

VOTE 7

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

To be appropriated by vote in 2018/19	R 468 235 000
Responsible Executing Authority	MEC for Cooperative Governance and Traditional Affairs
Administering Department	Department of Cooperative Governance and Traditional Affairs
Accounting Officer	Head of Department

1. OVERVIEW

Vision

To be globally competitive city region putting people first with service delivery excellence and economic performance.

Mission

To facilitate and support cooperative governance across all spheres of government and associated institutions, and to promote the institution of traditional leadership for Gauteng.

Strategic goals

The Department is geared towards achieving four strategic objectives which are to:

- Strengthen the administrative and financial management systems of the GPG departments by 2020.
- Revitalise and strengthen Local Government performance through the Back 2 Basics approach by 2020.
- Facilitate integrated infrastructure planning and the transformation of cities and towns by 2020.
- Institute transformed, functional, accountable and sustainable institution of traditional leadership by 2020.

Core functions and responsibilities

The mandate of the Department highlights cooperative governance and is essential for integrated development. The Department provides support to, and monitors, municipalities and tribal authorities by:

- Inter-governmental relations systems, processes and procedures;
- Monitoring, implementing and reviewing the Local Government legislative frameworks;
- Supporting and monitoring the implementation of performance management systems across all Gauteng municipalities;
- Coordinating and facilitating the development of infrastructure and urban planning led by the Gauteng Planning Division;
- Supporting the development and implementation of Local Economic Development strategies and programmes led by the Department of Economic Development;
- Supporting municipalities with their Human Resources Management and development systems;
- Facilitating and coordinating the development of Information and Communication Technology Systems across Gauteng municipalities;
- Supporting and monitoring the institution of traditional leadership;
- Coordinating and facilitating financial support to municipalities which is led by the Provincial Treasury; and
- Entrenching participatory democracy systems, structures, processes and procedures.

Main services

The Department will continue strengthening governance, putting controls in place for municipalities to collect debts timeously and intergovernmental relations within municipalities. Municipalities will still be supported in the implementation of the Municipal and Provincial IGR Frameworks which includes providing technical and financial support in areas of performance management system with a specific focus on core PMS in line with legislative and regulatory prescripts. The Department will ensure compliance with municipal regulation 2007 of Municipal Finance Management Act (MFMA) on minimum competency levels which requires that municipal officials meet minimum competency on relevant skills. Implementation of the post-merger support to Rand West City Local Municipality, based on six matrices adopted by Minmec during 2015/16 financial year remains a focus in the 2018/19 financial year. Municipalities will be provided with capacity and financial support: the

capacity support includes the training of municipal officials in the areas that have been identified in the Scarce Skills Strategy. The MEC for CoGTA recently issued a directive that all critical posts must be filled by 1 July 2017 and municipalities are expected to comply. The Gauteng CoGTA will monitor the compliance with the requirements for the appointment of senior managers in municipalities. The Department started assisting municipalities with understanding the MSA regulations especially in terms of the recruitment of senior managers.

Municipalities are supported to facilitate and support the development and functionality of public participation structures. This will be achieved through the provision of technical, advisory and capacity support through the development and implementation of a Gauteng City Region Public Participation Support and Capacity Building Framework and Programme. The functionality of the ward committees is monitored on a quarterly basis and the department intervenes when requested to support ward committees.

The Ethics Institute is implementing the Municipal Integrity Project in municipalities and the department plays an oversight role. The Memorandum of Understanding (MoU) signed between the Gauteng municipalities, The Ethics Institute and the Gauteng Provincial Government (GPG). The total of 162 officials were trained and 11 Ethics Champions were appointed across all Gauteng municipalities.

The Department exercises oversight over the relationship between local municipalities' structures, traditional leadership structures and communities in the Province through community mobilisation by community development workers (CDWs). CDWs facilitate and coordinate advocacy work in support of government and broader community initiatives at a ward level. The cases that are attended to by CDWs are channelled to the Premier's hotline and then monitored as part of the Ntirhisano Programme. The Department hired Rapid Response Teams that assist with the resolution of municipal queries received through the Ntirhisano Programme.

The Scarce and Critical Skills Strategy for Local Government was adopted by the EXCO under the title Municipal Transformation and Enhanced Service Delivery through Skills Development in April 2010. The main aim of the Scarce and Critical Skills Strategy was to train and provide opportunities for individual development. The main thrust of the Strategy is to increase the competence, efficiency and effectiveness of officials in municipalities within the core functional skills areas. CoGTA monitors the implementation of this strategy in municipalities and coordinates support mainly through the Provincial Municipal Capacity Coordinating and Monitoring Committee (PMCCMC). The committee consists of various sector departments and hosts representatives from all Gauteng municipalities.

Ten-Pillar Programme

Transformation of state and governance

In line with the audit outcomes of the 2016/17 financial year, the Department will allocate funding aimed at providing capacity-building support to municipalities in critical areas so that they comply with the Province's Operation Clean Audit (OPCA). To achieve this, it will support municipalities with asset management, financial management, revenue enhancement, performance management systems, project and contract management as well as skills development in scarce skills areas. Ten municipalities will be monitored and provided with advisory support for the implementation of audit response plans as per MFMA Section 131 based on the 2016/17 audit outcomes. The OPCA Provincial Coordination Committee is coordinated by the department to track the implementation of the audit action plans by municipalities.

The budget is also influenced by the establishment of the Provincial Disaster Management Centre which links to all municipal disaster centres in the province. This will be supported by additional staff who will operate the centre daily and weekly.

Gauteng municipalities face the ever-increasing challenge of municipal debt and a culture of non-payment for municipal services, poor liquidity and compliance with Supply Chain Management policies and processes. The Department of CoGTA in collaboration with GPT implemented several strategies aimed at improving revenue collection by municipalities. The debt management committee was established and has assisted with the acceleration of the payment of government debt owed to municipalities.

Post-merger support will be provided to the West Rand City Municipality. The municipality will be assisted with the placement and job evaluation implementation processes. The municipality will be assisted in process of merging the two payroll systems as an interim measure followed by a review of the system to create one for the new municipality. The Department is providing the municipality with financial and capacity support for this project.

The process of ensuring that 529 ward committees are in place will continue in the 2018/19 financial year. The focus has been on the induction of the new ward councillors and assisting with the functionality of the newly established wards. Municipalities are also being supported to develop ward operational plans and these will be monitored on a quarterly basis.

Modernisation of the public service

During the droughts in 2015, the MEC for CoGTA established the Water and Sanitation Forum aimed at tackling the challenges of water and sanitation in the Province. This resulted in the adoption of the Water and Sanitation Plan for 2030 by the

Province. The #SaveWater Campaign was launched to create awareness about the use of water. The Department installed rain water-harvesting facilities in targeted schools in five corridors as part of the campaign.

The Province continues to experience in-migration of people seeking better opportunities. The Department plans to ensure that municipalities have support plans in place for the implementation of the Mega Human Settlements programmes. The Department also plans to monitor the implementation of the support actions identified in the support plan.

National Development Plan

CoGTA is still committed to playing a role in meeting the NDP goals of reducing unemployment and poverty while improving the lives of the citizens of our country. The Department will prioritise job creation initiatives through the Tshepo 1 Million Programme and the Community Workers Programme (CWP). The plan is to create 750 job opportunities through Tshepo 1 Million with the 19 000 jobs on the CWP programme maintained. Support will be provided to municipalities to take them forward considering the Outcome 9 as part of the national government priorities. The Department will support and monitor local government performance to ensure that municipalities become viable and sustainable and are able to carry out their constitutional mandate.

External activities and event relevant to budget decisions

The expected promulgation of the National Bill on Traditional Affairs, which will allow Khoisan leaders to be traditional leaders, will have an impact on the budget, including the anticipated remuneration packages for traditional leaders.

The budget is also influenced by the establishment of the Provincial Disaster Management Centre which links to all municipal disaster centres in the Province. This will also be directed by the employment of additional staff who will operate the centre.

Acts, rules and regulations – legislative mandates

- Intergovernmental Relations Framework Act (Act No. 13 of 2005);
- Local Government: Municipal Property Rate Act (Act No. 6 of 2004);
- National Environmental Management Act (Act No. 107 of 1998), as amended by Act No. 8 of 2004;
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003);
- Local Government: Municipal Systems Act (Act No. 32 of 2000);
- Public Finance Management Act (Act No. 1 of 1999);
- Local Government: Demarcation Act (Act No. 27 of 1998);
- Local Government: Municipal Structure Act (Act No. 117 of 1998);
- Extension of Security of Tenure Act (Act No. 62 of 1997);
- Land Administration Act (Act No. 2 of 1995);
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994);
- Expropriation Act (1951), as repealed by Act No. 63 of 1975;
- State Land Disposal Act (Act No. 48 of 1961); and
- Deeds Registries Act (Act No. 47 of 1937).

Provincial legislation

- Gauteng Traditional Leadership Act no of 2010;
- Gauteng Types of Municipality Act no 03 of 2000; and
- Gauteng City Improvement Act no 12 of 1997.

Good governance legislation

- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003); and
- Public Finance Management Act (Act No. 1 of 1999).

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2017/18)

Transformation of the state and governance

The Department pays all service providers within 30 days. A resolution by the Executive Committee to have Gauteng departments paying invoices within 15 days was supported and is being implemented successfully. The Department is implementing phase 2 of the Back 2 Basic (B2B) Programme which is based on eight pillars and eight points. The revision of the programme from the 10-pillar plan was presented to all municipalities and sector departments attending the B2B Forum. The implementation of the support plans in municipalities is being monitored and reported against quarterly.

The finalisation of the grading of the new Rand West City Local Municipality was concluded on 30 September 2017. The grading of a municipality was confirmed by the SALGA Bargaining Council. The placement of staff in the municipality will be concluded in the fourth quarter of 2017/18.

The thematic programmes were supported:

- Four Human Rights Month campaigns/initiatives were supported in two municipalities: City of Johannesburg: 3, Rand West City: 1;
- Two Workers Month campaigns/initiatives were supported in the Rand West City;
- Five Freedom Month campaigns/initiatives were supported in two municipalities; Rand West City: 4 and City of Johannesburg: 1;
- Two Youth Month campaigns/initiatives were supported in two municipalities: City of Ekurhuleni: 1 and Rand West City: 1;
- In addition, 186 other ad hoc campaigns/initiatives were supported: Heritage Month (9), Transport Month (6);
- And 16 Days of Activism (3).

