

VOTE 1

Office of the Premier

Operational budget	R711 743 591
Remuneration of the Premier	R 2 260 409
Total amount to be appropriated	R714 004 000

Responsible Executive Authority	The Premier
Administering department	Office of the Premier
Accounting officer	Director-General: Office of the Premier

1. Overview

Vision

The vision of the Office of the Premier (OTP) is: *To be the centre of governance, providing leadership towards achieving KZN Vision 2035.*

Mission statement

The mission of the department is to support the Premier in carrying out his constitutional and statutory duties. The department fulfils this mission primarily by:

- Promoting an integrated service delivery model.
- Enhancing co-operative governance within the province.
- Effective stakeholder management and communication.
- Enhancing performance management and accountability through monitoring and evaluation.

Strategic objectives

The *strategic policy direction* of the OTP is directly linked to national government's 14 outcomes and also informs the department's strategic objectives, as listed below:

- Integrate, co-ordinate and facilitate transversal policies, programmes, strategies, plans and systems of the province.
- Lead in macro planning and policy management to achieve the electoral mandate.
- Monitoring and evaluation of provincial government's programmes.
- Provide strategic leadership and direction for provincial government.
- Oversee the development and implementation of legislation.
- Promote inter and intra-governmental relations and good governance.

Based on the mission and the mandate, the department identified the following strategic objectives:

- To realise the existence of functional public policy and strategic planning management systems and processes for the provincial government.
- To achieve co-ordinated provincial policies, strategies and programmes.
- To ensure the existence of governance conditions conducive to respect for human rights, and the promotion of science and technology.
- To realise enhanced government communication and governance, human resources development, state law advisory services and service delivery in and by the provincial administration.

- To have in place co-ordinated and aligned policies and plans of the three spheres of government and foreign governments and agencies.
- To achieve effectively monitored and evaluated government policies and programmes.
- To enhance and promote the status of the Zulu Monarch and to establish the necessary institutional arrangements in support of the Zulu Monarchy and members of the Royal family.

Core functions

In order to ensure alignment with national and provincial priorities and address the weaknesses identified in service delivery, the roles of the OTP have been defined as follows:

- To support the Premier as the head of the provincial government and the Provincial Executive Council and its sub-structures, and ensure constitutional and legal compliance.
- To co-ordinate provincial policy and planning processes.
- To provide provincial leadership and inter-departmental co-ordination.
- To promote co-operative and good governance.
- To provide transversal support services for human resource management, information technology, communications, legal and macro policy advisory services.
- To promote a culture of human rights consciousness and gender sensitivity across the province.
- To facilitate the smooth functioning of the Royal Household Trust (hereafter referred to as the RHT).
- To enable His Majesty, the King to participate in government initiatives as an ambassador for KZN.

Legislative mandate

The OTP has a pivotal position in the KZN provincial government. The department's key legislative mandates are derived mainly from the following legislation:

- The Constitution of the Republic of South Africa, 1996
- Public Service Act, 1994, as amended
- Public Finance Management Act, 1999, as amended and Treasury Regulations
- Preferential Procurement Policy Framework Act, 2000
- KwaZulu-Natal Provincial Supply Chain Management Policy Framework, 2006
- KwaZulu-Natal Youth Commission Act, 2005
- Annual Division of Revenue Act (DORA)
- Public Service Regulations, 2001
- Labour Relations Act, 1995
- Employment Equity Act, 1998
- Basic Conditions of Employment Act, 1997
- Promotion of Access to Information Act, 2000
- Electronic Communications and Transactions Act, 2002
- State Information Technology Agency Act, 1999
- Promotion of Administrative Justice Act, 2000
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000
- Skills Development Act, 1998
- KwaZulu-Natal Royal Household Trust Act, 2018
- Traditional Leadership and Governance Framework Act, 2003
- KwaZulu-Natal Traditional Leadership and Governance Act, 2005
- Intergovernmental Relations Act, 2005

2. Review of the 2018/19 financial year

Section 2 provides a review of 2018/19, outlining the main achievements and progress made by the department during the year, as well as giving a brief discussion on challenges and new developments.

Provincial Planning Commission (PPC)

The functions of the PPC are similar to those of the National Planning Commission, and are to advise and make recommendations to the Premier and the Provincial Executive on a long-term strategic development perspective and vision of the province. A refined version of the PGDP and four quarterly implementation reports were presented to the Provincial Executive Council and approved. Substantial progress was made with enhancing the institutional framework to drive the implementation of the PGDP with the strengthening of 18 Action Work Groups (AWGs). Support was rendered to the eThekweni Metro and all 10 district municipalities in the drafting of their District Growth and Development Plans. Members of the PPC were also assigned to support various provincial departments, such as Health and Agriculture and Rural Development, to attend to specific challenges impacting negatively on the ability of the province to achieve its targets set for 2020. Progress on renewable energy projects was slow, due to challenges experienced within the national departments assigned with the responsibility.

Inter-governmental relations (IGR)

The main aim is to strengthen IGR in the province through collaboration to ensure integrated planning for improved service delivery. The IGR strategy primarily aims to create linkages between the IGR structures and stakeholders. With regard to linkages to other provinces, programmes were implemented in Mpumalanga to enhance service delivery and are ongoing while, in the Eastern Cape, a MOU was drafted and legal teams from both provinces are in consultation in this regard. In the Free State, ongoing consultations with the province are being conducted. The unit identified gaps in service delivery at provincial/international boundaries of the province. In this regard, an interprovincial forum was established that deals with issues relating to the borders of the province. Provinces affected include Free State, Mpumalanga and the Eastern Cape, as well as the international borders of Lesotho and Swaziland. For the remainder of 2018/19, the following, among others, are planned: frequent meetings of the Premier's Co-ordinating Forum (PCF), using the Committee of Heads of Department as a key forum for intra-governmental relations, as well as a second IGR Learning Network.

Monitoring and evaluation (M&E)

Both the departmental and provincial 2018/19 evaluation plans were reviewed. Progress on the PGDP is reported quarterly to the PPC and bi-annually to the Provincial Executive Council *Lekgotla*. The assessment focuses on progress made towards achieving targets set in the PGDP for 2020. The *Lekgotla* also provided an opportunity for the Provincial Executive Council to deliberate on a diagnostic assessment of the status of the respective functional areas of departments and to provide guidance on strategic performance areas, to be prioritised for implementation in the fourth quarter of 2018/19. Support was provided to all departments in conducting Management Performance Assessments using the Management Performance Assessments Tool (MPAT).

The approach of monitoring frontline service delivery programmes was changed to being more responsive to identify early warning signs. Several sites were visited to ensure that key issues are addressed. These include service centres and public facilities such as hospitals, schools and SASSA facilities. Sites are continuously monitored for a period of three years. Departments are also monitored quarterly on the basis of progress made with the implementation of their service delivery improvement plans (SDIP).

The Nerve Centre was upgraded in support of reporting on the PGDP, Quarterly Performance Reporting (QPR), as well as providing a strategic provincial calendar. The main focus was on migrating the current developed solutions to Dube TradePort to resolve the issue of accessibility of the system to all departments. Dube TradePort provides added business agility, centricity, and flexibility, while at the same time significantly reducing hosting costs required to support and maintain hardware and software.

Protection of human rights

The department co-ordinated the Gender, Disability, Senior Citizens, Children (GDCSC) and Ombudsperson activities which served as platforms to promote and monitor the implementation of human rights related policies by all government departments and municipalities. Capacity building sessions for

both government officials and the community were co-ordinated. International and national human rights calendar dates were celebrated including National Women's Day (August), International Children's Day (June), International Disability Day (December) and International Women's Day (March). The Office of the Ombudsperson and the Protection of Human Rights unit also made interventions on issues of violation of human rights. The ward-based profiling project on GDCSC activities was initiated in collaboration with COGTA and OSS, through which a concept document and a human rights based electronic profiling template were developed. The roll-out of the profiling project will commence in 2019/20.

Public service transformation

The department convened various strategic Human Resource Management and Development (HRM&D) forums with all provincial departments. These forums were effective learning platforms utilised to share best practices and knowledge among peers. The department convened an HR Summit for all provincial HR practitioners with the objective of finalising the HRM turnaround strategy. The purpose of the strategy is to reposition the role of human resource management as a strategic partner in achieving the strategic goals of the province. It is geared towards recognising the link between the PGDP and the role of HR as an enabler for service delivery.

HR policy compliance audits were conducted in 13 departments with a view to improving compliance. More needs to be done to encourage compliance with regard to increasing the number of women in senior management and the number of employees with disabilities, as well as generally improving the handling of disciplinary cases and grievances in provincial departments.

The Provincial Safety Health Environment Risk and Quality (SHERQ) Management Plans by all departments were co-ordinated. In this regard, the annual provincial SHERQ *Indaba* was convened to assess the level of health and safety compliance in all departments.

Identity and heritage of the province

In an effort to address the difficulties facing Amafa aKwaZulu-Natali (Amafa), most notably the history of resource constraints, the Premier announced during 2015/16 that the intention is to co-ordinate heritage in the province through the amalgamation of Amafa and the Heritage unit within OTP to form the KZN Amafa and Research Institute. The KZN Amafa and Research Institute Act (No. 5 of 2018) was passed in the Legislature and provincial proclamation No. 5 of 14 December 2018 was issued determining that the new entity will move to Vote 15: Arts and Culture (DAC) on 1 April 2019. In this document, the movement is indicated by the removal of all historical figures, with only those for 2018/19 still reflected in this chapter. The figures for previous years and the MTEF can be found in the chapter for DAC.

Operation Sukuma Sakhe (OSS)

There was continuous auditing of war-rooms to establish functionality and ascertain the support needed for war-rooms to be functional. Furniture and computers were continuously distributed to the war-rooms.

The Inkululeko Development project is an integrated multi-purpose and multi-sectoral project led by the Premier and aims to address the critical social malaise of rural communities, through integrating developments inter-departmentally, with the focus on revitalising rural areas. This will facilitate the creation of a rural development strategy, to be co-ordinated by DARD. This will contribute towards the improvement in the quality of education, health, sustainable livelihoods, job creation and the quality of life, thereby creating a dignified community.

The Inkululeko Development project phase 1 at Ndumo is completed. To give effect to the project, OTP is responsible for championing all the Inkululeko Development projects and, as such, has established work groups to contribute to the overall objectives of the projects. The Mandla Mthethwa Comprehensive School, which was paid for by DOE, is complete and was handed over to the community on 4 September 2018. Project planning and scoping, as well as identification of anchor projects has commenced for the Inkululeko Development project phase 2, which will be conducted in uMzinyathi and uThukela districts, with a focus on Muden and Weenen, respectively.

Youth Development Fund

As announced in the 2018 State of the Province Address (SOPA), and the department's budget speech, the Youth Development Fund was established and R50 million was allocated to this in the Adjustments

Estimate. Subsequently, it has been decided that the fund will be administered by the KZN Growth Fund Trust under EDTEA and OTP will thus be transferring the funding to this entity. EDTEA has already commenced with the launch of the fund, and has called for applications *via* advertising in the press, as well as social media.

His Majesty, the King's activities

The King Support and Royal Household unit hosted 16 of His Majesty, the King's events, with a further six events planned for the remainder of the year. Events already hosted include:

- Hosting religious bodies including the Seventh Day Adventist Church Prayer, St. John's Apostolic Church Prayer and the Shembe Congregation Prayer at Enyokeni Palace, among others.
- Hosting cultural and heritage events including His Majesty the King's birthday, *Umkhosi Wesivivane* (First Fruits ceremony), the *Umkhosi Womhlanga* (Royal Reed Dance), the funerals of the Royal Prince of Kwasokesimbone and the Royal Prince of KwaDlamahlahla and *Umkhosi WeLembe* (King Shaka commemoration), among others.

