communication (G&S)	20	338	162	326	229	229	238	3.93	238	238
Computer services	5 025	3 843	4 057	4 746	6 177	6 177	6 553	6.09	6 939	6 939
Consultants and professional services: Business and advisory services	12 140	19 189	14 103	12 871	9 131	9 131	11 261	23.33	11 579	11 579
Legal costs	70									
Contractors	19	30	44	77	77	77	75	(2.60)	75	70
Agency and support/outsourced services		15	7							
Entertainment	16	14	11	28	28	28	28		28	28
Inventory: Food and food supplies	17									
Consumable supplies		30	22	35	35	35	30	(14.29)	30	30
Consumable: Stationery, printing and office supplies	315	335	247	402	366	366	357	(2.46)	378	400
Travel and subsistence	725	990	1 286	1 218	1 308	1 308	1 369	4.66	1 445	1 532
Training and development	175	201	248	352	345	345	383	11.01	415	435
Operating payments	9	14	6	11	11	11	11		12	13
Venues and facilities	798	717	574	911	855	855	888	3.86	994	994
Transfers and subsidies to	24	46	162	1 599	1 641	1 641	196	(88.06)		
Households	24	46	162	1 599	1 641	1 641	196	(88.06)		
Social benefits	24	46	162	1 599	1 641	1 641	196	(88.06)		
Total economic classification	47 520	55 732	53 472	57 930	54 833	54 833	59 820	9.09	63 769	65 923

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Table A.2.4 Payments and estimates by economic classification – Programme 4: Financial Governance

Economic classification R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Current payments	25 470	30 681	30 155	36 516	34 698	34 698	42 827	23.43	46 962	49 500
Compensation of employees	22 749	25 169	25 254	29 581	28 177	28 177	31 937	13.34	36 495	38 861
Salaries and wages	19 991	22 140	22 147	26 171	24 888	24 888	28 364	13.97	32 616	34 669
Social contributions	2 758	3 029	3 107	3 410	3 289	3 289	3 573	8.63	3 879	4 192
Goods and services	2 721	5 512	4 901	6 935	6 521	6 521	10 890	67.00	10 467	10 639
of which										
Administrative fees	11			126	126	126		(100.00)		
Audit cost: External	809	903	1 002	1 000	967	967	1 026	6.10	1 087	1 150
Catering: Departmental activities	78		103	66	130	130	150	15.38	150	150
Communication (G&S)	40	115	65	205	105	105	114	8.57	114	114
Computer services		137		25	25	25	29	16.00	34	34
Consultants and professional services: Business and advisory services	150	2 693	2 414	3 339	3 083	3 083	6 936	124.98	6 263	6 249
Contractors	29	34	43	77	67	67	61	(8.96)	68	64
Agency and support/outsourced services			14							
Entertainment	21	16	13	32	30	30	30		30	30
Inventory: Food and food supplies	13									
Consumable supplies		14	9	19	18	18	18		18	18
Consumable: Stationery, printing and office supplies	166	157	125	254	169	169	171	1.18	180	189
Travel and subsistence	926	965	880	1 074	1 016	1 016	1 129	11.12	1 191	1 262
Training and development	295	331	148	369	358	358	722	101.68	784	809
Operating payments	60	38	48	168	242	242	288	19.01	327	345
Venues and facilities	123	109	37	181	185	185	216	16.76	221	225
Transfers and subsidies to	15	26	16							
Households	15	26	16							
Social benefits	15	26	16							
Payments for capital assets			616	240	140	140	149	6.43	158	
Machinery and equipment				240	140	140	149	6.43	158	
Other machinery and equipment				240	140	140	149	6.43	158	
Software and other intangible assets			616							
Total economic classification	25 485	30 707	30 787	36 756	34 838	34 838	42 976	23.36	47 120	49 500

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Table A.3 Details on public entities – Name of Public Entity: Western Cape Gambling and Racing Board

