

Vote 10

Department of Tourism

Department of Tourism	Vote 10
To be appropriated by Vote in 2018/19	R 261 551 000
Direct Charge	Not Applicable
Responsible MEC	MEC for Tourism
Administering Department	Department of Tourism
Accounting Officer	Deputy Director General for Tourism

## 1. Overview

### Vision

Leading a dynamic, sustainable, diversified and vibrant tourism sector for the North West Province.

### Mission

To lead and grow a dynamic, sustainable, diversified and vibrant tourism sector for the North-West Province through:

- Promoting partnerships and collaboration with all key stakeholders, in particular the private sector;
- Promoting cultural and heritage tourism in the North West;
- Strengthening institutional capacity;
- Promoting good cooperative governance;
- Branding and marketing of North West province as a tourism destination; and
- Creativity and innovation.

### Main Services that the department intends to deliver

The mandate of the Department of Tourism is derived from the existing national and provincial policy frameworks towards the tourism growth and development in the North West Province. To fulfil this mandate the Department has set the following strategic objectives and goals:

- To provide leadership and administrative support towards tourism development and growth in accordance with legislative imperatives and other relevant policies; and
- To contribute to economic growth through a transformed and sustainable tourism sector that will assist to create decent jobs and sustainable livelihoods.

Tourism industry has in recent years, taken the centre stage of the developmental agenda of Government. It is strongly believed that the tourism sector can play a major role in the growth and development of the economy, hence the deliberate decision to identify it as one of the priority sectors that can contribute positively to the growth and development of the economy.

Over and above its identification, the North West Provincial Government has pronounced it as one of the key pillars to drive the growth of the economy besides Agriculture and Culture.

The Department of Tourism is committed to ensuring that through tourism sector, the economic landscape of the Province is changed through efforts of diversification and repositioning of the Province to be competitive.

The following are the policy directions for department of Tourism in the North West Province:

- The White Paper on Transformation of the Public Service Delivery (Batho Pele) 1997;
- National Development Plan (2030);
- The North West Provincial Development Plan and Priorities;
- The National Spatial Development Perspective (NSDP), 2006;
- The White Paper on the development and promotion of Tourism (1996);
- The National Tourism Sector Strategy;
- National Heritage and Cultural Tourism Strategy;
- The National Tourism BEE Charter;
- National Integrated Small Business Development Strategy;
- The North West Tourism Master Plan Review Report.

### **Core Functions**

The core functions of the Department include the following:

- Development, implementation and update of tourism policies, strategies, programmes and plans;
- Provide research and knowledge management services to inform policy and decision-making by tourism stakeholders;
- Facilitation of integrated tourism planning among tourism stakeholders through capacity building programmes;
- Facilitation of the provision of tourism supporting infrastructure;
- Create employment opportunities by implementing tourism projects targeted at the unemployed through the Expanded Public Works Programme (EPWP);
- Implementation of tourism sector transformation programmes;
- Facilitate the development and implementation of integrated support packages to enhance destination competitiveness;
- Address challenges faced by our rural communities in line with the policy pronouncement of the provincial government as far as economic growth and development of Villages, Townships and Small Dorpies (VTSD), Saamtrek-Saamwerk and the Setsokotsane initiatives.
- The following provincial concretes pronounced by EXCO will drive the focus of the Department towards effective economic growth in the Province:
  - Agriculture; Culture and Tourism (ACT);
  - Villages; Townships and Small Dorpies (VTSD);
  - Reconciliation; Healing and Renewal (RHR);

- Setsokotsane; and
- Saamwerk-Saamtrek

### **Legislative and other mandates**

The mandate of the Department is to accelerate the tourism development, skills development, marketing and promotion in the Province. The legislative mandate of the department largely stems from the following Acts and Regulations:

- Constitution of the Republic of South Africa (Act No. 108 of 1996);
- The National Tourism Act No 3 of 2014;
- The North West Tourism Board Bill of 2014;
- Public Service Act 1994 (Act No. 103 of 1994);
- Public Finance Management Act 1999 (Act No. 1 of 2000), as amended, and Treasury Regulations.

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

Budget as allocated is intended to focus and achieve on the objectives of the following national outcomes:

- Outcome 3: All people in South Africa are and feel safe; (under Programme 3 by conducting safety workshops for product owners and tour guides inspections)
- Outcome 4: Decent employment through inclusive economic growth; (under Programme 3 by facilitating tourism trade and investment promotion initiatives)
- Outcome 5: A skilled and capable workforce to support an inclusive growth path; (under Programme 3 by facilitating tourism skills development for product owners)
- Outcome 11: Create a better South Africa; contribute to a better and safer Africa in a better world

## **2. Review of the current financial year (2017/18)**

This section provides a review of the 2017/18 annual performance, outlining the main achievements and progress made by the Department for year to date as well as giving a brief discussion on challenges and new developments. The following are the major achievements in 2017/18:

### **General**

The Auditor-general concluded its regulatory audit for the year ended 31 March 2017 and the Department has maintained an unqualified audit status for the third year since its configuration in 2014/15.

## **Tourism Planning**

The unit had set itself to achieve eleven strategic objectives, seven of which were targeted for implementation in the first quarter. These targets were successfully met in line with the Annual Performance Plan of the chief directorate:

- One municipal integrated development plan reviewed for alignment
- One tourism stakeholder engagement hosted
- One VTSD tourism plan developed in Dr Kenneth Kaunda (Local Municipality 405), Ventersdorp and Potchefstroom), Maqwassi & Matlosana Local Municipalities
- Monitoring and evaluation of the implementation of the tourism Sector Strategy
- One strategic tourism intervention facilitated.

Scoping of tourism associations in the province was done with the view to make recommendations on establishing district tourism associations in Ngaka Modiri Molema, Dr Ruth Segomotsi Mompati and Bojanala. Dr Kenneth Kaunda already has the association.

Two targets could not be achieved as planned:

- The target on Tourism Makgotla has been set for the second quarter with the final Provincial Lekgotla taking place in the third quarter;
- The report from South African Tourism which is used to compile the provincial report was only available in the second quarter.

Seven other targets were set for achievement in the remaining quarters of the year. No challenges have been reported to date in this unit.

## **Tourism Growth, Development and Transformation**

Ten targets were set for achievement in the financial year. The following achievements have been registered in the first quarter:

One hundred and fifteen (115) inspections were conducted at various lodges and sites in the Bojanala district. Three tourism quality assurance workshops were facilitated at Vuselela TVET College in Potchefstroom for eighty one (81) participants. Further two capacity building workshops were hosted with National Development Trust (NDT) at Taung Hotel School for eighty three (83) participants.

Eight (8) establishments (Guesthouses) out of a target of ten (10) were successfully graded in the province to-date. The two ungraded establishments could not meet the minimum requirements for passing the grading test.

Successfully conducted service excellence workshop at Bakgatla resorts in Rustenburg for thirty two (32) delegates from various hospitality establishments as well as monitoring of the development of tourism infrastructure in the province

Construction of Taung Hotel School is progressing well although there has been cost escalation as a result of variation in the specifications on the kitchen equipment.

One tourism attraction was supported to enhance destination competitiveness. Challenges identified include the following:

- Delay in the appointment of service providers for the renovations at the Dr Kenneth Kaunda Hotel School due to the fact that the standard for infrastructure procurement and delivery management (SIPDM) was not in place at the time the tender was advertised.
- Delayed progress on the construction on the Taung Hotel School resulting from relocation of Eskom overhead lines.

#### **Five concretes and how the Department contributes to them**

##### **Agriculture, Culture and Tourism (ACT)**

- Developed Provincial Tourism strategies that encompass all forms of tourism, including Heritage and Culture as well as Agri-tourism.
- Monitor the implementation of developed tourism strategies and intervene where there are challenges.

##### **Villages, Townships and Small Dorpies (VTSD)**

- Development of VTSD Tourism plans and consultation with key stakeholders in VTSD areas.
- Facilitated tourism product development and diversification to concretize the experience offering for both international and domestic tourists in Christiana.
- In collaboration with the National Department of Tourism, established a tourism incubation facility in the Moses Kotane Municipality for enterprise development.
- Launched a Women in Tourism Chapter in the districts to transform the industry and build an inclusive tourism economy.
- Developing a nodal approach framework to map out tourism spatial opportunities in VTSD areas.

##### **Reconciliation, Healing and Renewal**

- Institutionalised the "A Re Yeng Bokone Bophirima" brand architecture of the Province to enhance a sense of belonging.
- Undertook a research on the impact of tourism in Communities to ensure beneficiation initiatives.

### **Saamtrek-Saamwerk Philosophy**

- Entered into a Memorandum of Understanding with the N12 Treasure Route Association to collaborate and partner on tourism programmes implementation.
- An agreement with the Tourism Grading Council of South Africa to grade establishment with the view of improving service standards in the industry.
- Engaging with the Lekwa-Teemane Municipality to revamp the Christiana Caravan Park.
- Partnered with the National Department of Tourism to develop the Manyane Game Lodge and Lotlamoreng Dam tourism products.
- Facilitated the establishment of Tourism Associations in the Province as part of partnerships and collaboration.

### **Setsokotsane Approach**

- Initiated tourism marketing campaigns to enhance domestic tourism through the "Shapa round" initiative.
- Accelerated the grading of tourism establishments to improve service standards.
- Embarked on a campaign to unearth tourism "hidden gems" which are less known and visited tourism attractions in the Province.
- The Department embarked on cleaning campaigns as part of destination beautification initiatives.
- Tourism awareness and education workshops have been held with communities.
- Hosted District Tourism Makgotla which culminated in the Provincial Tourism Trade and Investment Lekgotla.
- Link community based tourism initiatives with available tourism incentive programmes and funding institutions, e.g. Lobatlane Reserve in Moruleng and Lehurutshe Bird Sanctuary in Gopane.
- Tourist Guide inspections conducted to ensure compliance.