The Department monitored and provided hands-on support to three municipalities on the implementation of the Scarce and Critical Skills Strategy. Support was provided to the West Rand District and the Sedibeng District. Eight municipalities namely Emfuleni Local Municipality, Midvaal LM, Sedibeng District Municipality, Rand West City LM, West Rand District Municipality and Mogale City LM attended the meeting. One of the success stories is the achievement of the 95 per cent pass rate of General Workers who completed Grade 12 at the Sedibeng District. Seventy one officials attended the training provided by the district. The Department negotiated with MISA to realign their current support to municipalities to ensure that the support is in line with CoGTA's Deliverology Plan on Human Settlements Mega Projects. MISA subsequently confirmed the hands-on support and deployment of five engineers in the following Municipalities:

- 2 in Sedibeng LM - Civil Engineer;
- 1 in Lesedi LM – Civil Engineer;
- 1 in Merafong LM – Civil Engineer; and
- 1 in Rand West City LM – Civil Engineer.

Izimbizo

Seven izimbizos were supported in three municipalities, i.e. the Emfuleni, Merafong City, and Mogale City local municipalities.

Emfuleni Local Municipality

- Launch of ward committees by the Acting Mayor held at Sebokeng (ward 30) on the 20/09/2017; and
- Handover of RDP houses by the Minister/MEC of Human Settlements and the Mayor of Emfuleni held at De Deur (ward 6, 18, 29, 31) on the 23/09/2017.

Merafong City

- Community engagement and introduction of the new MMC by the Mayor held at Merafong Library Hall (ward 1) on 10/11/2017; and
- Service delivery imbizo by the Office of the Premier held at Kokosi (ward 22) on the 21/10/2017.

Mogale City

Report on the National Development Plan (NDP) 2030 by the Minister in the Presidency for Planning, Monitoring and Evaluation held in Kagiso (ward 11) on 11/11/2017.

Modernisation of the public service

A report was produced indicating that the Ekurhuleni and Tshwane Municipal Disaster Centres are functional and the other municipal disaster centres will also be evaluated during the financial year.

Transformation of the public service

Regional introductory sessions were held at Tshwane Metro, Sedibeng and Mogale City LM to familiarise the five targeted municipalities with the HR audit. The HR standard and HR audit methodology workshop was conducted targeting the five prioritised municipalities (City of Tshwane, Mogale City LM, Lesedi LM, Emfuleni LM and Sedibeng District). Various engagements were conducted to establish the state of readiness across the five targeted municipalities. In planning towards the HR Audit Project CoGTA Municipal Institutional Support conducted regular pre-HR Audit engagements with targeted municipalities. The aim was to prepare the targeted municipalities with all relevant information and documents in preparation for the audit.

1 Municipality (Rand West City LM) was supported to institutionalise performance management systems: 66 level 1-3 officials trained on PMS. Eleven municipalities were supported to comply with MSA regulations in terms of the appointment of Senior Managers. The service provider was appointed and group one of the training was conducted from 4 to 8 December 2017 with 25 officials trained in business process engineering (management/modelling). One organisational development and design roll-out forum was convened. Chapters 1-5 and Chapter 10-15 were rolled out from 28 to 29 November 2017.

Transformation of the state and governance

2000 Residential accounts were assessed in detail and a significant 257 of the accounts with a debt value of R41.6 million were resolved as deceased estates. Addressing these accounts requires a two-pronged approach to deal with the arrears and to establish the new living account holder's information and status. In addition, it is critical to establish the status of the current occupant of the property as the primary person responsible for the payment of the municipal bill. Nine municipalities were supported and monitored in the implementation of the Government Debt Strategy. The total collected for all Gauteng municipalities for November 2017 amounted to R 120 million.

Merafong City LM was provided with additional capacity to implement a provincially developed tariff model. A working session was held to collate the outstanding data and complete populating the model to produce a base model. The municipality was given different scenarios to choose. The scenarios provided had the potential to improve the current tariff structures of the Municipality. The Municipality selected one scenario which was tested. The final model results were then presented to the Municipality together with the recommendations. Workshops and training sessions were conducted with finance and infrastructure officials on how to populate the model to come out with a cost-reflective tariff structure.

All Municipalities prepared annual financial statements (AFS) and year-end closure process plans in preparation for the 2017/18 financial year-end on 30 June 2018 and Annual Financial Statements submission on the 31st August 2017 as required by section 126 of the MFMA that for audit. The Department provided advisory support to the municipalities during the audit process by participating in the Municipal Audit Steering Committee Meetings. All four municipalities updated and maintained the Infrastructure Asset Registers in line with the GRAP 17 requirements. Midvaal LM was supported with additional capacity support to resolve their top 100 defaulting debtors. The total associated with the resolved debtors is R13.3 million. The City of Johannesburg was provided with additional capacity support to resolve their top 100 defaulting debtors. The total amount associated with the resolved debtors is R4.1 million.

Modernisation of the public service

The restoration of the Provincial Disaster Management Centre (PDMC) is on course, with the plan approved by EXCO. An appropriate building to house the Centre was secured and a fleet of vehicles, able to deal with any type of disaster in the Province, were branded. The building is in Midrand and is currently in the process of being equipped. The Department is working with the State Information Technology Agency (SITA) and other state entities to ensure a state of the art ICT system for the Centre. The Disaster Management Strategy is being developed to deal with current and future challenges. The centre is expected to be launched in the second quarter of the 2018/19 financial year.

Transformation of the public service

To contribute to the transformation of the public service, the Department achieved 57 per cent of its employment equity targets in the 2017/18 financial year. A moratorium on filling of vacancies was in place since November 2016 so this target will not be achieved in this financial year.

To improve financial management, 12 municipalities will be monitored and provided with advisory support on implementing Audit Response Plans based on the 2015/16 audit outcomes as per MFMA Section 131. This will be done through municipal-based Operation Clean Audit (OPCA) steering committee meetings and quarterly OPCA Provincial Coordinating Committee (PCC) engagements. There was an OPCA steering committee meeting in the first quarter of 2017/18 and the next one will be in the fourth quarter.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2018/19)

Transformation of the state and governance

The Department is implementing phase 2 of the Back 2 Basic (B2B) Programme which is based on eight pillars and eight points. A quarterly report will indicate the support provided to municipalities by the department in terms of the B2B Programme.

Continuous research on HR developmental trends will assist the department to work smarter, faster and be responsive to the current challenges facing our municipalities and Local Government in general. The Department of Cooperative Governance and Traditional Affairs (COGTA) will support all municipalities as part of the Provincial Transformation Mandate ensuring good governance and repositioning of the HR function in the coming financial year. As part of transforming municipalities to perform better in 2018/19, COGTA is in the process of appointing the SA Board of People Practice (SABPP) to support the five targeted municipalities with conducting the HR Audit. The five targeted municipalities are the City of Tshwane, Sedibeng DM, Mogale City LM, Emfuleni LM and Lesedi LM. The proper implementation of the project will lead to the fulfilment of the Departmental Mandate and Gauteng 10 Pillars of Radical Transformation in particular pillar 4 and 5 Transformation of the State and Governance and Modernisation of the Public Service. It will also lead to good governance and empowered personnel to deliver efficient and effective service delivery. The other objective of the department is to train municipalities with regard to HR standards, auditing and skills transfer during 2018/19 financial year with the main aim of assisting the sector to deliver on their mandate.

The Organisational Development (OD) and Design Task team was established during the current year. It consists of 22 OD Managers and Practitioners from all Gauteng municipalities. COGTA will continue to drive the process of developing the Draft

Organisational Development and Design (OD & D) Framework. The 11 municipalities will be requested to submit all names of all OD managers/practitioners that will be attending the business process reengineering training. Commitment and enrolment forms will be obtained from the 22 OD managers/practitioners for this training.

CoGTA is developing strategies aimed at activating and reinvigorating citizen engagement and community mobilisation around key service delivery commitments and offerings. This delivery will be a collaboration between CoGTA, Municipal Public Participation Units as well as relevant line function and sector departments.

The two approaches that will be deployed are:

- The first is aimed at tapping into the underlying asset potential of communities called Asset Based Community Development (ABCD). This approach focuses on leveraging underlying assets ranging from culture and traditions (Ubuntu [social cohesion]), physical skills, local knowledge, public and communal assets that includes service delivery. The second approach is Citizen Based Monitoring (CBM) which is spearheaded by the DPME. The focus is on strengthening the oversight abilities of ward committees and citizens broadly.

The Department plans to design, develop and accredit a Qualification for Councillors with Oversight Function (section 79, inclusive of MPACs) to provide capacity support to municipalities. One hundred councillors to be trained on the qualification (learning programme) for Councillors with oversight function (including section 79 and MPACs), NQF L3, 4 and 5.

Progress will be made by training 60 learners on the MCD Training Centre technical programme (electrical and plumbing). The technical training commences in June 2018 with an induction for 60 officials, 30 officials for the plumbing apprenticeship and 30 officials for the electrical apprenticeship. Phase 1 of the training is scheduled to be completed in December 2018.

CoGTA will assist the identified municipalities with the customising, populating and testing scenarios as well as implementing the tariff model to raise sufficient revenue. The support initiative will be carried out in Mogale City, Merafong, Lesedi and Rand West City Local Municipalities.

While noting the positive action taken by metropolitan municipalities in the fight against corruption, they consistently fail to comply with section 57A (7) and the Schedule 1 of the Municipal Systems Act, which require that municipalities inform the MEC of any cases of corruption at municipal level. Compliance with this legislative provision ensures that no person is charged and dismissed because fraud and/or corruption is appointed in any other organ of state. In the coming year, the Department of CoGTA will provide the following support to build and encourage a culture of anti-corruption, ethics and integrity:

- Establishment of Cities Fraud and Anti-Corruption Network to share best practice among metros;
- Establishment of Fraud and Anti-Corruption Forums in Sedibeng DM and West Rand DM to share best practice and facilitate regional integration; and
- Ensure close monitoring in the district and local municipalities as they do not have records of fraud and corruption cases investigated.

