

# VOTE 13

## DEPARTMENT OF e-GOVERNMENT

To be appropriated by vote in 2018/19	R 1 273 826 000
Responsible MEC	MEC for Finance
Administering Department	Department of e-Government
Accounting Officer	Head of Department

### 1. 1. OVERVIEW

#### Vision

A connected Gauteng City Region that leverages technology to provide quality services to citizens.

#### Mission

To realize the intent of a connected government through:

- Provision of relevant technologies, standards and governance;
- Creation of an environment of collaboration between key stakeholders; and
- Facilitation of the evolution of the Gauteng City Region (GCR) service delivery.

#### Strategic objectives

The key strategic objectives of the department are to:

- Build an enabling infrastructure for connected GCR government;
- Create an enabling platform and support services to enable GCR entities to design, develop and deliver e-Government services;
- Establish a GCR e-Government governance structure to drive priorities, policies, standards and regulations;
- Promote the use of e-Government services by citizens, businesses and government entities; and
- Stimulate the ICT economy by facilitating incubation and innovation and by encouraging public-private partnerships (PPPs) to develop and roll out e- Government services.

#### Core functions and responsibilities

- To roll out the Gauteng Broadband Network (GBN);
- To develop and maintain all provincial government owned ICT infrastructure;
- To develop and maintain applications, networks and services;
- To improve and provide customer driven HR services;
- To implement e-Recruitment solution for job seekers; and
- To deploy HR systems in the province.

#### Main services

The main services of the department relate to:

- Providing universal access to broadband (as defined by the national broadband policy) for citizens, business as well as government institutions;
- Building the network infrastructure and information super-highway to encourage the development of advanced workforce with better ICT skills;
- Enhancing economic productivity through ICT infrastructure development in order to lower the cost of doing business and increase connectivity for companies especially small, medium and micro enterprises (SMMEs);
- Improving service delivery by providing high quality ICT services through e-government; and
- Building capability and improve the quality of service and client experience in the provision of human resource services; these are executed through improving efficiency through the automation of transactional services.

#### Ten-pillar programme of transformation, modernisation and re-industrialisation

The main services of the Department are delivered by ensuring that the Department operationalizes the provincial GCR e-Government Strategy 2015-2020. In order to achieve this, the Department assumed the 5 strategic pillars of the Strategy as

its strategic objectives. This was done to ensure a focused approach to service delivery by the Department to the citizens of the province.

**The five strategic pillars of the GCR e-Government Strategy 2015-2020 are:**

**Pillar 1:** To build an enabling ICT infrastructure for GCR connected government

**Pillar 2:** To create the platform and support services to enable GCR entities to design, develop and deliver e-Government services

**Pillar 3:** To establish a GCR e-Government governance structure to drive priorities, policies, standards and regulations

**Pillar 4:** To promote the use of e-Government services by citizens, businesses and government entities

**Pillar 5:** To stimulate the ICT economy by facilitating incubation and innovation and by encouraging PPPs for the development and roll-out of e-Government services.

**National Development Plan**

The national broadband policy gives expression to South Africa's vision in the NDP of a "seamless information infrastructure by 2030 that will underpin a dynamic and connected vibrant information society and a knowledge economy that is inclusive, equitable and prosperous " in line with this the Department of e-Government will promote digital inclusion by connecting citizens to a high-speed broadband through the Thusong centres located in townships across the province and finally to act as an economic enabler by ensuring that priority townships and economic regeneration zones have access to high-speed broadband.

**External activities and events relevant to budget decisions**

The policy document used to complete the Department's budget are the Provincial Ten Pillar Programme for transformation, modernisation and re-industrialisation. The department's budget responds to changes in demand for connectivity, which has direct impact on service delivery for the province. Financial resources are redirected to implement government wide solutions that are modern, reliable and secure.

**Acts, rules and regulations**

- Public Administrative and Management Act 11, 2014;
- Treasury Regulations 2005 and Delegations;
- Electronic Communications Act, 2005;
- Municipal Finance Management Act, 2004;
- Prevention and Combating of Corrupt Activities Act, 2004;
- Broad-Based Black Economic Empowerment Act, 2003;
- Government Employees Pension Law Amendment Act 35, 2003;
- The Tender Board Repeal Act, 2002;
- Municipality Systems Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Promotion of Access to Information Act, 2000 (Act 2 of 2000);
- Promotion of Administrative Justice Act, 2000;
- Public Finance Management Act, 1999;
- Employment Equity Act, 1998;
- National Skills development Act, 1998;
- Basic Conditions of Employment Act, 1997;
- Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997);
- Public Service Laws Amendment Act, 1997;
- Borrowing Powers of Provincial Government Act, 1996 (Act 48 of 1996);
- The Constitution of the Republic of South Africa, 1996;
- The National Archives Act, 1996;
- Development Facilitation Act, 1995;
- Labour Relations Act, 1995;
- Occupational Health and Safety Act, 1995;
- Public Service Act, 1994 Regulations and Delegations; and
- Division of Revenue Act

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

The Department of e-Government contributes towards service delivery that is aimed at the modernisation of the public service mainly through the Gauteng Broadband Network (GBN) project and automated business processes.

The rollout of the GBN project since inception has provided connectivity to 1200 sites that are located all five corridors of development in the province (namely: the Central, Eastern, Northern, Western and Southern areas of the Gauteng City Region). The rollout of the project reached the start of the second phase during the year under review. The preparatory work in respect of procurement of the second phase began but there are some sub-processes that need to be concluded for the project to make more progress. A corrective measure to facilitate further progress involved a temporary solution relating to connecting some sites on Access Point Name. The department has since introduced a catch up plan to ensure that permanent connectivity continues.

The department has published six e-Services on the e-Government common platform. To date, three departments have signed proposals to migrate to cloud environment, and the process is expected to conclude by end of fourth quarter. A common platform where information and services have been consolidated to a single point was created in 2017/18. The aim of the platform is to provide ease of access to information for the benefit of Gauteng citizens.

The e-services were promoted at various Ntirhisano outreach and Qondis'Ishishini lakho events. Through this promotion the department had the opportunity to educate the public on available e-services such as e-Recruitment and the ICT registration for SMME's amongst others. The department has an incentive framework aimed at encouraging the adoption of e-services as part of the e-Government strategy. Through the incentive strategy that has been employed, 9 provincial e-service incentive programmes were rolled out.

Statistics South Africa indicates that 63.6 percent of Gauteng population has access to the internet through their mobile device, it is within this context that the Department developed 4 mobile applications to enable citizen's convenient access to Government services on their mobile device. Mobile applications provide a range of benefits such as easier interaction with citizens, encouraging new ways of learning and awareness of services.

The DAV centre continues to play an important role of developing, validating and testing various applications to ensure their better integration into the GPG ICT ecosystem, a total of 5 services were tested and validated by the DAV centre located at the Tshimologong centre.

Seven workshops on SAP advocacy were conducted with the purpose of encouraging operational efficiency in the province. The department put together an Action Lab Strategy that aims at contributing towards youth employment, growth of digital entrepreneurship and building the ICT industry in townships. Due to the success of the partnership strategy the department concluded 7 partnership agreements with various key role players in the ICT industry in 2017/18.

The Management Performance and Assessment Tool (MPAT) results for 2016 i.e. MPAT 1.6 was an improvement over the performance achieved in 2015 i.e. MPAT 1.5. The performance of the Department improved in the Strategic Management and Finance KPAs. Of particular importance is that the Department maintained a Level 4 performance for the standard on the Governance of ICTs under KPA 2, Governance and Accountability. This is in line with the mandate of the Department of ensuring the effective governance of ICT in the province.