### **3. Outlook for the coming financial year (2018/19)**

The following are key activities that will be undertaken to achieve the objectives of the Department with the funding provided for 2018/19 financial year, among others:

- Renovations and improvements to infrastructure of the Orkney Hotel School;
- Coordination for report on international and national benchmarking and impact assessment studies;
- Conduct research studies to support tourism growth;
- Host a Provincial Tourism Lekgotla;
- Establishment of strategic partnerships and linkages with key stakeholders;
- Hosting of Local Economic Development (LED) consultations on tourism planning.

The Department will continue to explore other critical areas of Tourism and Heritage products such as Agricultural Tourism and Education Tourism through the Inter-Governmental Relations (IGR) forum including LED structures in municipalities. The priority requirement is that annually the Department should produce the provincial state of tourism report.

### **Villages, Townships and Small Dorpies (VTSD)**

The dichotomy remains that post 1994 there has been less investment in Tourism economy in historically black Villages, Townships and Small Dorpies (VTSD). This initiative seeks to change the economic landscape of the economies in these areas. Tourists in the main are chasing experiences on products that are based on Natural, Cultural and Historical endowments. The following constitutes the Socio-Economic characterization of the Villages, Townships and Small Dorpies

- Limited investments in Tourism infrastructure which includes Roads, Water, Energy and ICT;
- Limited product development which includes Accommodation establishment Natural, Cultural and Historical Sites;
- Limited or lack of Sporting or Conferencing to promote high impact Events;
- Limited or lack of Enterprise Development to promote Tourism business;
- Limited or lack of Tourism Infrastructure to promote Education and Training.

As a result of this situation the APP 2018/19 attempts to design its objectives in order to address the social realities of the VTSD economy as well as through the implementation of the key priorities of the Department. There is therefore a need to invest in Tourism Infrastructure, Product and Enterprise Development that is affordable and accessible in order to increase Domestic Tourism in Bokone Bophirima. This must be seen as a transformation of the sector within the VTSD.

### **Reconciliation, Healing and Renewal**

In 2016/17, the Department was tasked with the development of a concept paper and actualisation of an Eco Tourism city. This project requires participation of other role players when the Department through the North West tourism Board will be co-ordinating the project.

Furthermore the Department is working in a partnership with the department of CATA to pursue Reconciliation, Healing and Renewal in the affected areas. The partnership is intended to broaden beyond the public service to include the private sectors and key stakeholders.

Department is intending to facilitate and initiate the Tourism development in and around Marikana in realisation of the five concrete on Reconciliation, Healing and Renewal. The benefit of this initiative is to change the negative perception about Marikana and at the same time promote “A re yeng Bokone Bophirima” brand.



#### 4. Reprioritisation

The Department has not made major re-prioritisation to the budget allocation. Funds were shifted within goods and services of individual sub-programmes to cater for the needs of the department in line with its Demand Management and the Procurement Plans.

#### 5. Procurement

Major procurement plans for 2018/19 relate to infrastructure development at the Orkney Hotel School for installations of fence and renovations to buildings. Details of the procurement are contained in the 2018/19 departmental procurement plan.

#### 6. Receipts and financing

##### 6.1. Summary of receipts

Table 10.1 : Summary of receipts

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	176 134	144 846	230 973	245 173	242 328	242 328	260 922	276 678	304 083
Conditional grants	–	–	–	–	–	–	–	–	–
Financing	36 000	–	–	–	15 000	15 000	–	–	–
Departmental receipts	–	204	550	588	588	588	629	672	709
<b>Total receipts</b>	<b>212 134</b>	<b>145 050</b>	<b>231 523</b>	<b>245 761</b>	<b>257 916</b>	<b>257 916</b>	<b>261 551</b>	<b>277 350</b>	<b>304 792</b>

The Department is funded mainly from equitable share and own revenue. Equitable share for the financial year 2018/19 is R261.6 million or 99.8 per cent of the total departmental allocation, while own revenue is R629 thousand or 0.2 per cent of total allocation. An increase has been registered on equitable share allocation of 1.4 per cent in 2018/19, 6 per cent and 9.9 per cent in 2019/20 and 2020/21 respectively.

##### 6.2. Departmental receipts collection

Table 10.2 : Summary of departmental receipts collection

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
Tax receipts	–	–	–	–	–	–	–	–	–
Casino taxes	–	–	–	–	–	–	–	–	–
Horse racing taxes	–	–	–	–	–	–	–	–	–
Liquor licences	–	–	–	–	–	–	–	–	–
Motor vehicle licences	–	–	–	–	–	–	–	–	–
Sales of goods and services other than capital assets	–	114	550	588	588	588	629	672	709
Transfers received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–
Interest, dividends and rent on land	–	–	–	–	–	–	–	–	–
Sales of capital assets	–	–	–	–	–	–	–	–	–
Transactions in financial assets and liabilities	–	–	–	–	–	–	–	–	–
<b>Total departmental receipts</b>	<b>–</b>	<b>114</b>	<b>550</b>	<b>588</b>	<b>588</b>	<b>588</b>	<b>629</b>	<b>672</b>	<b>709</b>

The department collects own revenue from the registration fees of tourist guides and commission received for deductions implemented on behalf of third parties against employees' salaries. Registration of a tourist guide is valid over a cycle of three years. Revenue collection is projected to increase from

R588 thousand in 2017/18 to R629 thousand in 2018/19, R672 thousands and R709 thousand in 2019/20 and 2020/21 respectively.

The following strategy to increase own revenue has been adopted and is maintained by the Department: -

- The Department has determined that the province can accommodate 1500 Tourist Guides. This number, however, depends on the willingness of private game reserve owners to give access to these guides, which has not been the case to date.
- There is currently 441 tourist guides in the books of the department although only 243 have renewed their registration for the current cycle of three years ending in 2018/19. Of the 150 tourist guides that are operating illegally in the province, the department is targeting to register 100 of them every year over the MTEF. The registration rate is R240 thousand per cycle and is determined by the National Department of Tourism. The review date for the tariff can at this stage not be ascertained.

### **6.3. Donor funding**

None.

## **7. Payment summary**

### **7.1. Key assumptions**

The budget allocation for 2018/19 MTEF is informed by the Department's strategic plan and annual performance plan which outline the service delivery mandate of the Department. The proposed allocation took consideration of the Provincial Treasury's guidelines by ensuring the following: -

- Consumer price index (CPI) inflation projections inform budget provisions of the department to make for price increases over the 2018/19 MTEF period for non-personnel expenditure items; 5.4 per cent in 2018/19, 5.6 per cent in 2019/20 and 5.5 per cent in 2020/21 financial years.
- Personnel budget growth is limited to 6.7 per cent in 2018/19; 6.6 per cent in 2019/20 and 6.5 per cent in 2020/21. Adequate provision has also been made for personnel related costs such as pay progression, performance award and other related allowances.

Establishment of hotel schools is planned to take place in all four district municipalities in the province, with the Dr Ruth Segomotsi Mompati construction in progress and Dr Kenneth Kaunda at conception stage.

## 7.2. Programme summary

Table 10.3 : Summary of payments and estimates by programme: Tourism

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
1. Administration	44 613	75 298	66 511	76 218	77 318	77 318	77 575	82 984	99 940
2. Tourism Planning	23 445	10 756	8 991	17 880	16 935	16 935	18 299	19 386	20 550
3. Tourism Growth, Development And Transformation	70 247	32 019	134 105	151 663	163 663	163 663	165 677	174 980	184 302
<b>Total payments and estimates</b>	<b>138 305</b>	<b>118 073</b>	<b>209 607</b>	<b>245 761</b>	<b>257 916</b>	<b>257 916</b>	<b>261 551</b>	<b>277 350</b>	<b>304 792</b>

## 7.3. Summary of economic classification

Table 10.4 : Summary of provincial payments and estimates by economic classification: Tourism

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
<b>Current payments</b>	<b>56 530</b>	<b>93 289</b>	<b>87 489</b>	<b>112 056</b>	<b>109 369</b>	<b>109 112</b>	<b>112 930</b>	<b>120 455</b>	<b>138 567</b>
Compensation of employees	38 090	53 766	63 641	72 676	72 676	72 676	77 545	82 663	88 200
Goods and services	18 440	39 516	23 848	39 380	36 693	36 436	35 385	37 792	50 367
Interest and rent on land	–	7	–	–	–	–	–	–	–
<b>Transfers and subsidies to:</b>	<b>81 360</b>	<b>1 161</b>	<b>95 098</b>	<b>82 481</b>	<b>92 481</b>	<b>92 500</b>	<b>94 637</b>	<b>99 889</b>	<b>105 583</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	10 710	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	70 247	–	93 453	82 261	92 261	92 280	94 404	99 643	104 652
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	403	1 161	1 645	220	220	220	233	246	931
<b>Payments for capital assets</b>	<b>415</b>	<b>23 623</b>	<b>27 020</b>	<b>51 224</b>	<b>56 066</b>	<b>56 304</b>	<b>53 984</b>	<b>57 006</b>	<b>60 642</b>
Buildings and other fixed structures	62	22 912	25 435	49 000	54 000	54 000	51 842	54 745	57 756
Machinery and equipment	353	711	1 585	2 224	2 066	2 304	2 142	2 261	2 886
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total economic classification</b>	<b>138 305</b>	<b>118 073</b>	<b>209 607</b>	<b>245 761</b>	<b>257 916</b>	<b>257 916</b>	<b>261 551</b>	<b>277 350</b>	<b>304 792</b>

The services rendered by the Department are categorised under three programmes namely: Administration; Tourism Planning; and Tourism Growth, Development and Transformation. The total allocation grows by 1.4 per cent, 6 per cent and 9.9 per cent over MTEF period respectively.