CoGTA identified the need to support Gauteng municipalities to be more sustainable through the process of resolving debt owed to municipalities by residential customers. The objective of this top 100 residential debtors' project is to establish a sound methodology to deal with residential debtors going forward and to ensure that municipal billing integrity improves to allow for timeous revenue collection. The project will focus on the top 100 residential debtors, establish a sound methodology to deal with data and debt in the province. The Department is implementing the "The Resolution of Top 100 defaulting residential debtor's accounts in 6 Local Municipalities". The purpose of this is to provide all Gauteng municipalities with web-enabled access to accurate residential customer data for their Top 100 defaulting residential debtors accounts. Data provided to municipalities will include various sets of integrated data for electronic and automated residential debtor data purification. Access to accurate data and data integrity on the municipal Financial Management System will enhance the residential debt resolution process going forward.

Municipalities are implementing corrective measure by executing the action plans and monitoring progress through the bi-weekly Municipal OPCA Steering Committee Meetings. To date the consolidated progress on the action plan indicates that 54 per cent of the issues raised are resolved, 40 per cent of the issues are partially resolved, and 6 per cent of issues have not yet been resolved. CoGTA and GPT will review the fixed assets register and Annual Financial Statements before submission to audit committees (AC) and AGSA. Workshops will be conducted to create awareness in communities on disaster management to increase the resilience to disasters and reduce the effects of disaster incidence. Risk assessments are also planned to ensure safer communities in disaster times and a 50 per cent reduction in mortalities that result from disasters.

Modernisation of the public service

The Department will contribute to the Province's e-Governance Strategy and is in the process of deploying IT technicians to municipalities to support and assist with ICT improvements in 2018. The Disaster Management centre restoration project will be completed in June 2018 and the plan for the 2018/19 financial year is the procurement ICT hardware and equipment. The procurement of Disaster Management Early Warning Systems is also planned in the coming financial year. The Department will conduct an institutional diagnostic assessment across all Gauteng municipalities. The purpose of this diagnostic

assessment will be to identify capacity gaps and ensure that the capacity and capability development put into place is relevant to these gaps.

Decisive spatial transformation

The Department, as part of its legislative duty in the Municipal Structures Act No. 32 of 2000 (MSA 2000) will continue with the assessment of IDPs on an annual basis to comply with relevant legislation to foster horizontal and vertical alignment as well as sustaining the credibility of the IDPs. In collaboration with sector departments in the province, CoGTA will finalise the review of the Gauteng IDP Analysis Framework to foster integration of the TMR and Sustainable Development Goals (SDGs) in municipal IDPs. This will ensure effective planning and roll out of development projects identified within the five Corridors of Development such as the Sedibeng Regional Sanitation Scheme, Aerotropolis and Inland Port during the coming financial year which was not entirely completed in the current year.

Over the MTEF the department will pursue strategic objectives, which will shape the future of the Province. These include, inter alia, the Township Economies Revitalisation; Tshepo 1 million; Community Workers Programme; Gauteng Energy Plan; Welfare to Work; Gauteng Safety Strategy; Human Settlement Strategy and e-Governance Strategy.

4. REPRIORITISATION

The Department continues to review its operations to identify potential cost savings and eliminate inefficiencies. This will translate into reprioritisation which is essential in the present tight fiscal environment. The Department continues to explore less expensive goods and services and, taking the MTEF period, as a whole has examined how it can prioritise its budget to meet its primary objectives. The National Disaster Management Framework prescribes certain minimum infrastructural requirements for such a centre and the department reprioritised funds within programme 3 from capital assets to consultants and professional services to ensure all minimum requirements as prescribed in the National Disaster Management Framework are met. The Department also reprioritised funds from programme 2 Local Governance to programme 1, 3 and 4 to ensure alignment of the CoE budget with the approved organisational structure and to align the budget with where functions are performed.

Reprioritised funds will assist the department with the implementation plan for the Gauteng Energy Security Strategy that will give impetus to the resolutions of the Gauteng Integrated Energy Strategy developed by CoGTA in 2017 to capture the strategic direction of the fifth provincial administration that aims to transform, modernise and industrialise the Gauteng City Region. Prioritisation of the allocated budget for the 2018 MTEF period will also be utilised to conduct feasibility studies of the heritage sites of Amendable Ndzunza Sokhumi and Amendable Ba Lebelo which were delayed during 2017/18 financial year.

5. PROCUREMENT

The Department will be implementing and undertaking the below projects for the coming financial year:

- Support municipalities with implementing the Scare and Critical Skills Strategy particularly in the areas of:
 - Providing capacity support to enhance service delivery including infrastructure and oversight of section 79 managers with the inclusion of Municipal Public Accounts Committees (MPACs), finance and project management;
 - Training of 30 officials in finance;
 - Training of 100 officials in project management; and
 - Training of 30 officials in governance and national certificate on Local Economic Development (LED).
- Provide capacity building in technical skills with reference to B2B;
- Provide ICT equipment for the Provincial Disaster Management Centre;
- Procure unmanned aerial vehicles and cameras for Provincial Disaster Management Centre;
- Develop a disaster management information system for communication at the PDMC;
- Conduct a feasibility study for the two traditional council's heritage sites;
- Continue to support municipalities in developing and adopting their public participation frameworks;
- Provide continuous training and development for ward committees in all municipalities; and
- Provide training for municipal officials and councillors on IDP, budgets and the PMS.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 7.1: SUMMARY OF RECEIPTS: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2017/18	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Equitable share	338 598	406 972	514 463	468 218	477 041	477 041	466 235	496 588	527 317
Conditional grants	2 000		2 000	2 000	2 000	2 000	2 000		
Total receipts	340 598	406 972	516 463	470 218	479 041	479 041	468 235	496 588	527 317

The budget increased from R340.6 million in 2014/15 to R516.5 million in 2016/17. The budget catered for building departmental capacity as per the approved organisational structure, procurement of disaster relief material, funding of departmental initiatives in respect of municipal support, transfers to municipalities for water infrastructure projects and the establishment of Rand West Local Municipality as well as capital requirements regarding the procurement of the building for the Provincial Disaster Management Centre.

In 2017/18 the budget of R470.2 million provided mainly for the PMDC renovation project and operational requirements of the PMDC, continuation of water infrastructure projects, and support to Rand West Local Municipality. Over the MTEF the allocation increases from R468.2 million to R527.3 million in 2020/21. The budget will fund the department's staff requirements and interventions in municipalities. The budget will also be used to fund procurement of the ICT equipment and the early warning systems for the transmission of information between disaster centres and other departments, coordinate and manage disaster response and recovery initiatives and to fund other initiatives in respect of integrated development planning in the province. The budget will also assist the department to implement the Gauteng Energy Security Strategy as approved by EXCO. The expanded public works' programme (EPWP) conditional grant amounting to R2 million annually to supports the job creation initiatives in communities.

6.2 Departmental receipts

TABLE 7.2: DEPARTMENTAL RECEIPTS: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2017/18	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Sales of goods and services other than capital assets	317	292	276	156	156	276	166	174	184
Interest, dividends and rent on land			27	29	29	29	30	32	34
Transactions in financial assets and liabilities	173	66	1 440	347	347	227	367	388	409
Total departmental receipts	490	358	1 743	532	532	532	563	594	627

The Departmental receipts increased from R490 000 in 2014/15 to R1.7 million in 2016/17 owing to unspent funds returned from the City of Tshwane Metropolitan Municipality. The purpose of the grant to the municipality was to support the municipality with its debt management system. The budget for departmental receipts amounted to R532 000 in 2017/18. This budget consists of transactions in financial assets and liabilities which are mainly the staff debt repayments as well as sales of non-capital goods and services which are staff parking fees, sales of tender documents and third party transactions such as commissions. Interest on staff debt contributes a small proportion to total departmental receipts.

The budget increases from R532 000 in 2017/18 to R563 000 in 2018/19 mainly because the sales of tender documents are lower owing to the availability of free tender documents online. The budget for departmental receipts increases from R563 000 in 2018/19 to R627 000 in 2020/21. The increase over the MTEF is informed by inflation adjustments.

7. PAYMENT SUMMARY

7.1 Key assumptions

The assumptions that underpin the department's 2018 expenditure are summarised below. A 7.2 per cent wage increase is anticipated over the MTEF. A 5.6 per cent increase in goods and services is anticipated. This is in line with projected consumer price inflation (CPI). The following elements have been taken into consideration when determining budgets for staff and other economic classification items for the 2018 MTEF:

- Number of staff, vacancies and possible changes over the MTEF;

- Basic salary costs including improvements in conditions of service adjustment from 1 April of each year;
- Salary increases for officials with occupation-specific dispensations (OSDs);
- Provision for filling vacant posts because of the approved structure of the Department by DPSA;
- The need to fill CDW vacancies in all wards as delayed during 2017/18 financial year;
- The procurement of ICT equipment for the new PDMC building and procurement of Unmanned Ariel Vehicle (UAV) in PDMC;
- Provide support for the newly merged Rand West City Local Municipality;
- Provision for early warning infrastructure systems for the dissemination of information during disasters across all centres; and
- Provision and monitoring of water-harvesting system to be installed in municipalities across the number of schools.

7.2 Programme summary

TABLE 7.3: SUMMARY OF PAYMENTS AND ESTIMATES: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
1. Administration	82 819	105 531	120 292	129 090	131 090	131 090	144 284	153 214	162 578
2. Local Governance	162 712	206 287	196 722	224 108	225 098	225 098	215 389	229 064	245 015
3. Development Planning	31 418	50 231	128 805	105 956	110 868	110 868	95 983	100 914	105 577
4. Traditional Institutional Management	6 507	6 802	10 057	11 064	11 985	11 985	12 579	13 396	14 147
Total payments and estimates	283 456	368 851	455 876	470 218	479 041	479 041	468 235	496 588	527 317

7.3 Summary of economic classification

TABLE 7.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	274 604	316 519	369 180	421 825	430 648	430 648	445 367	469 842	499 101
Compensation of employees	222 104	247 479	275 335	302 359	302 359	302 359	319 895	341 648	363 855
Goods and services	52 500	69 040	93 845	119 465	128 289	128 289	125 472	128 194	135 246
Interest and rent on land									
Transfers and subsidies to:	6 835	50 659	50 861	16 766	26 752	26 752	8 746	6 454	6 809
Provinces and municipalities	5 000	48 988	49 613	15 136	25 136	25 136	7 000	5 000	5 275
Households	1 835	1 671	1 248	1 630	1 616	1 616	1 746	1 454	1 534
Payments for capital assets	1 879	1 170	35 769	31 627	21 627	21 627	14 122	20 292	21 407
Buildings and other fixed structures			31 600						
Machinery and equipment	1 865	1 170	4 169	31 627	21 627	21 627	14 122	20 292	21 407
Software and other intangible assets	14								
Payments for financial assets	138	503	66	14	14	14			
Total economic classification	283 456	368 851	455 876	470 218	479 041	479 041	468 235	496 588	527 317

The Departmental expenditure increased from R283.5 million in 2014/15 to R368.9 million in 2015/16 and to R455.9 million in the 2016/17. The increase was mainly for procurement of the PMDC building, disaster relief funding, the erecting of water infrastructure for Emfuleni and Merafong Municipalities and to support the merger of Westonaria LM and Randfontein LM to form Rand West Municipality.