Some of the King's activities/events for the remainder of the financial year include the opening of the KZN Provincial Legislature, the SOPA, the annual Umthayi Amarula Festival (*Umkhosi WaMaganu*) at Machobeni and KwaKhangela Palaces, *Ukukhonza* (Homage) by the Makhaya Clan at Enyokeni Palace and the opening of the Traditional House. The department also continued with renovations of the KwaKhangela Palace, with the tiling of the main house and guest houses completed.

The Royal Household Trust (RHT)

The RHT was established in 2009/10 as an entity in terms of the KZN Royal Household Trust Act, 2007, but is now governed by the KZN Royal Household Trust Act (Act No. 3 of 2018), which has repealed the earlier Act. The objective of the new Act is to outline the manner in which the RHT is to be managed, governed, staffed and financed. The overall aim is to ensure that governance and management of the RHT is improved. In delivering on its mandate in 2018/19, the RHT provided for the Queens' expenses, including travel and accommodation, as well as tuition fees, transportation and medical expenses for members of the Royal Family. The RHT also maintained the Royal palaces and managed some of the farming activities, such as providing feed and veterinary care for the King's cattle.

The RHT is also tasked to raise funds for the benefit of the Royal Household, but this activity experienced challenges in 2018/19 due to capacity constraints.

Amafa aKwaZulu-Natali (Amafa)

As mentioned earlier, the amalgamation of Amafa and the Heritage unit within OTP to form the KZN Amafa and Research Institute was finalised with the passing of the KZN Amafa and Research Institute Act (No. 5 of 2018) in the Legislature. As per provincial proclamation No. 5 of 14 December 2018, the new entity will move to DAC on 1 April 2019.

Amafa continued with its legislative mandate of assessing and issuing permit applications for alterations, repairs and demolition of qualifying built environment structures and archaeological-related work. Maintenance and project work at sites of historic significance were undertaken so as to preserve and/or conserve the existing heritage fabric of the province. The projects embarked on included, among others:

- The renovation of the Historic Museum and Orientation Centre, as well as the Community Heritage Participation Programme at Shiyane.
- The Donga reclamation project and renovations to the AV Centre at Isandlwana.
- The refurbishment at two sites of conflict and installation of orientation displays at Spioenkop.
- The marking of two ancestral sites (Nzama and Ndulinde) and the formalisation of two heritage liaison forums.
- The upgrade to AV equipment and lighting at the Ondini Museum.
- Outreach trips to 22 schools and the hosting of two celebration day events (Museums Day and Heritage Day).

KZN Gaming and Betting Board (KZNGBB)

The KZNGBB is responsible for the collection of gambling taxes for KZN, regulating the gambling industry, ensuring the roll-out of gaming and betting initiatives and protecting the interests of patrons and the public at large. Note that, in line with provincial proclamation No. 5 of 14 December 2018, this entity and departmental support staff will move to EDTEA on 1 April 2019. In this document, the movement is indicated by the removal of all historical figures, with only those for 2018/19 still reflected in this chapter. The figures for previous years and the MTEF can be found in the chapter for EDTEA.

The entity continued to regulate the industry in line with the KZN Gaming and Betting Act as amended and regulations. The amendments included specific provisions to address transformation of the industry, and created economic opportunities for the rural and previously disadvantaged individuals through rural horse racing. The amendments to the Act also provided more clarity in respect of Electronic Bingo Terminals, which were introduced during 2018/19, and required adjustments to the process for the collection and distribution of taxes, among others. The entity continued to grow the industry in a responsible manner, while protecting the interests of the public and ensuring no over-saturation of gambling activities. Through its licensing activities, the entity made major strides in achieving its transformation mandate by increasing black participation within the industry. The entity also introduced its Black Industrialist Programme with the objective of increasing black participation at all levels within the gambling industry. The socio-economic impact study, which analyses the impact of gambling within the province, was extended to 2018/19 due to amendments required by the new Board. Analysis of the study and development of the strategy will commence in 2019/20. In addition, the entity commenced with a saturation study aimed at determining the levels of saturation within the province. Phase 1 of the Gaming Regulators On-line Portal continued to operate during the year. This system automates licence application and payment processes. At the same time, Phase 2 of the system was in development, but there were delays, largely due to provisions in the new Act. The entity finally secured suitable office accommodation for its Pietermaritzburg operations.

3. Outlook for the 2019/20 financial year

Section 3 looks at the key focus areas of 2019/20, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. The bulk of the department's budget allocation is for cross-cutting and transversal activities, such as OSS, Integrity Management, Youth Development, the Nerve Centre, support to His Majesty, the King, as well as transfers to its public entity, the RHT. In 2019/20 and over the medium-term, the OTP will focus on the priorities listed below. Note that, as mentioned, the Gaming and Betting function (and KZNGBB), as well as the Heritage function (and Amafa) will move to EDTEA and DAC, respectively, on 1 April 2019.

Provincial Planning Commission (PPC)

Key focus areas of the PPC will still be the ongoing implementation of the PGDS and PGDP, as well as continued support of the AWGs with respect to reporting effectively on progress with implementation. The PPC will continue to support the relevant line function departments in pursuing key interventions, such as the formalisation of rural settlements, the establishment of community service centres, the implementation of the provincial HRD strategy, renewable energy opportunities, etc. A review of the KZN situational analysis will be done in preparation for the review of the PGDS which will be initiated in 2019/20. This will include sourcing desktop information on the 25-year review of the MTSF, 5-year review reports of departments and sourcing updated statistics and engagement with new planning models being proposed by the Department of Planning, Monitoring and Evaluation (DPME).

Policy and research co-ordination

The department will continue to co-ordinate and update the existing register of public policies and policy instruments and facilitate the co-ordination of policies, research and planning through the relevant forums.

Strategic planning

The department will provide support and guidance to all provincial departments and entities for the development of their 2019/20 APPs for tabling. Further support will be provided for the development of the five-year Strategic Plans 2020-2025 following the May elections, as well as the APPs for 2020/21.

Monitoring and evaluation

OTP will continue to provide guidance on, and co-ordinate the implementation of the Government Wide M&E system in the province. The eQPR system, and its alignment with performance information hosted in the Nerve Centre, will be further refined to improve the system and credibility of performance reporting and to improve access by oversight entities, such as DPME, the Provincial Legislature (Portfolio Committees), Provincial Treasury and the Auditor-General.

The immediate priority for the Nerve Centre in 2019/20 will be to broaden access to the system by training and capacitating all relevant stakeholders on using the system. Examples of these are AWG conveners/deputy conveners, IGR co-ordinators, as well as planning, monitoring and evaluation co-ordinators. Further enhancements to the Nerve Centre will be driven by user-demand and will focus on processes to improve the monitoring, evaluation and reporting capabilities of the province.

Inter-governmental relations

The 2019/20 MTEF will see the international strategy oriented towards not only ensuring KZN's domestic success, but also internationally, as a geo-political and economic player at the global level. Also, the department will be engaging in public education and promoting patriotism through awareness and respect for national symbols. In doing so, more partnerships with radio stations will be fostered as a medium for this public education.

Identity and heritage of the province

The KZN Amafa and Research Institute Act was promulgated on 14 December 2018. The process of the merger of Amafa and the OTP's Heritage unit is anticipated to be concluded early in the financial year, with the new entity to move to DAC on 1 April 2019.

Protection of human rights

The department will continue to co-ordinate the GDCSC and Ombudsperson activities to promote and monitor the implementation of human rights related policies by all government departments and municipalities. This includes the roll-out of human rights awareness campaigns such as national Human Rights Day and 16 Days of Activism, Albinism Awareness campaign, the conducting of active ageing, inter-generational dialogues and child ambassador programmes, as well as co-ordinating gender-based violence campaigns, women empowerment programmes, etc. All these programmes are aimed at achieving one of government's main goals, namely ensuring that the quality of life of the vulnerable is improved. Furthermore, the department will co-ordinate and monitor the provincial catalytic programmes pertaining to GDSC. Human rights based profiling will be conducted through using available data in all war-rooms. The roll-out of the ward-based profiling project on GDCSC will commence in 2019/20.

Public service transformation

The department will continue to facilitate, integrate and monitor the implementation of HRM&D strategies, policies and projects through hosting of relevant strategic forums.

The implementation of the provincial HR turnaround strategy will be rolled out during 2019/20. Focus will be on training geared towards empowerment in all areas of HR to minimise HR audit related challenges and to address the objectives of the HR turnaround strategy, including repositioning the role of human resource management as a strategic partner in achieving the strategic goals of the province and the PGDP. The department will also develop a provincial strategy to improve equity targets in all departments through targeted programmes for women, youth and employees with disabilities.

Operation Sukuma Sakhe (OSS)

The department will focus its resources mainly on the functionality of war-rooms in as far as equipment is concerned to support ward teams. The equipment includes war-room furniture, computers and stationery. The department has audited the requirements of 143 war-rooms and will assist five war-rooms in an effort to align their activities with the Poverty Eradication Master Plan (PEMP). The department will also assist additional war-rooms with redundant furniture and equipment from within the department. OSS strategic workshops will be conducted to strengthen OSS. With regard to the Inkululeko Development project, the focus will be on the second phase, now called the Inkululeko Development Project Phase 2 in the uMzinyathi and uThukela districts, and will include the Umvoti Local Municipality, Weenen and Muden.

His Majesty, the King's activities

His Majesty, the King will partake in various important ceremonies and traditional functions of the province, such as the opening of the Provincial Legislature, opening of the Traditional House, and hosting various traditional events, such as the Reed Dance, First Fruits ceremony (*Umkhosi Woselwa*), *Amaganu* ceremonies, *Umkhosi woMama*, etc. His Majesty, the King will also continue to install *Amakhosi* statutorily and in terms of traditional customs.

The Royal Household Trust (RHT)

The RHT will continue to render its services to the Royal Household, including a much sharper focus on revenue generating activities. A revenue generating plan has been developed that will be implemented in 2019/20. This plan will take advantage of public-private partnerships as a catalyst for revenue generation. In the short- to medium-term, it is not expected that this plan will generate any income, as it will still be in the investment phase. Notwithstanding this, the RHT will continue to seek income generating opportunities that will eventually relieve the RHT's dependency on the provincial fiscus.

4. Reprioritisation

There were significant movements within *Goods and services*, with contractors increased by R27.770 million to address pressures in the Social Cohesion and Moral Regeneration programmes. The funding for this movement was sourced from various categories in *Goods and services* including advertising, computer services and consumable supplies. The primary rationale of the programme is to enhance Social Cohesion and Moral Regeneration programmes through community participation and involvement of different racial groups in a family oriented environment. Note that IGR is moved to Programme 1 from Programme 2 in 2019/20, as this unit reports directly to the Director-General. Included within the IGR sub-programme is the newly created Special Projects responsibility, which includes certain aspects of the Social Cohesion and Moral Regeneration programmes, including the enhancement of public campaigns through community participation in a family environment involving different race groups through sport, arts and culture, with a focus on women and youth.

All service delivery projects, as outlined in the departmental APP, will still proceed in 2019/20, but savings will be realised by scaling down various projects, particularly the scale of events, as well as implementing strict cost-cutting, to ensure that pressures experienced in 2018/19 are not repeated.

5. Procurement

The department will continue to implement the procurement plan for procurement exceeding R500 000 and the demand management plan for procurement below R500 000 for 2019/20, to ensure that the needs of the organisation are met. The department aims to reduce the turnaround time for procuring goods and services. Internal controls, contract management and inventory management will continue to be strengthened.