### Compensation of employees

The item accounts for 29.6 per cent of the total appropriation for 2018/19 financial year. Growth at an annual rate of 6.7 per cent is registered on the revised estimate of R72.7 million in 2017/18 to R77.5 million in 2018/19. The increase is in line with the increase in number of posts filled in the core programme in 2017/18 although a number of these posts were filled through internal promotions, thereafter a gradual increase is anticipated in line with filling the remaining vacant posts in 2018/19.

### Goods and Services

This item accounts for 13.5 per cent of the budget for 2018/19. Budget allocation increase from R36.4 million in 2017/18 to R35.4 million in 2018/19, R37.8 million in 2019/20 and R50.4 million in 2020/21. This translates to a percentage decrease of 2.9 per cent in the first year and an increase of 6.8 per cent in the mid-year and 33.3 per cent in the outer year due to additions to the baseline. The

substantial amount of the budget will be used to host tourism makgotla, procure lease of government vehicles, office space and audit fees.

### Transfers and subsidies

The item accounts for 36.2 per cent of the total appropriation for 2018/19 financial year. A total of 99.8 per cent of the allocation in this item will to be transferred to the North West Tourism Board for marketing of the Province as a tourist destination of choice and 0.2 per cent of the allocation under transfers and subsidies is provided for payment of social benefits. The Board's allocation increased to R94.4 million in 2018/19, R99.6 million in 2019/20 then R104.7 million in 2020/21 which translates to a growth of 2.3 per cent in 2018/19, 5.5 per cent in 2019/20 and 5 per cent in 2020/21.

### Payments for capital assets

The item constitutes 20.6 per cent of total allocation for 2018/19. The allocation is intended to construct buildings and other fixed structures at Taung on the infrastructure projects in respect of hotel schools. A projected increase from the main budget of R49 million in 2017/18 to R51.8 million in 2018/19, further to R54.7 million and R57.8 million over the MTEF period

## 7.4. Infrastructure payments

### 7.4.1 Departmental infrastructure payments

Table 10.5 : Summary of provincial infrastructure payments and estimates by category

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
Existing infrastructure assets	-	8 371	9 069	8 650	9 418	9 418	13 729	-	-
Maintenance and repairs	-	-	-	-	-	-	-	-	-
Upgrades and additions	-	8 371	6 069	-	768	768	-	-	-
Rehabilitation and refurbishment	-	-	3 000	8 650	8 650	8 650	13 729	-	-
New infrastructure assets	-	14 541	25 931	40 350	41 072	41 072	34 743	51 187	54 732
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-
Infrastructure payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure leases	-	-	-	-	-	-	-	-	-
Non infrastructure	-	-	-	-	3 510	3 510	3 370	3 558	3 024
<b>Total department infrastructure</b>	<b>-</b>	<b>22 912</b>	<b>35 000</b>	<b>49 000</b>	<b>54 000</b>	<b>54 000</b>	<b>51 842</b>	<b>54 745</b>	<b>57 756</b>

1. Total provincial infrastructure is the sum of "Capital" plus "Recurrent maintenance". This includes non infrastructure items.

Spending for infrastructure for 2018/19 has decreased from adjusted allocation of R54 million to R51.8 million, then increases to R54.7 million in 2019/20 and R57.8 million in 2020/21. The allocation is intended to ensure completion and functionality of Taung Hotel School as well as to start with the rehabilitation of Orkney Hotel School. Over the MTEF, these projects are implemented by the department on behalf of Tourism Board whilst it is capacitating itself to be able to deliver to its mandate.

Projects identified for implementation over the MTEF are:-

- Completion and functionality of Taung Hotel School

- Rehabilitating a donated building in Orkney into a Hotel School
- Establishment of Hotel School in Moses Kotane

#### 7.4.2 Maintenance (Table B 5)

None.

#### 7.4.3 Non infrastructure items (Table B 5)

None

#### 7.5. Departmental Public-Private Partnership (PPP) projects

None.

#### 7.6. Transfers

##### 7.6.1 Transfers to public entities

Table 10.6 : Summary of departmental transfers to public entities

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
North West Tourism Board	70 247	69 878	93 453	82 261	92 261	92 261	94 404	99 643	104 652
<b>Total departmental transfers</b>	<b>70 247</b>	<b>69 878</b>	<b>93 453</b>	<b>82 261</b>	<b>92 261</b>	<b>92 261</b>	<b>94 404</b>	<b>99 643</b>	<b>104 652</b>

North West Tourism Board is the Public Entity reporting to the MEC for Tourism. The Department has since its configuration carried an allocation for transfer to this entity for purposes of marketing of the province as a tourist destination of choice.

The Department made an allocation of R94.4 million in 2018/19, R99.6 million in 2019/20 and R104.7 million in 2019/20 for transfer to the North West Tourism Board for the administration and operations of the entity. This translates to a growth of 2.3 per cent in 2018/19, 5.5 per cent in 2019/20; and 5 per cent in 2020/21.

##### 7.6.2 Transfers to other entities

None.

##### 7.6.3 Transfers to local government

None.

#### 8. Receipts and retentions: Provincial legislatures

Not applicable.

## 9. Programme description

### Programme 1: Administration

#### Description and objectives

The main purpose of the programme is to provide corporate support to the entire department as well as strategic administrative and political direction through the office of the Head of Department and Executing Authority respectively.

This programme consists of four sub-programmes, namely Office the MEC, Office of the HOD, Financial Management Services and Corporate Management Services.

- Office of the MEC: To provide political leadership as relating to the mandate of the department.
- Office of the HOD: To provide administrative coordination in the Department.
- Financial Management Services: To provide effective and efficient Financial Management services within the Department.
- Corporate Management Services: To provide corporate support services to the department.

Table 10.7 : Summary of payments and estimates by sub-programme: Programme1: Administration

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
1. Office Of The Mec	4 486	10 928	8 316	10 214	10 214	11 232	9 546	10 134	10 691
2. Office Of The Hod	3 839	9 228	5 236	6 150	8 025	7 007	8 478	8 997	9 547
3. Financial Management	8 566	20 886	22 607	23 818	23 168	23 168	20 082	21 701	34 081
4. Corporate Services	27 722	34 256	30 352	36 036	35 911	35 911	39 469	42 152	45 621
<b>Total payments and estimates</b>	<b>44 613</b>	<b>75 298</b>	<b>66 511</b>	<b>76 218</b>	<b>77 318</b>	<b>77 318</b>	<b>77 575</b>	<b>82 984</b>	<b>99 940</b>

Table 10.8 : Summary of payments and estimates by economic classification: Programme1: Administration

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
<b>Current payments</b>	<b>43 994</b>	<b>73 584</b>	<b>63 813</b>	<b>74 224</b>	<b>75 482</b>	<b>75 285</b>	<b>75 464</b>	<b>80 755</b>	<b>96 417</b>
Compensation of employees	30 698	44 876	48 096	49 107	52 107	52 107	56 270	59 983	64 002
Goods and services	13 296	28 701	15 717	25 117	23 375	23 178	19 194	20 772	32 415
Interest and rent on land	-	7	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>403</b>	<b>1 161</b>	<b>1 329</b>	<b>220</b>	<b>220</b>	<b>220</b>	<b>233</b>	<b>246</b>	<b>931</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	403	1 161	1 329	220	220	220	233	246	931
<b>Payments for capital assets</b>	<b>216</b>	<b>553</b>	<b>1 369</b>	<b>1 774</b>	<b>1 616</b>	<b>1 813</b>	<b>1 878</b>	<b>1 983</b>	<b>2 592</b>
Buildings and other fixed structures	62	-	-	-	-	-	-	-	-
Machinery and equipment	154	553	1 369	1 774	1 616	1 813	1 878	1 983	2 592
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>44 613</b>	<b>75 298</b>	<b>66 511</b>	<b>76 218</b>	<b>77 318</b>	<b>77 318</b>	<b>77 575</b>	<b>82 984</b>	<b>99 940</b>

Programme 1: Administration accounts for 29.7 per cent of the total budget allocation over the MTEF. The allocation is projected to increase from R77.3 million in 2017/18, then increase to R77.6 million and

R83 million and R99.9 million over the MTEF respectively, which translate to 0.3 per cent, 7 per cent in the first two years of the MTEF and 20.4 per cent increase in the outer year due to additional fund allocated.

### **Compensation of Employees**

Allocation for compensation of employees grows from R52.1 million in 2017/18 to R56.3 million in 2018/19 and R60 million in 2019/20 then R64 million in 2020/21. Movement translates into an increase of 8 per cent in 2018/19 and 6.6 per cent and 6.7 per cent in the two outer years respectively.

### **Goods and services**

Goods and services declines from R23.2 million in 2017/18 to R19.2 million in 2018/19 then increase to R20.8 million in 2019/20 then R32.4 million in 2020/21. This translates into a decrease of 17.9 per cent in the first year of the medium term, an increase of 8.2 per cent in the mid-year then 56.1 per cent in the outer year due to addition to the baseline. The decline is as a result of the department's decision to do in-house training instead of sourcing external services.

### **Transfers and subsidies**

The household allocation registers a consistent increase over the MTEF from R220 thousand in 2017/18 to R233 thousand in 2018/19, to R246 thousand in 2019/20 then R931 thousand in 2020/21. This translates to a percentage increase of 5.9 per cent in 2018/19, 5.6 per cent and 278.5 per cent in 2019/20 and 2020/21 respectively. The Department does not anticipate paying more for leave gratuities as minimum employment terminations are anticipated in the immediate two years and more retirements are anticipated in the outer year.