During 2017/18 the Department budget was adjusted upwards from R470.2 million to R479 million owing to the rollover of funds for the tools of trade for staff and disaster material to support the intervention initiative in respect of the floods in the province. The budget also provides for water projects through the distribution of water tankers to affected communities for rain water harvesting and training of ward councillors on IDP framework and disaster related education and awareness campaign.

The overall budget increased from R468.2 million in 2018/19 to R527.3 million in the 2020/21 financial year. A large part of the increase is allocated to continue to support municipalities, the refurbishment and operational requirements of the acquired PDMC, to implement initiatives for water conservation and to support community development outreach programmes to improve service delivery. The budget will further be utilised for capacity building in areas of talent management, organisational development and design across all municipalities. The budget will also be used to fund the

procurement of the ICT equipment and the early warning systems for the transmission of information between disaster centres and other departments, coordinate and manage disaster response and recovery initiatives, and to fund other initiatives in respect of integrated development planning in the province. Furthermore, the budget will assist the department to implement the Gauteng Energy Security Strategy as approved by EXCO.

Programme 1: The expenditure in this programme increased from R82.8 million in 2014/15 to R120.3 million in 2016/17. The increase is attributed to the filling of vacant posts, training of staff, MECs outreach programmes and operational requirements of the department. The increase in 2017/18 provides for the tools of trade for the staff, equipment and ICT requirements. Over the MTEF the budget increases from R144.3 million in 2018/19 to R162.6 million in 2020/21 and is mainly for the provision of the refurbishment of the building that will be acquired to accommodate staff, the procurement of the ICT infrastructure, training of staff and the provision of G-fleet services that will support the department's mandate including the settlement of software licences.

Programme 2: The programme expenditure is R162.7 million in 2014/15, R206.3 million in 2015/16 and R196.7 million in 2016/17. The expenditure incurred was to support the processes of the merger of Westonaria LM and Randfontein LM by facilitating the implementation of the new boundaries, the local government elections outreach programs and training of CDWs and ward counsellors. This program has the largest share of the budget. In 2017/18 the budget of R224.1 provides for training of municipal officials on contract, financial management and business processes reengineering. The allocation increases to R245 million over the MTEF period to fund CDW programmes to enhance service delivery and support to municipalities. The budget will fund the department's interventions in municipalities (such as GRAP17 projects, performance management system (PMS), revenue enhancement and debtors management), implementation of viability assessment studies and constant evaluation of the implementation of a clean audit.

Programme 3: The increase of expenditure from R31.4 million in 2014/15 to R128.9 million in 2016/17 is owing to additional funds allocated to address water infrastructure challenges in municipalities, procurement of the PDMC building and disaster relief material. The budget of R106 million in 2017/18 includes funds allocated for the studies conducted to assess the state of readiness of the PMDC and for the PMDC internal office fit-out services. The 2017/18 budget is adjusted upwards to R10.9 million to procure the disaster relief materials. The budget increases from R96 million in 2018/19 to R105.6 million in 2020/21 to fund the operational requirements of the PMDC, the disaster related education and awareness campaigns, the IDP engagements so that the Gauteng Energy Security Strategy can be implemented.

Programme 4: The Traditional Institutional Development Budget grows over the 2018 MTEF to R14.1 million mainly to support and enhance the capacity of traditional leadership and local governance institutions in the City of Tshwane (Amendable Ba Lebelo and Amendable Ndzunza Sokhumi traditional councils). In addition, the budget will also enable the department to conduct feasibility studies for the heritage sites that were delayed during 2017/18 financial year and commemorate heritage events for the traditional councils.

The budget for compensation of employees: increases from R222.1 million in 2014/15 to R319.9 million in 2018/19 primarily to fund departmental capacity as per the newly approved organisational structure, with a further increase to R363.9 million over the 2018 MTEF. The increased allocation is attributable to the annual general increment related to improved conditions of employment as well filling of vacant posts particularly the SMS positions already advertised.

The Department's goods and services increases: from R52.5 million in 2014/15 to R93.8 million in 2016/17 to cater for departmental operational requirements. In other words to fund the voter education programmes on local government elections, implement a revenue management model that will improve debt management in municipalities, fund disaster-related awareness campaigns of the PDMC, provide water tankers for rainwater harvesting for the traditional council and train ward councillors. The budget increases over the 2018 MTEF from R125.5 million in 2018/19 to R135.2 million in 2020/21 to support municipalities, fund the operational requirements of the PDMC and CDWs outreach programs and to enhance the capacity of traditional leadership and local governance institutions.

The expenditure for machinery and equipment: was R1.9 million in 2014/15 and increased to R35.8 million in 2016/17 mainly because of the procurement of the PDMC and the purchasing of tools of trade and equipment for the staff. The main budget for 2017/18 decreased from R31.6 million to R21.6 million during the adjustment budget process when funds were reallocated to goods and services for the construction of internal office fit out and install LAN for the PMDC. The budget amount decreased to R14.1 million in 2018/19 as the office construction project continues. The budget increases to R21.4 million over the MTEF as the department procures the infrastructure requirements of the PDMC and other equipment that will be required to run the business of the Department.

7.4 Infrastructure payments

N/A

7.4.1 Departmental infrastructure payments

N/A

7.4.2 Maintenance

N/A

7.4.3 Departmental Public-private-partnership (PPP) projects

N/A

7.5 Transfers**7.5.1 Transfers to public entities**

N/A

7.5.2 Transfers to other entities

N/A

7.5.3 Transfers to local government**TABLE 7.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Category A									
Category B	5 000	48 988	40 884	14 136	25 136	25 136	7 000	4 500	4 665
Category C				1 000				500	610
Total departmental transfers	5 000	48 988	40 884	15 136	25 136	25 136	7 000	5 000	5 275

The Department transferred a total of R5 million during the 2014/15 financial year to provide support to municipalities in relation to GRAP 17, PMS and EPWP projects. The Department further transferred R49 million during the 2016/17 financial year to municipalities to support projects that were identified during the visit by the department: water infrastructure maintenance projects, a storm water and waste collection project for Emfuleni Local Municipality and a water loss and demand management project for Merafong Local Municipality as well as to support the merger of Randfontein and Westonaria local municipalities. The Department transferred R25 million for 2017/18 to address Rand West Municipality's post-merger challenges of salary disparities and a further R2 million for the Expanded Public Works Programme (EPWP) grant for job creation which aims to reduce poverty within communities. A total of R3 million was allocated in support of GRAP 17 and R2 million was allocated for the PMS Project. Over the 2018 MTEF period, the Department will transfer funds to support municipalities with GRAP 17, PMS projects and EPWP.

8. PROGRAMME DESCRIPTION**Programme description**

The goal of this programme is to strengthen and align the department's organisational capacity and capability to deliver on its mandate. It enables the department's business units to perform efficiently by providing corporate support (HR, financial management, SCM, ICT, risk management and facilities management). The programme ensures effective and efficient leadership, management and administrative support to the core business of the department by refining organisational strategy and structure in compliance with appropriate legislation and practice. The programme's outputs reflect Pillar 5 (modernisation of the public service which seeks to achieve an efficient, effective and developmental oriented public service and an empowered, fair and inclusive citizenry).

Programme objectives are to:

- Ensure that HRM is a strategic partner with all units in the department;
- Provide effective legal services to the department;
- Provide efficient and effective facilities management to the department;
- Provide efficient, effective and stable ICT infrastructure and support to the department;
- Ensure prudent financial management, efficient and effective SCM and systems to ensure that financial planning and budgeting are aligned with the department's strategic plan;
- Maintain effective, efficient and transparent risk management and financial systems, as well as controls, to safeguard Departmental assets; and
- Ensure good governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility within departmental operations.

Key policies, priorities and outputs

- Develop policies, provide strategic direction as well as monitor and evaluate the department's programmes, support services and operations;
- Render strategic and focused HRM support to ensure effective execution of the department's functions and strategy;
- Render effective and economic financial management services to the department as well as ensure the alignment of strategy and budget in addition to managing expenditure, reporting, and the supply chain;
- Render corporate services within the department and ensure the efficient execution of the Department's functions and strategy (structure; resources: budget, physical and human; systems);
- Manage the risk strategy of the department;
- Anti-corruption enforcement;
- Building capacity and capability to professionalise the department;
- Monitor and support legislative compliance;
- Facilitate access to information;
- Provide sound legal advice and support to the department; and
- Provide gender mainstreaming activities and female counsellor training.

