

VOTE 7

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

To be appropriated by vote in 2019/20	R 562 282 000
Responsible Executing Authority	MEC for Cooperative Governance and Traditional Affairs
Administering Department	Department of Cooperative Governance and Traditional Affairs
Accounting Officer	Head of Department

1. OVERVIEW

Vision

Local Government for and by citizens where participatory democracy and effective governance fosters economic development, financial viability, sustainability and a better quality of life.

Mission

To lead, support and monitor in the following areas:

- Efficient service delivery, institutional and financial viability and good governance, towards the realisation of Smart Cities, through cooperative governance with associated institutions and traditional leadership;
- Deepening of democracy through proactive and focused stakeholder involvement;
- Strengthening of intergovernmental relations across all spheres of government including the institution of traditional leadership;
- Disaster resilience through coordination with government spheres and social partners.

Strategic Goals

The department is geared towards achieving the three strategic objectives which are to:

- Strengthen the administrative, financial and governance systems of the department by 2020.
- To provide differentiated direct support and intervention to Gauteng municipalities through proactive diagnosis aligned to the Back to Basics Pillars by 2020.
- Strengthen IGR in the context of GCR to implement the back to basics programme and meet the constitutional mandate, including cooperation and support for traditional leadership by 2020.

Core functions and responsibilities

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

- Inter-governmental relations systems, processes and procedures;
- Monitor, implement and review the local government legislative frameworks;
- Support and monitor the implementation of Performance Management Systems across all Gauteng municipalities;
- Coordinate and facilitate the development of infrastructure and urban planning, led by the Gauteng Planning Division;
- Support the development and implementation of Local Economic Development strategies and programmes, led by the Department of Economic Development;
- Support municipalities with their Human Resources Management and development systems;
- Facilitate and coordinate the development of Information and Communication Technology systems across Gauteng municipalities;
- Support and monitor the institution of Traditional Leadership;
- Coordinate and facilitate financial support to municipalities, led by the Department of Treasury;
- Entrench participatory democracy systems, structures, processes and procedures.

Main services

The department is expected to continue strengthening governance, put controls in place for municipalities to collect debts timeously and intergovernmental relations within municipalities and other spheres of government. Municipalities will be supported in the implementation of the Municipal and Provincial Intergovernmental Relations (IGR) Frameworks including providing technical and financial support in areas of performance management systems (PMS) with a specific focus on core PMS in line with legislative and regulatory prescripts. The Department will ensure compliance to the municipal regulation of 2007 of the Municipal Finance Management Act (MFMA) on minimum competency levels which requires that municipal officials meet minimum competency in relevant skills.

The municipalities in the province have been performing well in terms of the implementation of the B2B programme. However, the four local municipalities of (Merafong, Mogale, Lesedi and Rand West) are currently categorised as municipalities at risks due to financial, governance and service delivery challenges. The only municipality that is considered dysfunctional is Emfuleni LM. The B2B programme has been updated and strengthened to reflect eight pillars, namely: putting people first; delivering of basic services and infrastructure; good governance and accountability; sound financial management; building institutional and administrative capabilities; spatial planning and integrated development plans (IDP); local economic development; and building resilience for climate change.

The approach consists of a high-level action plan for areas of implementation by provincial departments and municipalities. The methodology to operationalise the B2B provincial approach is underpinned by the following:

- Mobilise multi-departmental teams across all spheres of government (including sectors of society) to tackle municipalities at risk or dysfunctionality;
- Improve performance and build effective systems and resilient institutions of Local Government;
- Strengthen community engagement and feedback through Ntirhisano Service Delivery Outreach Programme;
- A more integrated, comprehensive and differentiated hands-on approach to support municipalities.

The department's deliverology plan approved by the Premier of Gauteng resulting from an agreement entered into by the then MEC of CoGTA and the Premier. The plan is monitored by the Premier through a stocktake process organised by the Delivery Support Unit at the Office of the Premier. The plan contains service delivery indicators and targets and is being implemented in conjunction with the APP. The purpose of the deliverology plan is to accelerate service delivery.

Ten-Pillar programme of Transformation, modernisation and Re-industrialisation

Transformation of state and governance

CoGTA operates within an environment that is characterised by municipalities whose financial viability and sustainability is in serious doubt. The liquidity ratios of municipalities demonstrate that many may not be adequately and sufficiently liquid or viable. A significant number of the municipalities in the province - especially the non-metro municipalities - are faced by expenses that far exceed the income being generated. The shortfall is mainly due to low collection rates, or in other instances non-collection of debt. Consequently, this results in insufficient cashflow to cover expenditure incurred. This has, in some instances, led to these municipalities being unable to pay Eskom and Rand Water - to the point where Eskom has threatened to cut electricity and Rand Water has reduced water pressure.

The following interventions were implemented by the department:

- Data cleansing in all Gauteng Municipalities through the implementation of the Top 500 Business and Top 100 Residential Debtors project.
- Implementation of the Tariff Model to ensure that tariffs are set at a level that will generate sufficient revenue to cover Municipal costs and ensure that tariffs are based on cost causation principles and ultimately ensure optimal financial sustainability.
- Simplified Revenue Plan where the Revenue Chain is assessed, and plans are developed to address some of the gaps identified. The simplified revenue plans once implemented should result in improved revenue management; reduced municipal consumer debt and enhanced municipal revenue collection potential.

Municipalities are supported to facilitate and support the development and functionality of Public Participation structures. The functionality of the ward committees is monitored on a quarterly basis, and the department intervenes upon request in instances where challenges are present that lead to ward committees being unable to function. The Asset-Based Community Development (ABCD) and Citizen Based Monitoring (CBM) approaches resonate with the core principles of the constitutional imperatives of participatory democracy and our cultural values of Ubuntu. The ABCD holds the potential to transform how we engage with communities at a micro and meso level. Both approaches emphasise a people-centred-people-driven attitude that draws on the strengths of citizens that are often unrecognised as assets. These approaches encourage citizens to see themselves as part of the machinery that makes government work.

Modernisation of the public service

During the droughts in 2015, the MEC for CoGTA established the Water and Sanitation Forum aimed at tackling challenges of water and sanitation in the province. This translated into the adoption of the Water and Sanitation Plan for 2030 for the province, to which the department is committed. The #Save Water campaign was launched to create awareness on the use of water. The Department installed 50 rain water harvesting facilities in targeted schools in five Corridors as part of the campaign in the 2017/18 financial year. 100 water harvesting facilities will be installed by the end of this financial year.

National Development Plan

CoGTA is committed to playing a role in meeting the NDP goals of reducing unemployment and poverty while improving the lives of the citizens of our country. The department will continue with job creation initiatives through the Tshepo 1 million Programme and the Community Workers Programme (CWP). The department is part of the Local Government Youth Development Forum which was launched in partnership with National CoGTA and the Office of the Premier. The objectives of the forum are the following:

- Tshepo 1 million targets and plans;
- Tshepo 1 million reports;
- Municipal Youth Development plans and reports;
- Community Activations by OOP;
- Collaboration and partnership strategies.

External activities and events relevant to Budget decisions

None.

Acts, rules and regulations – (Legislative Mandates)

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

Provincial legislations

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

Good governance legislation

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

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

Transformation of the state and governance

Organisational support

The department continues to pay all service providers within 30 days. A resolution was taken by the Executive Committee to have departments in Gauteng begin paying invoices within 15 days and the department has been able to achieve this target. The department was affected by the Bank of Lisbon fire, inhibiting the finalisation of the selection and recruitment of candidates for a number of SMS posts. Due to Bank of Lisbon (BoL) fire outbreak, files could not be accessed, and the processes were halted. The target was set with the intention of ensuring that 45 per cent of women would occupy SMS positions, however, the department was only able to achieve a total of 32 per cent. The target percentage of 1,5 per cent pertaining to people with disabilities has been maintained.

One Local Government Communicators Forum was held with 11 municipalities represented. The aim of the forum is to strengthen communication in Local Government. On the 20th and 21st of June 2018 CoGTA and DHS Communication Units, met with all Heads of Communication from Municipalities, sector departments, and other partner stakeholders. The intention of the workshop was to develop a provincial-wide communication strategy to synergise messaging, and better address the challenges facing the Province as a collective. Two Intergovernmental forums were convened on the 09th of October and 19th of December 2018.

Community Development

- 12 thematic programmes were supported during the current financial year i.e. Human rights month, Freedom Month, Workers' Month, Youth Month, Heritage Month, Transport Month and 16 Days of Activism for No Violence against Women and Children;
- 6 Human Rights Month campaigns/initiatives were supported in 4 municipalities: 2 in the City of Johannesburg, 1 in Mogale City, 1 in Merafong and 2 in Emfuleni;
- 3 Freedom Month campaigns/initiatives were supported in the City of Johannesburg Metropolitan municipality;
- 4 Workers' Month campaigns/initiatives were supported in two municipalities: 3 in City of Johannesburg and 1 in City of Tshwane;
- 1 Youth Month campaign/initiative supported in City of Tshwane;
- 7 Youth Month campaigns/initiatives were supported in 4 municipalities: 3 in the City of Johannesburg, 3 for the City of Ekurhuleni, 2 for Rand West City, and 1 in Merafong;
- 50 Mandela Month campaigns/initiatives were supported in 8 municipalities: 12 in Rand West City, 10 in the City of Johannesburg, 7 in the City of Tshwane, 8 in Mogale City, 6 in the City of Ekurhuleni, 5 in Emfuleni, 1 in Merafong, and 1 in Lesedi;
- 18 Women's Month campaigns/initiatives were supported in five municipalities: 7 in Mogale City, 4 in the City of Johannesburg, 4 in the City of Tshwane, 2 in the City of Ekurhuleni, and 1 in Lesedi;
- 16 Heritage Month campaigns/initiatives were supported in six municipalities: 4 in the City of Johannesburg, 3 in Emfuleni, 3 in Rand West City, 3 in Mogale City, 2 in the City of Tshwane, and 1 in Merafong;
- 2 Transport Month campaigns/initiatives were supported in Rand West City municipality;
- 33 16 Days of Activism for No Violence against Women and Children campaigns/initiatives were supported: 8 in the City of Johannesburg, 6 in the City of Tshwane, 8 in Mogale City, 1 in Merafong City, 1 in Midvaal, 1 in Emfuleni, and 8 in Rand West City;
- In addition, 294 other ad-hoc campaigns/initiatives were supported.