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

The world is experiencing a technological revolution that affects the way citizen's access services and the way government interact and do business with citizens. This ICT revolution is characterised by speed to access and transmit information. The speed of current ICT breakthroughs has no historical precedent, and is disrupting almost every industry in every country across the world, including South Africa. The breadth and depth of these changes represent the transformation of the entire systems of production, management and governance, and they require a response that is integrated and comprehensive. It is therefore imperative that the Department of e-Government takes urgent steps to unlock the range of opportunities offered by this revolution and also ensure that the rollout of a core network infrastructure that will connect all government buildings, Thusong centres, urban renewal zones and targeted economic zones.

The 2015 Quality of Life Survey indicates that the Gauteng population has nearly access to cell phones. Statistics SA in 2016, found that 63.6 percent of Gauteng's population access the Internet through their mobile devices, 25 percent access it at work and 16.4 percent access the internet at internet cafes or educational institutions. In order to remain on par with these developments, a technologically-enabled public service is essential and vital. The study also noted that 41 percent of all work activities in South Africa are susceptible to automation and that more than a third of future core skills required across all occupations will be different by 2020 compared to what is needed to perform those roles in 2015.

The Department's plans for the new financial year are to continue to champion the modernisation of government in the province through the continued rollout of the Gauteng Broadband Network project. It is envisaged that 850 Government-to-Government sites will be rolled out in 2018/19, 13 Government-to-Citizens sites will be also be connected. 476 LAN/ WAN sites will be integrated as part of the project. A further 120 sites will be provided with Voice over Internet Protocol (VoIP) to maximise the usage of GBN by departments and entities. The provision will assist in generating savings on telephone costs.

During the 2018/19 financial year, the department plans to develop and test over 5 new e-services at the DAV centre. The department will continue to ensure that there is 98 percent network availability for the broadband and access points in the province. The department plans to migrate 4 departments and agencies to the GPG private cloud in 2018/19. The department's implement the initiatives in advocacy events to promote the usage of e-services. This drive is expected to achieve a target of 70 000 registered users for e-services.

## 4. REPRIORITISATION

The department reprioritised the budget baselines of compensation of employees in 2018/19 to identify funds that are reallocated to payments for capital assets, transfers and subsidies as well as goods and services. The funds that are reallocated to payment for capital assets provide for the purchase of office computers and the funds that are reallocated to transfers and subsidies provide for payments to be made to non-employees and/ or for payment of injury-on-duty claims. The reprioritisation of the budget baselines within goods and services totalling R106 million provides the funds for prioritized expenditure items such as the GBN project, software licences and operating leases.

In 2019/20, R5 million is reprioritised from compensation of employees to goods and services to fund operating leases and transfers and subsidies to provide for payments to non-employees. R48 million is reprioritised within goods and services to provide for GBN project, software licences.

Overall, the departments engaged in the reprioritisation of the budget baselines to make funds available for the maintenance and upkeep of the provincial ICT infrastructure and to provide for the provincial information security and the fully-managed data centre.

## 5. PROCUREMENT

There are no major planned procurements for the 2018 MTEF period. Major procurement happened in the previous financial years for the GBN infrastructure. The 2018 budget makes provision for purchases of payment of capital assets at R4.5 million in 2018/19, R3.5 million in 2019/20 and 2020/21

## 6. RECEIPTS AND FINANCING

### 6.1 Summary of receipts

TABLE 13.1: SUMMARY OF RECEIPTS: E-GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Equitable share	1 252 648	1 175 647	1 263 186	1 356 832	1 461 059	1 461 059	1 273 826	1 342 611	1 421 333
<b>Total receipts</b>	<b>1 252 648</b>	<b>1 175 647</b>	<b>1 263 186</b>	<b>1 356 832</b>	<b>1 461 059</b>	<b>1 461 059</b>	<b>1 273 826</b>	<b>1 342 611</b>	<b>1 421 333</b>

The equitable share funding of the department increases from R1.2 billion in 2014/15 to R1.3 billion in 2016/17 to enable the department to deliver ICT-related services to the province, including the GBN project and other back office systems. The funding increased from R1.3 billion to R1.4 billion during the adjustments budget process in 2017/18 due to additional amount allocated for the GBN project. The increasing funding from R1.3 billion to R1.4 billion over the 2018 MTEF is dedicated to the Gauteng Broadband Network and GPG ICT infrastructure maintenance and support.

The funds allocated to the department during the first three years under review reduced after some functions that were performed by the department were reallocated to other provincial departments following the streamlining of functions to improve service delivery in the province. The transfer of functions, implemented during the 2015/16 and the 2016/17 financial years, resulted in the Organisational Structure Development function and the Employee Relations functions being transferred to the transversal Human Resource function in the OoP whilst the GPG Hotline function moved to the provincial service delivery war room in the OoP. The functions of Internal Audit and Transversal Procurement moved to the GPT. The migration of functions was part of initiatives of the province to improve efficiencies in service delivery.

### 6.2 Departmental receipts

TABLE 13.2: SUMMARY OF DEPARTMENTAL RECEIPTS: E-GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	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	850	572	507	557	466	466	580	604	637

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Interest, dividends and rent on land	15	11	10	12	12	12	12	12	13
Sales of capital assets			10						
Transactions in financial assets and liabilities	1 285	1 224	29	43	350	580	46	49	52
<b>Total departmental receipts</b>	<b>2 150</b>	<b>1 807</b>	<b>556</b>	<b>612</b>	<b>828</b>	<b>1 058</b>	<b>638</b>	<b>665</b>	<b>702</b>

The revenue sources for the department are derived from gym subscriptions, parking fees, fees charged on the issuing of tender documents and commission earned on third-party payments for insurance premiums paid on behalf of department's employees.

Revenue decreased from R2.1 million in 2014/15 to R1.8 million in 2015/16 and it decreased further to R556 000 in 2016/17. The decrease is caused by a decrease in the staff complement following from the migration of functions from the department to the OoP, GPT and other GPG departments. In 2017/18 revenue main appropriation revenue increases from R612 000 to R828 000 during the adjustments budget process because the revenue collection from the monies owed to the department exceeded the budget during the first 6 months of the financial year. The inflation adjustments result in the gradual increase in the revenue budget from the main budget of R612 000 in 2017/8 to R702 000 in 2020/21.

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

The 2018 MTEF budget continues to be guided and informed by the e-Government Strategic Plan, Annual Performance Plan, TMR objectives and the GPG Programme of Action (POA). The key assumptions underpinning the budget are:

Provision for annual salary adjustments based on the projected growth rates for compensation of employees (namely: Consumer Price Index (CPI) plus 1 per cent) over the 2018 MTEF period are as follows:

- 2018/19: 5.4 per cent CPI plus 1 per cent;
- 2019/20: 5.6 per cent CPI plus 1 per cent;
- 2020/21: 5.5 per cent CPI plus 1 per cent; and
- Provision for provincial priorities including the Gauteng Broadband Network and GPG ICT infrastructure maintenance and support.