R thousand	Audited outcome		Actual outcome 2015/16	Main appro- priation	Adjusted appro- priation 2016/17	Revised estimate	Medium-term receipts estimate		
	2013/14	2014/15					2017/18	2018/19	2019/20
Revenue									
Non-tax revenue	49 364	59 239	50 545	50 785	50 785	50 785	58 104	61 485	64 887
Sale of goods and services other than capital assets	34 444	36 540	34 704	35 917	35 917	35 917	40 767	43 213	45 632
Entity revenue other than sales	1 038	1 293	1 229	960	960	960	930	930	930
Transfers received	13 882	21 406	14 612	13 908	13 908	13 908	16 407	17 342	18 325
Total revenue	49 364	59 239	50 545	50 785	50 785	50 785	58 104	61 485	64 887
Expenses									
Current expense	37 026	41 756	43 130	49 814	49 814	49 814	53 838	57 471	61 282
Compensation of employees	27 899	31 284	35 049	39 265	39 265	39 265	41 548	43 952	46 411
Goods and services	9 127	10 472	8 081	10 549	10 549	10 549	12 290	13 519	14 871
Payments for capital assets	704	852	2 354	967	967	967	4 266	4 013	3 605
Total expenses	37 730	42 608	45 484	50 781	50 781	50 781	58 104	61 485	64 887
Surplus / (Deficit)	11 634	16 631	5 061	4	4	4	(0)	0	
Approval to retain Accumulated Surplus in transfers	(3 556)	(11 000)	(9 368)						
Net of Gain on asset disposal & loss on actuarial			(43)						
Capital assets	704	853	2 354						
Depreciation & Amortisation	(884)	(1 415)	(1 201)						
Surplus/(deficit) after adjustments¹	7 898	5 069	(3 197)	4	4	4	(0)	0	
Cash flow from investing activities	(683)	(838)	(2 336)	(947)	(947)	(947)	(1 003)	(1 062)	(1 124)
Acquisition of Assets	(704)	(853)	(2 355)	(967)	(967)	(967)	(1 023)	(1 082)	(1 144)
Furniture and Office equipment	(704)	(853)	(2 355)	(967)	(967)	(967)	(1 023)	(1 082)	(1 144)
Other flows from Investing Activities	21	15	19	20	20	20	20	20	20
Proceeds from sale of PPE	21	15	19	20	20	20	20	20	20
Cash flow from financing activities	(15 266)	3 743	(5 112)	1 940	1 940	1 940	2 037	2 037	2 037
Other	(15 266)	3 743	(5 112)	1 940	1 940	1 940	2 037	2 037	2 037
Net increase / (decrease) in cash and cash equivalents	(15 949)	2 905	(7 448)	993	993	993	1 034	975	913
Balance Sheet Data									
Carrying Value of Assets	2 540	1 936	3 074	1 389	1 389	1 389	1 458	1 771	1 871
Computer equipment	1 413	744	2 047	677	677	677	650	750	750
Furniture and Office equipment	542	783	669	440	440	440	400	450	450
Other Machinery and equipment	251	190	207	150	150	150	130	150	150
Transport Assets	33	55	27	27	27	27	180	300	400
Computer Software	239	111	79	60	60	60	70	100	100
Service and Operating Rights	9	6	5						
Other Intangibles	53	47	40	35	35	35	28	21	21
Cash and Cash Equivalents	25 496	35 454	24 601	17 504	17 504	17 504	18 379	19 004	19 004
Bank	13 130	18 882	6 404	2 000	2 000	2 000	2 100	3 000	3 000
Cash on Hand	4	4	4	4	4	4	4	4	4
Other	12 362	16 568	18 193	15 500	15 500	15 500	16 275	16 000	16 000
Receivables and Prepayments	795	1 432	3 082	455	455	455	478	470	470
Trade Receivables	695	1 392	2 891	435	435	435	458	450	450
Prepaid Expenses	100	40	191	20	20	20	20	20	20
Inventory	28	35	30						
Other	28	35	30						
Total Assets	28 859	38 857	30 787	19 348	19 348	19 348	20 315	21 245	21 345
Capital and Reserves	22 634	25 999	9 061	167	167	167	368	0	
Accumulated Reserves	11 000	9 368	4 000	163	163	163	368		
Surplus / (Deficit)	11 634	16 631	5 061	4	4	4	(0)	0	
Post Retirement Benefits	1 800	1 837	2 035						
Present value of Funded obligations	1 800	1 837	2 035						
Trade and Other Payables	2 242	10 234	5 465	3 685	3 685	3 685	3 672	5 245	5 345
Trade Payables	2 242	10 234	5 465	3 685	3 685	3 685	3 672	5 245	5 345
Provisions	1 455	850	1 130						
Other	1 455	850	1 130						
Funds Managed (e.g. Poverty Alleviation Fund)	12 362	16 568	18 158	15 500	15 500	15 500	16 275	16 000	16 000
Other	12 362	16 568	18 158	15 500	15 500	15 500	16 275	16 000	16 000

Note: For 2016/17 Transfer received includes an amount of R4 million retention of surplus fund from 2015/16.