Fighting Corruption

Seventy percent of maladministration and fraud complaints were acted upon within 3 months of being reported to national, provincial and municipalities hotlines. Four municipalities were monitored on the extent to which anti-corruption measures have been implemented (West Rand District Municipality, Mogale City, Merafong and Rand-West City LM). The Department continues to work with Ethics SA to promote ethical behaviour in municipalities. Four municipalities (Sedibeng DM, Lesedi, Emfuleni and Midvaal local municipalities) are monitored on the extent to which anti-corruption measures are being implemented.

Improving Municipal Governance

Nine municipalities were supported to review and revise their Indigent policies to further cater for poverty alleviation and the plight of the homeless people. The report on IGR resolutions that tracked across the three spheres of government was produced for the purpose of ensuring that functional IGR structures are in place in accordance with the IGR Framework.

Financial Viability

Emfuleni and Rand-West City Local Municipalities were provided with additional capacity to develop simplified revenue plans and finalise the municipal specific plans. The initiative enables municipalities to institute systems and mechanisms to facilitate

the collection of debt owed to municipalities. The four Municipalities of Rand-West City, Merafong, Lesedi and Emfuleni, were provided with financial support to update and maintain their Infrastructure Asset Registers in line with the GRAP 17 requirements. Through the implementation of the GRAP 17, the Department supports initiatives in the identified municipalities. It is noted that municipalities which have been supported achieved great success in compiling, updating, and maintaining their fixed asset registers in line with the requirements of GRAP 17 and other GRAP Standards. This has resulted in municipalities improving significantly and achieving favourable audit opinions in the area of assets (Property, plant and equipment).

The audit assessment conducted in municipalities did have material findings in the accuracy and the completeness of the asset registers in all four municipalities. Owing to the advisory support provided by the OPCA Provincial Coordinating Committee, all negative audit outcomes (Adverse, Disclaimer and Qualified) have been eliminated. As a result, all Gauteng municipalities have been achieving positive audit outcomes (Unqualified and Clean) for the past two years. Furthermore, monitoring and support is provided to ensure a reduction in repeat findings, and also to prevent manageable findings in the Management Letters from escalation of the Audit Report findings.

Capacity Development

Six municipalities supported were assisted with the standardisation of Human Resource processes (COJ, West-Rand District, Ekurhuleni, Merafong, Rand West City and Midvaal). The support initiatives are aimed at improving the HR Policies, Procedures and Systems in municipalities and providing technical and advisory support to municipalities to implement the thirteen Human Resource standards. A combined Human Resource Dialogue and Provincial Municipal Capacity Coordinating & Monitoring Committee (PMCCMC) was conducted. Three Municipalities were supported (Lesedi, Mogale and Merafong) to institutionalise Performance Management System. Three municipalities were supported with the standardisation of Human Resource (HR) processes. Training in Human Resource Standards was conducted in three municipalities (Midvaal, Rand West and West Rand) on the 10th and 11th of December 2018. Eleven Municipalities were supported to enable compliance with MSA regulations in terms of the appointment of Senior Managers.

Municipal Monitoring

The department continues to monitor municipalities regarding the implementation of the Back-to-Basics action plans. The municipal performance reports were developed against the four key performance areas of Local Government. The municipal compliance report in terms of the Municipal Finance Management Act; Municipal Property Rates Act; Municipal Systems Act and Remuneration of Public Office Bearers Act, was produced. One annual municipal performance report for 2017/18 was produced as per section 47 of the Municipal Systems Act (MSA). Six local municipalities were monitored on the implementation of infrastructure service delivery programmes -Emfuleni, Midvaal, Lesedi, Mogale City, Rand West City and Merafong.

Disaster Management and Fire and Rescue

- One functionality assessment was conducted at the Ekurhuleni Metropolitan Municipality with positive results;
- One winter awareness campaign was conducted in Emfuleni, focus areas were flood risk, motor accidents, wind, and hailstorm risk;
- One micro-risk assessment was conducted in Khutsong;
- Disaster management awareness campaigns were conducted in high risk areas (flood risk awareness in Mamelodi – City of Tshwane);
- One micro-disaster-risk assessment was conducted in Sejwetla – City of Johannesburg.
- A functionality assessment was conducted at the City of Johannesburg Municipality Disaster Management unit with a positive outcome.
- A hazard awareness campaign was conducted in the City of Tshwane.
- A community-based disaster risk assessment was conducted at the City of Johannesburg Municipality.
- 108 Candidates were trained on fire and rescue techniques.
- R15 million in Gazetted funds was transferred to the West Rand District Municipality for the leasing of 5 rescue vehicles and 5 fire engines to provide capacity to the municipality.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

Transformation of the state and governance

Improving governance

Nine municipalities will be supported to implement indigent policies based on the review which was completed in 2018/19. One Provincial Indigent policy framework incorporating indigent burial and homelessness will be developed in collaboration with municipalities. Public Participation will be sought to gain an understanding of the views of the citizens during the process of developing the framework.

The department saw an opportunity for sector engagement on governance challenges in hung councils and opportunities for coalition governments, consequently CoGTA facilitated a focused sector engagement one year after the 2016 LGE. This allowed for a better understanding and appreciation of threats and opportunities presented by coalitions. Three municipalities will be supported to have functional statutory council committees, namely Merafong, Emfuleni and Lesedi. The committees are responsible for decision-making in the municipalities when they are non-functional, as the delaying of key decisions negatively affects the day-to-day running of the municipality.

To improve intergovernmental planning, the department is in the process of finalising the GCR-Wide IGR Strategy. This will entail the establishment of the IGR Secretariat. The department plans to strengthen IGR at the municipal level through enhancement of municipal IGR strategies and implementation plans. This should lead to fully functional Political and Technical IGR Fora.

Fighting corruption

The fight against corruption is a fight that the country cannot afford to lose. The department continues to ensure that 75 percent of maladministration and fraud complaints are acted upon within three months of being reported to national and provincial hotlines as well municipalities. Eleven municipalities will be monitored on the extent to which anti-corruption measures are being implemented. The work with Ethics SA continues and is gaining momentum, while the Department plans to capacitate nine municipalities on ethics and integrity management.

Capacity Development

The department continues to support municipalities with the institutionalisation of Performance Management System (PMS), and in 2019/20 five Municipalities will be supported to institutionalise Performance Management (Mogale City, West Rand District, Merafong, Lesedi and Midvaal).

Municipalities are being supported with the standardisation of Human Resource processes and in the coming financial year, eleven municipalities will be provided with technical and advisory support on Human Resource processes. Eleven Municipalities will be supported to comply with Municipal Structures Act regulations in terms of the appointment of Senior Managers. Seventy-five percent of Section 54(a) and 56 posts are currently being filled in Gauteng Municipalities and the department plans to attain a success rate of one hundred percent in 2019.

CoGTA developed the Scarce and Critical Skills Strategy (2010) with the view of increasing the competence, efficiency and effectiveness of officials in Municipalities, within the core functional areas. The timeframe for the realisation of the goals of the strategy stretched from 2010 until 2015. In 2015/16 a documentary review was conducted, focusing on national and provincial policy, and strategic documents that have a bearing on the mandate of CoGTA. The Scarce and Critical Skills Strategy (2010) was also reviewed with the aim of ensuring a thorough understanding of all key issues relating to the strategy; and to elicit the overall purpose and objectives thereof; while outlining the anticipated impacts within all Gauteng Municipalities. As part of implementing the scarce and critical skills strategy in Gauteng Municipalities, CoGTA continues to build capacity in municipalities based on the needs analysis. Municipalities will be supported with capacity building interventions in project management, revenue management, supply chain management, contract management and technical skills. Empowering section 79 committees of councils including the Management Performance Assessment Tool (MPAT), continues to be a priority for the department, and one hundred councillors will be enrolled on the oversight qualification. Five Municipalities will be supported to institutionalise the Performance Management System (Mogale City, West Rand District, Merafong, Lesedi and Midvaal).

In an effort to turn municipalities at risk around, the department will deploy the services of two technical teams of eighteen individuals to the West Rand and Sedibeng Districts, as well as the local municipalities of the 2 districts. The team will comprise of the following:

- Engineers (Civil, Electrical, Roads, Water and Sanitation);
- Development Planners;
- Economist.

Financial Viability

The implementation of the Government Debt strategy initiative was intended to ensure that both Provincial and National Government Departments pay Municipalities for the rates, taxes and services owed to Municipalities. The support initiative was implemented by Gauteng COGTA and Gauteng Treasury through the coordination of the monthly Debt Management Committee engagements. To date, extensive progress has been made with regards to the implementation of the Government Debtors strategy resulting in the regular payment of current accounts by Provincial Departments.

Many municipalities could not recover the cost or break-even on services such as water and electricity as they were charging consumers lower, rates and in turn were not able to meet financial obligations. On the other hand, high tariffs lead to non-affordability for the services rendered by the Municipalities. The department developed a tariff model to be implemented in the 2019/20 financial year, which will ensure municipalities implement sound tariff structures that provide them with good financial health and enables them to deliver proper services for the foreseeable future. Implementation of cost reflective tariffs will address weaknesses and strengthen financial health, ensuring that resources are available to fund the level and quality of services expected by households.

The department plans to continue with key support projects e.g. data cleansing, Government Debt, OPCA Provincial Coordinating Committee and support to municipalities in relation to GRAP 17. Municipalities require financial stability to be able to deliver critical services to citizens. Four municipalities will be provided with financial support to update and maintain Infrastructure Asset Registers in line with the GRAP 17 requirements (the Rand-West City, Merafong, Lesedi, and Emfuleni, LMs) in 2019/20. Three municipalities will be provided with additional capacity to implement the developed simplified revenue plans (Emfuleni, Merafong and Rand-West City).

Community Development

CDWs plays a critical role in disseminating information and community mobilisation to participate in monthly thematic planned campaigns/initiatives; as well as other ad-hoc campaigns organised by government, private institutions, government agencies and civil society organisations to inform and build capacity. The Department intends to support twelve thematic programmes in the 2019/20 financial year. CDW's will further identify blockages that delay service delivery and report them to the relevant government departments and entities for attention and speedy resolution; providing support to nine municipalities (six Local Municipalities and three Metros).