### **Payment for capital assets**

Payment for capital assets increases steadily from R1.8 million in 2017/18 to R1.9 million in 2018/19, R2 million in 2019/20 then to R2.6 million in 2020/21. This translates to a percentage increase of 3.6 per cent in 2018/19, and 5.6 per cent in 2019/20 then 30.7 per cent in 2020/21. The allocation is intended to acquire computer equipment for new appointees and for maintenance of office and computer equipment for all other staff.

## Service delivery measure: Programme 1

Table 10.9 : Service delivery measures - Programme1: Administration

Programme performance measures	Estimated performance	Medium-term estimates			
	2017/18	2018/19	2019/20	2020/21	
Number of IGR for Tourism Development promoted	4	4	4	4	
Coordination with stakeholder through outreach programme	4	4	4	4	
Implementation of Minimum Information Security Standards and Records Management Policies	4	4	4	4	
Implementation of Risk Management Plan and Fraud Prevention Plan	4	4	4	4	
Approved Procurement Plan	1	1	1	1	
Percentage of invoices paid within 30 days	1	1	1	1	
Percentage of budget spend towards VTSD	1	1	1	1	
Annual Performance Plan produced	1	1	1	1	
Annual Report produced	1	1	1	1	
MPAT implementation report delivered for the Department	1	1	1	1	
Implementation of the Communication Strategy	4	4	4	4	
Implementation of the departmental ICT strategy	1	1	1	1	

## Programme 2: Tourism Planning

### Description and objectives

Programme 2: Tourism Planning is one of the two core programmes of the department and accounts for a consistent 7 per cent of the total budget allocation in 2018/19. Its main purpose is to facilitate the development and growth of the tourism sector through research and policy development and monitoring of the performance of the tourism sector in the North West Province. This programme is comprised of two sub-programmes namely: Research and Policy Development; and Planning and Sector Performance.

Table 10.10 : Summary of payments and estimates by sub-programme: Programme2: Tourism Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18	2017/18	2017/18	2018/19	2019/20	2020/21
1. Research And Policy Development	–	2 311	5 502	8 940	8 439	8 439	8 941	9 474	10 041
2. Planning And Sector Performance	23 445	8 445	3 489	8 940	8 496	8 496	9 358	9 912	10 509
<b>Total payments and estimates</b>	<b>23 445</b>	<b>10 756</b>	<b>8 991</b>	<b>17 880</b>	<b>16 935</b>	<b>16 935</b>	<b>18 299</b>	<b>19 386</b>	<b>20 550</b>

Table 10.11 : Summary of payments and estimates by economic classification: Programme2: Tourism Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18	2017/18	2017/18	2018/19	2019/20	2020/21
<b>Current payments</b>	<b>12 536</b>	<b>10 598</b>	<b>8 977</b>	<b>17 680</b>	<b>16 735</b>	<b>16 735</b>	<b>18 299</b>	<b>19 386</b>	<b>20 550</b>
Compensation of employees	7 392	2 650	5 225	8 140	8 140	8 140	8 005	8 533	9 103
Goods and services	5 144	7 948	3 752	9 540	8 595	8 595	10 294	10 853	11 447
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies to:</b>	<b>10 710</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	10 710	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>199</b>	<b>158</b>	<b>14</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>–</b>	<b>–</b>	<b>–</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	199	158	14	200	200	200	–	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total economic classification</b>	<b>23 445</b>	<b>10 756</b>	<b>8 991</b>	<b>17 880</b>	<b>16 935</b>	<b>16 935</b>	<b>18 299</b>	<b>19 386</b>	<b>20 550</b>



Research and Policy Development is responsible for creating an enabling environment for tourism growth through planning, research, legislation, and policy and strategy development. The sub-programme allocation grows from R8.4 million in 2017/18 to R8.9 million in 2018/19, R9.5 million in 2019/20 then R10 million in 2020/21. This increase translates to 5.9 per cent increase in 2018/19 and to 6 per cent in both 2019/20 and 2020/21.

Through the allocated budget, the sub-programme is expected to achieve the following strategic objective each year over the MTEF:

- Implement the North West Tourism Act;
- Facilitate the establishment of tourism management structures;
- Review Municipal Integrated Tourism Development Plans;
- Conduct research studies to support tourism development;
- Conduct feasibility studies for tourism development.

Planning and Sector Performance is responsible for planning, monitoring and evaluating tourism sector performance. Budget allocation for the sub-programme registers growth from R8.5 million in 2017/18 to R9.4 million in 2018/19, and to R9.9 million in 2019/20 then R10.5 million in 2020/21. This increase translates to 10.1 per cent increase in 2018/19, 5.9 per cent in 2019/20 and 6 per cent in 2020/21. The budget is intended to achieve the following strategic objectives:

- Host five tourism makgotla;
- Create strategic partnerships and linkages with key stakeholders in the industry;
- Develop VTSD tourism plans in district municipalities;
- Monitor and evaluate implementation of tourism strategies;
- Facilitate strategic tourism interventions;
- Report on monitoring and evaluation of tourism sector performance.

### **Compensation of employees**

The allocation declines from R8.1 million in 2017/18 to R8 million in 2018/19, grows to R8.5 million in 2019/20 then R9.1 million in 2020/21. Movement translates into a decrease of 1.7 per cent in the first year of the medium term, then increase to 6.6 and 6.7 per cent in the two outer years respectively which is in line with the projected salary adjustments.

### **Goods and services**

Spending registers an increase from R8.6 million in 2017/18 to R10.3 million in 2018/19, to R10.9 million in 2019/20 the R11.4 million in 2020/21. Movement translates into an annual percentage growth of 19.8 per cent mainly to cater for subsistence and travelling planned in an effort to engage with industry stakeholders and District municipalities during inter-governmental working groups and giving support

towards implementing tourism strategies and developing VTSD tourism plans in District municipalities, then 5.4 per cent and 5.5 per cent in 2019/20 and 2020/21 respectively.

### Transfers and subsidies

The programme has since the reconfiguration of the department performed with two employees and started filling vacant posts in 2016/17. Staff complement is at this stage 90 per cent of the approved interim structure of the programme. There is therefore no reason to expect terminations of employment over the MTEF and the programme did not provide for payment of leave gratuities and does not have any other transfer payments to make.

### Payment for capital assets

There is no allocation for this item because all equipment in the programme was acquired in 2016/17 through 2017/18 for newly appointed staff. The life cycle for computer equipment and office machinery is three years and the need to replace such will be considered after 2020/21.

### Service delivery measures: Programme 2

Table 10.12 : Service delivery measures - Programme2: Tourism Planning

Programme performance measures	Estimated performance	Medium-term estimates		
	2017/18	2018/19	2019/20	2020/21
North West Tourism Act enacted	1	1	1	1
Number of Tourism Management Structures established	4	4	4	4
Municipal Integrated Development Plans reviewed for alignment	4	4	4	4
Research studies conducted to support tourism growth	2	2	2	2
Feasibility studies facilitated for tourism planning and development	2	2	2	2
Tourism stakeholder engagements hosted	5	5	5	5
Strategic partnerships and linkages with key stakeholder created	2	2	2	2
VTSD Tourism Plans developed in District Municipalities	4	4	4	4
Monitoring and evaluation of the implementation of tourism strategies	4	4	4	4
Strategic tourism interventions facilitated	4	4	4	4
Report on monitoring and evaluation of the Tourism Sector performance	3	3	3	3

### Programme 3: Tourism growth, Development and Transformation

#### Description and objectives

The main purpose for the programme is to support sector through promotion of transformation and sustainable tourism. This programme has three sub-programmes namely, Tourist Guiding and Regulatory Services; Tourism Sector Transformation and Education; and Tourism Growth and Development.

Table 10.13 : Summary of payments and estimates by sub-programme: Programme3: Tourism Growth, Development And Transformation

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. Tourist Guiding And Regulatory Services	–	1 495	3 291	5 658	3 888	2 926	3 720	3 944	4 182
2. Tourism Sector And Transformation	–	5 012	6 438	6 711	5 491	4 612	5 942	6 289	6 679
3. Tourism Growth And Development	70 247	25 512	124 376	139 294	154 284	156 125	156 015	164 747	173 441
<b>Total payments and estimates</b>	<b>70 247</b>	<b>32 019</b>	<b>134 105</b>	<b>151 663</b>	<b>163 663</b>	<b>163 663</b>	<b>165 677</b>	<b>174 980</b>	<b>184 302</b>

Table 10.14 : Summary of payments and estimates by economic classification: Programme3: Tourism Growth, Development And Transformation

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
<b>Current payments</b>	-	9 107	14 699	20 152	17 152	17 092	19 167	20 314	21 600
Compensation of employees	-	6 240	10 320	15 429	12 429	12 429	13 270	14 147	15 095
Goods and services	-	2 867	4 379	4 723	4 723	4 663	5 897	6 167	6 505
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>70 247</b>	<b>-</b>	<b>93 769</b>	<b>82 261</b>	<b>92 261</b>	<b>92 280</b>	<b>94 404</b>	<b>99 643</b>	<b>104 652</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	70 247	-	93 453	82 261	92 261	92 280	94 404	99 643	104 652
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	316	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>22 912</b>	<b>25 637</b>	<b>49 250</b>	<b>54 250</b>	<b>54 291</b>	<b>52 106</b>	<b>55 023</b>	<b>58 050</b>
Buildings and other fixed structures	-	22 912	25 435	49 000	54 000	54 000	51 842	54 745	57 756
Machinery and equipment	-	-	202	250	250	291	264	278	294
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>70 247</b>	<b>32 019</b>	<b>134 105</b>	<b>151 663</b>	<b>163 663</b>	<b>163 663</b>	<b>165 677</b>	<b>174 980</b>	<b>184 302</b>

Tourist Guiding and Regulatory Services' responsibility is to build capacity for inclusive tourism growth development with a special focus on tourist guides and tour operators. The sub-programme allocation increases from an allocation of R2.9 million in 2017/18 to R3.7 million in 2018/19, and then to R3.9 million in 2019/20 then R4.2 million in 2020/21. The following are the expected strategic objectives to be achieved over the MTEF with the allocated budget:-

- Register Tourist Guides from VTSD for compliance;
- Up-skill registered tourist guides;
- Conduct inspections on individual/tourism-related businesses.