Annexure A to Vote 3

Table A.4 Transfers to local government by transfers/grant type, category and municipality

Municipalities R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- piation 2016/17	Adjusted appro- piation 2016/17	Revised estimate 2016/17	% Change from Revised estimate			
							2017/18	2016/17	2018/19	2019/20
Total departmental transfers/grants										
Category A		300	300	120	340	340	240	(29.41)	360	480
City of Cape Town		300	300	120	340	340	240	(29.41)	360	480
Category B	11 939	17 635	23 512	2 880	15 174	15 174	5 760	(62.04)	8 640	11 520
Matzikama	350	990	1 455	120	340	340	240	(29.41)	360	480
Cederberg	400	750	1 313	120	340	340	240	(29.41)	360	480
Bergvriev	1 050	820	1 062	120	120	120	240	100.00	360	480
Saldanha Bay		1 700	530	120	340	340	240	(29.41)	360	480
Swartland	200	510	50	120	340	340	240	(29.41)	360	480
Witzenberg	300	822	1 050	120	2 340	2 340	240	(89.74)	360	480
Drakenstein	400	600	300	120	120	120	240	100.00	360	480
Stellenbosch	400		250	120	340	340	240	(29.41)	360	480
Breede Valley	650	1 057	1 130	120	554	554	240	(56.68)	360	480
Langeberg	250	443	50	120	340	340	240	(29.41)	360	480
Theewaterskloof	100	1 337	1 245	120	340	340	240	(29.41)	360	480
Overstrand	800	514	1 300	120	120	120	240	100.00	360	480
Cape Agulhas	200	810	857	120	340	340	240	(29.41)	360	480
Swellendam	450	956	1 050	120	340	340	240	(29.41)	360	480
Kannaland		500	1 050	120	1 340	1 340	240	(82.09)	360	480
Hessequa	600	1 190	353	120	120	120	240	100.00	360	480
Mossel Bay	400			120	340	340	240	(29.41)	360	480
George	400	500	50	120	340	340	240	(29.41)	360	480
Oudtshoorn	1 017	450	3 211	120	3 240	3 240	240	(92.59)	360	480
Bitou	400	449	50	120	340	340	240	(29.41)	360	480
Knysna	400	500	300	120	120	120	240	100.00	360	480
Laingsburg	1 259	450	2 271	120	340	340	240	(29.41)	360	480
Prince Albert	1 113	300	3 535	120	2 340	2 340	240	(89.74)	360	480
Beaufort West	800	1 987	1 050	120	340	340	240	(29.41)	360	480
Category C	3 430	3 865	5 335	600	6 500	6 500	1 200	(81.54)	1 800	2 400
West Coast	400	800	1 000	120	1 240	1 240	240	(80.65)	360	480
Cape Winelands DM	300	1 025	1 385	120	1 040	1 040	240	(76.92)	360	480
Overberg	1 015	910	1 750	120	1 940	1 940	240	(87.63)	360	480
Eden	500	830	650	120	340	340	240	(29.41)	360	480
Central Karoo	1 215	300	550	120	1 940	1 940	240	(87.63)	360	480
Unallocated				17 914			26 766		27 511	26 034
Total transfers to local government	15 369	21 800	29 147	21 514	22 014	22 014	33 966	54.29	38 311	40 434

Note: Support initiatives to municipalities to improve financial governance and management introduced during 2011/12 will continue over the MTEF, specially support to the most vulnerable municipalities. Over the MTEF, R33.966 million in 2017/18 (of which R16.077 million is earmarked), R38.311 million in 2018/19 (of which R16.999 million is earmarked) and R40.434 million in 2019/20 (of which R17.929 million is earmarked) have been reserved for diverse financial support to municipalities. Some amounts are unallocated at this stage and will be shifted in the respective Adjusted Estimates that will be based on the outcomes and recommendations of Integrated Municipal Engagement (e.g. Municipal Governance Review and Outlook (MGRO), Integrated Development Plans (IDP) and Local Government Medium Term Expenditure Committee (LG MTEC)) processes.