Disaster Management

For the past three years, the department embarked on the re-establishment of the Provincial Disaster Management Centre. It is expected that the centre will start operating by 1st April 2019. Currently, the centre has ten staff members assigned to it. The recommended structure requires close to one hundred positions. The department plans to finalise the Provincial Disaster Management Centre to a minimum level of operations in the next financial year. One of the focus areas will be on the installation of ICT servers and equipment for server rooms. The department plans to acquire a Whole-of-Society disaster-management system that includes Radar, C-more and AFIS (Early Warning Systems). The department plans to support, monitor and develop disaster plans for the sector departments and municipalities.

The department intends to continue conducting disaster management awareness campaigns in high risk areas to reduce unsafe behaviour which should ultimately lead to saving lives. Four disaster-risk-assessments are planned in vulnerable areas as identified in the macro-risk assessment. One hundred and fifty fire and rescue services officials will be trained in the Incident Command System.

Traditional institutional Management

Gauteng Province has two recognised traditional communities (namely Amandebele Ndzundza Sokhulumi traditional community under the leadership of Inkosi MP Mahlangu, located in Sokhulumi and Amandebele Ba Lebelo traditional community, under the leadership of Kgosi KC Kekana situated in Hammanskraal, Majaneng). In 2017, the department recognised four headmen in the Amandebele ba Lebelo traditional community in line with legislative prescripts. The positions existed before the moratorium but were not filled. Unfortunately, the same recognition could not be granted in the case of the Amandebele Ndzundza Sokhulumi on account of the national moratorium on the recognition of new leadership positions, particularly the position of headman.

The support to Traditional Councils will be focused on assisting them to perform their functions in adherence to legislative prescripts and enhanced accountability. The Department is able to resolve succession claims or disputes and this is done to improve administrative justice and the application of the legislative framework. The department plans to monitor registered initiation schools in terms of their compliance with National Guidelines requirements and Legislation. Traditional Leaders will be supported to participate in municipal councils in terms of section 81 of the Municipal Structures Act. They will also be supported to participate in the IDP processes.

In contributing to province-wide infrastructure planning and performance, the department will organise and manage the provincial and municipal infrastructure development and service delivery coordinating structures. The aim of the structures is to facilitate the implementation of infrastructure projects that will influence the spatial planning of the province. The Department will monitor the allocation of MIG funds for the implementation of capital projects. The department will continue the work currently undertaken with the Rand Water Board on water conservation.

4. REPRIORITISATION

The department has identified funds from items that are not essential in order to accommodate projects that are related to Deliverology. The reprioritized funds will assist the department to finalize the intergovernmental relations strategy and

Gauteng Energy Security Strategy with the latter not being finalized during 2018/19 financial year. The reprioritized funds will also be utilized to finalize the procurement of ICT equipment for the Provincial Disaster Management Centre to meet requirements as prescribed by the National Disaster Management Framework due to over commitments on the Disaster Management allocation for the coming financial year in order to meet its primary objective of ensuring that the level of disasters are always contained within the Province. The department has been trying to eliminate inefficiencies through cost saving measures in order to finance core functions through reprioritizations of funds from program 1: Administration to program 3: Development Planning. This will enable the department to ensure that the PDMC is finally operational and fully functional by the end of the coming financial year.

Reprioritised funds will assist the department with the procurement of big screens in the Centre in order to link the Centre and its activities to all municipalities and national disaster management centre at all levels to simplify and mitigate all disasters in the Province. Reprioritisation of the budget in the 2019 MTEF period will also enable the Department to conduct feasibility studies of the heritage sites of Amendable Ndunza Sokhumi and Amendable Ba Lebelo which were delayed during 2017/18 and 2018/19 financial years due to limited funding.

5. PROCUREMENT

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

- Provide capacity building in technical skills with reference to B2B;
- Provide ICT equipment for the Provincial Disaster Management Centre;
- Procure revenue experts support to implement effective credit control and debt collection policies;
- Develop a disaster management information system for communication at the PDMC;
- Conduct a feasibility study for the two traditional council's heritage sites not done during prior year;
- Continue to support municipalities in developing and adopting their public participation frameworks;
- Provide continuous training and development for ward committees in all municipalities; and
- Provide training for municipal officials and councillors on IDP, budgets and the PMS.
- Provide early warning infrastructure systems for weather related events in the PDMC;
- Provide ICT system licensing and expansion of the Disaster Information Management System(DIMS);
- Provide IT equipment and big Screens and awareness campaigns for PDMC;
- Provide automated meter reading for large power users at Emfuleni Local Municipality; and
- Procure water harvesting tanks for 100 schools.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	406 972	514 463	477 041	466 235	531 235	531 235	560 278	526 662	565 980
Conditional grants		2 000	2 000	2 000	2 000	2 000	2 004		
Total receipts	406 972	516 463	479 041	468 235	533 235	533 235	562 282	526 662	565 980

The expenditure of the department increased from R407 million in 2015/16 to R479 million in 2017/18. The expenditure was incurred by filling of vacant positions as per the approved organisational structure, procurement of disaster management centre building, and procurement of relief material to support interventions in respect of the floods in the province. Funds were transferred to support municipalities as part of service delivery interventions by the department through water infrastructure projects, installation of high mass street lights in Boiketlong for improved visibility, and provision of tools of trade for the CDWs. Following the establishment of Rand West Local Municipality, the department supported the municipality by providing training on project management, financial management, and implementing the recommendations of the job evaluation report. Also included in the expenditure was the expanded public works' programme (EPWP) conditional grant amounting to R2 million to support job creation initiatives in communities.

In 2018/19 the budget was R468 million, and was adjusted upwards by R65 million to R533 million to provide for corporate services requirements for running of the departmental operational requirements of the PMDC, and to provide for the voter education projects for the upcoming national elections. The budget will also provide capacity for intervention initiatives to support municipalities through training and skills transfer projects. In relation to GRAP 17, funded municipalities were able to achieve better results on property, plant and equipment, including movable asset management. Performance Management System (PMS) funding assisted municipalities to achieve optimal synthesis of three levels of institutional,

departmental and individual goals set out in the municipal IDP. The budget also assisted the Department in concluding the renovation of the Provincial Disaster Management Centre in relation to the partitioning of the building, installation of the electric equipment, and procurement of the furniture. The additional funding amount of R65 million in 2018/19 also provided for the refurbishment of the water pump station in Emfuleni; water infrastructure pipe repairs in Merafong; and the leasing of fire-fighting vehicles in West rand District.

The MTEF allocation increased from R562.3 million to R566 million between 2019/20 and 2021/22. The budget of R562.3 million in 2019/20 includes R65 million allocated for specific priorities in the department. R20 million is allocated for the refurbishment of the water pump station in Emfuleni Local Municipality, and R45 million is allocated for the operational requirements for the disaster management services in West Rand District Municipality. Over the MTEF, the budget will fund the department's operational requirements and support municipalities with GRAP 17 in 2019/20 and PMS projects over the MTEF. The budget will also be utilised to fund procurement of the ICT equipment and the early warning infrastructure for providing early warning information; establishment of interoperability radio communication that will improve communication within and across agencies; and coordinate and manage disaster response and recovery initiatives. The budget will further cater for the prevention of the outbreak of fires; training of ward councillors and CDW's; provide support for water conservation initiatives; and assist the department in implementing the Gauteng Energy Security Strategy as approved by EXCO.

6.2 Departmental receipts

TABLE 7.2: DEPARTMENTAL RECEIPTS: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Sales of goods and services other than capital assets	292	276	282	166	306	141	174	184	194
Interest, dividends and rent on land		27		30	30		32	34	36
Transactions in financial assets and liabilities	66	1 440	209	367	227	92	388	409	431
Total departmental receipts	358	1 743	491	563	563	233	594	627	661

The departmental receipts increased from R358 000 in 2015/16 to R1.7 million in 2016/17 due to unspent funds returned from the City of Tshwane Metropolitan Municipality. The purpose of the grant to the municipality was to support the municipality with its debt management system. The budget for departmental receipts amounted to R563 000 in 2018/19. This budget consists of transactions in financial assets and liabilities which are mainly the staff debt repayments as well as sales of non-capital goods and services, which encompass staff parking fees, and third-party transactions such as commissions. Interest on staff debt contributes a small proportion to total departmental receipts.

Departmental receipts budget for 2019/20 amounts to R594 000 and will increase to R661 000 over the MTEF. The increase is informed by inflation adjustments. The Department is not a revenue generating institution due to the service it renders.

7. PAYMENT SUMMARY

7.1 Key assumptions

The assumptions that underpin the department's 2019/20 expenditure are summarised below. The anticipated average wage increase was anticipated to be 6.3 percent in 2019/20 and 6.5 percent for 2020/21 and 2021/22 respectively. A 5.3 percent increase in general goods and services is anticipated in 2019/20, 5.5 percent in 2020/21 and 5.5 percent in 2021/22, in line with the projected consumer price index (CPI). The following elements have been taken into consideration when determining budgets for personnel and other economic classifications for the 2019 MTEF:

- Number of staff, vacancies, and possible changes over the MTEF;
- Basic salary costs, including improvements in conditions of service adjustment from 1 April of each year;
- Salary increases for officials with occupation-specific dispensations (OSDs);
- Provision for filling vacant posts because of the approved structure of the Department by DPSA;
- The need to fill CDW vacancies in all wards as delayed during the 2018/19 financial year;

- The procurement of ICT equipment for the new PDMC building and procurement of Disaster Management early warning systems;
- Provide support with revenue experts to implement effective credit control and debt collection policies;
- Provision for early warning infrastructure systems for the dissemination of information during disasters across all centres;
- The continuation of provision and monitoring of water-harvesting systems to be installed in municipalities across the number of schools;
- Provision of Urban Search and Rescue (USAR) Preparatory Exercise for the Province.