### 7.2 Programme summary

TABLE 13.3: SUMMARY OF PAYMENTS AND ESTIMATES BY DEPARTMENT: E-GOVERNMENT

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	145 283	173 848	188 006	239 764	239 672	239 548	245 033	258 755	279 060
2. Information Communication Technology(Ict) Shared Services	989 770	900 980	961 145	1 003 224	1 113 192	1 113 260	906 867	953 076	1 004 300
3. Human Resources Services	78 686	80 078	88 227	113 844	108 195	108 251	121 926	130 780	137 973
<b>Total payments and estimates</b>	<b>1 213 739</b>	<b>1 154 906</b>	<b>1 237 378</b>	<b>1 356 832</b>	<b>1 461 059</b>	<b>1 461 059</b>	<b>1 273 826</b>	<b>1 342 611</b>	<b>1 421 333</b>

### 7.3 Summary of economic classification

TABLE 13.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: E-GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
<b>Current payments</b>	<b>766 844</b>	<b>778 623</b>	<b>994 704</b>	<b>1 329 188</b>	<b>1 397 280</b>	<b>1 397 258</b>	<b>1 245 899</b>	<b>1 315 635</b>	<b>1 392 984</b>
Compensation of employees	251 813	270 891	310 087	422 434	392 837	392 837	454 148	482 442	512 141
Goods and services	515 031	507 732	684 617	906 754	1 004 443	1 004 421	791 752	833 193	880 843
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>1 924</b>	<b>23 485</b>	<b>23 166</b>	<b>23 377</b>	<b>23 377</b>	<b>23 377</b>	<b>23 426</b>	<b>23 476</b>	<b>24 764</b>
Departmental agencies and accounts	1 589								

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Higher education institutions	78		22 800	22 800	22 800	22 800	22 800	22 800	24 054
Households	257	23 485	366	577	577	577	626	676	710
<b>Payments for capital assets</b>	<b>444 910</b>	<b>352 457</b>	<b>219 488</b>	<b>4 267</b>	<b>40 382</b>	<b>40 382</b>	<b>4 500</b>	<b>3 500</b>	<b>3 585</b>
Buildings and other fixed structures			72 289			18 209			
Machinery and equipment	320 882	250 431	119 628	4 267	29 645	11 436	4 500	3 500	3 585
Software and other intangible assets	124 028	102 026	27 571		10 737	10 737			
<b>Payments for financial assets</b>	<b>61</b>	<b>341</b>	<b>20</b>		<b>20</b>	<b>42</b>			
<b>Total economic classification</b>	<b>1 213 739</b>	<b>1 154 906</b>	<b>1 237 378</b>	<b>1 356 832</b>	<b>1 461 059</b>	<b>1 461 059</b>	<b>1 273 826</b>	<b>1 342 611</b>	<b>1 421 333</b>

The total expenditure decreased from R1.2 billion in 2014/15 to R1.1 billion in 2015/16 due to the migration of certain functions from the department to the OoP and GPT to streamline the service delivery functions in the province. The allocation of additional funds for the rollout of the GBN project during the adjustments budget process increased the main budget from R1.36 billion to R1.46 billion in 2017/18. The inflation-related adjustments inform the increase of the budget from R1.3 billion in 2018/19 to R1.4 billion in 2020/21. The ICT Shared Services Programme (at 71 per cent of the total budget) receives the majority of the department's combined allocation over the MTEF.

The estimated spending on compensation of employees amounts to an annual average of R483 million over the 2018 MTEF. This estimated spending provides for the filling of funded vacant and critical posts in line with the implementation of the department's interim structure and also provides for notch progression, annual performance bonuses, annual cost-of-living adjustments in line with projected changes in CPI index and other personnel-related payments.

Expenditure on goods and services increases from R515 million in 2014/15 to R747 million in 2016/17 to cater mainly for the requirements of the GBN project. Expenditure is set to increase from R792 million in 2018/19 to R833 million in 2019/20 and to further R881 million in 2020/21. This amount will fund the payments for the GBN project, department's utilities, maintenance and support services for the provincial government's ICT infrastructure, the fully managed data centre and SITA payments. Provision is also made for departmental operational costs, building maintenance and other administrative costs, such as lease payments for the department's car fleet, labour saving devices and payments for audit services.

During the design and rollout phases of the broadband network project, capital expenditure amounted to R444.9 million and R352.5 million in 2014/15 and 2015/16 financial years, respectively. In addition to the capital expenditure related to the design and rollout of GBN project, the department's out-of-warranty computer equipment, including servers, were also refreshed during this period. During the 2015/16 financial year, the department also incurred capital expenditure to renew some of the software licences.

The major portion of e-Government's allocation is on maintenance of the provincial ICT infrastructure in accordance with the department's primary strategic objective of providing a modern, reliable and secure ICT infrastructure of GPG given the department's role as the custodian and catalyst of e-governance in the province.

Transfers and subsidies in the department include R1.6 million paid to the Public Sector Education Training Agency (PSETA) for the skills development requirements in 2014/15; R22.8 million annual payments for the DAV Centre that is located at a local university to support with the testing and validating of e-services applications as from 2016/17; payments to non-employees e.g. injury claims and payments for leave gratuity.

## 7.4 Infrastructure payments

N/A

### 7.4.1 Departmental infrastructure payments

N/A

## 7.5 Transfers

### 7.5.1 Transfers to public entities

N/A



## 7.5.2 Transfers to other entities

TABLE 13.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Departmental Agencies and Accounts	1 589								
Higher education institutions	78		22 800	22 800	22 800	22 800	22 800	22 800	24 054
<b>Total departmental transfers</b>	<b>1 667</b>		<b>22 800</b>	<b>22 800</b>	<b>22 800</b>	<b>22 800</b>	<b>22 800</b>	<b>22 800</b>	<b>24 054</b>

The department transferred R1.6 million to the Public Sector Education Training Agency (PSETA) for the skills development requirements as per the directive from Department Public Services Administration. The department established the Design and Validation (DAV) Centre within Tshimologong Precinct at the University of Witwatersrand that tests and validates applications before they are launched on the platform for e-government services. A transfer payment of R22.8 million was first made in 2016/17 to operationalise the Centre. Such annual transfer payments continue in 2017/18 till 2019/20.

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

To provide executive leadership, oversight and accountability and corporate support services.

#### Programme objectives

To efficiently manage the Department of e-Government through executive steer and accountability, and the execution of corporate support services supported by effective reporting, risk management and compliance practices.

TABLE 13.6: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: ADMINISTRATION

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 Hod	5 074	6 518	8 276	10 361	9 923	9 923	10 973	11 591	12 036
2. Risk Management	2 747	2 786	3 079	3 980	3 775	3 775	4 232	4 539	4 826
3. Office Of The Cfo	31 832	60 998	39 465	62 671	54 374	55 182	52 268	56 220	59 442
4. Corporate Services	105 630	103 546	137 186	162 752	171 600	170 668	177 560	186 405	202 756
<b>Total payments and estimates</b>	<b>145 283</b>	<b>173 848</b>	<b>188 006</b>	<b>239 764</b>	<b>239 672</b>	<b>239 548</b>	<b>245 033</b>	<b>258 755</b>	<b>279 060</b>