The department will also intensify its efforts to ensure that suppliers and service providers are paid within 30 days, in line with Treasury Regulation 8.2.3. All quotations and bids will be awarded in a manner which is fair, equitable, transparent, competitive and cost effective. The department intended to roll-out its own e-Procurement system in conjunction with Provincial Treasury, but this is currently on hold due to pending developments at National Treasury.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 1.1 gives the sources of funding of Vote 1 from 2015/16 to 2021/22. The table also compares actual and budgeted receipts against actual and budgeted payments. The department receives a provincial allocation in the form of an equitable share.

The Gaming and Betting budget (KZNGBB and support staff), as well as the budget of the Heritage unit and Amafa are moved from Vote 1: Office of the Premier, effective from 1 April 2019 for the 2019/20 MTEF. This is in terms of provincial proclamation No. 5 of 14 December 2018. It must also be noted that the full allocations spent in 2018/19 with regard to these two entities and their support units is shown against Vote 1, with historical figures and budget over the MTEF shown against EDTEA and DAC, respectively, for comparative purposes. Similarly, the revenue budgets related to these two entities has moved from Vote 1 to EDTEA and DAC as well. This accounts for the significant increase in 2018/19, and the subsequent drop in 2019/20 for both own revenue and expenditure.

Table 1.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Equitable share	626 624	596 138	632 309	773 397	773 397	773 397	708 072	753 902	795 394
Conditional grants	-	-	-	-	-	-	-	-	-
Total receipts	626 624	596 138	632 309	773 397	773 397	773 397	708 072	753 902	795 394
Total payments	627 660	611 369	634 484	787 137	854 292	854 292	714 004	753 902	795 394
Surplus/(Deficit) before financing	(1 036)	(15 231)	(2 175)	(13 740)	(80 895)	(80 895)	(5 932)	-	-
Financing									
of which									
Provincial roll-overs	-	8 000	1 313	-	3 076	3 076	-	-	-
Provincial cash resources	44 270	11 775	12 218	13 740	77 819	77 819	5 932	-	-
Surplus/(Deficit) after financing	43 234	4 544	11 356	-	-	-	-	-	-

The budget increased by R44.270 million in 2015/16 due to the following:

- R15 million for the construction of the water pipeline at the Luwamba Wellness Centre could not be utilised in 2014/15 due to challenges experienced with various stakeholders, farmers and wards in terms of the appointment of the local community to assist with the project. As such, these funds were suspended from 2014/15 and re-allocated to the department in 2015/16.
- R14 million was specifically and exclusively appropriated for the equipping of war-rooms but was not utilised in 2014/15 due to a review of the war-rooms' software requirements by the Information Technology unit. The funds were therefore suspended from 2014/15 and were allocated back to the department in 2015/16.
- R5 million for the OSS Diakonia Council of Churches was allocated over a three-year period using cash resources that became available in the 2013/14 Adjustments Estimate.
- The department received R10.270 million for the establishment of an operations centre for the implementation of PEMP, in line with a Provincial Executive Council resolution.

Offsetting the above increase, was a suspension of R15.690 million in respect of the equitable share to 2016/17 with regard to the construction of the new Public Service Training Academy in Westville. However, the construction of this facility will no longer take place at this stage due to the fiscal consolidation imposed by National Treasury.

The 2015/16 budget was under-spent by R43.234 million due to the following:

- Under-expenditure of R6.369 million was mainly attributed to the moratorium on the filling of non-critical vacant posts.
- Under-spending of R3.631 million was as a result of fewer Integrity Management "I do right, even when nobody is watching" roadshows taking place than anticipated.
- The balance of R33.234 million was a result of the following:
 - o Budgeted projects, such as the Citizen Satisfaction Survey, were not finalised with StatsSA as a result of administrative challenges that were experienced by StatsSA, resulting in the project not being implemented. In addition, the PGDS situational review was finalised later than originally anticipated due to the unsatisfactory work that was done by the service provider.
 - o There were delays with appointing a suitable service provider for the preparation of a Provincial Evaluation Plan, which is an initiative of the DPME to measure impact assessments.

- o An amount of R1.200 million in respect of the Provincial Bursary Programme was not utilised due to delays in the receipt of entity forms from landlords in respect of student accommodation.
- o The PEMP funding was under-spent by R7.856 million. The bulk of the funds were allocated for *Compensation of employees*, but all 12 posts were filled later than originally anticipated.
- o The Royal Household sub-programme was under-spent. An amount of R3.413 million was not transferred to the RHT due to the fact that the RHT seemed to have sufficient budget to carry it through the fourth quarter at the time, in line with its cashflow projections.

In 2016/17, the department received provincial cash resources of R11.775 million for the PEMP operations centre, as well as funds for the carry-through of the above-budget 2015 wage agreement. However, the budget showed low growth in 2016/17 mainly ascribed to the fiscal consolidation budget cuts implemented by National Treasury. In addition, and as a result of the cuts, the amount of R15.690 million suspended from the 2015/16 budget was not allocated to the department in 2016/17 as the construction of the Training Academy was halted to partially fund the province's fiscal consolidation budget cuts. The department also received a roll-over of R8 million for the maintenance of the Royal palaces through Provincial Treasury as the implementing agent. The department under-spent its 2016/17 budget by R4.544 million, mainly attributed to under-spending against *Goods and services* against the PEMP due to the fact that the programme launches in some municipalities did not take place as anticipated as a result of a change in the vision and strategy of the PEMP. Also contributing was *Buildings and other fixed structures* with under-expenditure mainly related to the Royal palaces. In addition, *Compensation of employees* was under-spent because of vacant funded posts.

In 2017/18, the following adjustments are noted:

- R1.313 million was approved as a roll-over from 2016/17 and relates to the roll-over of funds of R8 million from 2015/16 to 2016/17, which could not be entirely spent in 2016/17 as a result of delays that were experienced with renovations at KwaKhangela Palace.
- The PEMP operations centre received funding from provincial cash resources amounting to R12.218 million and R12.919 million in 2017/18 and 2018/19, linked to contract posts which align to the Premier's term of office.

The department under-spent its 2017/18 budget by R11.356 million, mainly due to under-spending against *Machinery and equipment* and *Buildings and other fixed structures*. The department was only able to secure additional office accommodation for new posts and existing staff at year-end, thus spending on office furniture, vehicles and equipment was delayed. In addition, the Terry Street parking project at head office was delayed due to inclement weather, and there were delays in the Queens' rondavels project at Enyokeni Palace caused by challenges experienced with design and project specifications.

In 2018/19, the following adjustments are noted:

- The department received R12.919 million in 2018/19 for the carry-through of PEMP operational costs, from provincial cash resources, as mentioned. This funding was for a finite period only (2015/16 to 2018/19), and the carry-through costs are thus removed from the baseline in 2019/20.
- The KZNGBB managed to secure office accommodation, thus R767 000 was allocated in 2017/18 (not shown in Table 1.1), with carry-through of R821 000 in 2018/19 specifically for transfer to the KZNGBB for its new lease. However, the latter amount was erroneously allocated in 2018/19 as this amount formed part of a lump-sum of R20.033 million which was allocated for transfer to the entity in the 2017/18 Adjustments Estimate. As such, R821 000 was removed from provincial cash resources in the 2018/19 Adjustments Estimate.
- In 2020/21, R6.886 million was allocated to the equitable share, being funding allocated for the carry-through costs of the above-budget wage agreement.

In the 2018/19 Adjusted Appropriation, allocations from provincial cash resources were as follows:

- R3.076 million was rolled over from 2017/18, with R390 000 for the Moerane Commission of Inquiry in respect of invoices that were received late in 2017/18 and R2.686 million for the completion of the Terry Street parking project that was delayed due to inclement weather.
- R50 million was allocated to the equitable share for the Youth Development Fund.
- R1 million was allocated from provincial cash resources for urgent roof repairs of the Moses Mabhida building, with carry-through funding of R5.932 million in 2019/20.
- R7 million was allocated from provincial cash resources for pressures resulting from the Moerane Commission of Inquiry.
- R6.900 million was allocated from provincial cash resources for relocation payments to approximately 110 staff dating back to 2008, when government departments were relocated from Ulundi to Pietermaritzburg.

The department is projecting a balanced budget at the end of 2018/19, as per the December 2018 IYM.

In the 2019/20 MTEF, the department's equitable share is reduced due to the previously mentioned function shift of the Gaming and Betting unit and KZNGBB to EDTEA and the Heritage unit and Amafa to DAC. In addition, the department receives an amount R5.932 million for carry-through costs related to repairs to the Moses Mabhida building, as mentioned.

6.2 Departmental receipts

Table 1.2 reflects details of departmental receipts per main category over the seven-year period: 2015/16 to 2021/22. Details of the department's revenue are reflected in *Annexure – Vote 1: Office of the Premier*.

Table 1.2: Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Tax receipts	-	-	-	600 285	600 285	600 884	-	-	-
Casino taxes	-	-	-	518 570	518 570	519 169	-	-	-
Horse racing taxes	-	-	-	81 715	81 715	81 715	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	149	191	175	273	273	178	288	304	321
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	23	8	30	1	1	9	1	1	1
Sale of capital assets	535	-	-	535	535	1 368	840	966	1 019
Transactions in financial assets and liabilities	423	267	955	44	44	185	47	50	53
Total	1 130	466	1 160	601 138	601 138	602 624	1 176	1 321	1 394

As mentioned, the budget and revenue collected by KZNGBB is suspended from Vote 1 and allocated to Vote 4: EDTEA in accordance with provincial proclamation No. 5 of 14 December 2018. Accordingly, historic figures have been restated and the 2019/20 MTEF revenue streams for *Casino taxes* and *Horse racing taxes* are now reported under EDTEA.

In line with this movement, Vote 1 reports on the 2018/19 performance for *Tax receipts* as follows:

- *Casino taxes*, which includes Limited Pay-out Machines (LPMs) and Bingo gaming revenue, is expected to be marginally over-collected at the end of 2018/19 at R519.169 million. This resulted from the additional roll-out of LPMs and electronic bingo terminals, as well as the completion of the expansion of the Suncoast Casino.
- *Horse racing taxes*, which includes sports betting revenue, is projected to be fully collected by the end of the financial year at R81.715 million.

Sale of goods and services other than capital assets mainly comprises revenue from commission on PERSAL deductions such as insurance premiums and garnishee orders and tender fees. The revenue trend fluctuates over the period due to the uncertain nature of this category. The growth over the MTEF is fairly high and is based on the 2018/19 budget rather than the Revised Estimate. The department needs to revise the budget in the next budget process, taking into account the historic revenue trend of this category.

Interest, dividends and rent on land is derived from interest on staff debts. The revenue collection fluctuates between 2015/16 and the 2018/19 Revised Estimate and the budget is constant over the MTEF due to the unpredictable nature of this source of revenue.

Sale of capital assets is derived from the sale of redundant assets, such as motor vehicles and equipment. The high collection in the 2018/19 Revised Estimate is due to a motor vehicle auction held towards the end of 2017/18 and the revenue was received in April 2018. Revenue collected against this category depends on factors such as the asset disposal policy, size of the fleet and the price received at the auction, hence the unpredictable trend over the seven-year period.

Transactions in financial assets and liabilities is in respect of recoveries from previous financial years, such as staff debts. The collection fluctuates over the seven years in line with the quantum of staff debts.

6.3 Agency funding

Tables 1.3 and 1.4 reflect the details of agency funding for the period 2015/16 to 2021/22.