TABLE 7.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
1. Office Of The Mec	3 563	3 839	3 065	4 992	4 992	4 992	5 203	5 571	5 877
2. Corporate Services	79 256	101 692	117 227	124 098	126 098	126 098	139 081	147 643	156 701
Total payments and estimates	82 819	105 531	120 292	129 090	131 090	131 090	144 284	153 214	162 578

TABLE 7.7: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	78 967	102 187	117 169	121 889	121 889	121 889	136 644	145 536	154 478
Compensation of employees	53 277	71 754	79 573	83 442	83 441	83 442	93 432	98 425	104 776
Goods and services	25 690	30 433	37 596	38 447	38 448	38 447	43 212	47 111	49 702
Transfers and subsidies to:	1 835	1 671	1 248	1 630	1 616	1 616	1 746	1 454	1 534
Provinces and municipalities									
Non-profit institutions									
Households	1 835	1 671	1 248	1 630	1 616	1 616	1 746	1 454	1 534
Payments for capital assets	1 879	1 170	1 809	5 571	7 571	7 571	5 894	6 224	6 566
Buildings and other fixed structures									
Machinery and equipment	1 865	1 170	1 809	5 571	7 571	7 571	5 894	6 224	6 566
Software and other intangible assets	14								
Payments for financial assets	138	503	66		14	14			
Total economic classification	82 819	105 531	120 292	129 090	131 090	131 090	144 284	153 214	162 578

The programme's expenditure increased from R82.8 million to R120.3 million between 2014/15 and 2016/17 which was for the provision of operational requirements and support for the department including the MEC's Izimbizo in respect of local government elections. The programme's budget for 2017/18 amounted to R129.1 million for the provision of legal costs, office equipment and tools of trade for staff. This amount caters for the improvement in the condition of service, recruitment processes and envisaged procurement of ICT infrastructure, software licences, refurbishment of the new building and marketing for the MEC's outreach programmes to municipalities.

The administration programme allocation for 2018/19 amounts to R144.3 million and increases to R162.6 million over the MTEF period. The increase will fund the renovations, furniture and equipment for the newly identified building that will cater for the departmental employees, payment of g-fleet services, bursaries, communication equipment, training for the development of employees, Microsoft licence fees and general maintenance requirements for the running of the department.

Compensation of employees: The staff expenditure increases from R53.3 million in 2014/15 to R79.6 million in 2016/17 owing to funding departmental capacity as per the approved organisational structure. The budget increases from R93.4 million to R104.8 million over the MTEF.

Goods and services: Expenditure increased from R25.7 million to R37.6 million for the provision of voter education programmes, payment of Microsoft licence fees and to fund the operational requirements of the department. The budget for

2017/18 of R38.4 million is for the provision of bursaries for staff development, settlement of audit fees for the regulatory and operational expenses. The budget increases from R43.2 million in 2018/19 to R 49.7 million in 2020/21 financial year to fund operational requirements including MEC's outreach programmes.

Machinery and equipment: The Department spent between R1.1 million and R1.8 million during the first three years for the procurement of office furniture and equipment. A need for additional office furniture and equipment resulted in the increase in budget to R5.6 million in 2017/18. This budget increases to R7.6 million during the 2017/18 adjustments owing to an approved roll-over amount of R2 million for the procurement of tools of trade for staff. Provision of capital assets is catered for in the budget of R6.6 million over the MTEF to fund renovations for the newly acquired building and required equipment.

The item used for transfers and subsidies within this program is households. This is for pension benefits for ex-development board members and injury-on-duty claims. The budget remains constant over the MTEF period.

PROGRAMME 2: LOCAL GOVERNANCE

Programme description

The Local Governance Programme seeks to strengthen the developmental state by enhancing participatory governance and institutional stability as well as by building the capacity and capability of local government to achieve its constitutional mandate. The goal of the programme is to promote and facilitate viable and sustainable local governance in line with Pillar 4: Transformation of State and Governance.

The objectives of this programme are to:

- Provide management and support services to local government within the regulatory framework;
- Monitor and support municipalities to ensure financially viable and sustainable municipalities in accordance with applicable Acts;
- Deepen democracy by promoting community participation through appropriate structures, processes and systems, and by facilitating access to government services;
- Coordinate, cooperate and integrate support and monitor capacity building initiatives;
- Improve municipal performance through enhanced monitoring, reporting and evaluation;
- Improve the image of local government;
- Implement a differentiated approach to local government in the Province;
- Monitor and support legislative compliance;
- Establish and support viable and accountable governance structures;
- Promote intergovernmental and stakeholder relations as well as improved integration and planning;
- Facilitate the devolution of powers and functions to ensure stable local government;
- Improve public participation;
- Implement an appropriate finance model for local government to promote sustainability and viability;
- Enforce anti-corruption measures in municipalities;
- Provide urban management and built environment planning;
- Build capacity and capability towards improving professionalism in local government;
- Develop policy towards differentiated approaches and social inclusivity;
- Enhance participatory governance through CDW programmes; and
- Facilitate access to basic services for poor communities.

TABLE 7.8: SUMMARY OF PAYMENT AND ESTIMATES: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
1. Municipal Administration	11 576	27 104	11 867	14 123	15 420	15 420	14 458	13 357	14 207
2. Municipal Finance	8 849	10 876	15 802	11 755	10 775	10 775	10 892	9 929	10 534
3. Public Participation	121 176	130 964	137 007	155 892	149 499	149 500	154 473	165 657	177 026
4. Capacity Development	10 064	26 452	18 056	26 759	34 384	34 384	19 111	20 113	21 738
5. Municipal Performance Monitoring, Reporting And Evaluation	11 047	10 891	13 990	15 580	15 020	15 019	16 455	20 008	21 510
Total payments and estimates	162 712	206 287	196 722	224 108	225 098	225 098	215 389	229 064	245 015

TABLE 7.9: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	158 712	168 299	182 809	210 971	196 962	196 962	210 389	224 064	239 740
Compensation of employees	137 693	143 203	160 942	178 092	176 083	176 083	178 855	192 092	204 928

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Goods and services	21 019	25 096	21 867	32 879	20 879	20 879	31 534	31 972	34 812
Transfers and subsidies to:	4 000	37 988	13 913	13 136	23 136	23 136	5 000	5 000	5 275
Provinces and municipalities	4 000	37 988	13 913	13 136	23 136	23 136	5 000	5 000	5 275
Payments for capital assets					5 000	5 000			
Buildings and other fixed structures									
Machinery and equipment					5 000	5 000			
Payments for financial assets									
Total economic classification	162 712	206 287	196 722	224 108	225 098	225 098	215 389	229 064	245 015

The programme's expenditure increased from R162.7 million to R196.7 million between the 2014/15 and 2016/17 financial years. The spending was for the support provided to municipalities and to assist with the merger of Westonaria and Randfontein local municipalities with the systems and plans developed to enable the seamless transition to a new municipality. The increase in expenditure also provided for the deployment of CDWs after the local government elections. The Department assisted with establishment of asset management (GRAP 17) as part of operation clean audit and ensuring that municipalities transit from manual to automated performance management systems (PMS).

The increase from R196.7 million in 2016/17 to R224.1 million in 2017/18 supported the transfer of funds to Rand West Local Municipality to assist with the challenges of salary disparities including the implementation of revenue enhancement management strategies in five municipalities. The budget was also utilised for the capacity building initiatives in municipalities. Included in the allocation over the MTEF is the funding to support municipalities in relation to achieving clean audits, continuous training of ward committees and councillors in all aspects of municipal competencies, deployment of CDWs to each ward, conducting of research, implementation of revenue management strategies to deal with municipal debts that have been escalating drastically in line with the Municipal Rates Property Act (MRPA). The Department will continue to support the municipalities with institutionalisation of performance management systems including capacity building interventions with respect to financial management, project management, contract management, technical skills and governance.

The Department will further assist with the implementation and institutionalisation of the Scarce and Critical Skills Strategy, focusing on financial management, infrastructure and oversight (S79, inclusive of MPACs). The Department will also support the merged municipalities with the development and design of a functional organisational structure on macro and micro concept including the implementation of viability assessment of Mogale, Lesedi, Emfuleni, Rand West City and Merafong local municipalities. Continuous resolution on top 100 defaulting residential debtors accounts through improving data quality and integrity collection in all municipalities for revenue enhancement and debtor management, including the implementation of organisational development and design.

Compensation of employee's expenditure: This increased from R137.7 million in 2014/15 to R143.2 million in 2015/16. There is a further increase to R160.9 million in 2016/17. Over the MTEF it grows to R204.9 million. The increase will fund the deployment of CDWs and the filling of vacant posts.

Goods and services: The Department spent between R21 million and R25 million during the first three years owing to the reprioritisation of functions within programmes after the implementation of the organisational structure. The expenditure was for the training of CDWs and ward counsellors, development of revenue management strategy, and enhanced communication through public participation awareness campaigns to align the functions within programmes including capacity-building interventions in municipalities regarding financial and project management systems.

The increase over the 2018 MTEF will cater for CDWs programmes, conduct research studies, implementation of revenue management strategy to improve debt collection that will reduce municipal debts with 500 business debtors, top 700 residential debtors and top 100 account data cleansing as priory projects as well as to support with capacity interventions on talent management, employee relations and the training of female councillors.

Transfers and subsidies: Transfers amounted to R38 million during 2015/16 to support the merger of the Randfontein and Westonaria LM on integration of systems and assets registers. During 2016/17 the department transferred R13.9 million to assist the municipality with transformation projects in salary disparities.

Over the MTEF the budget remains at R5 million annually to support municipalities with transition processes to migrate from manual to electronic information on performance targets (PMS) and assets management support (GRAP 17) to enhance compliance with the standard in maintaining and updating the assets register to ensure sustainable clean governance and to support job creation opportunities at municipal level through EPWP.