7.2 Programme summary

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	105 531	120 292	124 590	144 284	137 284	128 715	145 792	155 107	164 325
2. Local Governance	206 287	196 722	214 955	215 389	221 389	211 601	230 532	247 793	264 945
3. Development Planning	50 231	128 805	82 103	95 983	158 483	168 058	168 062	106 615	114 820
4. Traditional Institutional Management	6 802	10 057	11 269	12 579	16 079	14 868	17 896	17 147	21 890
Total payments and estimates	368 851	455 876	432 917	468 235	533 235	523 242	562 282	526 662	565 980

7.3 Summary of economic classification

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	316 519	369 180	389 829	445 367	471 596	446 603	488 886	501 945	540 062
Compensation of employees	247 479	275 335	291 523	319 895	319 895	309 902	341 648	363 855	393 691
Goods and services	69 040	93 845	98 306	125 472	151 701	136 701	147 238	138 090	146 371
Interest and rent on land									
Transfers and subsidies to:	50 659	50 861	26 231	8 746	50 713	65 713	53 104	3 310	3 492
Provinces and municipalities	48 988	49 613	25 136	7 000	49 500	64 500	52 004	2 110	2 226
Households	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Payments for capital assets	1 170	35 769	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Buildings and other fixed structures		31 600							
Machinery and equipment	1 170	4 169	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Software and other intangible assets									
Payments for financial assets	503	66	64		32	32			
Total economic classification	368 851	455 876	432 917	468 235	533 235	523 242	562 282	526 662	565 980

The Departmental expenditure increased from R368.9 million in 2015/16 to R455.9 million in 2016/17, and to R432.9 million in the 2017/18 financial year. The increase was mainly for procurement of the PMDC building; disaster relief funding in respect of the floods in the province; water infrastructure for Emfuleni and Merafong Municipalities; procurement of the tools of trade for staff and CDW's; and to support the merger of Westonaria LM and Randfontein LM to form Rand West Municipality.

During 2018/19 the department budget was increased to R533.2 million for support to municipalities, and to lease fire engines for the West Rand District municipality, which will improve coverage and the response time for fire and rescue services. The budget also provides for renovations and capital requirements of the PDMC; water projects through the distribution of water tankers to affected communities (for rain water harvesting), supporting CDW's outreach programmes; and training of ward councillors and CDW's on IDP framework; and to conduct disaster related education and awareness campaign.

The budget increased from R533.2 million in 2018/19 to R566 million in the 2021/22 financial year. A large part of the increase is allocated for completion of the renovations and operational requirements of the PDMC; including procurement of a mobile-venue-operation-centre-vehicle, and unmanned aerial vehicles to conduct disaster risk assessments. The department will roll-out water conservation initiatives, facilitate capacity interventions, effecting continued support across all municipalities, and conduct CDW's outreach programmes to improve service delivery in communities. The budget will provide further support to enhance the capacity of traditional councils, and to implement the Gauteng Energy Security Strategy as approved by EXCO. Included in the allocation of R562.3 million in 2019/20 is a once-off additional funding amount of R45 million in respect of operational requirements for the disaster management in Westrand. Over the MTEF the budget will also cater for the procurement of revenue experts to implement effective credit control, and debt collection policies in municipalities, particularly those that are financially dysfunctional.

Programme 1: The expenditure in this programme increased from R105.5 million in 2015/16 to R124.6 million in 2017/18. The increase is attributed mainly to the procurement of tools of trade for the staff; provision of training and development of staff through allocation of bursaries and training; advertising of vacant posts and tenders in the department; support for MEC's outreach programmes; and operational requirements of the department. The increase in 2018/19 caters for property maintenance services, support for employee health and wellness programmes, ICT requirements, Microsoft licence fees and devices to support departmental activities.

Over the MTEF the budget increases from R145.8 million in 2019/20 to R164.3 million in 2021/22 and is mainly for the provision of the refurbishment of the building that will be acquired to accommodate staff; the procurement of the ICT infrastructure; training and development of staff; legal fees; the provision of G-fleet services to support departmental activities; and to provide general corporate support services required by the department.

Programme 2: The programme expenditure is listed as R206.3 million in 2015/16, R196.7 million in 2016/17 and R215 million in 2017/18. The expenditure incurred supported the merger of Randfontein and Westonaria Local Municipalities, to establish Rand West municipality; the installation of a water pump station; electricity infrastructure; and a waste collection project for Emfuleni Local Municipality. Following the establishment of RandWest Local Municipality, the department transferred an amount of R18.2 million for the implementation of recommendations on the job evaluation report; providing training to municipalities on contract management; business processes reengineering; revenue management to enhance revenue generation, and conducting of training of CDWs and ward counsellors.

The programme's budget increases from R215.3 million to R221.3 million during the 2018/19 adjustment budget process due to the programme receiving an additional provincial funding amount of R10 million for the voter education awareness programme in relation to the 2019 general elections. The 2018/19 budget provides for roll-out of training of municipal officials on contract; financial management and business processes re-engineering; the deployment of multi-disciplinary technical assistance team, to address service delivery challenges; to conduct training on talent management and employee relations; roll-out simplified revenue strategy to Merafong and Midvaal Local Municipalities, to enhance revenue collection; and to develop effective credit control and debt collection policies to improve revenue management.

The allocation increases from R230.5 million to R264.9 million over the MTEF period to fund CDW programmes to enhance service delivery and support to municipalities. The budget will further fund the GRAP 17 project for improved compliance on asset management practices, automation of Performance Management System, roll-out of the simplified revenue enhancement strategy, establishment of customer care system, implementation of viability assessment studies, and constant evaluation of the implementation of a clean audit.

Programme 3: The increase of expenditure from R50.2 million in 2015/16 to R82.1 million in 2017/18 was due to the procurement of the building for the PDMC and disaster relief material in respect of the floods in the province; settlement of the report produced on the state of readiness for the PDMC; installation of a water pump station in Emfuleni; electricity infrastructure to assist the municipalities with service delivery backlogs; and the provision of water tankers for communities to address water challenges in municipalities.

The budget is increased by R55 million from R95.9 million to R158.4 million during the adjustment budget process of 2018/19. The additional funding amount of R55 million comprises of R20 million allocated for the water infrastructure pipe repairs in Merafong; R20 million for the refurbishment of the water pump station in Emfuleni; and R15 million allocated for the leasing of fire-fighting vehicles in West Rand District. The main budget for 2018/19 includes funds allocated for renovations of the PDMC through office internal fit out, installation of WAN and LAN, procurement of Hydro-net (weather monitoring) system, roll out of smoke detector project in informal settlements (as part of fire prevention strategy), and to support water conservation projects to reduce water losses.

The budget decreases from R168.1 million in 2019/20 to R114.8 million in 2021/22, mainly due to the programme receiving a once-off additional funding amount of R45 million in respect of operational requirements for the disaster management in Westrand in 2019/20. The budget over the MTEF will fund the development of the Gauteng Provincial Disaster Management Policy Framework, that will provide guidance on promoting a uniform approach towards disaster management, and ensure compliance by municipalities. Furthermore, the budget will fund operational requirements of the PMDC, provide disaster

relief material, and conduct public awareness programmes to educate and enhance community-based disaster preparedness. The budget will also provide for training of ward councillors and CDW's on IDP framework and implementation of the Gauteng Energy Security Strategy.

Programme 4: The Traditional Institutional Development Budget will grow from R17.9 million to R21.8 million over the 2019 MTEF to support and enhance the capacity of traditional leadership, and local governance institutions in the City of Tshwane (Amandebele Ba Lebelo and Amandebele Ndzunza Sokhumi traditional councils). In addition, the budget will enable the department to conduct feasibility studies for the heritage sites that were delayed during 2017/18. The budget over the MTEF will be utilised to implement intra-governmental relations (IGR) strategy in all sister departments and commemorate heritage events for the traditional councils.

Compensation of Employees: provides for the annual salary adjustments, pay progression, and will also enable the Department to capacitate the programmes in line with the approved structure. Expenditure increased from R247.5 million in 2015/16 to a projected budget of R393.7 million in 2021/22. This is primarily an inflationary adjustment over the seven-year horizon.

Goods and services: Expenditure increased from R69 million in 2015/16 to R98.3 million in 2017/18 to cater for departmental operational requirements (i.e. to fund the hosting of broad intersectoral engagements and traditional stakeholder indaba), commemoration events for the traditional councils, training of municipalities on simplified revenue strategy, and contract and financial management. It also provided for the voter education programmes on local government elections, disaster-related awareness campaigns, provision of water tankers for rainwater harvesting, and the monitoring of initiation schools for compliance. The MTEF budget, increases from R147.2 million to R146.4 million, to support municipalities through capacity intervention initiatives, PDMC operational requirements, CDWs outreach programmes, capacitation of traditional leadership and local governance institutions, procurement of equipment for staff, and general maintenance activities for the running of the department.

Machinery and equipment: Spending was R1.2 million in 2015/16 and it increased to R16.8 million in 2017/18 mainly because of the procurement of the PDMC building, construction and installation of LAN and office fit-out of the PDMC, and the purchase of tools of trade and equipment. The 2018/19 budget will fund the procurement of the disaster management information system, mobile-venue-operation-centre-vehicle, unmanned aerial vehicle to conduct disaster risk assessment, and procurement of ICT equipment. Over the MTEF, the budget increases from R20.3 million to R22.4 million, for procurement of the infrastructure requirements and equipment of the PDMC and the department.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

N/A

7.4.2 Departmental Public-private-partnership (PPP) projects

N/A

7.4 Transfers

7.4.3 Transfers to public entities

N/A

7.4.4 Transfers to other entities

N/A

7.4.5 Transfers to local government

TABLE 7.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A									
Category B	48 988	40 884	25 136	5 500	25 500	25 500	5 504	1 500	1 500
Category C				1 500	39 000	39 000	46 500	500	500
Total departmental transfers	48 988	40 884	25 136	7 000	64 500	64 500	52 004	2 000	2 000

The department transferred a total of R49 million during the 2015/16 financial year to support the projects aligning the records of the municipalities during the merger of Randfontein and Westonaria local municipalities. The transfers in 2016/17 were informed by the following activities: installation of water pump station in respect of water infrastructure projects, electricity infrastructure, waste collection project for Emfuleni Local Municipality and the provision of water tankers. The department further transferred R25.1 million during the 2017/18 financial year to address Rand West Municipality's post-merger challenges of salary disparities.