Table 1.3 : Details of agency funding receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Agency funding	21 700	8 870	19 288	-	-	14 067	-	-	-
NSF	3 900	5 908	6 695	-	-	2 203	-	-	-
MERSETA	11 200	2 962	12 593	-	-	11 864	-	-	-
Work Integrated Learning (SSETA)	5 800	-	-	-	-	-	-	-	-
Work Integrated Learning (PSETA)	800	-	-	-	-	-	-	-	-
Total	21 700	8 870	19 288	-	-	14 067	-	-	-

Table 1.4 : Details of agency funding payments and estimates

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Agency funding	21 700	13 823	16 554	5 500	5 500	14 067	-	-	-
NSF	3 900	6 350	4 266	-	-	2 203	-	-	-
MERSETA	11 200	7 473	12 288	5 500	5 500	11 864	-	-	-
Work Integrated Learning (SSETA)	5 800	-	-	-	-	-	-	-	-
Work Integrated Learning (PSETA)	800	-	-	-	-	-	-	-	-
Total	21 700	13 823	16 554	5 500	5 500	14 067	-	-	-

The department receives agency receipts in respect of the National Skills Fund (NSF) and the Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA)

During 2018/19, the department, through the Training Academy, received funding of R2.203 million from the NSF. The NSF project implements learnerships, apprenticeships and skills programmes for the training of unemployed youth, in areas such as toolmaking and digital television installation. The amount of R2.203 million will be used to cover the cost of the remaining activities in the project planned to be finalised in March 2019. The contract between OTP and the NSF ends in March 2019 and no further training programmes are anticipated in 2019/20.

MERSETA was one of 23 SETAs that were established in terms of the Skills Development Act passed by the South African Parliament in 1998. MERSETA began functioning in 2000 and was established to play a central role in terms of ensuring that the National Skills Development Strategy of South Africa was fulfilled. The department received R11.864 million in 2018/19 for training apprentices in various trades such as fitting and turning, electricians, spray painting, petrol and diesel mechanics. The increase in the Revised Estimate when compared to budget is due to additional funding granted by the donor to wind up and complete the project in 2018/19. The training programme is anticipated to be completed by March 2019 and no further training programmes are anticipated in 2019/20, as this stage.

The aim of the Work Integrated Learning (SSETA and PSETA funded projects) was to support 215 students from TVET colleges with a stipend of R1 500 per student per month for 12 to 18 months. These projects, aimed at supporting the development of a policy on accreditation, started in April 2015 and were completed in early 2016/17.

7. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including payments and budgeted estimates by programme and economic classification. Further details are given in Section 8, as well as in the *Annexure – Vote 1: Office of the Premier*.

7.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- All inflation related increases are based on CPI projections.
- Provision was not adequately made for an inflationary wage adjustment of 6.3, 6.5 and 6.5 per cent over the 2019/20 MTEF, as well as the 1.5 per cent pay progression. This will be reviewed in-year, as *Compensation of employees* is currently growing by 8.8 per cent, 7.6 per cent and 5.5 per cent over the MTEF.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2018/19, will continue to be adhered to over the 2019/20 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.
- Note that historical and MTEF figures for the Gaming and Betting and Heritage function shifts have been moved to EDTEA and DAC, respectively.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 1.5 shows additional provincial and equitable share funding received by the department over the 2017/18, 2018/19 and 2019/20 MTEF periods.

The carry-through allocations for the outer year (i.e. 2021/22) are based on the incremental percentage used in the 2019/20 MTEF.

Table 1.5 : Summary of additional provincial and equitable share allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	(3 767)	(4 214)	(13 111)	(13 832)	(14 593)
Removal of Poverty Eradication Master Plan operations centre	-	-	(13 642)	(14 392)	(15 184)
PES and Provincial Own Revenue reductions	(2 734)	(3 125)	(5 543)	(5 848)	(6 169)
Budget cuts to fund remuneration of <i>Izinduna</i>	(1 033)	(1 089)	(1 149)	(1 212)	(1 279)
Additional funding from National Treasury	-	-	7 223	7 620	8 039
2018/19 MTEF period				6 886	7 265
Above-budget wage agreement				6 886	7 265
2019/20 MTEF period			(107 685)	(120 797)	(127 413)
Repairs to Moses Mabhida building			5 932	-	-
Gaming and Betting function shift to EDTEA			(49 512)	(53 162)	(56 086)
Heritage function shift to DAC			(63 462)	(66 953)	(70 635)
Budget cut for remuneration of public office bearers			(643)	(682)	(692)
Total	(3 767)	(4 214)	(120 796)	(127 743)	(134 741)

Note that, in the previous *EPRE*, this table included additional funding in respect of the KZNGBB's office accommodation at the Marine Building, and this is now shown in the chapter for EDTEA.

With regard to the 2017/18 MTEF, the following changes were made to the department's budget:

- In 2017/18, there was a reduction of the PES allocation due to data updates of the PES formula, as well as fiscal framework reductions. In addition, the budget databases submitted by departments in preparation for the September 2017 MTECs indicated a downward revision of the Provincial Own Revenue numbers. As such, the department's budget was cut by R2.734 million, with carry-through.
- As determined by the Provincial Executive Council on 2 November 2016, the remuneration of *Izinduna* was to commence in KZN. It was agreed that the remuneration be funded by COGTA providing 50 per cent of the amount needed for the remuneration of the *Izinduna* from within their baseline through reprioritisation, while the balance of 50 per cent be cut proportionately from all remaining Votes. As such, R1.033 million with carry-through was deducted from the OTP.

- Offsetting these cuts to some extent, was additional funding of R7.223 million provided by National Treasury in 2019/20 with carry-through.

With regard to the 2018/19 MTEF, the department received additional funding from National Treasury of R6.886 million in 2020/21, with carry-through, for the above-budget wage agreement. These funds were allocated proportionately across all Votes.

In the 2019/20 MTEF, the following changes are made to the department's budget:

- The department receives an amount R5.932 million in 2019/20 being carry-through costs related to repairs to the Moses Mabhida building, as mentioned.
- The department's equitable share is reduced due to the previously mentioned function shift of the Gaming and Betting function to EDTEA and the Heritage function to DAC.
- The department's budget was cut by R643 000 in 2019/20, with carry-through. In this regard, the President announced that there would be minimal or no annual salary increases in 2018/19 for public office bearers. In the case of provincial executives, Premiers, MECs and Speakers did not receive salary increases, while MPLs received a 2.5 per cent increase. The savings realised from this announcement were cut from provinces in line with fiscal consolidation efforts.

7.3 Summary by programme and economic classification

Tables 1.6 and 1.7 summarise payments and estimates by programme and economic classification.

Table 1.6 : Summary of payments and estimates by programme: Office of the Premier

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	105 363	98 883	107 807	102 326	103 030	95 947	138 137	145 347	153 370
2. Institutional Development	307 693	298 227	292 579	410 377	482 830	473 056	362 365	381 310	402 284
3. Policy and Governance	214 604	214 259	234 098	274 434	268 432	285 289	213 502	227 245	239 740
Total	627 660	611 369	634 484	787 137	854 292	854 292	714 004	753 902	795 394
Unauth. Exp. (1st charge) not available for spending	(2 500)	(2 194)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	625 160	609 175	634 484	787 137	854 292	854 292	714 004	753 902	795 394

Table 1.7 : Summary of provincial payments and estimates by economic classification: Office of the Premier

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	548 736	519 106	574 867	648 417	708 520	708 344	650 084	693 986	732 185
Compensation of employees	224 750	248 647	268 766	323 028	306 346	300 119	326 671	351 518	370 880
Goods and services	323 986	270 459	306 101	325 389	402 174	408 225	323 413	342 468	361 305
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	46 582	59 022	46 176	116 923	118 124	118 283	42 616	44 960	47 432
Provinces and municipalities	76	136	80	60	105	131	63	66	70
Departmental agencies and accounts	24 002	22 977	19 869	94 954	94 339	94 339	19 086	20 136	21 243
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	27	-	-	-	-	-	-	-
Households	22 504	35 882	26 227	21 909	23 680	23 813	23 467	24 758	26 119
Payments for capital assets	29 575	31 001	13 354	21 797	27 423	27 423	21 304	14 956	15 777
Buildings and other fixed structures	2 271	16 823	1 710	5 729	10 415	10 415	9 796	4 071	4 294
Machinery and equipment	27 153	14 178	11 644	11 249	12 189	12 278	11 508	10 885	11 483
Heritage assets	-	-	-	4 819	4 819	4 730	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	151	-	-	-	-	-	-	-	-
Payments for financial assets	2 767	2 240	87	-	225	242	-	-	-
Total	627 660	611 369	634 484	787 137	854 292	854 292	714 004	753 902	795 394
Unauth. Exp. (1st charge) not available for spending	(2 500)	(2 194)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	625 160	609 175	634 484	787 137	854 292	854 292	714 004	753 902	795 394

The structure of the department consists of three programmes, and does not conform fully to the generic programme structure of the sector at this stage, but National Treasury approval was received in July 2018 for the deviation. Unique to KZN, following the signing of the proclamation to combine the former Vote 10: Royal Household (DRH) with Vote 1, the budget of the Royal Household was added to Vote 1's budget as a sub-programme under Programme 3: Policy and Governance, effective from 1 April 2015. As mentioned, the sub-programme: Gaming and Betting in Programme 2 (along with KZNGBB) and the sub-programme: Heritage in Programme 3 (along with Amafa) have moved to EDTEA and DAC, respectively, and this is in line with the uniform programme structure for provinces. The prior years and the 2019/20 MTEF have been restated in these two departments' chapters, with the 2018/19 figures still reported in this chapter. There were also internal movements in 2018/19 due to the movement of certain of the responsibilities from Programme 3 to Programme 2, with the Youth Development function moved from the Premier's Priority Programmes sub-programme in Programme 3 to the Special Programmes sub-programme in Programme 2. The other internal movement was the Security Services function moved from the sub-programme: Strategic Human Resources to the sub-programme: Special Programmes within Programme 2. Historical figures have not been restated for either of these movements as the department does not keep records at this level. Note also that the sub-programme: IGR has been moved to Programme 1 and this was approved by National Treasury.

There were budget cuts in the 2016/17 and 2017/18 MTEF processes, and these were implemented proportionately across all programmes, as well as most economic classifications, resulting in fluctuations over the period, with a significant reduction in 2016/17.

The spending against Programme 1: Administration decreased in 2016/17 as OTP agreed to redirect the funds allocated for the development of the Luwamba Wellness Centre towards the running of the Integrity Management unit, which is in Programme 2. The allocation for 2017/18 was also reduced due to budget cuts. The projected under-spending in the 2018/19 Revised Estimate is a result of the reprioritisation of funds from *Goods and services* administrative items in order to address pressures in Programme 3 related to the Social Cohesion and Moral Regeneration programmes, resulting in high growth in 2019/20. Also impacting on the high growth in 2019/20 is the movement of the IGR sub-programme to Programme 1. Growth in this programme over the two outer years of the MTEF is inflationary only.

Programme 2: Institutional Development shows a significant increase in the 2018/19 Main Appropriation due to the historical restatement of figures for the Gaming and Betting sub-programme related to the move of this function to EDTEA, as mentioned. The programme reflects an increase in the 2018/19 Adjusted Appropriation as a result of the once-off allocation of funding for the Youth Development Fund, as announced by the Premier in the SOPA, as well as internal reprioritisation for the Social Cohesion and Moral Regeneration programmes. Also impacting on the increase in 2018/19 are the figures for the Gaming and Betting function that are reflected in that year only, as mentioned, accounting for the decrease over the 2019/20 MTEF, as well as the movement of the IGR sub-programme to Programme 1. The once-off allocation in 2018/19 for the Youth Development Fund also accounts for the reduction in 2019/20. Growth over the two outer years of the MTEF is inflationary only.