SERVICE DELIVERY MEASURES

PROGRAMME 2: LOCAL GOVERNANCE

Programme performance measures	Estimated performance	Medium-term estimates		
	2017/18	2018/19	2019/20	2020/21
Number of post-merger support interventions provided to Rand-West City Municipality.	1	1	1	1
Number of IGR Structures functional in accordance with the IGR Framework by 2020.	3	3	4	5
Number of municipalities supported to implement the Red Tape reduction programme (Sub-outcome 4)	6	6	11	11
Number of reports produced on the extent to which municipalities comply with the implementation of the Anti-corruption measures (Sub-outcome 3, Action 8).	4	4	4	4
Number of reports on fraud, corruption and maladministration cases reported and investigated. (Sub-outcome 3, Action 8).	4	4	4	4
Number of research reports on key local government policy issues.	4	4	5	6
Number of Ward Committees supported to implement ward operational plans.	200	200	529	529
Number of municipalities supported on the development of ward level database with community concerns and remedial actions produced (Sub -outcome 2, Action 5).	6	6	9	11
Number of reports on the number of community report back meetings convened by Councillors in each ward (Sub-outcome 2, Action 7).	4	4	4	4
Number of reports on participatory democracy processes supported.	4	4	4	4
Report on implementation of Back to Basics support plans by municipalities (Sub-outcome 1)	4	4	4	4
Number of OPCA PCCs convened to provide advisory support to municipalities on the implementation of the audit response plan.	2	2	2	2
Number of Municipalities provided with financial support to update and maintain Infrastructure Asset Registers in line with the GRAP 17 requirements.	4	4	5	6
Number of municipalities supported to improve revenue management and debt collection. (Sub-outcome 3).	2	2	2	3
Number of municipalities provided with additional capacity to resolve top 100 defaulting Residential debtors through improving billing data quality.	6	6	6	6
Number of municipalities provided with additional capacity to implement the cost reflective provincially developed Tariff Models.	4	4	5	6
Number of municipalities supported to institutionalise Performance Management System.	2	2	2	4
Number of municipalities provided with support to conduct Human Resource Audits	5	5	6	11
Number of capacity building interventions supported in Municipalities.	5	5	5	6
Number of Municipalities supported to comply with MSA regulations in terms of the appointment of Senior Managers (Sub outcome 3, Action 6).	11	11	11	11
Number of reports in terms of Section 131 of the Municipal Finance Management Act.	1	1	1	1
Number of municipal compliance reports in terms of Municipal Finance Management Act; Municipal Property rates Act; Municipal Systems Act and Remuneration of Public Office Bearers Act.	4	4	4	4
Number of municipalities guided to comply with the Municipal Property Rates Act.	10	10	10	9
Number of municipalities monitored on functionality of municipal internal audit units and audit committees	11	11	11	11
Number of municipalities monitored on implementation of Audit Response Plans based on the audit outcomes (Sub-outcome 3)	11	11	11	11
Number of municipal performance reports against the 4 key performance areas of Local Government.	4	4	4	4
Number of Annual Municipal performance reports compiled as per section 47 of the Municipal Systems Act.	1	1	1	1
Number of women councillors inducted on GEYODI.	50	50	50	50
Number of municipalities supported in meeting the minimum 2% disability employment target.	3	3	3	2
Number of municipalities supported on the roll-out of gender policy framework.				

PROGRAMME 3: DEVELOPMENT AND PLANNING

Programme description

The purpose of the programme is to coordinate, facilitate and promote integrated development and planning in municipalities to ensure that services are delivered in an integrated and sustainable manner in line with the transformation of the state and governance.

Programme objectives

- It facilitates and coordinates processes to ensure that municipal IDPs are credible, implementable and aligned with national and provincial outcomes, plans and strategies;
- It ensures strategic management of provincial land for economic and social purposes;
- It ensures accelerated delivery of municipal basic services and infrastructure delivery to meet national targets;
- It provides coordination and support for implementation of the National Disaster Management Act, the Fire Brigade Services Act and the Disaster Management Framework to ensure effective management of disasters at national, provincial and local level;
- It facilitates integrated urban management and planning;
- It improves integration and planning;
- It increases community-based planning; and
- It facilitates access to basic services for poor communities.

TABLE 7.10: SUMMARY OF PAYMENTS AND ESTIMATES: DEVELOPMENT AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
1. Land Use Management	1 663	4 755	106						
2. Idp Coordination	4 925	3 978	6 312	6 431	9 244	9 244	10 266	11 285	11 962
3. Disaster Management	13 817	21 669	72 133	62 925	64 359	64 359	64 598	67 561	71 276
4. Municipal Infrastructure	11 013	19 829	50 254	36 600	37 265	37 265	21 119	22 068	22 339
Total payments and estimates	31 418	50 231	128 805	105 956	110 868	110 868	95 983	100 914	105 577

TABLE 7.11: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	30 418	39 231	59 145	77 900	99 812	99 812	85 755	86 846	90 736
Compensation of employees	26 249	28 007	29 650	34 060	35 148	35 147	39 606	42 537	45 069
Goods and services	4 169	11 224	29 495	43 840	64 664	64 665	46 149	44 309	45 667
Transfers and subsidies to:	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Provinces and municipalities	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Payments for capital assets			33 960	26 056	9 056	9 056	8 228	14 068	14 841
Buildings and other fixed structures			31 600						
Machinery and equipment			2 360	26 056	9 056	9 056	8 228	14 068	14 841
Payments for financial assets									
Total economic classification	31 418	50 231	128 805	105 956	110 868	110 868	95 983	100 914	105 577

The Premier made a proclamation to relocate the Land Management function to the Gauteng Department of Infrastructure Development to streamline land management matters in the Province. This is owing to the on-going transfer of properties to beneficiaries and the vesting of properties in the Province.

The programme expenditure increased from R31.4 million in the 2014 /15 financial year to R128.8 million in the 2016/17 financial year. This included additional funding of R50 million which was transferred to support municipalities with service delivery challenges relating to water infrastructure and electricity services for Emfuleni LM and Rand West LM. The expenditure also included a roll-over of R27 million for procurement of the PDMC building and R20 million for disaster relief funding relating to floods in the province. The Department received a conditional grant amounting to R2 million from the National Department of Public Works for the Expanded Public Works Programme (EPWP) for job creation initiatives in the province. Over the MTEF the allocation increases to R106 million to fund the operational requirements of the centre, disaster related education and awareness campaigns, as well as IDP engagements to implement the IDP framework. The budget will assist the department to implement the Gauteng Energy Security Strategy as approved by EXCO.

Compensation of employees: This increased from R28 million in 2015/16 to R29.7 million in 2016/17 and increases to R45.1 million over the MTEF for filling of OSD positions within the unit and to capacitate the PDMC to function effectively.

Goods and services: The allocation increased from R11.2 million in 2015/16 to R29.4 million in 2016/17 to respond to the disaster relief by providing temporary accommodation, blankets, tents and utensils to the affected communities. The further increases in expenditure was to provide water tanks to ensure water supply in schools during drought season. The allocation reaches R45.7 million over the 2018 MTEF. The increase will fund operational requirements of the PDMC such as awareness campaigns by disseminating information regarding disaster management in the province to communities that are vulnerable, payment of fleet services and to coordinate and manage disaster response and recovery initiatives to ensure that the province is able to respond to disasters in the event of a disaster. This includes the early warning and infrastructure requirements for the PDMC, the establishment of interoperable radio communication system for emergency management which will allow communication within and across agencies, IDP coordination within municipalities to provide support to Human Settlement Mega Projects Infrastructure projects and IDP process by 2020. The funds will also cater for the reprioritised development and implementation of Gauteng Energy Security Strategy as an intervention tool to address energy carriers including coal, electricity and gas and the implementation of rain water harvesting project for schools and clinics.

Payments for capital assets: The expenditure of R31.6 million is for buildings and other fixed structures in 2016/17 financial year was for the procurement of PDMC building and equipment. The allocation for the outer year of the MTEF amounts to R14.8 million and will be utilised for procurement of ICT infrastructure, office equipment and unmanned aerial vehicles (UAV) and cameras to conduct disaster risk assessments over large areas as well as areas that are not easily accessible to photographers who need to take pictures of the incidents.

SERVICE DELIVERY MEASURES

PROGRAMME 3: DEVELOPMENT AND PLANNING

Programme performance measures	Estimated performance	Medium-term estimates		
	2017/18	2018/19	2019/20	2020/21
Number of municipalities supported with development of legally compliant IDPs.	11	11	11	11
Number of municipalities supported with the implementation of SPLUMA.	2	2	2	2
Number of municipalities supported to implement bulk infrastructure on Human Settlement mega projects.	9	9	9	9
Number of municipalities supported with service delivery programmes.	6	6	6	6
Number of municipalities supported to implement indigent policies (Sub-outcome 1, Action 6).	9	9	9	9
Percentage reduction of water losses by 15% 2020.	4%	4%	4%	4%
Number of schools supported with installation of Rainwater Harvesting Systems in the province.	50	100	100	100
Number of jobs created to meet the targets of the Community Works Programme (CWP).	19 000	19 000	19 000	19 000
Number of Provincial Disaster Management Centres fully functional and compliant to the legislative mandate to meet Gauteng needs.	1	1	1	1
Number of functional Municipal Disaster Management Centres	5	5	5	5

PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT

Programme description

The programme promotes and facilitates viable and sustainable traditional institutions by enhancing the capacity of traditional leadership and local governance institutions in line with Pillar 4: Transformation of the State and Governance.

- The key performance areas are:
- Traditional institutional administration;
- Traditional resource administration;
- Rural development facilitation;
- Traditional land administration; and
- Facilitating the devolution of powers and functions to ensure stable local government and traditional leadership.

TABLE 7.12: SUMMARY OF PAYMENTS AND ESTIMATES: TRADITIONAL INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
1. Traditional Institution Administration	3 888	4 393	4 376	6 848	5 926	5 926	6 047	6 391	6 742
2. Traditional Resource Administration	1 059	662	3 463	1 660	4 466	4 466	5 022	5 393	5 707
3. Rural Development Facilitation		400	450	552	553	553	555	586	618

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
4. Traditional Land Administration	1 560	1 347	1 768	2 004	1 040	1 040	955	1 026	1 080
Total payments and estimates	6 507	6 802	10 057	11 064	11 985	11 985	12 579	13 396	14 147

TABLE 7.13: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADITIONAL INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	6 507	6 802	10 057	11 064	11 985	11 985	12 579	13 396	14 147
Compensation of employees	4 885	4 515	5 170	6 765	7 687	7 687	8 002	8 594	9 082
Goods and services	1 622	2 287	4 887	4 299	4 298	4 298	4 577	4 802	5 065
Transfers and subsidies to:									
Payments for capital assets									
Payments for financial assets									
Total economic classification	6 507	6 802	10 057	11 064	11 985	11 985	12 579	13 396	14 147

The expenditure of the programme was R6.5 million in 2014/15 and R6.8 million in 2015/16 for training traditional councils, cultural and commemoration events. The allocation for 2016/17 increased to R10.1 million for the hosting of the Zulu cleansing ceremony that was held at Huntersfield Stadium in Katshele. The Budget increases to R14.1 million over the 2018 MTEF period. The increase is to address powers and functions on intergovernmental relations and the development of the oversight and accountability management model. The increase in allocation will further assist with amalgamation, coordination and facilitating local government knowledge management.

Expenditure on compensation of employees increases from R4.9 million to R5.2 million between the 2014/15 and 2016/17 financial year. Over the 2018 MTEF it increases to R9.1 million to fund staff requirements and filling of posts.