TABLE 13.7: SUMMARY OF 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
<b>Current payments</b>	<b>140 980</b>	<b>148 526</b>	<b>180 110</b>	<b>234 920</b>	<b>233 560</b>	<b>233 538</b>	<b>242 406</b>	<b>256 079</b>	<b>276 350</b>
Compensation of employees	88 472	96 920	115 419	139 667	139 667	139 667	165 644	173 587	186 283
Goods and services	52 508	51 606	64 691	95 253	93 893	93 871	76 763	82 492	90 067
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>1 776</b>	<b>23 152</b>	<b>234</b>	<b>577</b>	<b>485</b>	<b>361</b>	<b>626</b>	<b>676</b>	<b>710</b>
Departmental agencies and accounts	1 589								
Households	187	23 152	234	577	485	361	626	676	710
<b>Payments for capital assets</b>	<b>2 485</b>	<b>2 113</b>	<b>7 642</b>	<b>4 267</b>	<b>5 607</b>	<b>5 607</b>	<b>2 000</b>	<b>2 000</b>	<b>2 000</b>
Machinery and equipment	2 485	2 100	7 577	4 267	5 607	5 607	2 000	2 000	2 000
Software and other intangible assets		13	65						
<b>Payments for financial assets</b>	<b>42</b>	<b>57</b>	<b>20</b>		<b>20</b>	<b>42</b>			
<b>Total economic classification</b>	<b>145 283</b>	<b>173 848</b>	<b>188 006</b>	<b>239 764</b>	<b>239 672</b>	<b>239 548</b>	<b>245 033</b>	<b>258 755</b>	<b>279 060</b>

The expenditure of the Administration Programme increased from R145.3 million in 2014/15 to R173.8 million in 2015/16; it further increased to R188 million in 2016/17. The budget increases from R239 million in 2017/18 to R245 million in 2018/19. The programme is responsible for the administrative functions which are centralized to it for better expenditure control and efficiency gains. Such functions relate to human resources services which are responsible for training and development, bursaries, internship programme provisions, payroll-related expenditure such as performance bonuses. They also relate to

operations such as office automation and labour saving devices, lease payments, provisions for audit services and other operational costs. The budget increases from R245 million in 2018/19 to R279.1 million over the MTEF.

Expenditure on compensation of employees increased from R88.5 million in 2014/15 to the projected R139.7 million in 2017/18. This expenditure caters for the filled posts in the old organisational structure and critical posts filled while awaiting the DPSA approval of the new organisational structure. The expenditure includes payments for all personnel-related costs for the departmental staff and the internship and learnership youth employed in the department. The upward trends are informed by prescribed annual salary increases in the public sector. The budget over the MTEF is informed by the planned recruitment drive to fill all funded and critical posts over MTEF.

Expenditure on goods and services increases from R52.5 million to R65 million during the first three years under review. The main budget reduces from R95.2 million to R93.9 million during the adjustments budget process in 2017/18 to fund goods and services for the GBN project and transfers to households in Programme 2: ICT Shared Services. 2014/15 to R51.6 million in 2015/16. The budget increases from R76.8 million in 2018/19 to R90.1 million over the MTEF.

The main cost drivers under the programme are centralised items, namely: office automation and labour saving devices, rental of office building and parking, municipal rates and taxes, lease of photocopier machines, fleet management, office equipment and office furniture.

Provision for transfers and subsidies relating to leave gratuities and injuries on duty are centralised under the Administration Programme. This budget is reallocated to other programmes accordingly to defray expenditure incurred during the adjustment period. Following the highest capital expenditure of R7.6 million incurred in 2016/17, the capital budget is reducing from R5.6 million in 2017/18 to R2 million per annum over the MTEF to provide for the refresh of computer equipment within the department.

## PROGRAMME 2: INFORMATION COMMUNICATION TECHNOLOGY SHARED SERVICES

### Programme description

Establishment of an ICT e-Government governance structure for the Department and the broader GCR.

Build an enabling ICT infrastructure and platform for common GCR e-Services according to a standardised approach for a connected GCR government.

Promotion of the usage of e-Government services by citizens, businesses and government entities through transformation and incentive programmes. The conclusion of private and public partnerships and the implementation of incubation and innovation programmes.

### Programme objectives

To establish a GCR e-Government governance structure that drives and enables priorities, policies, standards and regulations through approved frameworks.

To ensure that the ICT infrastructure required for the GCR connected government exists, and is enabled by an upgraded core network, the availability of Wi-Fi hotspots and a maintained network availability, allowing GCR entities to be connected and provide e-Services to the citizens of the province through an enabling common platform.

To promote the usage of e-Government services (Citizens, Business and Government Entities).

To stimulate the ICT economy by facilitating incubation and innovation as well as encouraging public private partnerships for the development and rollout of e-Government services.

TABLE 13.8: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: INFORMATION COMMUNICATION TECHNOLOGY (ICT) SHARED SERVICES

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. Applications	738 989	677 846	638 505	643 332	814 660	814 660	588 914	585 489	616 759
2. Operations	228 996	208 504	306 175	317 715	264 178	263 192	273 701	324 018	341 839
3. Business Alignment	18 680	13 882	16 464	39 487	31 997	33 051	41 357	40 514	42 463
4. Information Communication Technology Programme Support	3 105	748	1	2 690	2 357	2 357	2 895	3 055	3 239
<b>Total payments and estimates</b>	<b>989 770</b>	<b>900 980</b>	<b>961 145</b>	<b>1 003 224</b>	<b>1 113 192</b>	<b>1 113 260</b>	<b>906 867</b>	<b>953 076</b>	<b>1 004 300</b>

TABLE 13.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFORMATION COMMUNICATION TECHNOLOGY (ICT) SHARED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
<b>Current payments</b>	<b>547 179</b>	<b>550 207</b>	<b>726 400</b>	<b>980 424</b>	<b>1 055 577</b>	<b>1 055 577</b>	<b>881 567</b>	<b>928 776</b>	<b>978 661</b>



R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Compensation of employees	85 236	94 436	107 000	175 823	152 090	152 090	173 381	185 259	195 464
Goods and services	461 943	455 771	619 400	804 601	903 487	903 487	708 186	743 517	783 197
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>147</b>	<b>145</b>	<b>22 910</b>	<b>22 800</b>	<b>22 840</b>	<b>22 908</b>	<b>22 800</b>	<b>22 800</b>	<b>24 054</b>
Higher education institutions	78		22 800	22 800	22 800	22 800	22 800	22 800	24 054
Households	69	145	110		40	108			
<b>Payments for capital assets</b>	<b>442 425</b>	<b>350 344</b>	<b>211 835</b>		<b>34 775</b>	<b>34 775</b>	<b>2 500</b>	<b>1 500</b>	<b>1 585</b>
Buildings and other fixed structures			72 289			18 209			
Machinery and equipment	318 397	248 331	112 040		24 038	5 829	2 500	1 500	1 585
Software and other intangible assets	124 028	102 013	27 506		10 737	10 737			
<b>Payments for financial assets</b>	<b>19</b>	<b>284</b>							
<b>Total economic classification</b>	<b>989 770</b>	<b>900 980</b>	<b>961 145</b>	<b>1 003 224</b>	<b>1 113 192</b>	<b>1 113 260</b>	<b>906 867</b>	<b>953 076</b>	<b>1 004 300</b>

Expenditure under this programme decreased from R989.7 million in 2014/15 to R901 million in 2015/16 and R961 million in 2016/17. The expenditure decreases from R1.1 billion in 2017/18 to R907 million in 2018/19, then it further increases to R953 million and R1 billion in 2019/20 and 2020/2021 respectively. During 2014/15 and 2015/16 capital outlays were incurred during the implementation and rollout of GBN project, resulting in the programme's aggregate expenditure rising from R684 million in 2013/14 to over R990 million in financial years 2014/15 and R900 million in 2015/16. The allocation of resources and the priority given to the ICT programme were guided by the principled approach that seeks to ensure that limited resources are utilised efficiently and geared towards capital investment as opposed to consumption expenditures, i.e. the rollout of the broadband and the digitization of the back office functions and allocating resources core items that support mandate of e-Gov.