Tourism Sector Transformation and Education is responsible to accelerate the transformation of the tourism sector by implementing programs aimed at VTSD enterprises and communities to promote inclusive growth of the sector. The sub-programme allocation grows from an allocation of R4.6 million in 2017/18 to R5.9 million in 2018/19, and to R6.3 million in 2019/20 then R6.7 million in 2020/21. The allocated budget is intended to enable the sub-programme to achieve the following strategic objectives:-

- Report on the public sector spend on empowered tourism goods and services by established enterprises;
- Facilitate tourism skills development programs in the tourism industry, in partnership with industry stakeholders;
- Facilitate the grading of tourism establishments in the province;
- Facilitate tourism quality assurance workshops.

Tourism Growth and Development's responsibility is to co-deliver targeted actions designed to improve destination accessibility and attractiveness/competitiveness. The sub-programme allocation grows from the main allocation of R156.1 million in 2017/18 to R156 million in 2018/19, and to R164.7 million in 2019/20 then R173.4 million in 2020/21. This increase translates to 9.2 per cent increase in 2018/19

due to additional funds provided, 5.6 per cent in 2019/20 and 5.3 per cent in 2020/21. The following are the expected strategic objectives to be achieved over the MTEF with the allocated budget:

- Facilitate tourism trade and investment promotion initiatives by hosting tourism trade and investment lekgotla and conducting trade linkage workshops;
- Monitor the development of tourism infrastructure in the province through building of hotels schools in Dr Kenneth Kaunda and Moses Kotane District Municipalities;
- Support tourism attractions to enhance destination competitiveness.

### **Compensation of employees**

The allocation grows from R12.4 million in 2017/18 to R13.3 million in 2018/19, to R14.1 million in 2019/20 then R15.1 million in 2020/21. Movement translates into an increase of 6.8 per cent in the first year of the medium term, 6.6 per cent in the mid-year then 6.7 per cent in the outer year of the MTEF. This growth is as a result of consideration of inflationary increases.

### **Goods and Services**

Spending increases from R4.7 million in 2017/18 to R5.9 million in 2018/19, to R6.2 million in 2019/20 then R6.5 million in 2020/21. Movement translates into an annual percentage growth of 26.5 per cent in 2018/19, then 4.6 and 5.5 per cent in 2019/20 and 2020/21 respectively. The increase seeks to minimize the effects of inflation over the MTEF.

### **Transfers and subsidies**

The allocation is strictly for transfer payments to the North West Tourism Board for purposes of marketing the Province as the destination of choice. No allocation is made for leave gratuities because filling of vacancies in the programme progressed since 2016/17 and no resignations are anticipated over the MTEF.

### **Payment for capital assets**

An allocation of R51.8 million in 2018/19 and R54.7 million in 2019/20 and R57.8 million in 2020/21 is intended to renovate buildings in the form of student residences, kitchen and offices at the Dr Kenneth Kaunda hotel School as well as installation of fence and starting construction of the Bojanala Hotel School.

The remaining budget is allocated for acquisition of computer and office equipment as and when new staff appointments take place. The increase in allocation only caters for inflation over the MTEF.

## Service delivery measures: Programme 3

Table 10.15 : Service delivery measures - Programme3: Tourism Growth, Development And Transformation

Programme performance measures	Estimated performance	Medium-term estimates			
	2017/18	2018/19	2019/20	2020/21	
Number of Tourist guides registered (VTSD)	100	100	100	100	
Number of registered Tourist Guides up-skilled	240	240	240	240	
Number of individual/tourism related businesses inspected	200	200	200	200	
Reports on the public sector spend on empowered tourism goods and services by established enterprises	4	4	4	4	
Facilitate the grading of tourism establishments in the province	40	40	40	40	
Number of tourism quality assurance workshops facilitated: a. Service excellence b. Universal accessibility c. Responsible tourism	12	12	12	12	
Facilitate tourism trade and investment promotion initiatives: a. Tourism trade and investment lekgotla b. Trade linkage workshops	2	2	2	2	

## 10. Other Programme Information

### 10.1. Personnel numbers and costs

Table 10.16 : Summary of departmental personnel numbers and costs by component

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		2017/18 - 2020/21		2017/18 - 2020/21		
	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		
<b>Salary level</b>																			
1 - 6	20	—	51	5 149	51	6 240	51	—	51	6 550	51	7 172	53	7 634	55	8 144	2.5%	7.5%	9.2%
7 - 10	59	—	94	21 348	94	27 146	72	22	94	27 182	94	29 771	99	31 866	104	34 001	3.4%	7.7%	38.2%
11 - 12	18	—	33	22 503	33	21 635	33	—	33	23 433	33	25 430	34	27 027	35	28 836	2.0%	7.2%	32.6%
13 - 16	8	—	14	14 570	14	14 208	14	—	14	15 511	14	16 136	14	17 219	—	—	3.5%	20.1%	—
Other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total</b>	<b>105</b>	<b>—</b>	<b>192</b>	<b>63 570</b>	<b>192</b>	<b>69 238</b>	<b>170</b>	<b>22</b>	<b>192</b>	<b>72 676</b>	<b>192</b>	<b>77 545</b>	<b>200</b>	<b>82 663</b>	<b>208</b>	<b>88 200</b>	<b>2.7%</b>	<b>6.7%</b>	<b>100.0%</b>
<b>Programme</b>																			
1. Administration	92	30 698	133	44 876	133	48 096	111	22	133	52 107	133	56 270	139	59 863	145	64 002	2.9%	7.1%	72.3%
2. Tourism Planning	13	7 392	18	2 650	16	5 225	16	—	16	8 140	16	8 005	16	8 533	16	9 103	—	3.8%	10.6%
3. Tourism Growth, Development And Transformation	—	—	41	6 240	43	10 320	43	—	43	12 429	43	13 270	45	14 147	47	15 095	3.0%	6.7%	17.1%
Direct charges	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total</b>	<b>105</b>	<b>38 090</b>	<b>192</b>	<b>53 766</b>	<b>192</b>	<b>63 641</b>	<b>170</b>	<b>22.0</b>	<b>192</b>	<b>72 676.0</b>	<b>192</b>	<b>77 545.0</b>	<b>200</b>	<b>82 663.0</b>	<b>208</b>	<b>88 200.0</b>	<b>2.7%</b>	<b>6.7%</b>	<b>100.0%</b>
<b>Employee dispensation classification</b>																			
Public Service Act appointees not covered by OSDs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Public Service Act appointees still to be covered by OSDs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Professional Nurses, Staff Nurses and Nursing Assistants	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Legal Professionals	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Social Services Professions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Engineering Professions and related occupations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Medical and related professions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Therapeutic, Diagnostic and other related Allied Health Professionals	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Educators and related professionals	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others such as interns, EPWP, learnerships, etc	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

<sup>1</sup> Personnel numbers includes all filled posts together with those posts additional to the approved establishment

The interim personnel structure as approved is comprised of 197 posts, to date 160 are filled and 32 posts are vacant, of which seven (7) are in the final stages of being filled. The process of filling vacancies is ongoing and is expected to be finalized early in 2018/19. The interim structure takes care of only the basic human resources required for minimal service delivery attainment.

The Department has been undertaking big strides in recruiting relevant and appropriately skilled and experienced staff. The increase in spending over the MTEF relates mainly to annual increase in improvement in conditions of service (ICS), filling of vacant posts, pay progressions and performance awards payments.

## 10.2. Training

Table 10.17 : Information on training: Tourism

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	105	192	192	192	192	192	192	200	208
Number of personnel trained	56	66	70	74	74	74	78	84	89
of which									
Male	25	30	30	30	30	30	32	34	36
Female	31	36	40	44	44	44	47	50	53
Number of training opportunities	56	66	70	74	74	74	78	84	90
of which									
Tertiary	10	20	22	22	22	22	23	25	27
Workshops	20	14	16	22	22	22	23	25	27
Seminars	20	22	22	20	20	20	21	23	24
Other	6	10	10	10	10	10	11	11	12
Number of bursaries offered	18	20	22	22	22	22	23	25	27
Number of interns appointed	6	10	10	10	10	10	11	11	12
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	5	-	-	-	-	-	-	-	-
<b>Payments on training by programme</b>									
1. Administration	417	130	103	132	132	132	138	148	159
2. Tourism Planning	97	130	103	132	132	132	141	151	161
3. Tourism Growth, Development And Transformation	86	412	362	463	463	463	496	528	562
<b>Total payments on training</b>	<b>600</b>	<b>672</b>	<b>568</b>	<b>727</b>	<b>727</b>	<b>727</b>	<b>775</b>	<b>827</b>	<b>882</b>

The department has planned training for its staff in line with Work Skills Programme that covers level 1 to 14. Training will predominantly be facilitated by the Public Services Education and Training Authority (PSETA) and generic or transversal training will be managed by Public Administration Leadership and Management Academy (PALAMA). The allocation will be utilized to train permanent staff as well as staff on internship through bursaries, workshops, seminars and other practical consultative sessions.

### Bursaries

The Department is awarding financial assistance for tuition for its staff at various South African tertiary institutions. External bursaries are being awarded to non-employees through the office of the Premier since 2017/18 financial year and will continue over the MTEF.