The 2018/19 budget amounted to R64.5 million to provide for the GRAP 17 project for the improved compliance on asset management practices, cascading and automation of performance management system, and the Expanded Public Works Programme (EPWP) grant, for the job creation programme that aims to reduce poverty within communities. Over the 2019 MTEF period, the Department will transfer funds to support municipalities with GRAP 17 in 2019/20, and PMS projects over the MTEF. The budget amounts to R52 million in 2019/20 due to a once-off R45 million payment allocated to the department, to be transferred to West Rand District Municipality, to fund the operational requirements for the disaster management services, before decreasing to R2 million in 2012/22.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

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

Programme objectives are to:

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

Key policies, priorities and outputs

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

TABLE 7.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The Mec	3 839	3 065	3 031	5 203	5 203	4 989	5 497	5 799	6 118
2. Corporate Services	101 692	117 227	121 559	139 081	132 081	123 726	140 295	149 308	158 207
Total payments and estimates	105 531	120 292	124 590	144 284	137 284	128 715	145 792	155 107	164 325

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	102 187	117 169	115 902	136 644	130 145	121 576	138 468	147 341	156 132
Compensation of employees	71 754	79 573	80 017	93 432	89 932	82 514	93 825	101 776	107 374
Goods and services	30 433	37 596	35 885	43 212	40 213	39 062	44 643	45 565	48 758
Transfers and subsidies to:	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Provinces and municipalities									
Non-profit institutions									
Households	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Payments for capital assets	1 170	1 809	7 529	5 894	5 894	5 894	6 224	6 566	6 927
Buildings and other fixed structures									
Machinery and equipment	1 170	1 809	7 529	5 894	5 894	5 894	6 224	6 566	6 927
Software and other intangible assets									
Payments for financial assets	503	66	64		32	32			
Total economic classification	105 531	120 292	124 590	144 284	137 284	128 715	145 792	155 107	164 325

The expenditure increased from R105.5 million to R124.6 million during the 2015/16 and 2017/18 financial years. The increase funded the provision of corporate support services, including support for the MEC's Izimbizo in respect of local government elections, the purchase of tools of trade for staff, and operational costs (such as telecommunications services, fleet services and software license payments).

The allocation amounts to R137.3 million in 2018/19 and increases from R145.8 million in 2019/20 to R164.3 million in 2021/22. The budget will fund the provision of Electronic Content and Document Management System (ECDM), to manage the departmental central institutional repository for knowledge and information sharing and exchange, ICT requirements to prepare the new environment prior to occupation (including the server room, furniture and equipment for staff, payments for g-fleet services, bursaries, communication equipment, staff training and software licence fees).

Compensation of employees: The personnel costs increased from R71.8 million in 2015/16 to R80 million in 2017/18 to fund the departmental capacity as per the approved organisational structure. The budget will increase from R90 million in 2018/19 to R107.4 million in 2021/22.

Goods and services: Spending increased from R30 million to R35.9 million during the first three financial years, to cater for voter education programmes, settlement of property payments, audit fees for regulatory audit services, software licence fees, and to fund the operational requirements of the department.

The budget for operational costs amounts to R40.2 million in 2018/19 and it will increase from R44.6 million in 2019/20 to R48.8 million in 2021/22. Such operational costs to be funded in the budget include staff bursaries, fleet services, legal costs and security services.

Transfers and subsidies: The payment of pension benefits for ex-development board members and injury-on-duty claims decreased from R1.7 million in 2015/16 to R1.1 million in 2017/18. The budget remains constant over the MTEF period.

Machinery and equipment: The replacement of office computers, furniture and equipment in the department increased the expenditure to R7.5 million in 2017/18 versus R1.2 million spent in 2015/16 and R1.8 million spent in 2016/17 for the procurement of tools of trade.

The budget will increase from R6.2 million in 2019/20 to R6.9 million in 2021/22 to fund the procurement of tools of trade and ICT infrastructure for the acquired building.

PROGRAMME 2: LOCAL GOVERNANCE

Programme description

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

The objectives of this programme are to:

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

TABLE 7.8: SUMMARY OF PAYMENT AND ESTIMATES: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Municipal Administration	27 104	11 867	11 492	14 458	13 458	13 318	14 913	15 975	16 855
2. Municipal Finance	10 876	15 802	9 148	10 892	10 892	8 124	12 366	13 282	14 011
3. Public Participation	130 964	137 007	146 988	154 473	163 473	159 527	166 102	178 026	191 339
4. Capacity Development	26 452	18 056	32 847	19 111	17 111	14 177	18 881	20 738	21 867
5. Municipal Performance Monitoring, Reporting And Evaluation	10 891	13 990	14 480	16 455	16 455	16 455	18 270	19 772	20 873
Total payments and estimates	206 287	196 722	214 955	215 389	221 389	211 601	230 532	247 793	264 945

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	168 299	182 809	186 819	210 389	216 389	206 601	225 532	245 683	262 719
Compensation of employees	143 203	160 942	168 893	178 855	178 855	178 855	192 192	204 928	219 722
Goods and services	25 096	21 867	17 926	31 534	37 534	27 746	33 340	40 755	42 997
Transfers and subsidies to:	37 988	13 913	23 136	5 000	5 000	5 000	5 000	2 110	2 226
Provinces and municipalities	37 988	13 913	23 136	5 000	5 000	5 000	5 000	2 110	2 226

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for capital assets			5 000						
Buildings and other fixed structures									
Machinery and equipment			5 000						
Payments for financial assets									
Total economic classification	206 287	196 722	214 955	215 389	221 389	211 601	230 532	247 793	264 945

The expenditure increased from R206.3 million to R215 million between the 2015/16 and 2017/18 financial years to fund the department's interventions to support municipalities. The key interventions included facilitating the seamless transition during the merger of Westonaria and Randfontein local municipalities; the installation of electricity infrastructure and waste collection projects for Emfuleni municipality; and the provision of financial support for Rand West Local Municipality to address the challenges of salary disparities. The department established organisational development, designed framework, and designed the tariff model for revenue management in municipalities.

The budget amounting to R221.4 million in 2018/19 provides for the development of credit control and debt collection policies; the establishment of the customer-care system; implementation of the simplified revenue enhancement strategy/plan in Merafong and Midvaal local municipalities; the rollout of the capacity intervention through training and skills transfer to targeted municipalities; and for conducting human resource audit in municipalities.

The budget is set to increase from R230.5 million in 2019/20 to R264.9 million in 2021/22 to fund the continuation of interventions in municipalities such as the institutionalisation of performance management systems, GRAP 17 and the capacity building programme in financial management, project management and contract management. The department will provide training to CDWs and ward counsellors in the new term of governance and will provide services of multi-disciplinary professional resource to municipalities to address service delivery challenges. The department will continue with the rollout of human resources audits in six municipalities and conduct research evaluation study on the functionality of municipal council committee.

Compensation of employee's expenditure: The expenditure relates to the deployment of CDWs and the filling of vacant posts. The expenditure increased from R143.2 million in 2015/16 to R168.9 million in 2017/18 and the budget is set to increase from R178.9 million in 2018/19 to R219.7 million in 2021/22.

Goods and services: The department spent between R25 million and R17.9 million during the first three financial years under review. The key deliverables produced during this period were the public participation forum to work with ward committees, feedback sessions on monitoring of the implementation of the Municipal Property Act No 29 of 2014, induction session for women counsellors on Gender Youth and People with Disabilities, training of CDWs on CDW framework, outreach programs for service delivery enhancements, and the implementation of the simplified revenue strategy.

The budget increased from R33.3 million to R43 million. Key deliverables over the 2019 MTEF are the training of ward counsellors and CDWs, conducting of research studies, implementation of the revenue management strategy in Merafong and Midvaal local municipalities, capacity interventions on talent management and employee relations, and the training of women councillors.

Transfers and subsidies: Transfers relate to the financial support provided to municipalities. The R38 million spent in 2015/16 facilitated the integration of records during the merger of the Randfontein and Westonaria local municipalities to establish RandWest Local Municipality. The R13.9 million transferred in 2016/17 funded the project of correcting the resultant salary disparity following the abovementioned merger. It also funded the installation of electricity infrastructure and the waste collection project for Emfuleni Local Municipality.

The budget for transfers is projected to decrease gradually from R5 million to R2.2 million over the MTEF to support municipalities with transition processes, to migrate from manual to electronic information on performance targets (PMS), and assets management support (GRAP 17) to enhance compliance with the standard in maintaining and updating the assets register to ensure clean and sustainable governance.

Machinery and equipment: The department purchased tools of the trade worth R5 million for the CDWs in 2017/18.

SERVICE DELIVERY MEASURES

PROGRAMME 2: LOCAL GOVERNANCE

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of municipalities supported to maintain functional ward committees Outcome 9, Sub-outcome 2) (B2B Pillar 1).	New indicator.	9	9	9
Number of thematic campaigns supported as per government programmes	4	12	12	12
Number of municipalities supported to respond to community concerns (Outcome 9, Sub-outcome 2) (B2B Pillar 1)	New indicator.	9	9	9
Number of stakeholder profiling initiatives on community development and public participation special projects.	New Indicator.	New Indicator.	1	1
Number of municipalities with functional statutory council committees.	New Indicator.	4	3	3
Percentage of maladministration and fraud complaints acted upon within 3 months of reporting to national, provincial hotlines and municipalities.	New Indicator.	70%	75%	75%
Number of municipalities monitored on the extent to which anti-corruption measures are implemented (Sub-outcome 4) (B2B Pillar 3).	4	11	11	11
Number of municipalities capacitated on ethics and integrity management.	New Indicator.	9	9	9
Number of municipalities supported to implement indigent policies (Outcome 9, Sub-outcome 1) (B2B Pillar 2).	New Indicator.	9	9	9
Number of Provincial Indigent Policy Frameworks developed.	New Indicator.	New Indicator.	1	1
Number municipalities provided with municipal governance support.	New Indicator.	11	11	11
Number of women councillors inducted on GEYODI.	50	50	50	50
Report on the implementation of Back-to-Basics action plans by municipalities (Outcome 9, Sub-outcome 4) (B2B Pillar 5).	3	4	4	4
Number of Municipalities provided with financial support to update and maintain Infrastructure Asset Registers in line with the GRAP 17 requirements.	4	4	4	4
Number of Municipalities provided with additional capacity to implement the developed simplified revenue plans	2	2	3	3
Number of municipalities supported to institutionalise Performance Management System.	2	5	5	5
Number of municipalities supported with the standardisation of Human Resource processes.	5	11	11	11
Number of capacity building interventions conducted in municipalities (Outcome 9, Sub-outcome 3) (B2B Pillar 5).	5	5	5	5
Number of Municipalities supported to comply with MSA regulations in terms of the appointment of Senior Managers (Outcome 9, Sub-outcome 4) (B2B Pillar 5).	11	11	11	11
Number of municipal performance reports against the 4 key performance areas of Local Government.	4	4	4	4
Number of Section 47 reports compiled as prescribed by the Municipal Systems Act (Outcome 9: Sub-outcome 4) (B2B Pillar 5).	1	1	1	1
Number of municipal mid-term review reports compiled.	New indicator	New indicator	1	1
Number of reports in terms of Section 131 of the Municipal Finance Management Act.	1	1	1	1
Number of municipal compliance reports in terms of Municipal Finance Management Act; Municipal Property Rates Act; Municipal Systems Act and Remuneration of Public Office Bearers Act.	4	4	4	4
Number of municipalities guided to comply with the Municipal Property Rates Act (Outcome 9: Sub-outcome 5) (B2B Pillar 4).	1	1	1	1