Over the seven-year period under review spending on compensation of employee increases from R85 million in 2014/15 to R94 million in 2015/16 and a further increase to R107 million in 2016/17. Expenditure estimates increase from R176 million in 2017/18 to R195 million in 2020/21. The annual compensation increases reflects the growing personnel under the programme. Personnel estimates averages an annual rate of R185 million over the 2018 MTEF period. The projected expenditures are driven largely by the drive to fill funded and critical posts in order to support the department's mandate of championing the modernisation of government in Gauteng to rollout broadband and other e-Government services.

Expenditure on goods and services decreased from R462 million in 2014/15 to R456 million in 2015/16 and R682 in 2016/17. Expenditure estimates decrease from R903 million in 2017/18 to R708 million in 2018/19, R743 million in 2019/20, R783 in 2020/21. A major portion of the total budget for goods and services was allocated to three main cost drivers, namely: the e-learning project, computer services and license support and maintenance for the province. However, as from 2014/15, the budget under the programme catered for the implementation of the broadband project in the province, the digitisation of the back office support (including the digitisation of provincial HR functions); maintenance of the GPG ICT infrastructure; licence support and maintenance; fully managed data centre; email management and archiving solution; information security operations.

Increases in projected expenditures on goods and services amounts to R632 million and R667 million in financial years 2019/20 and 2020/21 respectively, the allocation reflects the rollout of the Gauteng Broadband Network (GBN) in the province, and the increasing of the target to 3000 sites by 2019-20. Pillar 1 of the departmental strategy is to build an enabling ICT infrastructure for the connected government, by providing the strategic direction for the rollout of the Gauteng Broadband Network in the province. The rollout of Broadband is also in line with the Deliverology goal of enabling the citizens of Gauteng and GCR personnel to access and utilise government services online at their convenience, through the connectivity provided by the Gauteng Broadband Network.

The Gauteng Department of e-Government is rolling out high speed broadband connectivity throughout the province. Phase 1 of the rollout consisted of the delivery of 400 sites and 8 core nodes. In addition to these 400 sites, the Department, through its reprioritisation managed to connect an additional 600 sites. The department has since build 1000 sites by the end of 2016/17 financial year. Developments in the province resulted in the target being reviewed to 3000 sites across the province sites by the 2019/20 financial year, of which 800, 850 and 458 are targeted for connection to broadband in 2017/18, 2018/19 and 2019/20 respectively.

By the end of the 2014/15 financial year, 6 core sites had been built and connected. The core sites mentioned are: Chris Hani Baragwanath Hospital, 75 Fox Street, 82 Grayston Drive, the West Rand District Offices in Randfontein, and Teraco in Kempton Park for internet and Telkom for the government Data Centre. The core sites are distribution nodes from which it is possible to start connection to other government buildings.

The programme also provides support to enable delivery of e-government services, applications, common platform and enterprise content management as well as the maintenance and upkeep of the provincial ICT infrastructure, services and applications. Ensuring the security of GPG's information and transaction monitoring (risk management) and related firewalls, matters concerning the management of the GPG's fully-managed data centre, business intelligence and software licence management are the main focus of the operations programme. The 2018 MTEF budget allocation caters for the e-Services under application and development unit, different software licences including the maintenance of the licences and renewals thereof. Furthermore provision has been made for critical ICT services such as Email as a service and ICT security. The e-services offered by the department include e-recruitment, Tshepo 1 million management information system and ICT township based start-up.

Provision is made under transfers for the upkeep and maintenance of the DAV centre over MTEF at R22.8 million for 2018/19 and 2019/20, R24 million allocated in 2020/21. The DAV centre located at the Tshimologong precinct will test 11 e-services.

Major part of the ICT programme's budget was allocated for capital expenditure during the 2014/15 financial year, out of R424.9 million spent in 2014/15, approximately R300 million related to the cost of building the broadband core network. An amount of R102 million was paid for licences in 2014/15, R149 million spent in 2016/17 relates to expenditure for capital items under GBN. Provision is made under capital expenditure for the refresh of computer equipment, including servers over at an average of R1.8 million over MTEF.

## PROGRAMME 2: INFORMATION COMMUNICATION TECHNOLOGY SERVICES SHARED SERVICES

### SERVICE DELIVERY MEASURES

Programme performance measures	Estimated performance	Medium-term estimates		
	2017/18	2018/19	2019/20	2020/21
Number of provincial ICT standards approved (including bid data)	5	4	3	2
Number of new Provincial ICT policies approved annually		1	1	1
Number of new provincial ICT policies implemented, reviewed annually		2	1	1
Number of ICT strategies developed and approved (cyber security strategy, communication and change management)	1	2		
Number of Provincial communities of practice established	1	1	1	1
Number of sites connected (Thusong Centres & Libraries)	13	13		
Number of G2B sites connected (Economic zones, iKasi Labs, mLabs)	2	1		
Number of G2G sites connected	800	850	458	
Number of sites with LAN/WAN integration		476	500	520
Number of sites with VoIP		120	150	180
Number of Departments and their agencies migrated to the GPG private cloud	7	4 agencies	7 agencies	
Number of new e-services developed		5	6	7
Number of e-services tested by the DAV Centre	6	11	16	20
Percentage availability of GPG transversal services	98%	98%	98%	98%
Number of registered users utilising e-services	100 000	70 000	70 000	60 000
Number of young people appointed as interns annually		20	20	20
Number of advocacy events on e-services annually	6	6	6	6
Number of Customer Satisfaction Surveys conducted annually (G2G, G2B, G2C)	3	3	4	4
ICT Action Lab Strategy approved and implemented	1	1	1	1
Number of partnership agreements concluded	3	7		
Number of ICT concepts from Township entrepreneurs tested	5	10	20	25
Number of township developers appointed to develop e-services	5	5	5	5

## PROGRAMME 3: HUMAN RESOURCE SERVICES

### Programme description

To modernize HR business processes within the GPG through provisioning of ICT systems and promoting their optimal utilization, and to produce analytical HR information useful for purposes of decision making.

### Programme objectives

To optimize, digitize and promote Human Resource Services related business processes to enable efficient decision making.

TABLE 13.10: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: HUMAN RESOURCES SERVICES

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. Hr Chief Dir Support	2 410	889	805	5 880	3 996	3 996	1 159	1 222	1 289

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
2. Hr Administration Cluster 1	17 751	18 666	22 375	22 914	22 576	22 576	28 172	32 158	33 927
3. Hr Administration Cluster 2	18 973	17 797	17 639	26 517	25 632	25 665	28 225	29 712	31 346
4. Hr Information Management	2 363	2 447		5 489	5 489	6 475	6 047	6 372	6 722
5. Payroll Services	17 110	18 666	24 280	24 381	22 528	22 528	26 973	28 361	29 921
6. Debt Administration	14 687	15 193	17 060	21 763	21 021	19 793	23 799	25 018	26 394
7. Injury On Duty	5 392	6 420	6 068	6 900	6 953	7 218	7 551	7 937	8 374
<b>Total payments and estimates</b>	<b>78 686</b>	<b>80 078</b>	<b>88 227</b>	<b>113 844</b>	<b>108 195</b>	<b>108 251</b>	<b>121 926</b>	<b>130 780</b>	<b>137 973</b>

TABLE 13.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN RESOURCES SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
<b>Current payments</b>	<b>78 685</b>	<b>79 890</b>	<b>88 194</b>	<b>113 844</b>	<b>108 143</b>	<b>108 143</b>	<b>121 926</b>	<b>130 780</b>	<b>137 973</b>
Compensation of employees	78 105	79 535	87 668	106 944	101 080	101 080	115 123	123 596	130 394
Goods and services	580	355	526	6 900	7 063	7 063	6 803	7 184	7 579
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>1</b>	<b>188</b>	<b>22</b>		<b>52</b>	<b>108</b>			
Households	1	188	22		52	108			
<b>Payments for capital assets</b>			<b>11</b>						
Machinery and equipment			11						
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>78 686</b>	<b>80 078</b>	<b>88 227</b>	<b>113 844</b>	<b>108 195</b>	<b>108 251</b>	<b>121 926</b>	<b>130 780</b>	<b>137 973</b>

The HR programme is, amongst other things, responsible for the processing of mandates for the GPG Departments; which includes:

- Human Resource Terminations
- Leave Pay
- Pension withdrawals
- Senior management Services.