Annexure A to Vote 3

Table A.4.1 Transfers to local government by transfers/grant type, category and municipality

Municipalities R'000	Outcome						Medium-term estimate			
	Audited 2013/14	Audited 2014/15	Audited 2015/16	Main appro- piation 2016/17	Adjusted appro- piation 2016/17	Revised estimate 2016/17	% Change from Revised estimate 2017/18	2016/17	2018/19	2019/20
Financial Management Support Grant	15 369	21 800	29 147	17 914	18 414	18 414	26 766	45.36	27 511	26 034
Category A		300	300		220	220		(100.00)		
City of Cape Town		300	300		220	220		(100.00)		
Category B	11 939	17 635	23 512		12 294	12 294		(100.00)		
Matzikama	350	990	1 455		220	220		(100.00)		
Cederberg	400	750	1 313		220	220		(100.00)		
Bergrivier	1 050	820	1 062							
Saldanha Bay		1 700	530		220	220		(100.00)		
Swartland	200	510	50		220	220		(100.00)		
Witzenberg	300	822	1 050		2 220	2 220		(100.00)		
Drakenstein	400	600	300							
Stellenbosch	400		250		220	220		(100.00)		
Breede Valley	650	1 057	1 130		434	434		(100.00)		
Langeberg	250	443	50		220	220		(100.00)		
Theewaterskloof	100	1 337	1 245		220	220		(100.00)		
Overstrand	800	514	1 300							
Cape Agulhas	200	810	857		220	220		(100.00)		
Swellendam	450	956	1 050		220	220		(100.00)		
Kannaland		500	1 050		1 220	1 220		(100.00)		
Hessequa	600	1 190	353							
Mossel Bay	400				220	220		(100.00)		
George	400	500	50		220	220		(100.00)		
Oudtshoorn	1 017	450	3 211		3 120	3 120		(100.00)		
Bitou	400	449	50		220	220		(100.00)		
Knysna	400	500	300							
Laingsburg	1 259	450	2 271		220	220		(100.00)		
Prince Albert	1 113	300	3 535		2 220	2 220		(100.00)		
Beaufort West	800	1 987	1 050		220	220		(100.00)		
Category C	3 430	3 865	5 335		5 900	5 900		(100.00)		
West Coast	400	800	1 000		1 120	1 120		(100.00)		
Cape Winelands DM	300	1 025	1 385		920	920		(100.00)		
Overberg	1 015	910	1 750		1 820	1 820		(100.00)		
Eden	500	830	650		220	220		(100.00)		
Central Karoo	1 215	300	550		1 820	1 820		(100.00)		
Unallocated				17 914			26 766		27 511	26 034

Note: Support initiatives to municipalities to improve financial governance and management introduced during 2011/12 will continue over the MTEF, specially support to the most vulnerable municipalities. Over the MTEF, R26.766 million in 2017/18 (of which R16.077 million is earmarked), R27.511 million in 2018/19 (of which R16.999 million is earmarked) and R26.034 million in 2019/20 (of which R17.929 million is earmarked) have been reserved for diverse financial support to municipalities. Some amounts are unallocated at this stage and will be shifted in the respective Adjusted Estimates that will be based on the outcomes and recommendations of Integrated Municipal Engagements (e.g. Municipal Governance Review and Outlook (MGRO), Integrated Development Plans (IDP) and Local Government Medium Term Expenditure Committee (LG MTEC)) processes.