Programme 3: Policy and Governance was affected by the fiscal consolidation cuts in 2016/17, hence the slightly negative growth in 2016/17. However, additional funding was received and spent for the PEMP in this programme, with carry-through from 2015/16 to 2018/19. The growth in 2017/18 includes funds for the PGDS review, Citizen Satisfaction Survey, the PPC, OSS, HIV and AIDS programmes, His Majesty, the King's support, and human rights campaigns. The programme shows a significant increase in the 2018/19 Main Appropriation due to the historical restatement of figures for the Heritage sub-programme related to the move of this function (and Amafa) to DAC, as mentioned. The decrease in the 2018/19 Adjusted Appropriation is due to vacant posts, and enforced savings against *Goods and services* to offset pressures related to the Social Cohesion and Moral Regeneration programmes in Programme 2. These programmes are co-funded from both Programme 2 and 3. However, in the 2018/19 Revised Estimate, the pressure for the Social Cohesion and Moral Regeneration programmes is now in Programme 3, and savings from Programmes 1 and 2 are to be reprioritised for this pressure. The major decrease in 2019/20 is a result of the movement of the Heritage sub-programme to DAC, as well as the movement of the Youth Development function from this programme to Programme 2. Historical figures for this latter movement

have not been restated as the department does not keep records at this level. Growth over the two outer years of the MTEF is inflationary only.

Compensation of employees grew strongly in the early years due to the ongoing implementation of the new organisational structure. However, the department will not be in a position to fully implement the new organisational structure as anticipated due to insufficient funding over the 2019/20 MTEF. There was significant reprioritisation during the 2018/19 MTEF from *Goods and services* to *Compensation of employees* to cater for the phased in filling of 56 critical vacant posts. These were subsequently reduced to 20 posts, of which 14 were approved for filling. The funding over the MTEF allows for limited filling of between 15 and 20 posts, depending on the levels filled. The department is reducing the number of interns and contract posts (e.g. relating to the Moerane Commission of Inquiry) from 2019/20, which will contribute to the affordability of the planned posts. Note that a total of 14 staff are impacted by the movement of the Gaming and Betting (six) and Heritage (eight) functions to EDTEA and DAC, respectively. In addition, the department received funding in 2020/21 for the carry-through costs of the wage agreement, as mentioned. The budget grows sufficiently in 2019/20 to allow for this minimal filling of posts, but does not grow sufficiently over the two outer years, and this will be addressed in the next budget process.

Goods and services decreases from 2015/16 to 2016/17, mainly due to the deduction of R2.781 million relating to previous years' irregular expenditure, as well as the shifting of funds in respect of the Training Academy to *Buildings and other fixed structures*, for the costs of a feasibility study and drafting of plans for a new building, prior to the 2016/17 MTEF cuts. The decrease in 2016/17, as well as the below inflationary growth in 2017/18, are also ascribed to the budget cuts. The category reflects an increase in the 2018/19 Adjusted Appropriation as a result of the once-off allocation of funding for the Youth Development Fund, as announced by the Premier in the SOPA, as well as internal reprioritisation for the Social Cohesion and Moral Regeneration programmes. Pressures in the Social Cohesion and Moral Regeneration programmes account for the projected over-spending in the 2018/19 Revised Estimate. These largely once-off amounts account for the negative growth in 2019/20, as well as the impact of the movement of the Gaming and Betting and Heritage functions to EDTEA and DAC, respectively. Growth over the two outer years of the MTEF is inflationary only.

The category *Transfers and subsidies* is analysed as follows:

- *Provinces and municipalities* generally caters for the payment of motor vehicle licences. The higher growth in 2016/17 is as a result of vehicle registrations in the ICT sub-programme. The erratic trend in 2018/19 and 2019/20 is due to new vehicles being licensed and redundant vehicles removed from the system for 2019/20. The lower baseline over the MTEF is in line with the planned scrapping of redundant vehicles, with steady growth over the remainder of the MTEF.
- *Departmental agencies and accounts* caters for transfers to the RHT. The amounts in 2015/16 include once-off costs for the amalgamation of DRH and the OTP, as well as the transfer to the RHT. The OTP reprioritised a further R4 million for the RHT in 2015/16 to cater for outstanding invoices that required payment, accounting for the dip in 2016/17. Note that the significantly higher amounts in the 2018/19 columns include transfers for KZNGBB and Amafa, with historical and MTEF figures restated to EDTEA and DAC, respectively. The 2019/20 MTEF provides for inflationary growth only in transfers to the department's only remaining public entity, namely RHT.
- With regard to *Non-profit institutions*, in 2016/17, a sponsorship of R27 000 was given to the KZN Law Society for a function to honour the appointment of members of the judiciary.
- *Households* consists of staff exit costs, medical aid contributions for ex-parliamentarians (PARMED), the Provincial Bursary Programme, etc. The fluctuations relate to staff exit costs, which are difficult to accurately predict. It must be noted, though, that there was once-off reprioritisation of R14 million to this category in 2016/17 with carry-through for bursaries in response to the "fees must fall" movement by students countrywide. The increase in the 2018/19 Adjusted Appropriation relates to reprioritisation for under-funded staff exit costs. The amount budgeted over the 2019/20 MTEF provides for staff exit costs, bursaries and medical aid contributions for ex-parliamentarians (PARMED).

With regard to *Buildings and other fixed structures*, the construction of the Training Academy was halted in 2016/17 to partially fund the province's fiscal consolidation budget cuts, and funding in this regard was withdrawn, as mentioned. However, an unbudgeted amount of R10.905 million was spent against this category in 2016/17, related to the feasibility study and the preparation of plans in respect of the Training Academy. The department also received a roll-over of R8 million for the maintenance of the Royal palaces through Provincial Treasury as the implementing agent. The reduction in 2017/18 was mainly ascribed to the previously mentioned budget cuts relating to the Training Academy, where the funding to construct a new facility was cut from the department's baseline. The Terry Street parking was paid for in 2018/19, with a roll-over from 2017/18 in this regard accounting for the increase in the 2018/19 Adjusted Appropriation. The budget over the MTEF provides for various projects including the renovations to the roof and pool in respect of the Premier's Parkside residence, roof repairs at the Moses Mabhida building, as well as renovations to Royal palaces. The roof repairs at the Moses Mabhida building project has carry-through funding of R5.932 million in 2019/20, hence the reduction in 2020/21.

Machinery and equipment relates to the purchase of essential office furniture and equipment for new appointments and the purchase of official vehicles. The high spending in 2015/16 was due to the upgrades to the Provincial Executive Council offices for the installation of security systems, asset tracking devices, as well as departmental vehicles. This once-off expenditure accounts for the decrease in 2016/17. The further drop in 2017/18 relates to the fact that the department did not purchase any furniture in 2017/18. The increase in the 2018/19 Adjusted Appropriation relates to reprioritised funding to purchase vehicles for the Office of the Director-General and Communication Services, accounting for the slight decrease in 2019/20. The MTEF caters for the replacement of departmental vehicles, including the Queens' vehicles, which are replaced on a needs basis and are not planned for replacement in the 2019/20 MTEF.

Heritage assets relates to the building of memorials and tombstones for struggle veterans, as determined by the Premier. Note that the historical and MTEF figures are restated in the chapter for DAC.

Software and other intangible assets caters for software upgrades for the department in general, and the Nerve Centre in particular. No spending is currently planned in this regard over the MTEF, and this will be reviewed in-year.

Payments for financial assets is attributed to the first charge for the DRH for the repayment of over-expenditure prior to the amalgamation with OTP and debts written off. The final instalment of the first charge was paid in 2016/17.

7.4 Summary of conditional grant payments and estimates – Nil

7.5 Summary of infrastructure payments and estimates

Table 1.8 summarises the infrastructure payments and estimates relating to the department.

Table 1.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19		
Existing infrastructure assets	2 271	7 284	3 339	4 489	6 489	6 489	13 521	7 874	8 307
Maintenance and repair: Current	-	1 366	1 629	2 317	2 317	2 317	3 725	3 803	4 013
Upgrades and additions: Capital	-	-	-	-	-	-	503	1 029	1 086
Refurbishment and rehabilitation: Capital	2 271	5 918	1 710	2 172	4 172	4 172	9 293	3 042	3 208
New infrastructure assets: Capital	-	10 905	-	3 557	6 243	6 243	-	-	-
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	12 456	12 456	12 456	12 169	14 840	15 656
Non infrastructure¹	-	-	-	-	-	-	-	-	-
Total	2 271	18 189	3 339	20 502	25 188	25 188	25 690	22 714	23 963
<i>Capital infrastructure</i>	2 271	16 823	1 710	5 729	10 415	10 415	9 796	4 071	4 294
<i>Current infrastructure</i>	-	1 366	1 629	14 773	14 773	14 773	15 894	18 643	19 669

1. *Non infrastructure* is a stand-alone item, and is therefore excluded from *Capital infrastructure* and *Current infrastructure*, but it is included in the overall total

With regard to *Maintenance and repair: Current*, the 2019/20 MTEF allocations provide for the maintenance work of the administrative offices, as well as the Royal palaces.

Upgrades and additions: Capital funding in the 2019/20 MTEF relates to upgrades at the Enyokeni, KwaKhangela and Dlamahlahla palaces, including the construction of the Queens' rondavels.

Refurbishment and rehabilitation: Capital reflects expenditure related to projects at the Royal palaces, Parkside and the Moses Mabhida building. The significant increase in 2016/17 was due to the roll-over of R8 million towards the renovations of the Royal palaces. The expenditure in 2017/18 relates to a further roll-over of the funding for the Royal palaces. The 2018/19 funding includes a tiling project at Enyokeni Palace. The increase in the 2018/19 Adjusted Appropriation includes funding reprioritised for higher than expected costs of the tiling project at Enyokeni Palace, as well as funding for roof repairs at the Moses Mabhida building. The MTEF provides for the completion of existing projects, such as the Ingwavuma Palace projects and the Royal Household office renovations in Nongoma, roof and pool renovations at the Premier's Parkside residence, as well as finalising the roof repairs at the Moses Mabhida building, with the latter accounting for the reduced budget in 2020/21. Note that the department previously categorised the Moses Mabhida building project as *Upgrades and additions: Capital*, but this has now been corrected to *Refurbishment and rehabilitation: Capital*, hence the change from the 2018/19 EPRE.

New infrastructure assets: Capital spending in 2016/17 relates to the feasibility study and the preparation of plans in respect of the Training Academy. As mentioned, funds for the construction of the Training Academy were removed from the department's baseline due to the province's fiscal consolidation budget cuts in 2016/17. The funding in 2018/19 includes the Terry Street parking facility that was developed alongside the Moses Mabhida building. The increase in the 2018/19 Adjusted Appropriation includes a roll-over for this project. Note that the department previously categorised the Terry Street parking project as *Upgrades and additions: Capital*, but this has now been corrected to *New infrastructure assets: Capital*, hence the change from the 2018/19 EPRE.

Infrastructure leases relates to the lease of buildings for use by the department. The increase in 2018/19 is due to the addition of a new office building in Pietermaritz Street which the department has leased, with a view to moving from more expensive accommodation in the Invesco Centre. Once the move is completed, the department will review this allocation in-year, with a view to reprioritising any savings to other areas.