The expenditure increased from R78.7 million in 2014/15 to R88.2 million in 2016/17. Expenditure was driven by personnel costs which accounted for 99 per cent of the budget. Spending reflects the programme's objective to promote and digitise the services that related to human resources. The budget is set to increase from R108.2 million in 2017/18 to R138 million in 2020/21 to sustain the operations of the programme.

Spending on compensation of employees increased from R78.1 million in 2014/15 to a projected amount of R101.1 million in 2017/18. Components of the personnel expenditure estimates comprise of the standard provisions for annual payroll expenses including projected annual CPI adjustments, notch progression, planned overtime and other personnel-related expenditure such as annual performance bonuses. The budget for compensation of employees decreased by R5.9 million in 2017/18 when the unutilized funds for personnel were reallocated to Programme 2 to fund the budget pressures in the GBN project. The budget will increase from R6.8 million in 2018/19 to R7.6 million in 2020/21.

Expenditure on goods and services ranged between R355 000 and R580 000 during the first three years under review. The operations funded in programme include the service delivery of Thusong Centre at Maponya Mall in Soweto. The main budget for goods and services amounted to R6.9 million to provide for the procurement of the Security and Performance Monitoring Service (SPSM) system to improve turnaround times for processing benefits across the province, debt management solution and the Maponya Mall Thusong Centre as from 2017/18. The budget increased by R163 000 to become R7.1 million during the adjustments process to provide funds for the Web Access Management (WAM) software. The budget is set to increase from R6.8 million to R7.6 million over the MTEF.

The budget for transfers to households provides for the payment of leave gratuity to former employees and claims for injury-on-duty.

**SERVICE DELIVERY MEASURES****PROGRAMME: HUMAN RESOURCE SERVICES**

Programme performance measures	Estimated performance	Medium-term estimates		
	2017/18	2018/19	2019/20	2020/21
Number of GPG departments utilising E-PMDS	8	2	1	2 Agencies
Number of GPG departments utilising E-Recruitment	3	2	1	2 Agencies
Number of GPG departments utilising Automated Termination Services	3	2	1	2 Agencies
Number of GPG departments and their agencies utilising Automated Leave Management		9	5	2 Agencies
Number of GPG departments and their agencies utilising Automated Payroll allowance		9	5	2 Agencies

**9. OTHER PROGRAMME INFORMATION****9.1 Personnel numbers and costs**

**TABLE 13.12: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT**

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		2017/18 - 2020/21			
R thousands	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Filled posts	Additional posts	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel growth rate	Costs growth rate	% Costs of Total		
Salary level																			
1 – 6	181	39 596	139	46 155	118	28 848	160		160	37 273	160	40 911	160	43 840	160	46 244	0%	7%	9%
7 – 10	298	119 976	357	124 597	404	156 502	485		485	185 139	485	197 462	485	216 552	485	229 443	0%	7%	45%
11 – 12	97	59 598	81	46 769	107	73 023	147		147	96 085	147	115 964	147	124 300	147	130 873	0%	11%	25%
13 – 16	30	32 643	35	30 465	36	34 587	46		46	50 268	46	50 240	46	53 527	46	56 631	0%	4%	12%
Other				22 905		31 585				24 072		49 571		44 223		48 950	0%	27%	8%
Total	606	251 813	612	270 891	665	324 545	838		838	392 837	838	454 148	838	482 442	838	512 141	0%	9%	100%
Programme																			
1. Administration	261	88 472	257	96 920	256	115 419	316		316	139 667	316	165 644	316	173 587	316	186 283	0%	10%	36%
2. Information Communication Technology(ict) Shared Services	154	85 236	154	94 436	166	107 000	258		258	152 090	258	173 381	258	185 259	258	195 464	0%	9%	38%
3. Human Resources Services	191	78 105	201	79 535	243	87 668	264		264	101 080	264	115 123	264	123 596	264	130 394	0%	9%	26%
Direct charges																	0%	0%	0%
Total	606	251 813	612	270 891	665	310 087	838		838	392 837	838	454 148	838	482 442	838	512 141	0%	9%	100%

The personnel numbers of the department increase from 606 in 2014/15 to 838 over the 2018 MTEF. The increase reflects the department's plan to implement the new structure after all processes have been completed.

The increase in staff complement will be seen in junior management from 404 in 2016/17 to 485 in 2018/19, a significant increase could also be seen in middle management level, from 81 employees in 2015/16 to 107 employees in 2016/17 and 147 in 2018/19, this increase relates to the department's need for specialised skilled ICT professionals in order to carry out its mandate of building an enabling infrastructure for connected GCR government.

## 9.2 Training

TABLE 13.13: INFORMATION ON TRAINING: E-GOVERNMENT

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
Number of staff	606	612	665	838	838	838	838	838	838
Number of personnel trained	535	628	668	683	683	683	683	683	751
of which									
Male	215	362	389	291	291	291	291	291	320
Female	320	266	279	392	392	392	392	392	431
Number of training opportunities	776	1 000	900	1 067	1 067	1 067	1 067	1 067	1 173
of which									
Tertiary	227	389	350	387	387	387	387	387	425
Workshops	128	111	100	120	120	120	120	120	132
Seminars	56	56	50	60	60	60	60	60	66
Other	365	444	400	500	500	500	500	500	550
Number of bursaries offered	227	90	75	85	85	85	85	85	94
Number of interns appointed	40	44	40	75	75	75	80	90	100
Number of learnerships appointed	40	45	40	50	50	50	50	50	55
Number of days spent on training									
<b>Payments on training by programme</b>									
1. Administration	3 155	1 637	4 958	2 737	2 695	2 838	3 029	3 235	3 558
2. Information Communication Technology(Ict) Shared Services									
3. Human Resources Services									
<b>Total payments on training</b>	<b>3 155</b>	<b>1 637</b>	<b>4 958</b>	<b>2 737</b>	<b>2 695</b>	<b>2 838</b>	<b>3 029</b>	<b>3 235</b>	<b>3 558</b>

The department's continuous investment in human capital is vital to ensure that public servants deliver services optimally to the GPG departments and the citizens of the province. The department's training beneficiaries increased from 668 in 2016/17 to 683 in 2017/18. The number remains at 683 from 2018/19 to 2019/20, it increases to 751 in 2020/21. The increase was based on the training provided for staff and on the departments' response to the Tshepo 500 000 initiative which aimed to create 500 000 sustainable jobs and enhance township entrepreneurship in the province, the number has since increased to Tshepo 1 million. The department's mandate requires it to provide competitive skills that will enable the achievement of the vision of a 'Connected Gauteng City Region'. Youth skills development will be intensified through Learnerships and internship. It is envisioned that 5 % of the establishment in 2020/21 will be made up of youth.