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Table A.4.2 Transfers to local government by transfers/grant type, category and municipality

Municipalities R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Financial Management Capacity Building Grant				3 600	3 600	3 600	7 200	100.00	10 800	14 400
Category A				120	120	120	240	100.00	360	480
City of Cape Town				120	120	120	240	100.00	360	480
Category B				2 880	2 880	2 880	5 760	100.00	8 640	11 520
Matzikama				120	120	120	240	100.00	360	480
Cederberg				120	120	120	240	100.00	360	480
Bergrivier				120	120	120	240	100.00	360	480
Saldanha Bay				120	120	120	240	100.00	360	480
Swartland				120	120	120	240	100.00	360	480
Witzenberg				120	120	120	240	100.00	360	480
Drakenstein				120	120	120	240	100.00	360	480
Stellenbosch				120	120	120	240	100.00	360	480
Breede Valley				120	120	120	240	100.00	360	480
Langeberg				120	120	120	240	100.00	360	480
Theewaterskloof				120	120	120	240	100.00	360	480
Overstrand				120	120	120	240	100.00	360	480
Cape Agulhas				120	120	120	240	100.00	360	480
Swellendam				120	120	120	240	100.00	360	480
Kannaland				120	120	120	240	100.00	360	480
Hessequa				120	120	120	240	100.00	360	480
Mossel Bay				120	120	120	240	100.00	360	480
George				120	120	120	240	100.00	360	480
Oudtshoorn				120	120	120	240	100.00	360	480
Bitou				120	120	120	240	100.00	360	480
Knysna				120	120	120	240	100.00	360	480
Laingsburg				120	120	120	240	100.00	360	480
Prince Albert				120	120	120	240	100.00	360	480
Beaufort West				120	120	120	240	100.00	360	480
Category C				600	600	600	1 200	100.00	1 800	2 400
West Coast				120	120	120	240	100.00	360	480
Cape Winelands DM				120	120	120	240	100.00	360	480
Overberg				120	120	120	240	100.00	360	480
Eden				120	120	120	240	100.00	360	480
Central Karoo				120	120	120	240	100.00	360	480

Note: Support initiatives to municipalities to improve financial governance and management introduced during 2011/12 will continue over the MTEF, specially support to the most vulnerable municipalities. Over the MTEF, R7.200 million in 2017/18, R10.800 million in 2018/19 and R14.400 million in 2019/20 have been reserved for diverse financial support to municipalities.

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Table A.5 Provincial payments and estimates by district and local municipality

Municipalities R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Cape Town Metro	199 967	232 148	240 387	260 739	254 548	254 548	308 184	21.07	338 130	357 514
Total provincial expenditure by district and local municipality	199 967	232 148	240 387	260 739	254 548	254 548	308 184	21.07	338 130	357 514

Table A.5.1 Provincial payments and estimates by district and local municipality – Programme 1: Administration

Municipalities R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Cape Town Metro	40 780	44 218	47 749	44 063	50 934	50 934	64 825	27.27	75 466	80 531
Total provincial expenditure by district and local municipality	40 780	44 218	47 749	44 063	50 934	50 934	64 825	27.27	75 466	80 531

Table A.5.2 Provincial payments and estimates by district and local municipality – Programme 2: Sustainable Resource Management

Municipalities R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2017/18	2016/17	2018/19	2019/20
Cape Town Metro	86 182	101 491	108 379	121 990	113 943	113 943	140 563	23.36	151 775	161 560
Total provincial expenditure by district and local municipality	86 182	101 491	108 379	121 990	113 943	113 943	140 563	23.36	151 775	161 560

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Table A.5.3 Provincial payments and estimates by district and local municipality – Programme 3: Asset Management

Municipalities R'000	Outcome			Main appro- priation 2016/17	Adjusted appro- priation 2016/17	Revised estimate 2016/17	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2013/14	2014/15	2015/16				2017/18	2016/17	2018/19	2019/20
Cape Town Metro	47 520	55 732	53 472	57 930	54 833	54 833	59 820	9.09	63 769	65 923
Total provincial expenditure by district and local municipality	47 520	55 732	53 472	57 930	54 833	54 833	59 820	9.09	63 769	65 923

Table A.5.4 Provincial payments and estimates by district and local municipality – Programme 4: Financial Governance

Municipalities R'000	Outcome			Main appro- priation 2016/17	Adjusted appro- priation 2016/17	Revised estimate 2016/17	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2013/14	2014/15	2015/16				2017/18	2016/17	2018/19	2019/20
Cape Town Metro	25 485	30 707	30 787	36 756	34 838	34 838	42 976	23.36	47 120	49 500
Total provincial expenditure by district and local municipality	25 485	30 707	30 787	36 756	34 838	34 838	42 976	23.36	47 120	49 500