Expenditure on goods and services expenditure was owing to the commemoration of traditional and cultural events. Over the MTEF the budget increases to R5.1 million for capacitating and training of traditional councils to conduct feasibility studies for the heritage sites. In terms of the funds allocated to the Amandebele Ndzunza Sokhumi and Amandebele Ba Lebelo Commemoration and heritage events that were not implemented in the current year, including the anti-corruption cases, these will be further utilised to conduct training of IGR practitioners dealing with petitions in municipalities. The allocation over the MTEF also caters for the transfers to traditional councils for the maintenance and running of the offices and vehicles. The allocation will further be utilised to implement the IGR strategy across all sister departments.

SERVICE DELIVERY MEASURES

PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2017/18	2018/19	2019/20	2020/21
Number of Presidential Proclamations in terms of the Remuneration of Public Office Bearers Act (POBA) implemented by target date.	1	1	1	1
Number of Traditional Councils complying with legislative prescripts.	2	2	2	2
Percentage of traditional leadership complaints resolved within 90 days after date of receipt.	100%	100%	100%	100%

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 7.14: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

R thousands	Actual			Revised estimate			Medium-term expenditure estimate				Average annual growth over MTEF		
	2014/15	2015/16	2016/17	2017/18		2018/19	2019/20		2020/21	2021/22	2017/18 - 2020/21		2021/22
	Personnel numbers ¹	Personnel numbers ¹	Personnel numbers ¹	Filled posts	Additional posts		Personnel numbers ¹	Costs			Personnel growth rate	Costs growth rate	
Salary level													
1 – 6	551	442	442	415		415	411	133 257	433	140 589	1.4%	2.6%	40.1%
7 – 10	159	152	152	159		159	159	86 448	165	91 201	1.2%	8.6%	24.7%
11 – 12	50	49	49	56	2	58	58	58 024	60	64 630	1.1%	10.7%	16.9%
13 – 16	23	28	28	33	1	34	34	52 726	34	67 221	0.0%	8.4%	18.2%
Other		17	17	16		16	16	203	18	214	4.0%	(23.6)%	0.1%
Total	783	688	688	679	3	682	678	319 895	710	363 855	1.4%	6.4%	100.0%
Programme													
1. Administration	114	154	154	148	3	151	151	83 825	159	98 563	1.7%	8.4%	26.4%
2. Local Governance	598	472	472	457		457	457	191 453	481	211 093	1.7%	4.8%	59.0%
3. Development Planning	61	51	51	59		59	59	36 252	59	44 057	0.0%	9.6%	11.8%
4. Traditional Institutional Management	10	11	11	15		15	11	8 365	11	10 142	(9.8)%	8.1%	2.8%
Direct charges											0.0%	0.0%	0.0%
Total	783	688	688	679	3	682	678	319 895	710	363 855	1.4%	6.4%	100.0%

The DPSA has approved the organisational structure of the Department of Cooperative Governance and Traditional Affairs. The recruitment process to fill vacant positions resumed in the 2016/17 financial year to ensure that core business and support functions were supported appropriately. Personnel numbers of the department may increase as placement of staff is not finalised. The personnel numbers projected over the MTEF are as per full establishment of the organisational structure.

9.2 Training

TABLE 7.15: PAYMENTS ON TRAINING: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Number of staff	783	688	688	682	682	682	678	678	710
Number of personnel trained	120	120	120	126	126	126	133	141	149
of which									
Male	40	40	40	42	42	42	44	47	50
Female	80	80	80	84	84	84	89	94	99
Number of training opportunities	68	68	68	71	71	71	76	80	84
of which									
Tertiary	50	50	50	53	53	53	56	59	62
Workshops	16	16	16	17	17	17	18	19	20
Seminars	2	2	2	2	2	2	2	2	2
Other									
Number of bursaries offered	50	50	50	53	53	53	56	59	62
Number of interns appointed	10	10	10	11	11	11	11	12	13
Number of learnerships appointed									
Number of days spent on training	100	100	100	105	105	105	111	117	123
Payments on training by programme									
1. Administration	6 461	1 749	3 804	3 024	3 024	3 024	3 199	3 416	3 604
2. Local Governance	1 100	973							
3. Development Planning	3 160	466							
4. Traditional Institutional Management	780								
Total payments on training	11 501	3 188	3 804	3 024	3 024	3 024	3 199	3 416	3 604

The Department has allocated 1 per cent of the compensation of personnel budget for training. The Department develops an annual workplace skills plan that is informed by staff members' performance plans annually, and awards bursaries to qualifying employees. This is due to the demand for skilled employees in the department and to ensure that there is continuity in developing employees on the latest trends. The Department is funding CDWs' studies to improve their capacity to deliver a good service. The significant high expenditure of R11.5 million for training in 2014/15 was informed by training of CDW's and ward Counsellors. CDW's support government programmes through advocacy initiatives and participatory processes, in particular with the IDP process, ward committees and izimbizos.

9.3 Reconciliation of Structural Changes

N/A

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 7.16: SPECIFICATION OF RECEIPTS: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Tax receipts									
Sales of goods and services other than capital assets	317	292	276	156	156	276	166	174	184
Sale of goods and services produced by department (excluding capital assets)	317	292	276	156	156	276	166	174	184
Sales by market establishments	317	292	276	156	156	276	166	174	184
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land			27	29	29	29	30	32	34
Interest			27	29	29	29	30	32	34
Sales of capital assets									
Transactions in financial assets and liabilities	173	66	1 440	347	347	227	367	388	409
Total departmental receipts	490	358	1 743	532	532	532	563	594	627

TABLE 7.17: PAYMENT AND ESTIMATES BY ECONOMIC CLASSIFICATION: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	274 604	316 519	369 180	421 825	430 648	430 648	445 367	469 842	499 101
Compensation of employees	222 104	247 479	275 335	302 359	302 359	302 359	319 895	341 648	363 855
Salaries and wages	191 480	212 017	237 604	259 986	260 205	260 205	278 756	296 071	315 772
Social contributions	30 624	35 462	37 731	42 374	42 154	42 154	41 139	45 577	48 083
Goods and services	52 500	69 040	93 845	119 465	128 289	128 289	125 472	128 194	135 246
Administrative fees	139	328	278	180	291	378	915	947	999
Advertising	2 086	7 343	14 062	3 910	4 491	4 723	4 150	4 534	4 782
Minor assets	436	278	775	346	357	293	876	1 926	2 032
Audit cost: External	3 650	2 966	2 627	2 950	2 950	2 761	3 000	3 070	3 239
Bursaries: Employees	374	264	597	500	500	500	464	584	616
Catering: Departmental activities	1 447	3 839	2 622	2 572	2 732	2 826	1 868	1 770	1 866
Communication (G&S)	8 794	10 419	7 671	13 702	6 470	6 470	11 800	12 488	13 176
Computer services	3 392	661	5 658	2 744	8 328	6 172	5 473	5 097	5 377
Consultants and professional services: Business and advisory services	386	396	722	199	3 783	4 028	27 554	20 791	21 934
Legal services	681	245	3 245	55	655	900	1 065	1 400	1 477
Contractors	806	413	205	1 012	1 438	1 438	300	265	279
Agency and support / outsourced services	4 309	10 968	8 752	51 139	31 031	32 924	15 416	17 239	17 531
Entertainment	2	165		43	43	43	10	11	12
Fleet services (including government motor transport)	1 934	6 069	8 304	11 805	8 889	8 199	6 720	7 004	7 390
Inventory: Materials and supplies	5	22							
Inventory: Other supplies			1 788						
Consumable supplies	2 607	6 175	14 156	4 529	12 875	12 877	5 285	6 277	6 621
Consumable: Stationery, printing and office supplies	2 273	3 393	4 669	2 695	3 245	3 139	3 341	3 756	3 962
Operating leases	1 211	148	383	500	500	547	834	873	921
Property payments	552	1 145	1 095	4 209	17 911	17 313	7 774	8 300	8 756
Travel and subsistence	5 035	5 241	5 699	5 376	7 113	7 439	7 096	8 840	9 327
Training and development	6 427	2 924	3 207	5 393	6 917	6 428	12 035	12 449	13 795
Operating payments	795	653	551	1 151	1 069	1 801	2 752	2 663	2 809
Venues and facilities	5 159	4 985	6 779	4 456	6 701	7 090	6 744	7 910	8 345
Transfers and subsidies	6 835	50 659	50 861	16 766	26 752	26 752	8 746	6 454	6 809
Provinces and municipalities	5 000	48 988	49 613	15 136	25 136	25 136	7 000	5 000	5 275
Municipalities	5 000	48 988	49 613	15 136	25 136	25 136	7 000	5 000	5 275
Municipalities	5 000	48 988	49 613	15 136	25 136	25 136	7 000	5 000	5 275

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Households	1 835	1 671	1 248	1 630	1 616	1 616	1 746	1 454	1 534
Social benefits		1 606	1 248	30		30	32	34	36
Other transfers to households	1 835	65		1 600	1 616	1 586	1 714	1 420	1 498
Payments for capital assets	1 879	1 170	35 769	31 627	21 627	21 627	14 122	20 292	21 407
Buildings and other fixed structures			31 600						
Buildings			31 600						
Machinery and equipment	1 865	1 170	4 169	31 627	21 627	21 627	14 122	20 292	21 407
Other machinery and equipment	1 865	1 170	4 169	31 627	21 627	21 627	14 122	20 292	21 407
Software and other intangible assets	14								
Payments for financial assets	138	503	66		14	14			
Total economic classification	283 456	368 851	455 876	470 218	479 041	479 041	468 235	496 588	527 317