### 10.3. Reconciliation of structural changes

No structural changes are anticipated over the current medium term.

**Table 10.18 : Reconciliation of structural changes: Tourism**

2017/18		2018/19	
Programmes	R'000	Programmes	R'000
		<b>1. Administration</b>	<b>77 575</b>
		1. Office Of The Mec	9 546
		2. Office Of The Hod	8 478
		3. Financial Management	20 082
		4. Corporate Services	39 469
		<b>2. Tourism Planning</b>	<b>18 299</b>
		1. Research And Policy Development	8 941
		2. Planning And Sector Performance	9 358
		<b>3. Tourism Growth, Development And</b>	<b>165 677</b>
		1. Tourist Guiding And Regulatory Services	3 720
		2. Tourism Sector And Transformation	5 942
		3. Tourism Growth And Development	156 015
<b>Total</b>	<b>-</b>		<b>261 551</b>

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



Table B.1: Specification of receipts: Tourism

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
<b>Tax receipts</b>	–	–	–	–	–	–	–	–	–
Casino taxes	–	–	–	–	–	–	–	–	–
Horse racing taxes	–	–	–	–	–	–	–	–	–
Liquor licences	–	–	–	–	–	–	–	–	–
Motor vehicle licences	–	–	–	–	–	–	–	–	–
<b>Sales of goods and services other than capital assets</b>	–	114	550	588	588	588	629	672	709
Sale of goods and services produced by department (excluding capital assets)	–	114	550	588	588	588	629	672	709
Sales by market establishments	–	–	–	–	–	–	–	–	–
Administrative fees	–	–	–	–	–	–	–	–	–
Other sales	–	114	550	588	588	588	629	672	709
Of which									
Health patient fees	–	114	550	588	588	588	629	672	709
Other (Specify)	–	–	–	–	–	–	–	–	–
Other (Specify)	–	–	–	–	–	–	–	–	–
Other (Specify)	–	–	–	–	–	–	–	–	–
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	–	–	–	–	–	–	–	–	–
<b>Transfers received from:</b>	–	–	–	–	–	–	–	–	–
Other governmental units	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments	–	–	–	–	–	–	–	–	–
International organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Households and non-profit institutions	–	–	–	–	–	–	–	–	–
<b>Fines, penalties and forfeits</b>	–	–	–	–	–	–	–	–	–
<b>Interest, dividends and rent on land</b>	–	–	–	–	–	–	–	–	–
Interest	–	–	–	–	–	–	–	–	–
Dividends	–	–	–	–	–	–	–	–	–
Rent on land	–	–	–	–	–	–	–	–	–
<b>Sales of capital assets</b>	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Other capital assets	–	–	–	–	–	–	–	–	–
<b>Transactions in financial assets and liabilities</b>	–	–	–	–	–	–	–	–	–
<b>Total departmental receipts</b>	–	114	550	588	588	588	629	672	709

Table B.2: Payments and estimates by economic classification: Tourism

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2014/15	2015/16	2016/17		2017/18		2018/19	2019/20	2020/21
<b>Current payments</b>	<b>56 530</b>	<b>93 289</b>	<b>87 489</b>	<b>112 056</b>	<b>109 369</b>	<b>109 112</b>	<b>112 930</b>	<b>120 455</b>	<b>138 567</b>
Compensation of employees	38 090	53 766	63 641	72 676	72 676	72 676	77 545	82 663	88 200
Salaries and wages	33 208	47 142	55 978	65 108	65 008	64 165	68 711	73 246	78 154
Social contributions	4 882	6 624	7 663	7 568	7 668	8 511	8 834	9 417	10 046
Goods and services	18 440	39 516	23 848	39 380	36 693	36 436	35 385	37 792	50 367
Administrative fees	201	356	280	967	604	804	426	451	476
Advertising	2 632	4 382	1 380	2 105	1 673	1 311	1 387	3 135	3 306
Minor assets	–	48	51	740	504	484	625	660	696
Audit cost: External	2 881	2 718	3 668	1 738	3 976	4 401	1 000	1 054	4 112
Bursaries: Employees	65	84	111	529	329	529	560	591	624
Catering: Departmental activities	846	1 273	1 134	1 475	1 342	1 215	2 152	2 276	2 401
Communication (G&S)	919	1 722	1 267	2 234	1 209	1 313	1 572	1 661	1 751
Computer services	78	146	227	252	287	269	267	282	297
Consultants and professional services: Business and advisory services	6	5 800	1 355	3 295	3 489	2 660	3 820	4 018	4 233
Infrastructure and planning	–	–	–	–	–	–	–	–	–
Laboratory services	–	–	–	–	–	–	–	–	–
Scientific and technological services	–	–	–	–	–	–	–	–	–
Legal services	469	733	–	1 112	241	266	2 483	1 862	1 964
Contractors	2 305	4 175	2 462	6 004	4 072	3 814	4 050	4 248	4 477
Agency and support / outsourced services	334	36	–	–	–	–	109	41	43
Entertainment	–	–	–	–	–	–	–	–	–
Fleet services (including government motor transport)	775	1 432	2 047	2 239	1 759	1 864	869	541	2 071
Housing	–	–	–	–	–	–	–	–	–
Inventory: Clothing material and accessories	–	–	–	–	–	–	–	–	–
Inventory: Farming supplies	–	–	–	–	–	–	–	–	–
Inventory: Food and food supplies	–	–	–	–	–	–	–	–	–
Inventory: Fuel, oil and gas	–	–	–	–	–	–	–	–	–
Inventory: Learner and teacher support material	–	–	–	–	–	–	–	–	–
Inventory: Materials and supplies	–	–	–	–	–	–	–	–	–
Inventory: Medical supplies	–	–	–	–	–	–	–	–	–
Inventory: Medicine	–	–	–	–	–	–	–	–	–
Medias inventory interface	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	–	–	–	–	–	–	–	–
Consumable supplies	255	339	451	1 347	619	686	1 369	1 444	1 524
Consumable: Stationery, printing and office supplies	831	1 552	612	1 856	1 696	1 644	1 966	2 076	2 191
Operating leases	39	222	858	2 247	3 194	2 432	1 378	1 455	1 535
Property payments	959	1 109	27	1 647	197	197	–	43	6 046
Transport provided: Departmental activity	7	267	60	–	253	277	–	–	–
Travel and subsistence	4 120	10 032	6 340	7 720	8 134	9 248	9 481	9 973	10 521
Training and development	327	786	402	727	1 279	1 279	775	827	882
Operating payments	45	642	210	279	862	769	293	308	324
Venues and facilities	120	813	307	717	894	894	750	790	834
Rental and hiring	226	849	599	150	80	80	53	56	59
Interest and rent on land	–	7	–	–	–	–	–	–	–
Interest	–	7	–	–	–	–	–	–	–
Rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>81 360</b>	<b>1 161</b>	<b>95 098</b>	<b>82 481</b>	<b>92 481</b>	<b>92 500</b>	<b>94 637</b>	<b>99 889</b>	<b>105 583</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Provinces	–	–	–	–	–	–	–	–	–
Provincial Revenue Funds	–	–	–	–	–	–	–	–	–
Provincial agencies and funds	–	–	–	–	–	–	–	–	–
Municipalities	–	–	–	–	–	–	–	–	–
Municipalities	–	–	–	–	–	–	–	–	–
Municipal agencies and funds	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	10 710	–	–	–	–	–	–	–	–
Social security funds	–	–	–	–	–	–	–	–	–
Provide list of entities receiving transfers	10 710	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	70 247	–	93 453	82 261	92 261	92 280	94 404	99 643	104 652
Public corporations	70 247	–	93 453	82 261	92 261	92 280	94 404	99 643	104 652
Subsidies on production	–	–	–	–	–	–	–	–	–
Other transfers	70 247	–	93 453	82 261	92 261	92 280	94 404	99 643	104 652
Private enterprises	–	–	–	–	–	–	–	–	–
Subsidies on production	–	–	–	–	–	–	–	–	–
Other transfers	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	403	1 161	1 645	220	220	220	233	246	931
Social benefits	368	126	319	220	220	220	233	246	931
Other transfers to households	35	1 035	1 326	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>415</b>	<b>23 623</b>	<b>27 020</b>	<b>51 224</b>	<b>56 066</b>	<b>56 304</b>	<b>53 984</b>	<b>57 006</b>	<b>60 642</b>
Buildings and other fixed structures	62	22 912	25 435	49 000	54 000	54 000	51 842	54 745	57 756
Buildings	–	22 912	25 435	49 000	54 000	54 000	51 842	54 745	57 756
Other fixed structures	62	–	–	–	–	–	–	–	–
Machinery and equipment	353	711	1 585	2 224	2 066	2 304	2 142	2 261	2 886
Transport equipment	–	–	583	–	–	–	–	–	500
Other machinery and equipment	353	711	1 002	2 224	2 066	2 304	2 142	2 261	2 386
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total economic classification</b>	<b>138 305</b>	<b>118 073</b>	<b>209 607</b>	<b>245 761</b>	<b>257 916</b>	<b>257 916</b>	<b>261 551</b>	<b>277 350</b>	<b>304 792</b>