The skills development initiatives are aligned to the Skills Development Act of 1998, the National Skills Development Strategy and all related legislation.

## 9.3 Reconciliation of structural changes

N/A



# **ANNEXURES TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE**

TABLE 13.15: SPECIFICATION OF RECEIPTS: E-GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
<b>Tax receipts</b>									
<b>Sales of goods and services other than capital assets</b>	<b>850</b>	<b>572</b>	<b>507</b>	<b>557</b>	<b>466</b>	<b>466</b>	<b>580</b>	<b>604</b>	<b>637</b>
Sale of goods and services produced by department (excluding capital assets)	850	572	507	557	466	466	580	604	637
Sales by market establishments	850	572	507	557	466	466	580	604	637
<b>Transfers received from:</b>									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>15</b>	<b>11</b>	<b>10</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>13</b>
Interest	15	11	10	12	12	12	12	12	13
<b>Sales of capital assets</b>			<b>10</b>						
Land and sub-soil assets			10						
<b>Transactions in financial assets and liabilities</b>	<b>1 285</b>	<b>1 224</b>	<b>29</b>	<b>43</b>	<b>350</b>	<b>580</b>	<b>46</b>	<b>49</b>	<b>52</b>
<b>Total departmental receipts</b>	<b>2 150</b>	<b>1 807</b>	<b>556</b>	<b>612</b>	<b>828</b>	<b>1 058</b>	<b>638</b>	<b>665</b>	<b>702</b>

TABLE 13.16: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: E-GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
<b>Current payments</b>	<b>766 844</b>	<b>778 623</b>	<b>994 704</b>	<b>1 329 188</b>	<b>1 397 280</b>	<b>1 397 258</b>	<b>1 245 899</b>	<b>1 315 635</b>	<b>1 392 984</b>
Compensation of employees	251 813	270 891	310 087	422 434	392 837	392 837	454 148	482 442	512 141
Salaries and wages	220 599	236 705	270 712	373 070	346 512	346 511	393 068	418 461	444 617
Social contributions	31 214	34 186	39 375	49 364	46 326	46 326	61 080	63 981	67 524
Goods and services	515 031	507 732	684 617	906 754	1 004 443	1 004 421	791 752	833 193	880 843
Administrative fees	491	1 421	774	1 510	1 173	1 312	575	688	801
Advertising	634	856	399	2 371	2 958	2 958	4 133	3 770	4 028
Minor assets	1 798	377	1 183	525	329	357	1 355	1 820	2 305
Audit cost: External	5 536	3 673	4 729	6 427	6 427	6 427	6 800	7 100	7 400
Bursaries: Employees	1 733	1 054	1 923	1 607	1 607	1 607	1 734	1 831	1 932
Catering: Departmental activities	46	77	551	90	143	143	135	165	205
Communication (G&S)	7 176	4 613	3 560	2 247	3 214	3 214	2 953	3 248	3 546
Computer services	420 790	420 927	465 616	777 023	828 881	812 530	666 802	700 301	738 014
Consultants and professional services: Business and advisory services	8 469	7 468	1 268	950	5 121	5 121	658	692	726
Legal services	1 380	1 464	1 892	3 122	1 932	1 931	2 724	2 867	2 967
Contractors	7 986	4 424	2 516	24 517	11 111	10 597	7 258	7 452	7 852
Fleet services (including government motor transport)	429	397	203	2 736	2 737	2 737	1 500	1 800	2 100
Consumable supplies	126	985	908	711	1 008	1 191	1 033	1 096	1 211
Consumable: Stationery, printing and office supplies	1 669	1 749	3 659	1 266	2 814	3 278	2 204	2 533	2 643
Operating leases	28 843	28 007	161 248	36 858	87 403	103 696	54 583	57 559	61 934
Property payments	19 978	19 014	22 998	34 001	32 168	31 670	23 319	25 143	27 084
Travel and subsistence	1 659	968	998	1 645	1 645	1 655	1 200	1 400	1 600
Training and development	3 152	1 637	4 958	2 737	2 695	2 838	2 879	3 068	3 269
Operating payments	2 033	2 731	4 201	4 878	5 178	5 178	5 708	6 090	6 226
Venues and facilities	1 103	5 886	448	1 503	5 756	5 756	4 200	4 570	5 000
Rental and hiring		4	585	30	143	225			
<b>Transfers and subsidies</b>	<b>1 924</b>	<b>23 485</b>	<b>23 166</b>	<b>23 377</b>	<b>23 377</b>	<b>23 377</b>	<b>23 426</b>	<b>23 476</b>	<b>24 764</b>
Departmental agencies and accounts	1 589								

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Provide list of entities receiving transfers	1 589								
Higher education institutions	78		22 800	22 800	22 800	22 800	22 800	22 800	24 054
Households	257	23 485	366	577	577	577	626	676	710
Social benefits	257	23 485	340	577	577	577	626	676	710
Other transfers to households			26						
<b>Payments for capital assets</b>	<b>444 910</b>	<b>352 457</b>	<b>219 488</b>	<b>4 267</b>	<b>40 382</b>	<b>40 382</b>	<b>4 500</b>	<b>3 500</b>	<b>3 585</b>
Buildings and other fixed structures			72 289			18 209			
Machinery and equipment	320 882	250 431	119 628	4 267	29 645	11 436	4 500	3 500	3 585
Transport equipment	1 587	855	5 773						
Other machinery and equipment	319 295	249 576	113 855	4 267	29 645	11 436	4 500	3 500	3 585
Software and other intangible assets	124 028	102 026	27 571		10 737	10 737			
<b>Payments for financial assets</b>	<b>61</b>	<b>341</b>	<b>20</b>		<b>20</b>	<b>42</b>			
<b>Total economic classification</b>	<b>1 213 739</b>	<b>1 154 906</b>	<b>1 237 378</b>	<b>1 356 832</b>	<b>1 461 059</b>	<b>1 461 059</b>	<b>1 273 826</b>	<b>1 342 611</b>	<b>1 421 333</b>