PROGRAMME 3: DEVELOPMENT AND PLANNING**Programme description**

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

Programme objectives

- Facilitates and coordinates processes to ensure that municipal IDPs are credible, implementable and aligned with national and provincial outcomes, plans and strategies;
- Ensures strategic management of provincial land for economic and social purposes;
- Ensures accelerated delivery of basic municipal services and infrastructure delivery to meet national targets;
- Provides coordination and support for implementation of the National Disaster Management Act, the Fire Brigade Services Act, and the Disaster Management Framework to ensure effective management of disasters at national, provincial and local level;

- Facilitates integrated urban management and planning;
- Improves integration and planning;
- Increases community-based planning;
- Facilitates access to basic services for poor communities.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Land Use Management	4 755	106							
2. Idp Coordination	3 978	6 312	8 997	10 266	10 266	9 768	11 085	11 962	12 620
3. Disaster Management	21 669	72 133	55 195	64 598	87 098	100 570	114 297	72 880	79 429
4. Municipal Infrastructure	19 829	50 254	17 911	21 119	61 119	57 720	42 680	21 773	22 771
Total payments and estimates	50 231	128 805	82 103	95 983	158 483	168 058	168 062	106 615	114 820

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	39 231	59 145	75 839	85 755	108 983	103 558	106 990	91 774	99 321
Compensation of employees	28 007	29 650	35 058	39 606	39 606	38 242	42 537	45 069	50 048
Goods and services	11 224	29 495	40 781	46 149	69 377	65 316	64 453	46 705	49 273
Transfers and subsidies to:	11 000	35 700	2 000	2 000	44 500	59 500	47 004		
Provinces and municipalities	11 000	35 700	2 000	2 000	44 500	59 500	47 004		
Payments for capital assets		33 960	4 264	8 228	5 000	5 000	14 068	14 841	15 499
Buildings and other fixed structures		31 600							
Machinery and equipment		2 360	4 264	8 228	5 000	5 000	14 068	14 841	15 499
Payments for financial assets									
Total economic classification	50 231	128 805	82 103	95 983	158 483	168 058	168 062	106 615	114 820

The increase in expenditure from R50.2 million in the 2015/16 financial year to R128.8 in 2017/18 reflects the costs incurred to procure the PMDC building; the disaster material to support interventions for flood-relief; other payments such as the settlement of consultation fees for reports produced on state of readiness for the PDMC; the hydrological study for the centre; disaster campaign sessions to raise awareness on climate change adaption and disaster reduction. The Department provided support to Merafong LM with the installation of a water pump station, electricity infrastructure for Emfuleni LM, and water tankers for rain water harvesting. Included in the expenditure are costs attributed to training on the IDP framework and seminars conducted on broad intersectoral engagements.

The budget will be R168 million in 2019/20 before decreasing to R114.8 million over the MTEF to continue to fund the operational requirements of the centre, conduct disaster-related education and awareness campaigns, fund the establishment of a standardized rank insignia system for fire and rescue services (to promote a streamlined emergency management and incident response time), and continue to rollout the smoke detector project as part of fire prevention strategy. The budget also provides for the engagements and training on IDP framework as well as the implementation of the Gauteng Energy Security Strategy. Also included in the budget for the programme during 2019/20 is the once-off R45 million allocated to the department to be transferred to West Rand District Municipality to fund the operational requirements for the disaster management services.

Compensation of employees: The expenditure on personnel increased from R28 million to R35.1 million during the first three years under review. Increasing the human resource capacity for the PMDC and the filling of OSD positions were the main contributors for the increased expenditure. These factors continue to influence the increase in the budget from R39.6 million in 2018/19 to R50 million in 2021/22.

Goods and services: The department continued to make provision for disaster relief and to contribute towards water conservation initiatives in the province. Goods and services purchased amounted to R11.2 million in 2015/16 and they increased to R69.4 million in 2017/18. The procured goods and services enabled the programme and department to respond to the events of disaster in communities, and to implement measures to harvest rain water through water tanks purchased and installed at schools during the drought season.

The allocation increases to R64.5 million in 2019/20 before decreasing to R49.2 million in 2021/22, to cater for the priorities of the department over the MTEF. These priorities include the operationalisation of the PMDC, disaster relief, implementation of the Gauteng Energy Security Strategy and water conservation initiatives. The PMDC requirements relate to the early warning infrastructure, fleet services, and the emergency management interoperable radio communication. Water conservation initiatives projects will also continue as part of the projects that will be delivered by the Department over the MTEF. In relation to municipal support, the budget provides for the refurbishment of the water pump station in Emfuleni Local Municipality.

Payments for capital assets: The once-off R31.6 million expenditures was incurred due to the procurement of the PDMC building and equipment in 2016/17. The budget for machinery and equipment increases from R5 million in 2018/19 to R15.5 million in 2021/22, to provide for the procurement of ICT infrastructure, office equipment, unmanned aerial vehicles (UAV) and cameras to conduct disaster-risk assessments over large areas, as well as inaccessible areas to take pictures of incidents.

SERVICE DELIVERY MEASURES

PROGRAMME 3: DEVELOPMENT AND PLANNING

	Estimated performance	Medium-term estimates		
Programme performance measures	2018/19	2019/20	2020/21	2021/22
Number of municipalities supported with development of IDPs (Outcome 9: Sub-outcome 1).	11 Technical Steering Committee Engagements with Gauteng Sector Departments. No target planned.	11 3 Technical Steering Committee (TSC) Engagements with Gauteng Sector Departments. 5 Regional IDP Engagements (Alignment of Municipal IDPs to GPG Annual Performance Plans).	11 3 Technical Steering Committee (TSC) Engagements with Gauteng Sector Departments. 5 Regional IDP Engagements (Alignment of Municipal IDPs to GPG Annual Performance Plans).	11 3 Technical Steering Committee (TSC) Engagements with Gauteng Sector Departments. 5 Regional IDP Engagements (Alignment of Municipal IDPs to GPG Annual Performance Plans).
Number of municipalities monitored on the implementation of infrastructure service delivery programmes (Outcome 9, Sub-outcome 1) (B2B Pillar 5).	6	6	6	6
Number of schools supported with installation of Rainwater Harvesting Systems in the province.	50	100	50	50
Number of Informal Settlements supported with electrification readiness.	New indicator.	10	10	10
Percentage reduction in electricity losses in targeted municipalities.	New indicator.	5%	5%	5%
Percentage of new developments and Mega Projects with township established.	New indicator	10%	15%	15%
Percentage of title deeds issued within 4 months of occupation on new developments and Mega Projects.	New indicator	10%	15%	15%
Number of targeted municipalities assisted with processes for approval of development applications.	New indicator	6	9	9
Number of departments and Municipalities with Red Tape champions.	New indicator	14	9	9
Number of Provincial Disaster Management Centres functional in accordance to the 4 KPA's of the Disaster Management Framework.	Implementation of Phase 3 for the establishment of the PDMC. - Development of Disaster Management policy framework.	Provincial Disaster Management Centre assessed on functionality in accordance to the KPA's 1 and 2 of the Disaster Management Framework.	Provincial Disaster Management Centre assessed on functionality in accordance to the KPA's 3 and 4 of the Disaster Management Framework.	Provincial Disaster Management Centre assessed on functionality in accordance to the KPA's 3 and 4 of the Disaster Management Framework.
Number of municipalities supported to maintain functional Disaster Management Centres.	5	5	5	5
Number of disaster management awareness campaigns conducted in high risk areas.	New indicator	4	4	4
Number of disaster risk assessments conducted in vulnerable areas as identified in the macro-risk assessment.	New indicator	4	4	4
Number of response policies developed.	New indicator	2	1	1
Number of fire and rescue services officials trained on the Incident Command System.	New indicator	300	150	150

	Estimated performance	Medium-term estimates		
Number of municipalities supported on Fire Brigade Services.	11	11	11	11

PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT

Programme description

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

The key performance areas are:

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

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Traditional Institution Administration	4 393	4 376	5 585	6 047	7 026	6 163	5 835	6 344	8 192
2. Traditional Resource Administration	662	3 463	4 814	5 022	7 543	7 195	9 061	8 640	11 415
3. Rural Development Facilitation	400	450		555	555	555	500	500	528
4. Traditional Land Administration	1 347	1 768	870	955	955	955	2 500	1 663	1 755
Total payments and estimates	6 802	10 057	11 269	12 579	16 079	14 868	17 896	17 147	21 890

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	6 802	10 057	11 269	12 579	16 079	14 868	17 896	17 147	21 890
Compensation of employees	4 515	5 170	7 555	8 002	11 502	10 291	13 094	12 082	16 547
Goods and services	2 287	4 887	3 714	4 577	4 577	4 577	4 802	5 065	5 343
Transfers and subsidies to:									
Payments for capital assets									
Payments for financial assets									
Total economic classification	6 802	10 057	11 269	12 579	16 079	14 868	17 896	17 147	21 890

The spending increased from R6.8 million to R11.2 million during the first three financial years to cater for personnel costs, for goods and services required for the cultural and commemoration events and training of traditional councils. The hosting of the Zulu cleansing ceremony that was held at a stadium in Katlehong is one of main factors that increased the spending to R10.1 million in 2016/17. The Budget will increase from R17.9 million to R21.8 million over the 2019 MTEF period. The increase is to address powers and functions on intergovernmental relations and the development of the oversight and accountability management model. The increase in allocation will further assist with amalgamation, coordination and facilitation of local government knowledge management.