Table B.2: Payments and estimates by economic classification: Programme1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17		2017/18		2018/19	2019/20	2020/21
<b>Current payments</b>	<b>43 994</b>	<b>73 584</b>	<b>63 813</b>	<b>74 224</b>	<b>75 482</b>	<b>75 285</b>	<b>75 464</b>	<b>80 755</b>	<b>96 417</b>
Compensation of employees	30 698	44 876	48 096	49 107	52 107	52 107	56 270	59 983	64 002
Salaries and wages	26 911	39 261	42 210	43 094	45 994	45 916	49 817	53 104	56 662
Social contributions	3 787	5 615	5 886	6 013	6 113	6 191	6 453	6 879	7 340
Goods and services	13 296	28 701	15 717	25 117	23 375	23 178	19 194	20 772	32 415
Administrative fees	184	356	207	607	335	461	426	451	476
Advertising	1 222	4 351	693	1 157	653	291	382	2 081	2 195
Minor assets	–	43	9	490	432	437	519	548	578
Audit cost: External	2 881	2 718	3 668	1 738	3 976	4 401	1 000	1 054	4 112
Bursaries: Employees	65	84	111	529	329	529	560	591	624
Catering: Departmental activities	732	545	159	414	608	481	438	471	497
Communication (G&S)	762	1 474	801	1 484	927	1 031	1 570	1 659	1 749
Computer services	78	146	227	252	130	112	267	282	297
Consultants and professional services: Business and advisory services	6	2 009	29	971	517	153	1 131	1 184	1 243
Infrastructure and planning	–	–	–	–	–	–	–	–	–
Laboratory services	–	–	–	–	–	–	–	–	–
Scientific and technological services	–	–	–	–	–	–	–	–	–
Legal services	469	733	–	1 112	241	266	905	195	206
Contractors	587	841	1 289	4 029	2 042	1 338	2 945	3 100	3 266
Agency and support / outsourced services	334	36	–	–	–	–	109	41	43
Entertainment	–	–	–	–	–	–	–	–	–
Fleet services (including government motor transport)	775	1 432	2 047	2 239	1 759	1 864	869	541	2 071
Housing	–	–	–	–	–	–	–	–	–
Inventory: Clothing material and accessories	–	–	–	–	–	–	–	–	–
Inventory: Farming supplies	–	–	–	–	–	–	–	–	–
Inventory: Food and food supplies	–	–	–	–	–	–	–	–	–
Inventory: Fuel, oil and gas	–	–	–	–	–	–	–	–	–
Inventory: Learner and teacher support material	–	–	–	–	–	–	–	–	–
Inventory: Materials and supplies	–	–	–	–	–	–	–	–	–
Inventory: Medical supplies	–	–	–	–	–	–	–	–	–
Inventory: Medicine	–	–	–	–	–	–	–	–	–
Medsas inventory interface	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	–	–	–	–	–	–	–	–
Consumable supplies	240	259	292	695	443	506	735	776	819
Consumable: Stationery, printing and office supplies	671	1 527	468	867	1 196	1 155	918	970	1 024
Operating leases	28	222	858	2 247	2 984	2 122	1 377	1 454	1 534
Property payments	959	1 109	9	1 647	197	197	–	43	6 046
Transport provided: Departmental activity	–	229	–	–	142	153	–	–	–
Travel and subsistence	2 705	8 992	4 211	3 533	4 645	5 862	3 877	4 094	4 320
Training and development	327	786	402	727	727	727	775	827	882
Operating payments	33	525	137	99	762	762	103	107	112
Venues and facilities	106	284	100	280	330	330	288	303	321
Rental and hiring	132	–	–	–	–	–	–	–	–
Interest and rent on land	–	7	–	–	–	–	–	–	–
Interest	–	7	–	–	–	–	–	–	–
Rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>403</b>	<b>1 161</b>	<b>1 329</b>	<b>220</b>	<b>220</b>	<b>220</b>	<b>233</b>	<b>246</b>	<b>931</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Provinces	–	–	–	–	–	–	–	–	–
Provincial Revenue Funds	–	–	–	–	–	–	–	–	–
Provincial agencies and funds	–	–	–	–	–	–	–	–	–
Municipalities	–	–	–	–	–	–	–	–	–
Municipalities	–	–	–	–	–	–	–	–	–
Municipal agencies and funds	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Social security funds	–	–	–	–	–	–	–	–	–
Provide list of entities receiving transfers	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Public corporations	–	–	–	–	–	–	–	–	–
Subsidies on production	–	–	–	–	–	–	–	–	–
Other transfers	–	–	–	–	–	–	–	–	–
Private enterprises	–	–	–	–	–	–	–	–	–
Subsidies on production	–	–	–	–	–	–	–	–	–
Other transfers	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	403	1 161	1 329	220	220	220	233	246	931
Social benefits	368	126	272	220	220	220	233	246	931
Other transfers to households	35	1 035	1 057	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>216</b>	<b>553</b>	<b>1 369</b>	<b>1 774</b>	<b>1 616</b>	<b>1 813</b>	<b>1 878</b>	<b>1 983</b>	<b>2 592</b>
Buildings and other fixed structures	62	–	–	–	–	–	–	–	–
Buildings	–	–	–	–	–	–	–	–	–
Other fixed structures	62	–	–	–	–	–	–	–	–
Machinery and equipment	154	553	1 369	1 774	1 616	1 813	1 878	1 983	2 592
Transport equipment	–	–	583	–	–	–	–	–	500
Other machinery and equipment	154	553	786	1 774	1 616	1 813	1 878	1 983	2 092
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total economic classification</b>	<b>44 613</b>	<b>75 298</b>	<b>66 511</b>	<b>76 218</b>	<b>77 318</b>	<b>77 318</b>	<b>77 575</b>	<b>82 984</b>	<b>99 940</b>

Table B.2: Payments and estimates by economic classification: Programme2: Tourism 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
<b>Current payments</b>	<b>12 536</b>	<b>10 598</b>	<b>8 977</b>	<b>17 680</b>	<b>16 735</b>	<b>16 735</b>	<b>18 299</b>	<b>19 386</b>	<b>20 550</b>
Compensation of employees	7 392	2 650	5 225	8 140	8 140	8 140	8 005	8 533	9 103
Salaries and wages	6 297	2 418	4 676	7 599	7 599	7 298	7 123	7 593	8 101
Social contributions	1 095	232	549	541	541	842	882	940	1 002
Goods and services	5 144	7 948	3 752	9 540	8 595	8 595	10 294	10 853	11 447
Administrative fees	17	-	1	200	230	230	-	-	-
Advertising	1 410	-	513	648	790	790	687	718	757
Minor assets	-	5	5	100	26	26	106	112	118
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	114	513	558	858	350	350	1 327	1 396	1 473
Communication (G&S)	157	29	409	400	92	92	-	-	-
Computer services	-	-	-	-	157	157	-	-	-
Consultants and professional services: Business and advisory services	-	2 236	876	1 775	2 479	2 014	1 878	1 978	2 087
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	1 578	1 667	1 758
Contractors	1 718	3 313	89	1 799	1 255	1 720	688	726	766
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medicines inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	15	8	20	397	53	53	365	385	406
Consumable: Stationery, printing and office supplies	160	16	63	770	255	248	815	861	908
Operating leases	11	-	-	-	210	310	1	1	1
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	7	21	-	-	-	-	-	-	-
Travel and subsistence	1 415	475	536	2 185	2 118	2 118	2 523	2 665	2 811
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	12	45	24	-	100	7	-	-	-
Venues and facilities	14	438	59	308	400	400	326	344	362
Rental and hiring	94	849	599	100	80	80	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>10 710</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	10 710	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	10 710	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>199</b>	<b>158</b>	<b>14</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	199	158	14	200	200	200	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	199	158	14	200	200	200	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>23 445</b>	<b>10 756</b>	<b>8 991</b>	<b>17 880</b>	<b>16 935</b>	<b>16 935</b>	<b>18 299</b>	<b>19 386</b>	<b>20 550</b>

Table B.2: Payments and estimates by economic classification: Programme3: Tourism Growth, Development And Transformation