7.6 Summary of Public Private Partnerships – Nil

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Over the 2019/20 MTEF, the OTP will exercise oversight over one public entity, namely the RHT. As mentioned, the department previously exercised oversight over two other entities, namely Amafa and KZNGBB. The prior years' and the 2019/20 MTEF figures have been adjusted accordingly and are now reported on in the chapters for DAC and EDTEA, respectively. Note that the name of the new entity incorporating the Heritage unit and Amafa is the KZN Amafa and Research Institute.

Table 1.9 illustrates transfers made to RHT over the seven years under review. The financial summary received from the RHT is given in *Annexure – Vote 1: Office of the Premier*.

Table 1.9 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Transfers to public entities	24 002	22 977	19 869	94 954	94 339	94 339	19 086	20 136	21 243
Amafa Prog. 3.4: Heritage	-	-	-	33 989	33 989	33 989	-	-	-
KZNGBB Prog. 2.7: Gaming and Betting	-	-	-	42 925	42 310	42 310	-	-	-
Royal Household Trust Prog. 3.3: Royal Household	24 002	22 977	19 869	18 040	18 040	18 040	19 086	20 136	21 243
Transfers to other entities	-	27	-	-	-	-	-	-	-
KZN Law Society Prog. 2.4: Legal Services	-	27	-	-	-	-	-	-	-
Total	24 002	22 977	19 869	94 954	94 339	94 339	19 086	20 136	21 243

Although there is no trend analysis given under this department for the KZNGBB, it is noted that the budget for the entity was reduced by R821 000 in the 2018/19 Adjustments Estimate, which was erroneously allocated in 2018/19 as this amount formed part of a lump-sum of R20.033 million which was allocated for transfer to the entity in the 2017/18 Adjustments Estimate. As such, R821 000 was removed from the budgeted transfer. In addition, an amount of R206 000 was shifted from *Goods and services* for transfer to the entity in the 2018/19 Adjustments Estimate. This was due to incorrect budgeting for the computer services costs of the entity.

The RHT was established in 2009/10 as an entity in terms of the KZN Royal Household Trust Act, 2007, but is now governed by the KZN Royal Household Trust Act, 2018. The entity was registered as a Schedule 3C provincial public entity during 2012/13. In 2011/12, 2012/13 and 2013/14 (not visible in the table), funds were transferred to the RHT to cater for the set-up costs of the Trust, remuneration of the Trustees, as well as various costs of the RHT, which were administered by the Trust. This included municipal costs, fuel, food supplies, etc., relating to the Queens and other members of the Royal family. During 2015/16, an additional amount of R4 million was reprioritised from within Vote 1 to the RHT to cater for outstanding invoices from 2014/15, contributing to the decrease in 2016/17. Also affecting the decrease was the previously mentioned fiscal consolidation cuts, mitigated to some extent by a once-off increase in transfer of R7.810 million in 2016/17 to the RHT for operational expenses, accounting for the further decrease in 2017/18. The 2017/18 expenditure included a once-off allocation of R2 million for operational spending pressures, including higher costs for cattle feed due to the drought. This accounts for the small decrease in the 2018/19 Main Appropriation. The budget over the 2019/20 MTEF provides for the various operational costs of the RHT and increases are inflationary only.

In 2016/17, a sponsorship of R27 000 was given to the KZN Law Society for a function to honour the appointment of members of the judiciary.

7.8 Transfers to local government

The department makes no transfer payments to local government, although it does pay motor vehicle licence fees against this category, which are not a direct transfer to a municipality. Therefore, the table reflecting transfers to local government is excluded.

7.9 Transfers and subsidies

Table 1.10 summarises transfers by programme and main category over the seven-year period.

Table 1.10 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	1 099	2 486	1 024	1 182	1 182	990	1 248	1 317	1 389
Households	1 099	2 486	1 024	1 182	1 182	990	1 248	1 317	1 389
Staff exit costs	94	1 552	-	-	-	-	-	-	-
PARMED	1 005	934	1 024	1 182	1 182	990	1 248	1 317	1 389
2. Institutional Development	21 316	33 350	24 959	63 712	63 860	63 962	22 282	23 507	24 800
Provinces and municipalities	76	136	80	60	105	131	63	66	70
Motor vehicle licences	76	136	80	60	105	131	63	66	70
Departmental agencies and accounts	-	-	-	42 925	42 310	42 310	-	-	-
KZNGBB	-	-	-	42 925	42 310	42 310	-	-	-
Non-profit institutions	-	27	-	-	-	-	-	-	-
KZN Law Society	-	27	-	-	-	-	-	-	-
Households	21 240	33 187	24 879	20 727	21 445	21 521	22 219	23 441	24 730
Staff exit costs	455	446	54	3	721	796	3	3	3
Provincial Bursary Programme	20 785	32 741	24 825	20 724	20 724	20 725	22 216	23 438	24 727
3. Policy and Governance	24 167	23 186	20 193	52 029	53 082	53 331	19 086	20 136	21 243
Departmental agencies and accounts	24 002	22 977	19 869	52 029	52 029	52 029	19 086	20 136	21 243
Amafa	-	-	-	33 989	33 989	33 989	-	-	-
RHT	24 002	22 977	19 869	18 040	18 040	18 040	19 086	20 136	21 243
Households	165	209	324	-	1 053	1 302	-	-	-
Staff exit costs	165	209	324	-	1 053	1 302	-	-	-
Total	46 582	59 022	46 176	116 923	118 124	118 283	42 616	44 960	47 432

The motor vehicle licence budget is in Programme 2. The increase in this category in the 2018/19 Adjusted Appropriation relates to reprioritisation to address under-budgeting for vehicle licences. The lower baseline over the MTEF is in line with planned scrapping of redundant vehicles. The erratic trend in 2018/19 and 2019/20 is due to new vehicles being licensed and redundant vehicles removed from the system for 2019/20. The lower baseline over the MTEF is in line with planned scrapping of redundant vehicles, with steady growth over the remainder of the MTEF.

Programme 1 reflects transfers against *Households* for social benefits relating to staff exit costs, as well as medical aid contributions for ex-parliamentarians.

Programmes 2 and 3 house the bulk of the *Transfers and subsidies* budget:

- *Departmental agencies and accounts* relates to transfers made to the RHT. The trends are discussed in detail in Section 7.7. Note that transfers to KZNGBB and Amafa are now the responsibility of EDTEA and DAC, respectively, and the prior years' and the 2019/20 MTEF figures have been adjusted accordingly and are now reported on in the chapters for those departments.
- The amount reflected against *Non-profit institutions* relates to a sponsorship of R27 000 to the KZN Law Society, as previously explained.
- The category *Households* caters for bursaries and staff exit costs. It must be noted that, although the Provincial Bursary Programme was decentralised back to the departments from which the funds were originally moved, a portion of the budget remains for the external bursaries administered by the OTP, but now administered under Programme 2. During 2015/16, the department undertook a once-off shift from *Compensation of employees* to this category, as a result of the discontinuation of the Youth Ambassadors' programme stipends, to cater for the in-year spending pressure in respect of bursaries. It must also be noted that the bursaries function was moved from Programme 3 to Programme 2 from 2018/19 onward, with historical figures restated. The department reprioritised an additional R14 million to this category in 2016/17 with carry-through for bursaries in response to the "fees must fall" movement by students countrywide. In 2018/19, this category was reduced by R5 million to cater for operational costs for the Youth Development function. The 2019/20 MTEF reflects steady growth from the lower base.

8. Programme description

The services rendered by this department are, as per the generic sector structure, categorised under three programmes, the details of which are discussed below. However, the department does not conform fully to the generic programme structure of the sector at this stage, but National Treasury approval has been obtained for the deviation, as mentioned. Note that there is greater compliance with the generic sector structure following the movement of the Gaming and Betting and the Heritage functions to EDTEA and DAC, respectively. The amounts for each programme are summarised in terms of economic classification, with details given in *Annexure – Vote 1: Office of the Premier*.

8.1 Programme 1: Administration

The purpose of this programme is to provide administrative support to the Premier, Provincial Executive Council and the Director-General in fulfilling their legislative and oversight functions and in promoting good corporate governance. The department does not fully conform to the generic programme structure of the sector at this stage partly due to the exclusion of the Programme Support sub-programme. Note also that the sub-programme: Intergovernmental Relations (IGR) has been moved to Programme 1 and this was approved by National Treasury. Historical trends have been restated for comparative purposes.

The objectives of this programme are as follows:

- To provide logistical, administrative and advisory support to the Premier in executing the constitutional mandate and statutory duties.
- To render secretariat support services to the Provincial Executive Council, clusters, and key provincial committees.

- To provide operational support to the Director-General in strategically managing the province.
- To provide financial management support and advisory services.
- To improve inter- and intra-governmental relations and promote effective co-operative governance through implementation of the IGR Act, 2005).

Tables 1.11 and 1.12 reflect a summary of payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2015/16 to 2021/22.

Table 1.11 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Premier Support	38 124	35 866	25 102	27 751	25 901	27 186	28 570	30 809	32 532
2. Executive Council Support	7 961	9 546	9 792	10 264	8 364	8 541	8 482	9 154	9 657
3. Director-General Support	13 424	9 743	13 534	14 458	18 098	17 509	15 171	16 351	17 250
4. Financial Management	33 551	29 712	41 741	49 853	50 667	42 711	53 562	55 365	58 410
5. Intergovernmental Relations	12 303	14 016	17 638	-	-	-	32 352	33 668	35 521
Total	105 363	98 883	107 807	102 326	103 030	95 947	138 137	145 347	153 370

Table 1.12 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	101 528	94 963	106 245	99 880	100 584	93 693	135 028	142 489	150 355
Compensation of employees	63 367	64 383	64 772	66 878	59 135	58 118	86 148	90 825	95 848
Goods and services	38 161	30 580	41 473	33 002	41 449	35 575	48 880	51 664	54 507
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1 099	2 486	1 024	1 182	1 182	990	1 248	1 317	1 389
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 099	2 486	1 024	1 182	1 182	990	1 248	1 317	1 389
Payments for capital assets	2 710	1 434	538	1 264	1 264	1 264	1 861	1 541	1 626
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 563	1 434	538	1 264	1 264	1 264	1 861	1 541	1 626
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	147	-	-	-	-	-	-	-	-
Payments for financial assets	26	-	-	-	-	-	-	-	-
Total	105 363	98 883	107 807	102 326	103 030	95 947	138 137	145 347	153 370

The sub-programme: Premier Support provides technical, administrative and advisory support to the Premier in executing his constitutional mandate. The decrease in 2017/18 is primarily attributed to the once-off internal reprioritisation of R5 million for the Moerane Commission of Inquiry into political killings in KZN, during 2016/17, as well as fiscal consolidation cuts. In 2017/18, the expenditure for the Moerane Commission of Inquiry was reflected under the Financial Management sub-programme. The growth over the 2019/20 MTEF is mainly inflationary, with 2020/21 growth slightly above inflation to fund existing posts, with funding not adequate in the outer year, at this stage.

The sub-programme: Executive Council Support renders secretariat support services to the Provincial Executive Council. The reduction in the 2018/19 Adjusted Appropriation relates largely to vacant posts, with funding reprioritised to Programmes 2 and 3 to address in-year pressures in respect of the Social Cohesion and Moral Regeneration programmes. The inflationary growth over the MTEF is mainly ascribed to the weekly Provincial Executive Council meetings, clusters, as well as the bi-annual Provincial Executive Council *Lekgotla*.