Expenditure on compensation of employees increased from R4.5 million in 2015/16 to R7.6 million in 2017/18, to fund staff requirements and the filling of vacant posts. The budget amounts to R11.5 million and will increase to R16.5 million in the 2021/22 financial year, mainly to continue funding the human resource requirements of the department.

The commemoration of traditional and cultural events is the main cost driver for the programme. The increasing trend in goods and services expenditure from R2.3 million in 2015/16 to R3.7 million in 2017/18 relates to this. Over the MTEF the budget will increase from R4.8 million to R5.3 million in the 2021/22 financial year, mainly for the capacitation and training of traditional councils to conduct feasibility studies for the heritage sites. Funds allocated to the Amandebele Ndzunza Sokhumi and Amandebele Ba Lebelo Commemoration and heritage events will be reprioritised (due to the events no longer taking place) in 2018/19 to conduct training of IGR practitioners dealing with petitions in municipalities. The allocation over the MTEF also caters for transfers to traditional councils for the maintenance and running of the offices and vehicles. The allocation will further be utilised to implement the IGR strategy across all sister departments.

SERVICE DELIVERY MEASURES

PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of Traditional Councils supported to perform their functions.	New Indicator.	2	2	2
Percentage of succession claims/ disputes processed.	100%	100%	100%	100%

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 7.14: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

R thousands	Actual			Revised estimate			Medium-term expenditure estimate				Average annual growth over MTEF			
	2015/16		2016/17	2017/18		2018/19	2019/20		2020/21		2021/22		2018/19 - 2021/22	
	Personnel numbers ¹	Costs		Personnel numbers ¹	Costs		Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate
Salary level														
1 – 6	442	7 775	442	415	130 327	411	411	125 364	433	140 589	433	148 322	2%	3%
7 – 10	152	131 946	152	159	71 226	159	159	90 861	165	91 201	165	96 217	1%	8%
11 – 12	49	73 905	49	58	47 601	56	58	58 024	60	64 630	60	78 008	1%	15%
13 – 16	28	33 853	28	34	52 726	33	34	57 056	34	67 221	34	70 918	0%	8%
Other	17	192	17	16	479	16	16	203	18	214	18	226	4%	6%
Total	688	247 479	688	682	302 359	675	678	341 648	710	363 855	710	393 691	2%	7%
Programme														
1. Administration	154	71 754	154	151	80 017	148	151	83 826	159	98 563	159	113 808	2%	11%
2. Local Governance	472	143 203	472	457	168 893	457	457	191 453	481	211 093	481	222 703	2%	5%
3. Development Planning	51	28 007	51	59	35 058	59	59	36 252	59	44 057	59	46 479	0%	9%
4. Traditional Institutional Management	11	4 515	11	15	7 555	11	11	8 365	11	10 142	11	10 701	0%	9%
Total	688	247 479	688	682	291 523	675	678	319 896	710	363 855	710	393 691	2%	7%
														100%

The DPSA has approved the organisational structure of the Department of Cooperative Governance and Traditional Affairs. The recruitment process to fill vacant positions resumed in the 2016/17 financial year to ensure that core business and support functions were supported appropriately. Personnel numbers of the department may increase as placement of staff is not finalised. The delay in the filling of vacant positions was caused mainly by the non-availability of a building to house departmental staff. The personnel numbers projected over the MTEF are as per full establishment of the organisational structure. Expenditure grew from R247.4 million in 2015/16 to R291.5 million in 2017/18, an average growth of 7.5 percent year on year. The budget will increase from R341.6 million in 2019/20 to R393.6 in 2021/22 financial year. The increases are informed by the improved conditions of employment agreements.

9.2 Training

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	688	688	682	678	678	678	678	710	710
Number of personnel trained	120	120	126	133	133	133	141	149	149
of which									
Male	40	40	42	44	44	44	47	50	50
Female	80	80	84	89	89	89	94	99	99
Number of training opportunities	68	68	71	76	76	76	80	84	84
of which									
Tertiary	50	50	53	56	56	56	59	62	62
Workshops	16	16	17	18	18	18	19	20	20
Seminars	2	2	2	2	2	2	2	2	2
Other									
Number of bursaries offered	50	50	53	56	56	56	59	62	62
Number of interns appointed	10	10	11	11	11	11	12	13	13
Number of learnerships appointed									
Number of days spent on training	100	100	105	111	111	111	117	123	123
Payments on training by programme									
1. Administration	1 749	3 804	3 024	3 199	3 199	3 199	3 416	3 604	3 802
2. Local Governance	973								
3. Development Planning	466								
4. Traditional Institutional Management									
Total payments on training	3 188	3 804	3 024	3 199	3 199	3 199	3 416	3 604	3 802

The department has allocated 1 percent of the compensation of personnel budget for training. The department developed an annual workplace skills plan that is informed by staff members' performance plans annually, and awards bursaries to qualifying employees. This is due to the demand for skilled employees in the department, and to ensure that there is continuity in developing employees in keeping with the latest trends. The Department is funding CDWs' studies to improve their capacity to deliver good service. The main driver of expenditure for training between the 2015/16 and 2017/18 financial years was the training of CDW's and ward Counsellors. CDW's support government programmes through advocacy initiatives and participatory processes, in particular the IDP process, ward committees and izimbizos.

Expenditure on training increases from R3.1 million to R3.8 million between 2015/16 and 2016/17, mainly to provide training for CDW's to improve their capacity to deliver quality services. It remains relatively stable at R3.1 million in 2018/19 to ensure continuity in developing employees in keeping with the latest trends. The budget will increase from R3.4 million in 2019/20 to R3.8 million in 2021/22 to ensure continuity of skilling of departmental employees.

9.3 Reconciliation of structural changes

N/A

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	292	276	282	166	306	141	174	184	194
Sale of goods and services produced by department (excluding capital assets)	292	276	282	166	306	141	174	184	194
Sales by market establishments	292	276	282	166	306	141	174	184	194
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land		27		30	30		32	34	36
Interest		27		30	30		32	34	36
Sales of capital assets									
Transactions in financial assets and liabilities	66	1 440	209	367	227	92	388	409	431
Total departmental receipts	358	1 743	491	563	563	233	594	627	661

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	316 519	369 180	389 829	445 367	471 596	446 603	488 886	501 945	540 062
Compensation of employees	247 479	275 335	291 523	319 895	319 895	309 902	341 648	363 855	393 691
Salaries and wages	212 017	237 604	252 278	278 756	278 756	269 357	295 971	315 772	341 162
Social contributions	35 462	37 731	39 245	41 139	41 139	40 545	45 677	48 083	52 529
Goods and services	69 040	93 845	98 306	125 472	151 701	136 701	147 238	138 090	146 371
Administrative fees	328	278	368	915	915	723	1 377	1 134	1 197
Advertising	7 343	14 062	5 615	4 150	10 050	7 979	4 795	4 368	4 608
Minor assets	278	775	1 831	876	876	833	1 080	2 431	2 565
Audit cost: External	2 966	2 627	2 996	3 000	3 500	3 251	4 000	4 169	4 398
Bursaries: Employees	264	597	850	464	524	524	1 735	1 767	1 864
Catering: Departmental activities	3 839	2 622	1 319	1 868	1 868	1 711	1 228	1 680	1 773
Communication (G&S)	10 419	7 671	8 372	11 800	11 800	8 471	10 287	10 697	11 285
Computer services	661	5 658	8 328	5 473	4 473	6 732	9 769	10 637	11 235
Consultants and professional services: Business and advisory services	396	722	6 721	27 554	16 014	16 299	14 868	15 763	16 630
Legal services	245	3 245	691	1 065	1 325	920	1 495	1 572	1 658
Contractors	413	205	164	300	250	230	400	414	437
Agency and support / outsourced services	10 968	8 752	8 314	15 416	34 289	28 683	36 035	21 660	22 839
Entertainment	165			10					
Fleet services (including	6 069	8 304	7 583	6 720	6 720	6 832	9 800	10 061	10 614

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
government motor transport)									
Inventory: Materials and supplies	22								
Inventory: Other supplies		1 788							
Consumable supplies	6 175	14 156	15 718	5 285	4 535	4 915	6 280	6 840	7 216
Consumable: Stationery, printing and office supplies	3 393	4 669	2 666	3 341	2 341	2 341	3 811	4 009	4 229
Operating leases	148	383	840	834	834	753	1 373	1 321	1 394
Property payments	1 145	1 095	6 606	7 774	21 171	21 350	7 870	6 797	7 862
Travel and subsistence	5 241	5 699	6 186	7 096	6 687	5 490	8 337	9 181	9 680
Training and development	2 924	3 207	4 227	12 035	9 313	4 761	11 649	11 560	12 196
Operating payments	653	551	1 577	2 752	7 372	7 274	2 175	2 803	2 958
Venues and facilities	4 985	6 779	7 334	6 744	6 844	6 629	8 874	9 226	9 733
Transfers and subsidies	50 659	50 861	26 231	8 746	50 713	65 713	53 104	3 310	3 492
Provinces and municipalities	48 988	49 613	25 136	7 000	49 500	64 500	52 004	2 110	2 226
Municipalities	48 988	49 613	25 136	7 000	49 500	64 500	52 004	2 110	2 226
Municipalities	48 988	49 613	25 136	7 000	49 500	64 500	52 004	2 110	2 226
Households	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Social benefits	1 606	1 248		32	32	32	34	36	38
Other transfers to households	65		1 095	1 714	1 181	1 181	1 066	1 164	1 228
Payments for capital assets	1 170	35 769	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Buildings and other fixed structures		31 600							
Buildings		31 600							
Machinery and equipment	1 170	4 169	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Other machinery and equipment	1 170	4 169	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Software and other intangible assets									
Payments for financial assets	503	66	64		32	32			
Total economic classification	368 851	455 876	432 917	468 235	533 235	523 242	562 282	526 662	565 980

TABLE 8.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	102 187	117 169	115 902	136 644	130 145	121 576	138 468	147 341	156 132
Compensation of employees	71 754	79 573	80 017	93 432	89 932	82 514	93 825	101 776	107 374
Salaries and wages	63 438	70 303	71 494	83 775	80 275	73 005	84 706	91 600	96 638
Social contributions	8 316	9 270	8 523	9 657	9 657	9 509	9 119	10 176	10 736
Goods and services	30 433	37 596	35 885	43 212	40 213	39 062	44 643	45 565	48 758
Administrative fees	73	176	161	155	155	155	310	319	337
Advertising	2 278	4 481	1 718	750	1 650	1 650	1 250	1 453	1 533
Minor assets	143	283	173	271	271	334	650	703	742