TABLE 13.17: 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	140 980	148 526	180 110	234 920	233 560	233 538	242 406	256 079	276 350
Compensation of employees	88 472	96 920	115 419	139 667	139 667	139 667	165 644	173 587	186 283
Salaries and wages	75 888	83 571	100 521	120 798	122 775	122 774	136 412	143 108	154 121
Social contributions	12 584	13 349	14 898	18 869	16 892	16 893	29 232	30 479	32 162
Goods and services	52 508	51 606	64 691	95 253	93 893	93 871	76 763	82 492	90 067
Administrative fees	456	1 403	774	1 344	1 055	1 138	525	635	745
Advertising	634	856	391	2 346	2 922	2 922	4 102	3 737	3 993
Minor assets	225	139	822	70	120	148	1 100	1 550	2 020
Audit cost: External	5 536	3 673	4 729	6 427	6 427	6 427	6 800	7 100	7 400
Bursaries: Employees	1 733	1 054	1 923	1 607	1 607	1 607	1 734	1 831	1 932
Catering: Departmental activities	46	77	547	90	143	143	135	165	205
Communication (G&S)	1 846	1 087	1 265	760	1 714	1 714	1 453	1 664	1 875
Computer services	129	139	145	14	87	87	1 193	1 398	1 604
Consultants and professional services: Business and advisory services	1 944	1 141	1 115	950	5 121	5 121	658	692	726
Legal services	1 380	1 464	1 892	3 122	1 932	1 931	2 724	2 867	2 967
Contractors	1 328	1 700	2 184	23 497	10 245	9 731	6 258	6 744	7 105
Fleet services (including government motor transport)	429	397	203	2 736	2 737	2 737	1 500	1 800	2 100
Consumable supplies	95	304	784	711	854	1 037	1 033	1 096	1 211
Consumable: Stationery, printing and office supplies	1 591	1 742	3 659	1 266	2 814	3 278	2 204	2 533	2 643
Operating leases	7 520	6 702	10 473	6 229	8 781	8 782	8 455	8 848	10 544
Property payments	19 742	18 687	22 926	33 926	32 123	31 625	23 257	25 078	27 015
Travel and subsistence	1 658	911	998	1 645	1 645	1 652	1 200	1 400	1 600
Training and development	3 152	1 616	4 958	2 695	2 664	2 807	2 877	3 066	3 267
Operating payments	1 961	2 699	3 870	4 315	5 049	5 049	5 356	5 718	6 115
Venues and facilities	1 103	5 811	448	1 503	5 710	5 710	4 200	4 570	5 000
Rental and hiring		4	585		143	225			
<b>Transfers and subsidies</b>	<b>1 776</b>	<b>23 152</b>	<b>234</b>	<b>577</b>	<b>485</b>	<b>361</b>	<b>626</b>	<b>676</b>	<b>710</b>
Departmental agencies and accounts	1 589								
Provide list of entities receiving transfers	1 589								

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	187	23 152	234	577	485	361	626	676	710
Social benefits	187	23 152	214	577	485	361	626	676	710
Other transfers to households			20						
<b>Payments for capital assets</b>	<b>2 485</b>	<b>2 113</b>	<b>7 642</b>	<b>4 267</b>	<b>5 607</b>	<b>5 607</b>	<b>2 000</b>	<b>2 000</b>	<b>2 000</b>
Machinery and equipment	2 485	2 100	7 577	4 267	5 607	5 607	2 000	2 000	2 000
Transport equipment	1 587	855	657						
Other machinery and equipment	898	1 245	6 920	4 267	5 607	5 607	2 000	2 000	2 000
Software and other intangible assets		13	65						
<b>Payments for financial assets</b>	<b>42</b>	<b>57</b>	<b>20</b>		<b>20</b>	<b>42</b>			
<b>Total economic classification</b>	<b>145 283</b>	<b>173 848</b>	<b>188 006</b>	<b>239 764</b>	<b>239 672</b>	<b>239 548</b>	<b>245 033</b>	<b>258 755</b>	<b>279 060</b>

TABLE 13.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFORMATION COMMUNICATION TECHNOLOGY (ICT) SHARED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
<b>Current payments</b>	<b>547 179</b>	<b>550 207</b>	<b>726 400</b>	<b>980 424</b>	<b>1 055 577</b>	<b>1 055 577</b>	<b>881 567</b>	<b>928 776</b>	<b>978 661</b>
Compensation of employees	85 236	94 436	107 000	175 823	152 090	152 090	173 381	185 259	195 464
Salaries and wages	76 650	84 524	95 469	160 663	137 310	137 310	157 257	168 039	177 281
Social contributions	8 586	9 912	11 531	15 160	14 780	14 780	16 124	17 220	18 183
Goods and services	461 943	455 771	619 400	804 601	903 487	903 487	708 186	743 517	783 197
Administrative fees					2	2			
Minor assets	1 573	238	361	455	209	209	255	270	285
Catering: Departmental activities			1						
Communication (G&S)	5 330	3 526	2 295	1 487	1 500	1 500	1 500	1 584	1 671
Computer services	420 272	420 635	465 262	770 553	822 108	805 813	659 077	692 005	729 133
Consultants and professional services: Business and advisory services	6 525	6 327	153						
Contractors	6 658	2 724	256	1 000	860	860	1 000	708	747
Consumable supplies	31	681	124		154	154			
Consumable: Stationery, printing and office supplies	78								
Operating leases	21 235	21 176	150 678	30 501	78 494	94 786	46 000	48 576	51 248
Property payments	168	279							
Travel and subsistence	1	57				3			
Training and development		21		42	31	31	2	2	2
Operating payments	72	32	270	563	129	129	352	372	111
Venues and facilities		75							
<b>Transfers and subsidies</b>	<b>147</b>	<b>145</b>	<b>22 910</b>	<b>22 800</b>	<b>22 840</b>	<b>22 908</b>	<b>22 800</b>	<b>22 800</b>	<b>24 054</b>
Higher education institutions	78		22 800	22 800	22 800	22 800	22 800	22 800	24 054
Households	69	145	110		40	108			
Social benefits	69	145	110		40	108			
<b>Payments for capital assets</b>	<b>442 425</b>	<b>350 344</b>	<b>211 835</b>		<b>34 775</b>	<b>34 775</b>	<b>2 500</b>	<b>1 500</b>	<b>1 585</b>
Buildings and other fixed structures			72 289			18 209			
Machinery and equipment	318 397	248 331	112 040		24 038	5 829	2 500	1 500	1 585
Transport equipment			5 116						
Other machinery and equipment	318 397	248 331	106 924		24 038	5 829	2 500	1 500	1 585
Software and other intangible assets	124 028	102 013	27 506		10 737	10 737			
<b>Payments for financial assets</b>	<b>19</b>	<b>284</b>							
<b>Total economic classification</b>	<b>989 770</b>	<b>900 980</b>	<b>961 145</b>	<b>1 003 224</b>	<b>1 113 192</b>	<b>1 113 260</b>	<b>906 867</b>	<b>953 076</b>	<b>1 004 300</b>

TABLE 13.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN RESOURCES SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
<b>Current payments</b>	<b>78 685</b>	<b>79 890</b>	<b>88 194</b>	<b>113 844</b>	<b>108 143</b>	<b>108 143</b>	<b>121 926</b>	<b>130 780</b>	<b>137 973</b>
Compensation of employees	78 105	79 535	87 668	106 944	101 080	101 080	115 123	123 596	130 394
Salaries and wages	68 061	68 610	74 722	91 609	86 427	86 427	99 399	107 314	113 215
Social contributions	10 044	10 925	12 946	15 335	14 653	14 653	15 724	16 282	17 179
Goods and services	580	355	526	6 900	7 063	7 063	6 803	7 184	7 579
Administrative fees	35	18		166	116	172	50	53	56
Advertising			8	25	36	36	31	33	35
Catering: Departmental activities			3						
Computer services	389	153	209	6 456	6 686	6 630	6 532	6 898	7 277
Contractors			76	20	6	6			
Consumable: Stationery, printing and office supplies		7							
Operating leases	88	129	97	128	128	128	128	135	142
Property payments	68	48	72	75	45	45	62	65	69
Operating payments			61						
Rental and hiring				30					
<b>Transfers and subsidies</b>	<b>1</b>	<b>188</b>	<b>22</b>		<b>52</b>	<b>108</b>			
Households	1	188	22		52	108			
Social benefits	1	188	16		52	108			
Other transfers to households			6						
<b>Payments for capital assets</b>			<b>11</b>						
Machinery and equipment			11						
Other machinery and equipment			11						
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>78 686</b>	<b>80 078</b>	<b>88 227</b>	<b>113 844</b>	<b>108 195</b>	<b>108 251</b>	<b>121 926</b>	<b>130 780</b>	<b>137 973</b>