The Director-General Support sub-programme provides operational support to the Director-General in strategically managing the province. The decrease in 2016/17 was due to cost-cutting, particularly against consultants. The above inflation increase from 2016/17 to 2017/18 was due to the inclusion of the newly created Internal Control and Organisational Risk Management Directorate under this programme. The

increase in the 2018/19 Adjusted Appropriation relates largely to higher than expected travel and subsistence costs for international trips, accounting for the decrease in 2019/20. The higher than inflation growth in 2020/21 is as a result of funding for filling some vacant posts, however, the funding is not adequate in the outer year, at this stage. The outer year growth is inflationary only.

The Financial Management sub-programme provides financial management support and advisory services to the Premier and Director-General in fulfilling their legislative and oversight functions and in promoting good corporate governance. The above inflationary growth in 2017/18 was primarily due to the internal reprioritisation of funds for the Moerane Commission of Inquiry, which provided a final report in 2018/19, as well as procurement of financial management reporting tools for the OTP, which enables the OTP to scan all payment vouchers and link to transactions in Emapp (an in-house system that draws data from BAS into Excel format). The slight increase in the 2018/19 Adjusted Appropriation was due to additional funding allocated for the costs of the Moerane Commission of Inquiry, mitigated to some extent by vacant posts, with funding reprioritised to Programmes 2 and 3 to address in-year pressures related to the Social Cohesion and Moral Regeneration programmes. The projected under-spending in the 2018/19 Revised Estimate is a result of reprioritisation from *Goods and services* administrative items in order to address pressures in Programme 3. The above inflationary growth in 2019/20 is attributed to the filling of critical vacant posts, but provision has not been adequately made for the carry-through costs over the 2019/20 MTEF, and this will be addressed in the next budget process. There is inflationary growth in the outer year.

The IGR sub-programme was moved from Programme 2 to Programme 1 over the MTEF. Historical figures were restated for comparative purposes. The purpose of this sub-programme is to improve inter- and intra-governmental relations and promote effective co-operative governance through implementation of the IGR Act. The unit co-ordinates with all departments to ensure effective delivery of all MTSF outcomes. Funds were reprioritised over the 2019/20 MTEF to this sub-programme for the newly created Special Projects responsibility, which includes certain aspects of the Social Cohesion and Moral Regeneration programmes, as mentioned. The growth over the 2019/20 MTEF is mainly inflationary.

Compensation of employees sees a reduction in the 2018/19 Adjusted Appropriation, and this relates to the previously mentioned vacant posts, with funding reprioritised to Programmes 2 and 3 to address in-year pressures related to the Social Cohesion and Moral Regeneration programmes. The significantly high growth of 48.2 per cent in 2019/20 is attributed to the planned filling of 17 critical vacant posts, but provision has not been adequately made for the carry-through costs over the 2019/20 MTEF, and this will be addressed in the next budget process.

The high growth in *Goods and services* in 2017/18 is mainly ascribed to the internal reprioritisation of funds for the Moerane Commission of Inquiry. This once-off funding explains the negative growth in the 2018/19 Main Appropriation. However, as mentioned, further funds were allocated for this purpose in the 2018/19 Adjusted Appropriation. The projected under-spending in the 2018/19 Revised Estimate is a result of reprioritisation of funds related to administrative items in order to address pressures in Programme 3. The significant growth in 2019/20 relates to funding reprioritised to the IGR sub-programme for the Special Projects function. The category grows at an inflationary rate only thereafter.

Transfers and subsidies to: Households caters for payments in respect of staff exit costs and PARMED. The fluctuating trend from 2015/16 to the 2018/19 Revised Estimate is largely attributed to fluctuating leave gratuity payments, as well as the fact that PARMED beneficiary numbers are decreasing from year-to-year due to natural attrition. The high growth in 2019/20 will be reviewed in the next budget process, as PARMED numbers are expected to decrease over the MTEF.

The amounts against *Machinery and equipment* can be ascribed to procurement of vehicles, furniture and equipment for this programme. The peak in 2019/20 is as a result of the planned purchase of a motor vehicle for the Office of the Director-General, accounting for the decrease in 2020/21.

Software and other intangible assets in 2015/16 relates to the purchase of software for the Provincial Executive Council office.

Payments for financial assets mainly relates to the write-off of debts.

Service delivery measures: Administration

Table 1.13 illustrates service delivery measures pertaining to Programme 1.

It is noted that the OTP sector has not yet agreed on standardised service delivery measures. Also note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP.

Table 1.13 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2018/19	2019/20	2020/21	2021/22	
1. Premier Support						
1.1	Administrative support services to the Premier	• No. of Provincial Executive Council decision matrix implementation progress reports submitted to the Provincial Executive Council	20	20	20	20
2. Executive Council Support						
2.1	Effective and efficient Provincial Executive Council and key committees administrative support service	• No. of Provincial Executive Council meeting decision matrices circulated within 10 working days of meeting	20	20	20	20
3. Director-General Support						
3.1	Strategic management meeting resolutions	• No. of EXCO meetings supported (EXCO and Makgotla)	22	22	22	22
4. Financial Management						
4.1	Annual audit improvement plan	• % of external audit recommendations implemented	100%	100%	100%	100%
		• Annual audit finding	Unqualified	Unqualified	Unqualified	Unqualified
4.2	30 day payment	• % of invoices paid within 30 days	100%	88%	90%	95%
5. IGR						
5.1	Technical Premier's forum meetings	• No. of IGR Technical Premier's forum decision matrices	4	4	4	4

8.2 Programme 2: Institutional Development

The purpose of this programme is to improve service delivery through institutional capacity building and transformation management in the province, and the objectives are:

- Providing transversal legal advisory and support services.
- Providing transversal human resource management and systems.
- Co-ordinating the holistic development of public servants, as well as the citizenry of KZN in general.
- Providing strategic information communication technology, science and technology management, leadership and support.
- Providing strategic communication leadership and support.
- To promote and co-ordinate human rights programmes in KZN.
- To promote and co-ordinate the mainstreaming of human rights in public policy and planning processes in the provincial administration.
- To co-ordinate the implementation of gender equality programmes.

Tables 1.14 and 1.15 summarise payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2015/16 to 2021/22.

Table 1.14 : Summary of payments and estimates by sub-programme: Institutional Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Strategic Human Resources	88 531	93 542	84 474	91 093	86 893	84 151	90 754	98 339	103 747
2. Information Communication Technology (ICT)	63 100	74 542	72 623	82 823	82 260	78 520	87 454	86 661	91 427
3. Legal Services	10 464	10 478	15 166	11 719	14 919	14 189	12 439	13 462	14 202
4. Communication Services	66 672	47 626	57 062	62 608	60 868	53 687	63 699	67 507	71 221
5. Special Programmes	78 926	72 039	63 254	98 383	131 931	125 613	108 019	115 341	121 687
6. Intergovernmental Relations	-	-	-	16 117	58 196	69 306	-	-	-
7. Gaming and Betting	-	-	-	47 634	47 763	47 590	-	-	-
Total	307 693	298 227	292 579	410 377	482 830	473 056	362 365	381 310	402 284

Table 1.15 : Summary of payments and estimates by economic classification: Institutional Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	268 092	247 802	262 055	338 108	404 592	394 703	327 772	351 912	371 270
Compensation of employees	96 982	103 207	112 769	156 911	150 136	140 724	150 920	164 163	173 193
Goods and services	171 110	144 595	149 286	181 197	254 456	253 979	176 852	187 749	198 077
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	21 316	33 350	24 959	63 712	63 860	63 962	22 282	23 507	24 800
Provinces and municipalities	76	136	80	60	105	131	63	66	70
Departmental agencies and accounts	-	-	-	42 925	42 310	42 310	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	27	-	-	-	-	-	-	-
Households	21 240	33 187	24 879	20 727	21 445	21 521	22 219	23 441	24 730
Payments for capital assets	18 265	17 074	5 564	8 557	14 183	14 183	12 311	5 891	6 214
Buildings and other fixed structures	-	10 905	333	4 747	8 433	8 433	8 293	1 718	1 812
Machinery and equipment	18 265	6 169	5 231	3 810	5 750	5 750	4 018	4 173	4 402
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	20	1	1	-	195	208	-	-	-
Total	307 693	298 227	292 579	410 377	482 830	473 056	362 365	381 310	402 284

The Gaming and Betting function has been transferred to EDTEA in terms of provincial proclamation No. 5 of 14 December 2018, with the movement effective from 1 April 2019. Note that historical and MTEF figures have been restated in the EDTEA chapter. In 2018/19, there are also movements of certain responsibilities from Programme 3 to Programme 2, with the Youth Development function moved from the Premier's Priority Programmes sub-programme in Programme 3 to the Special Programmes sub-programme in Programme 2. In addition, the Security Services function is moved within Programme 2 from the sub-programme: Strategic Human Resources to the sub-programme: Special Programmes. Historical trends could not be restated as records are not kept at this level. Also, as mentioned, the IGR sub-programme has moved to Programme 1 from 2019/20, with historical figures restated.

The programme does not fully conform to the generic programme structure as the Special Programmes sub-programme falls under Programme 3 in terms of the sector structure, however authority was obtained from National Treasury for the deviation.

The Strategic Human Resources sub-programme facilitates, co-ordinates, monitors and promotes strategic human resources and development within provincial government, as well as internally within the OTP. This sub-programme includes the Training Academy. The increase in 2016/17 was largely due to the once-off payment for the feasibility study and the preparation of plans in respect of the Training Academy, as mentioned. This accounts for the decrease in 2017/18. The decrease in the 2018/19 Adjusted Appropriation is mainly attributed to reprioritisation to the sub-programme: IGR for in-year pressures related to the Social Cohesion and Moral Regeneration programmes. Growth over the 2019/20 MTEF is slightly higher than inflation in line with the anticipated filling of posts.

The ICT sub-programme co-ordinates provincial government ICT policy and renders internal ICT support and auxiliary services to the department and increases steadily from 2015/16 to the 2019/20 MTEF. The decrease in 2017/18 relates to once-off costs for advertising and SITA services in 2016/17. While the 2018/19 Adjusted Appropriation is largely unchanged, there were savings, largely due to vacant posts and

these were reprioritised to the IGR sub-programme for in-year pressures related to the Social Cohesion and Moral Regeneration programmes. This was mitigated by the roll-over of funding for the Terry Street parking project, as well as funding for roof repairs at the Moses Mabhida building, as mentioned. The projected under-spending in the 2018/19 Revised Estimate is attributed to delays in moving to the new premises in Pietermaritz Street. The 2019/20 MTEF provides for IT upgrades for the whole department, as well as the department's administration and auxiliary services, which are centralised under this sub-programme. The Moses Mabhida building project has carry-through funding in 2019/20. This once-off funding accounts for the high growth in 2019/20 and the negative growth in 2020/21.

The Legal Services sub-programme provides a comprehensive and professional internal legal support service to OTP and provides an inter-departmental, transversal state law advisory service to departments. The once-off increase in 2017/18 was due to the internal reprioritisation of funds for transversal legal investigations regarding confidential legal matters related to HODs and disciplinary hearings, hence the negative growth in 2018/19. The increase in the 2018/19 Adjusted Appropriation relates to back-pay for a salary upgrade, as well as resettlement costs (ex Ulundi staff) accounting for the negative growth in 2019/20. The slightly high growth in 2020/21 is due to the previously mentioned National Treasury provision in the 2018/19 MTEF for wage inflation. The growth in the outer year is inflationary only.