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Audit cost:									
External	2 870	2 438	2 996	3 000	3 500	3 251	4 000	4 169	4 398
Bursaries:									
Employees	264	597	634	464	524	524	1 735	1 767	1 864
Catering:									
Departmental activities	587	388	300	297	297	302	293	331	349
Communication (G&S)	4 532	4 301	3 676	4 840	4 840	4 005	3 542	3 587	3 784
Computer services	526	5 215	5 279	5 003	4 003	3 940	4 785	4 966	5 239
Consultants and professional services:									
Business and advisory services	396	715	2 644	2 049	2 749	3 115	2 951	3 083	3 253
Legal services	245	2 775	691	1 325	1 325	920	1 495	1 572	1 658
Contractors	413	195	98	220	170	210	315	325	343
Agency and support / outsourced services	1 354	354	822	2 022	1 512	1 695	400	600	633
Entertainment	165			10					
Fleet services (including government motor transport)	6 069	6 008	6 363	5 620	5 620	5 780	6 800	7 000	7 385
Inventory: Materials and supplies	22								
Consumable supplies	2 587	2 429	1 266	1 087	1 097	1 352	1 770	1 889	1 993
Consumable: Stationery, printing and office supplies	1 871	2 057	2 269	3 001	2 001	1 837	2 821	3 002	3 167
Operating leases	148	383	840	700	700	753	1 239	1 180	1 245
Property payments	775	721	831	3 491	2 291	2 155	2 850	1 712	2 497
Travel and subsistence	1 630	2 068	2 376	2 540	2 441	1 909	2 613	2 396	2 524
Training and development	1 477	1 044	376	3 199	2 199	2 199	1 500	1 604	1 692
Operating payments	87	127	1 008	1 450	1 050	971	1 086	1 580	1 667
Venues and facilities	1 921	841	1 364	1 718	1 818	2 005	2 238	2 327	2 455
Transfers and subsidies	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Non-profit institutions									
Households	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Social benefits	1 606	1 248		32	32	32	34	36	38
Other transfers to households	65		1 095	1 714	1 181	1 181	1 066	1 164	1 228
Payments for capital assets	1 170	1 809	7 529	5 894	5 894	5 894	6 224	6 566	6 927
Machinery and equipment	1 170	1 809	7 529	5 894	5 894	5 894	6 224	6 566	6 927
Other machinery and equipment	1 170	1 809	7 529	5 894	5 894	5 894	6 224	6 566	6 927
Software and other intangible assets									
Payments for financial assets	503	66	64		32	32			
Total economic classification	105 531	120 292	124 590	144 284	137 284	128 715	145 792	155 107	164 325

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	168 299	182 809	186 819	210 389	216 389	206 601	225 532	245 683	262 719
Compensation of employees	143 203	160 942	168 893	178 855	178 855	178 855	192 192	204 928	219 722
Salaries and wages	120 160	136 809	143 239	153 241	153 241	153 241	163 036	174 168	187 270
Social contributions	23 043	24 133	25 654	25 614	25 614	25 614	29 156	30 760	32 452
Goods and services	25 096	21 867	17 926	31 534	37 534	27 746	33 340	40 755	42 997
Administrative fees	156	58	81	230	230	230	227	245	259
Advertising	2 735	4 258	340	600	5 600	5 744	870	909	959
Minor assets	62	26	106	105	105	150	233	244	257
Audit cost: External	96	189							
Bursaries: Employees			216						
Catering: Departmental activities	2 129	46	101	365	365	374	218	330	348
Communication (G&S)	5 887	3 257	4 388	6 720	6 720	4 357	6 500	6 852	7 229
Computer services		295	309	370	370	370	390	411	447
Consultants and professional services: Business and advisory services		7		2 125	1 125	555	1 075	2 000	2 110
Legal services		306							
Contractors		1		5	5	5	5	5	5
Agency and support / outsourced services	6 890	6 122	3 735	5 967	5 967	3 999	7 489	11 699	12 331
Entertainment									
Fleet services (including government motor transport)		512							
Consumable supplies	19	41	645	1 858	858	792	1 410	1 711	1 805
Consumable: Stationery, printing and office supplies	1 414	1 677	153	40	40	40	220	223	235
Property payments		15							
Travel and subsistence	2 146	1 505	1 714	2 010	2 010	2 277	2 962	3 456	3 645
Training and development	981	1 685	3 091	7 116	5 116	496	7 405	8 107	8 553
Operating payments	406	303	298	697	5 697	5 637	683	795	839
Venues and facilities	2 175	1 564	2 749	3 326	3 326	2 720	3 653	3 768	3 975
Transfers and subsidies	37 988	13 913	23 136	5 000	5 000	5 000	5 000	2 110	2 226
Provinces and municipalities	37 988	13 913	23 136	5 000	5 000	5 000	5 000	2 110	2 226
Municipalities	37 988	13 913	23 136	5 000	5 000	5 000	5 000	2 110	2 226
Municipalities	37 988	13 913	23 136	5 000	5 000	5 000	5 000	2 110	2 226
Payments for capital assets			5 000						
Machinery and equipment			5 000						
Other machinery and equipment			5 000						

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for financial assets									
Total economic classification	206 287	196 722	214 955	215 389	221 389	211 601	230 532	247 793	264 945

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	30 418	39 231	59 145	77 900	99 812	99 812	85 755	86 846	90 736
Compensation of employees	26 249	28 007	29 650	34 060	35 148	35 147	39 606	42 537	45 069
Salaries and wages	22 965	24 485	25 962	29 291	30 871	30 870	34 778	37 352	39 600
Social contributions	3 284	3 522	3 688	4 769	4 277	4 277	4 828	5 185	5 469
Goods and services	4 169	11 224	29 495	43 840	64 664	64 665	46 149	44 309	45 667
Administrative fees	17	99	44	40	40	127	530	540	570
Advertising	272	2 258	5 323	999	1 931	2 245	2 800	1 900	2 006
Minor assets	30	71	466	105	105	108	500	1 397	1 474
Catering: Departmental activities	624	1 017	1 081	527	533	534	706	568	598
Communication (G&S)			113	1 000	71	71	240	245	258
Computer services	124	135	148	1 034	4 034	758	100		
Consultants and professional services: Business and advisory services				(245)	1 080	1 325	23 380	18 276	19 280
Legal services			162	(245)	(245)		(260)		
Contractors			9	1 000	739	739	75	80	84
Agency and support / outsourced services		1 428	1 811	30 568	22 238	24 467	5 649	6 602	5 886
Fleet services (including government motor transport)			1 784	2 000	2 000	2 000	1 100	1 100	1 161
Inventory: Other supplies			1 788						
Consumable supplies	587	3 569	11 548	1 500	11 213	11 213	2 340	2 360	2 490
Consumable: Stationery, printing and office supplies	1	102	817	464	464	464	150	260	274
Property payments	481	370	359	3 145	17 144	16 546	4 283	4 820	5 085
Travel and subsistence	681	1 265	1 633	1 014	917	1 368	1 767	2 301	2 429
Training and development	254	466	396	457	660	626	1 050	1 237	1 305
Operating payments	136	160	121	56	408	354	505	406	428
Venues and facilities	962	284	1 892	421	1 332	1 720	1 100	2 083	2 198
Transfers and subsidies	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Provinces and municipalities	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Municipalities	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Municipalities	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Payments for capital assets			33 960	26 056	9 056	9 056	8 228	14 068	14 841
Buildings and other fixed structures			31 600						
Buildings			31 600						
Machinery and equipment			2 360	26 056	9 056	9 056	8 228	14 068	14 841
Transport equipment									
Other machinery and equipment			2 360	26 056	9 056	9 056	8 228	14 068	14 841
Payments for financial assets									
Total economic classification	31 418	50 231	128 805	105 956	110 868	110 868	95 983	100 914	105 577

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	6 802	10 057	11 269	12 579	16 079	14 868	17 896	17 147	21 890
Compensation of employees	4 515	5 170	7 555	8 002	11 502	10 291	13 094	12 082	16 547
Salaries and wages	3 934	4 530	6 693	6 962	10 462	9 366	10 877	10 404	13 476
Social contributions	581	640	862	1 040	1 040	925	2 217	1 678	3 071
Goods and services	2 287	4 887	3 714	4 577	4 577	4 577	4 802	5 065	5 343
Administrative fees									
Advertising	72		61						
Minor assets	2						5	10	11
Catering: Departmental activities	106	1 107	602	500	500	500	500	528	558
Legal services		2							
Agency and support / outsourced services	1 296	465	791	1 778	1 778	2 128	1 500	1 647	1 737
Consumable supplies		138	310			35			
Consumable: Stationery, printing and office supplies	6	118	70	150	150	150	510	510	538
Travel and subsistence	200	493	676	779	779	494	887	900	948
Training and development		82	174	670	670	631	500	537	567
Venues and facilities	605	2 482	1 028	600	600	539	900	933	984
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification	6 802	10 057	11 269	12 579	16 079	14 868	17 896	17 147	21 890

TABLE 7.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EPWP INTEGRATED GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments									
Transfers and subsidies		2 000	2 000	2 000	2 000	2 000	2 004		
Payments for capital assets									
Payments for financial assets									
Total economic classification		2 000	2 000	2 000	2 000	2 000	2 004		

TABLE 7.23: TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY AND MUNICIPALITY: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A									
Category B	48 988	40 884	25 136	5 500	25 500	25 500	5 504	1 500	1 500
Emfuleni	13 588	18 884	1 500	750	750	750	750		
Midvaal									
Lesedi	1 500	1 500	1 000	2 250	2 250	2 250	2 254		

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Mogale City				500	500	500	500	750	750
Merafong City	5 400	500	1 000	2 000	22 000	22 000	2 000	750	750
Rand West City	28 500	20 000	21 636						
Category C				1 500	39 000	39 000	46 500	500	500
Sedibeng District Municipality									
West Rand District Municipality				1 500	39 000	39 000	46 500	500	500
Unallocated									
Total transfers to municipalities	48 988	40 884	25 136	7 000	64 500	64 500	52 004	2 000	2 000