TABLE 8.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	78 967	102 187	117 169	121 889	121 889	121 889	136 644	145 536	154 478
Compensation of employees	53 277	71 754	79 573	83 442	83 441	83 442	93 432	98 425	104 776
Salaries and wages	47 236	63 438	70 303	71 760	72 917	72 917	83 775	88 306	94 100
Social contributions	6 041	8 316	9 270	11 682	10 524	10 525	9 657	10 119	10 676
Goods and services	25 690	30 433	37 596	38 447	38 448	38 447	43 212	47 111	49 702
Administrative fees	39	73	176	20	131	131	155	163	172
Advertising	1 712	2 278	4 481	2 000	1 864	1 745	750	1 887	1 990
Minor assets	366	143	283	241	252	178	271	331	349
Audit cost: External	2 198	2 870	2 438	2 950	2 950	2 761	3 000	3 070	3 239
Bursaries: Employees	374	264	597	500	500	500	464	584	616
Catering: Departmental activities	607	587	388	748	726	692	297	314	331
Communication (G&S)	3 998	4 532	4 301	6 825	3 352	3 352	4 840	6 243	6 588
Computer services	3 268	526	5 215	1 360	3 944	5 064	5 003	4 707	4 966
Consultants and professional services: Business and advisory services	386	396	715	443	2 703	2 703	2 049	2 395	2 527
Legal services	681	245	2 775	300	900	900	1 325	1 400	1 477
Contractors	802	413	195	12	699	699	220	180	190
Agency and support / outsourced services	883	1 354	354	662	1 307	969	2 022	1 485	1 567
Entertainment		165		43	43	43	10	11	12
Fleet services (including government motor transport)	1 934	6 069	6 008	9 805	6 889	6 199	5 620	5 904	6 229
Inventory: Materials and supplies	5	22							
Consumable supplies	1 999	2 587	2 429	3 028	1 392	1 392	1 087	1 285	1 355
Consumable: Stationery, printing and office supplies	1 654	1 871	2 057	1 717	2 594	2 482	3 001	3 286	3 467
Operating leases	1 211	148	383	500	500	547	700	739	780
Property payments	71	775	721	1 064	765	765	3 491	3 480	3 671
Travel and subsistence	1 086	1 630	2 068	2 030	3 344	3 216	2 540	3 102	3 272
Training and development	612	1 477	1 044	3 024	1 226	976	3 199	3 416	3 604
Operating payments	91	87	127	95	181	948	1 450	1 498	1 580
Venues and facilities	1 713	1 921	841	1 080	2 186	2 185	1 718	1 631	1 720
Transfers and subsidies	1 835	1 671	1 248	1 630	1 616	1 616	1 746	1 454	1 534
Non-profit institutions									
Households	1 835	1 671	1 248	1 630	1 616	1 616	1 746	1 454	1 534
Social benefits		1 606	1 248	30		30	32	34	36
Other transfers to households	1 835	65		1 600	1 616	1 586	1 714	1 420	1 498
Payments for capital assets	1 879	1 170	1 809	5 571	7 571	7 571	5 894	6 224	6 566
Machinery and equipment	1 865	1 170	1 809	5 571	7 571	7 571	5 894	6 224	6 566
Other machinery and equipment	1 865	1 170	1 809	5 571	7 571	7 571	5 894	6 224	6 566

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Software and other intangible assets	14								
Payments for financial assets	138	503	66		14	14			
Total economic classification	82 819	105 531	120 292	129 090	131 090	131 090	144 284	153 214	162 578

TABLE 17.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	158 712	168 299	182 809	210 971	196 962	196 962	210 389	224 064	239 740
Compensation of employees	137 693	143 203	160 942	178 092	176 083	176 083	178 855	192 092	204 928
Salaries and wages	116 948	120 160	136 809	153 120	149 617	149 618	153 241	162 936	174 168
Social contributions	20 745	23 043	24 133	24 972	26 466	26 465	25 614	29 156	30 760
Goods and services	21 019	25 096	21 867	32 879	20 879	20 879	31 534	31 972	34 812
Administrative fees	69	156	58	120	120	120	230	244	257
Advertising	102	2 735	4 258	869	634	671	600	747	786
Minor assets	31	62	26	()		7	105	198	209
Audit cost: External	1 452	96	189						
Bursaries: Employees									
Catering: Departmental activities	210	2 129	46	1 140	1 109	1 109	365	388	409
Communication (G&S)	4 796	5 887	3 257	5 877	3 047	3 047	6 720	6 000	6 330
Computer services			295	350	350	350	370	390	411
Consultants and professional services: Business and advisory services			7	1			2 125	120	127
Legal services			306						
Contractors	4		1				5	5	5
Agency and support / outsourced services	2 821	6 890	6 122	17 264	5 795	5 841	5 967	7 266	8 090
Entertainment	2			()					
Fleet services (including government motor transport)			512						
Consumable supplies		19	41			2	1 858	2 632	2 776
Consumable: Stationery, printing and office supplies	576	1 414	1 677	514	132	132	40	60	63
Property payments			15						
Travel and subsistence	3 134	2 146	1 505	2 083	2 202	2 198	2 010	2 550	2 690
Training and development	5 483	981	1 685	1 300	4 419	4 310	7 116	7 117	8 170
Operating payments	568	406	303	1 000	480	499	697	659	695
Venues and facilities	1 771	2 175	1 564	2 362	2 591	2 593	3 326	3 596	3 794
Transfers and subsidies	4 000	37 988	13 913	13 136	23 136	23 136	5 000	5 000	5 275
Provinces and municipalities	4 000	37 988	13 913	13 136	23 136	23 136	5 000	5 000	5 275
Municipalities	4 000	37 988	13 913	13 136	23 136	23 136	5 000	5 000	5 275
Municipalities	4 000	37 988	13 913	13 136	23 136	23 136	5 000	5 000	5 275
Payments for capital assets					5 000	5 000			
Machinery and equipment					5 000	5 000			
Other machinery and equipment					5 000	5 000			
Payments for financial assets									
Total economic classification	162 712	206 287	196 722	224 108	225 098	225 098	215 389	229 064	245 015

TABLE 7.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	30 418	39 231	59 145	77 900	99 812	99 812	85 755	86 846	90 736
Compensation of employees	26 249	28 007	29 650	34 060	35 148	35 147	39 606	42 537	45 069
Salaries and wages	22 965	24 485	25 962	29 291	30 871	30 870	34 778	37 352	39 600
Social contributions	3 284	3 522	3 688	4 769	4 277	4 277	4 828	5 185	5 469
Goods and services	4 169	11 224	29 495	43 840	64 664	64 665	46 149	44 309	45 667

Administrative fees	17	99	44	40	40	127	530	540	570
Advertising	272	2 258	5 323	999	1 931	2 245	2 800	1 900	2 006
Minor assets	30	71	466	105	105	108	500	1 397	1 474
Catering: Departmental activities	624	1 017	1 081	527	533	534	706	568	598
Communication (G&S)			113	1 000	71	71	240	245	258
Computer services	124	135	148	1 034	4 034	758	100		
Consultants and professional services: Business and advisory services				(245)	1 080	1 325	23 380	18 276	19 280
Legal services			162	(245)	(245)		(260)		
Contractors			9	1 000	739	739	75	80	84
Agency and support / outsourced services		1 428	1 811	30 568	22 238	24 467	5 649	6 602	5 886
Fleet services (including government motor transport)			1 784	2 000	2 000	2 000	1 100	1 100	1 161
Inventory: Other supplies			1 788						
Consumable supplies	587	3 569	11 548	1 500	11 213	11 213	2 340	2 360	2 490
Consumable: Stationery, printing and office supplies	1	102	817	464	464	464	150	260	274
Property payments	481	370	359	3 145	17 144	16 546	4 283	4 820	5 085
Travel and subsistence	681	1 265	1 633	1 014	917	1 368	1 767	2 301	2 429
Training and development	254	466	396	457	660	626	1 050	1 237	1 305
Operating payments	136	160	121	56	408	354	505	406	428
Venues and facilities	962	284	1 892	421	1 332	1 720	1 100	2 083	2 198
Transfers and subsidies	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Provinces and municipalities	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Municipalities	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Municipalities	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Payments for capital assets			33 960	26 056	9 056	9 056	8 228	14 068	14 841
Buildings and other fixed structures			31 600						
Buildings			31 600						
Machinery and equipment			2 360	26 056	9 056	9 056	8 228	14 068	14 841
Transport equipment									
Other machinery and equipment			2 360	26 056	9 056	9 056	8 228	14 068	14 841
Payments for financial assets									
Total economic classification	31 418	50 231	128 805	105 956	110 868	110 868	95 983	100 914	105 577

TABLE 7.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADITIONAL INSTITUTIONAL MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	6 507	6 802	10 057	11 064	11 985	11 985	12 579	13 396	14 147
Compensation of employees	4 885	4 515	5 170	6 765	7 687	7 687	8 002	8 594	9 082
Salaries and wages	4 331	3 934	4 530	5 814	6 800	6 800	6 962	7 477	7 904
Social contributions	554	581	640	951	887	887	1 040	1 117	1 178
Goods and services	1 622	2 287	4 887	4 299	4 298	4 298	4 577	4 802	5 065
Administrative fees	14								
Advertising		72		42	62	62			
Minor assets	9	2							
Catering: Departmental activities	6	106	1 107	157	364	491	500	500	528
Legal services			2						
Agency and support / outsourced services	605	1 296	465	2 645	1 691	1 647	1 778	1 886	1 988
Consumable supplies	21		138	1	270	270			
Consumable: Stationery, printing and office supplies	42	6	118		55	61	150	150	158
Travel and subsistence	134	200	493	249	650	657	779	887	936
Training and development	78		82	612	612	516	670	679	716
Venues and facilities	713	605	2 482	593	592	592	600	600	633
Transfers and subsidies									
Payments for capital assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Payments for financial assets									
Total economic classification	6 507	6 802	10 057	11 064	11 985	11 985	12 579	13 396	14 147

TABLE 7.22: TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY AND MUNICIPALITY: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Category A									
Category B	5 000	48 988	40 884	14 136	25 136	25 136	7 000	4 500	4 665
Emfuleni	1 500	13 588	18 884	1 500	1 500	2 000	750	750	750
Midvaal									500
Lesedi	500	1 500	1 500	1 000	1 000	1 000	2 250	1 250	750
Mogale City							500	500	500
Merafong City	500	5 400	500	1 000	1 000	500	2 000	1 000	1 165
Rand West City	2 500	28 500	20 000	10 636	21 636	21 636	1 500	1 000	1 000
Category C				1 000				500	610
Sedibeng District Municipality									
West Rand District Municipality				1 000				500	610
Unallocated									
Total transfers to municipalities	5 000	48 988	40 884	15 136	25 136	25 136	7 000	5 000	5 275