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>	–	9 107	14 699	20 152	17 152	17 092	19 167	20 314	21 600
Compensation of employees	–	6 240	10 320	15 429	12 429	12 429	13 270	14 147	15 095
Salaries and wages	–	5 463	9 092	14 415	11 415	10 951	11 771	12 549	13 391
Social contributions	–	777	1 228	1 014	1 014	1 478	1 499	1 598	1 704
Goods and services	–	2 867	4 379	4 723	4 723	4 663	5 897	6 167	6 505
Administrative fees	–	–	72	160	39	113	–	–	–
Advertising	–	31	174	300	230	230	318	336	354
Minor assets	–	–	37	150	46	21	–	–	–
Audit cost: External	–	–	–	–	–	–	–	–	–
Bursaries: Employees	–	–	–	–	–	–	–	–	–
Catering: Departmental activities	–	215	417	203	384	384	387	409	431
Communication (G&S)	–	219	57	350	190	190	2	2	2
Computer services	–	–	–	–	–	–	–	–	–
Consultants and professional services: Business and advisory services	–	1 555	450	549	493	493	811	856	903
Infrastructure and planning	–	–	–	–	–	–	–	–	–
Laboratory services	–	–	–	–	–	–	–	–	–
Scientific and technological services	–	–	–	–	–	–	–	–	–
Legal services	–	–	–	–	–	–	–	–	–
Contractors	–	21	1 084	176	775	756	417	422	445
Agency and support / outsourced services	–	–	–	–	–	–	–	–	–
Entertainment	–	–	–	–	–	–	–	–	–
Fleet services (including government motor transport)	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Inventory: Clothing material and accessories	–	–	–	–	–	–	–	–	–
Inventory: Farming supplies	–	–	–	–	–	–	–	–	–
Inventory: Food and food supplies	–	–	–	–	–	–	–	–	–
Inventory: Fuel, oil and gas	–	–	–	–	–	–	–	–	–
Inventory: Learner and teacher support material	–	–	–	–	–	–	–	–	–
Inventory: Materials and supplies	–	–	–	–	–	–	–	–	–
Inventory: Medical supplies	–	–	–	–	–	–	–	–	–
Inventory: Medicine	–	–	–	–	–	–	–	–	–
Medsas inventory interface	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	–	–	–	–	–	–	–	–
Consumable supplies	–	72	139	255	123	127	269	283	299
Consumable: Stationery, printing and office supplies	–	9	81	219	245	241	233	245	259
Operating leases	–	–	–	–	–	–	–	–	–
Property payments	–	–	18	–	–	–	–	–	–
Transport provided: Departmental activity	–	17	60	–	111	124	–	–	–
Travel and subsistence	–	565	1 593	2 002	1 371	1 268	3 081	3 214	3 390
Training and development	–	–	–	–	552	552	–	–	–
Operating payments	–	72	49	180	–	–	190	201	212
Venues and facilities	–	91	148	129	164	164	136	143	151
Rental and hiring	–	–	–	50	–	–	53	56	59
Interest and rent on land	–	–	–	–	–	–	–	–	–
Interest	–	–	–	–	–	–	–	–	–
Rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	70 247	–	93 769	82 261	92 261	92 280	94 404	99 643	104 652
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Provinces	–	–	–	–	–	–	–	–	–
Provincial Revenue Funds	–	–	–	–	–	–	–	–	–
Provincial agencies and funds	–	–	–	–	–	–	–	–	–
Municipalities	–	–	–	–	–	–	–	–	–
Municipalities	–	–	–	–	–	–	–	–	–
Municipal agencies and funds	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Social security funds	–	–	–	–	–	–	–	–	–
Provide list of entities receiving transfers	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	70 247	–	93 453	82 261	92 261	92 280	94 404	99 643	104 652
Public corporations	70 247	–	93 453	82 261	92 261	92 280	94 404	99 643	104 652
Subsidies on production	–	–	–	–	–	–	–	–	–
Other transfers	70 247	–	93 453	82 261	92 261	92 280	94 404	99 643	104 652
Private enterprises	–	–	–	–	–	–	–	–	–
Subsidies on production	–	–	–	–	–	–	–	–	–
Other transfers	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	316	–	–	–	–	–	–
Social benefits	–	–	47	–	–	–	–	–	–
Other transfers to households	–	–	269	–	–	–	–	–	–
<b>Payments for capital assets</b>	–	22 912	25 637	49 250	54 250	54 291	52 106	55 023	58 050
Buildings and other fixed structures	–	22 912	25 435	49 000	54 000	54 000	51 842	54 745	57 756
Buildings	–	22 912	25 435	49 000	54 000	54 000	51 842	54 745	57 756
Other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	202	250	250	291	264	278	294
Transport equipment	–	–	–	–	–	–	–	–	–
Other machinery and equipment	–	–	202	250	250	291	264	278	294
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	–	–	–	–	–	–	–	–	–
<b>Total economic classification</b>	70 247	32 019	134 105	151 663	163 663	163 663	165 677	174 980	184 302

Table B.5: Tourism -Payments of infrastructure by category																		
No.	Project name	Project Status	Ward Number	VTSD Type	Municipality / Region	Economic Classification (Building and Other Fixed Structures, Goods & Services, Plant, Machinery & Equipment,	Type of infrastructure	Project duration		Source of funding	Budget programme name	Implementing Agency	Total project cost	Expenditure to date from previous years	Total available	MTEF		
								Date: Start	Date: Finish							2018/19	2019/20	2020/21
1. New infrastructure assets																		
1	Taung Hotel School	construction 76%-99%	1	village	Greater Taung Municipality	Building and Other fixed structure	Proposed New Gates	01/01/2016	31/01/2018	Equitable share	programme 3	DT	4 911	4 110	801	-	-	
2	Taung Hotel School	construction 51%-75%	1	village	Greater Taung Municipality	Building and Other fixed structure	Proposed New Student Residents	01/01/2016	31/03/2018	Equitable share	programme 3	DT	31 482	21 278	8 000	-	-	
3	Taung Hotel School	planning	1	village	Greater Taung Municipality	Building and Other fixed structure	Proposed New Library	01/01/2016	31/03/2021	Equitable share	programme 3	DT	25 156	-	3 647	8 221	8 673	
4	Taung Hotel School	construction 26%-50%	1	village	Greater Taung Municipality	Building and Other fixed structure	Proposed New Lecture Halls and Kitchen	01/01/2016	31/03/2018	Equitable share	programme 3	DT	45 386	31 223	18 353	-	-	
5	Taung Hotel School	planning	1	village	Greater Taung Municipality	Building and Other fixed structure	Proposed New Student Residents 2nd phase	01/03/2018	31/03/2021	Equitable share	programme 3	DT	40 000	-	-	6 524	6 883	
6	Taung Hotel School	planning	1	village	Greater Taung Municipality	Building and Other fixed structure	Proposed New Lecture Halls and Kitchen phase 2	01/03/2018	01/01/2021	Equitable share	programme 3	DT	60 000	-	3 942	20 000	21 100	
7	Moses Kotane Hotel School	planning		village	Moses Kotane local municipality	Building and Other fixed structure	Construction of New Hotel School	01/04/2019	31/03/2021	Equitable share	programme 4	DPW&R	60 000	-	-	16 442	18 076	
Total New infrastructure assets													266 935	56 611	34 743	51 187	54 732	
2. Upgrades and additions																		
8	Taung Hotel School	completed	1	village	Greater Taung Municipality	Building and Other fixed structure	Renovation of Staff Accommodation	06/06/2015	06/05/2016	Equitable share	programme 3	DT	11 186	10 719	-	-	-	
9	Taung Hotel School	completed	1	village	Greater Taung Municipality	Building and Other fixed structure	Erection of Palisade Fence	01/01/2016	01/01/2017	Equitable share	programme 3	DT	4 230	3 319	-	-	-	
10	Taung Hotel School	planning	1	village	Greater Taung Municipality	Building and Other fixed structure	Sewer Reticulation	01/01/2016	01/01/2017	Equitable share	programme 3	DT	3 856	-	-	-	-	
11	Taung Hotel School	planning	1	village	Greater Taung Municipality	Building and Other fixed structure	Upgrade of Existing Hotel Rooms	01/01/2016	01/01/2017	Equitable share	programme 3	DT	6 169	-	-	-	-	
Total Upgrades and additions													25 441	14 038	-	-	-	
3. Refurbishment and rehabilitation																		
12	Dr. Kenneth Kaunda Hotel School	Tender stage		Small dormie	Tlokweng municipality (other)	Building and Other fixed structure	Renovation of Hotel School Building	01/12/2015	31/03/2019	Equitable share	programme 3	DPW&R	48 247	-	13 729	-	-	
Total Rehabilitation and refurbishment													48 247	-	13 729	-	-	-
4. Non-Infrastructure																		
	IDT Management Fees						Non-Infrastructure			Equitable share	programme 3		-	3 510	3 370	3 558	3 024	
Total Non-Infrastructure													-	3 510	3 370	3 558	3 024	
Department Infrastructure													340 623	74 159	51 842	54 745	57 756	

Table B.7: Financial Summary for North West Tourism Board

	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
	Audited outcome	Actual outcome		Main appropriation	Adjusted appropriation	Revised estimate	Medium-term receipts estimate		
<b>R thousand</b>									
<b>Revenue</b>									
<b>Tax revenue</b>									
<b>Non-tax revenue</b>	<b>269 724</b>	<b>254 779</b>	<b>121 195</b>	<b>103 981</b>	<b>113 981</b>	<b>113 981</b>	<b>118 717</b>	<b>125 427</b>	<b>131 826</b>
Sale of goods and services other than capital assets	-	-	20 220	20 220	20 220	20 220	22 634	24 003	25 323
Entity revenue other than sales	2 389	1 500	1 500	1 500	1 500	1 500	1 679	1 781	1 879
Transfers received	178 172	191 929	99 475	82 261	92 261	92 261	94 404	99 643	104 624
Sale of capital assets	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Other non-tax revenue	89 163	61 350	-	-	-	-	-	-	-
<b>Total revenue before deposits into the PRF</b>	<b>269 724</b>	<b>254 779</b>	<b>121 195</b>	<b>103 981</b>	<b>113 981</b>	<b>113 981</b>	<b>118 717</b>	<b>125 427</b>	<b>131 826</b>
<b>Less Deposits into the Provincial Revenue Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total entity operational revenue</b>	<b>269 724</b>	<b>254 779</b>	<b>121 195</b>	<b>103 981</b>	<b>113 981</b>	<b>113 981</b>	<b>118 717</b>	<b>125 427</b>	<b>131 826</b>
<b>Expenses</b>									
<b>Current expense</b>	<b>-</b>	<b>99 631</b>	<b>107 552</b>	<b>102 966</b>	<b>112 966</b>	<b>117 017</b>	<b>117 797</b>	<b>124 457</b>	<b>130 798</b>
Compensation of employees	-	62 746	68 315	66 510	70 510	70 510	70 093	74 789	78 903
Goods and services	-	36 885	39 205	36 456	42 456	46 507	47 704	49 668	51 895
Interest on rent and land	-	-	32	-	-	4	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>728</b>	<b>960</b>	<b>1 015</b>	<b>1 015</b>	<b>1 015</b>	<b>920</b>	<b>970</b>	<b>1 028</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenses</b>	<b>-</b>	<b>100 359</b>	<b>108 512</b>	<b>103 981</b>	<b>113 981</b>	<b>118 036</b>	<b>118 717</b>	<b>125 427</b>	<b>131 826</b>
<b>Surplus / (Deficit)</b>	<b>269 724</b>	<b>154 420</b>	<b>12 683</b>	<b>-</b>	<b>-</b>	<b>(4 055)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Adjustments for Surplus/(Deficit)</b>									
Of which									
<b>Surplus/(deficit) after adjustments</b>	<b>269 724</b>	<b>154 420</b>	<b>12 683</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