The Communication Services sub-programme provides an integrated and co-ordinated government communication service in the province, as well as internally within OTP. The sub-programme is responsible for the creation of a vibrant dialogue between OTP and the community by promoting a citizenship with positive moral values and enhancing synergy with other departments in service delivery. The above inflation increase in 2017/18 was due to internal reprioritisation undertaken for the transversal communication strategy for KZN. This strategy has changed the provincial government communication environment from a one-way communication approach and introduced an effective, targeted and impactful communication to the province's citizens. The projected under-spending in the 2018/19 Revised Estimate relates to reprioritisation from savings in advertising, as well as transport and subsistence costs, to the IGR sub-programme for pressures in the Social Cohesion and Moral Regeneration programmes, and this accounts for the high growth in 2019/20. Although the growth is inflationary only over the remainder of the 2019/20 MTEF, this sub-programme will continue to co-ordinate various communication publications, campaigns and strategies, such as Simama, Anti-Rape, Anti-Xenophobia, Human Rights Day, Youth Day, Heritage Day, etc. This sub-programme also administers the Communication Forum which meets bi-annually and includes all departments.

The Special Programmes sub-programme includes the Integrity Management unit, the Office of the Ombudsperson and Democracy Support Services. Integrity Management aims to mitigate and eliminate incidences of unethical conduct by government officials with a view to improving good governance. Democracy Support Services ensures that government translates its constitutional, political and global commitments into measurable and meaningful programmes on gender, disability, children, as well as senior citizens and other vulnerable groups. The significant increase in the 2018/19 Adjusted Appropriation relates to once-off additional funding allocated for the establishment of the Youth Development Fund, as proclaimed by the Premier in the SOPA and departmental budget speech. This accounts for the negative growth in 2019/20. The projected under-spending in the Revised Estimate is due to vacant posts. Growth over the remainder of the 2019/20 MTEF is largely inflationary.

Compensation of employees over the MTEF relates to the staggered filling of prioritised critical posts, as mentioned. The decrease in the 2018/19 Adjusted Appropriation, as well as projected under-spending in the Revised Estimate is mainly attributed to funded vacant posts not filled. Although the department intends to fill three posts in 2019/20, provision has not been adequately made for the carry-through costs of existing staff from 2018/19, with growth at only 7.3 per cent, and this will be addressed in-year. In addition, provision has not been adequately made for the carry-through costs of existing staff over the remainder of the MTEF, particularly 2021/22, and this will be addressed in the next budget process.

Goods and services reflects an increase in the 2018/19 Adjusted Appropriation as a result of the once-off funding for the Youth Development Fund, as well as internal reprioritisation for the Social Cohesion and Moral Regeneration programmes, as mentioned. *Goods and services* in this programme also provides for costs such as communication and hosting of service delivery events and campaigns, such as Anti-Rape and Anti-Xenophobia campaigns, Human Rights Day, Heritage Day, etc. The growth in 2019/20 is

negative due to the above-mentioned once-off funding for the Youth Development Fund, with inflationary growth over the remainder of the MTEF.

Transfers and subsidies to: Provinces and municipalities over the MTEF caters for motor vehicle licence fees. The lower baseline over the MTEF is in line with the planned scrapping of redundant vehicles. The erratic trend in 2018/19 and 2019/20 is due to new vehicles being licensed and redundant vehicles removed from the system for 2019/20.

Transfers and subsidies to: Departmental agencies and accounts comprises transfers to the KZNGBB, which are now located in EDTEA. It is noted that the budget for the entity was reduced by R821 000 in the 2018/19 Adjustments Estimate, which was erroneously allocated in 2018/19 as this amount formed part of a lump-sum of R20.033 million which was allocated for transfer to the entity in the 2017/18 Adjustments Estimate. As such, R821 000 was removed from the budgeted transfer. In addition, an amount of R206 000 was shifted from *Goods and services* for transfer to the entity in the 2018/19 Adjustments Estimate. This was due to incorrect budgeting for the computer services costs of the entity.

Transfers and subsidies to: Non-profit institutions in 2016/17 catered for a sponsorship to the KZN Law Society for a function to honour the appointment of members of the judiciary.

The amounts against *Transfers and subsidies to: Households* provides for the external bursary budget of the OTP, which previously resided in Programme 3. The department has adjusted the historical trends to allow for trend analysis. In 2016/17, there was reprioritisation to this category of R14 million with carry-through for bursaries in response to the “fees must fall” movement by students countrywide. In 2018/19, this category was reduced by R5 million to cater for operational costs for the Youth Development function. The department currently supports just over 400 students. There is only a minimal provision for staff exit costs over the 2019/20 MTEF.

Buildings and other fixed structures largely pertains to the renovations at OTP’s administrative buildings. The peak in 2016/17 relates to spending on the feasibility study and the preparation of plans in respect of the Training Academy. The increase in the 2018/19 Adjusted Appropriation relates to a roll-over for the Terry Street parking project, as well as additional funding for the roof repairs of the Moses Mabhida building. The funding in 2019/20 provides for the carry-through costs for the Moses Mabhida building renovations accounting for the negative growth in 2020/21. Growth in the outer year is inflationary only.

Machinery and equipment spending in 2015/16 was high due to the purchase of replacement vehicles for the departmental fleet. The category shows a significant decrease from 2016/17 and this was mainly due to the carry-through of previously mentioned fiscal consolidation cuts. The increase in the 2018/19 Adjusted Appropriation was related to the purchase of vehicles (largely centralised in Programme 2) in the Office of the Director-General and Communication Services, accounting for the negative growth in 2019/20. The funds over the MTEF provide for furniture, laptops and departmental vehicles and growth is inflationary only.

The department wrote off various losses against *Payments for financial assets* from 2015/16 to 2018/19.

Service delivery measures: Institutional Development

Table 1.16 illustrates service delivery measures pertaining to Programme 2. The service delivery outputs were revised and streamlined in terms of the re-alignment and re-focus to fall in line with the PGDP. Note that only a few main measures are reflected below, and the full set of measures is detailed in the APP.

Table 1.16 : Service delivery measures: Institutional Development

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
1. Strategic Human Resources					
1.1 Technical human resource management policy support services	• No. of reports on Technical HR support services on KZN HR policy matters	4	4	4	4
1.2 Public Service training sessions	• No. of training sessions	200	120	220	220

Table 1.16 : Service delivery measures: Institutional Development

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2018/19	2019/20	2020/21	2021/22	
2. Information Communication Technology						
2.1	IT governance assessment reports	• No. of 6 monthly provincial depts' IT governance assessment co-ordination reports	2	2	2	2
3. Legal Services						
3.1	Appropriate and constitutionally compliant provincial legislation	• No. of quarterly reports on Provincial Legislative programme submitted within 10 days of end of each quarter	4	4	4	4
4. Communication Services						
4.1	Annual departmental communication plan	• No. of articles on the PGDP published in the print media targeting external audiences	8	8	8	8
5. Special Programmes						
5.1	Integrity conferences	• Integrity leadership conferences (after every 2 nd year)	1	-	-	1
5.2	Annual performance plans for each human rights target group	• No. of updated 5-year strategic plans for each target group: 1 x gender; 1 x disability, 1 x children; and 1 x senior citizens	1 per group, 4 total	1 per group, 4 total	1 per group, 4 total	1 per group, 4 total
5.3	Ombudsperson co-ordination	• Annual provincial Ombudsperson Intervention Co-ordination and Monitoring reports	1	1	1	1

8.3 Programme 3: Policy and Governance

The purpose of this programme is to initiate province-wide development and implementation of policies and strategies to achieve a co-ordinated approach toward sustainable provincial growth and development, and the objectives are as follows:

- To capacitate the provincial government and administration on governance and public policy management.
- To manage and co-ordinate strategic projects as mandated by the Premier and the Provincial Executive Council.
- To ensure a co-ordinated approach with respect to provincial policy management.
- To co-ordinate a comprehensive response to the socio-economic impact of HIV and AIDS.
- To ensure successful implementation of priority socio-economic programmes and projects in KZN.
- To ensure the effectiveness of policy, planning and programme interventions through evaluation of strategic policy outcomes.
- To design and utilise a functional monitoring and evaluation system for the provincial government and administration and local government.
- To provide support services to His Majesty, the King, and facilitate the smooth functioning of RHT.

This programme does not fully conform to the generic structure of the sector because it includes the Royal Household sub-programme (unique to KZN) and should include the Special Programmes sub-programme, which falls under Programme 2 but, in terms of the sector, should fall under Programme 3. Authority was obtained from National Treasury for the deviation.

In the 2018/19 MTEF, the Youth Development function moved from Programme 3 to Programme 2. The department was unable to provide prior year comparatives for this adjustment across sub-programmes due to financial records not being kept at this level. Note that that the Heritage sub-programme, including Amafa, have moved to DAC from 1 April 2019 in terms of provincial proclamation No. 5 of 14 December 2018.

Tables 1.17 and 1.18 provide a summary of payments and estimates by sub-programme and economic classification for the period 2015/16 to 2021/22.

Table 1.17 : Summary of payments and estimates by sub-programme: Policy and Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Provincial Policy Management	34 151	40 746	42 375	50 626	48 376	39 765	54 928	58 285	61 490
2. Premier's Priority Programmes	120 736	100 179	119 555	98 145	103 304	124 445	91 855	97 616	102 984
3. Royal Household	59 717	73 334	72 168	65 830	64 919	67 408	66 719	71 344	75 266
4. Heritage	-	-	-	59 833	51 833	53 671	-	-	-
Total	214 604	214 259	234 098	274 434	268 432	285 289	213 502	227 245	239 740
Unauth. Exp. (1st charge) not available for spending	(2 500)	(2 194)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	212 104	212 065	234 098	274 434	268 432	285 289	213 502	227 245	239 740

Table 1.18 : Summary of payments and estimates by economic classification: Policy and Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	179 116	176 341	206 567	210 429	203 344	219 948	187 284	199 585	210 560
Compensation of employees	64 401	81 057	91 225	99 239	97 075	101 277	89 603	96 530	101 839
Goods and services	114 715	95 284	115 342	111 190	106 269	118 671	97 681	103 055	108 721
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	24 167	23 186	20 193	52 029	53 082	53 331	19 086	20 136	21 243
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	24 002	22 977	19 869	52 029	52 029	52 029	19 086	20 136	21 243
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	165	209	324	-	1 053	1 302	-	-	-
Payments for capital assets	8 600	12 493	7 252	11 976	11 976	11 976	7 132	7 524	7 937
Buildings and other fixed structures	2 271	5 918	1 377	982	1 982	1 982	1 503	2 353	2 482
Machinery and equipment	6 325	6 575	5 875	6 175	5 175	5 264	5 629	5 171	5 455
Heritage assets	-	-	-	4 819	4 819	4 730	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	4	-	-	-	-	-	-	-	-
Payments for financial assets	2 721	2 239	86	-	30	34	-	-	-
Total	214 604	214 259	234 098	274 434	268 432	285 289	213 502	227 245	239 740
Unauth. Exp. (1st charge) not available for spending	(2 500)	(2 194)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	212 104	212 065	234 098	274 434	268 432	285 289	213 502	227 245	239 740

As mentioned, the baseline available for Programme 3 was reduced by the first charge (shown below the total line) that was imposed on the former DRH and therefore has to be honoured in line with a SCOPA resolution. The final instalment of the first charge was paid in 2016/17.

The Provincial Policy Management sub-programme provides for strategic planning, research co-ordination, and monitoring and evaluation. The PPC resides in this sub-programme. The under-spending projected in the 2018/19 Revised Estimate relates to reprioritisation to the sub-programme: Premier's Priority Programmes for pressures related to the Social Cohesion and Moral Regeneration programmes, accounting for the high growth in 2019/20. The MTEF caters for the annual Citizen Satisfaction survey, PGDS and PGDP reviews undertaken every two years, support to AWG 17, provincial and internal QPR and APP reviews, etc. and shows inflationary growth over the two outer years of the MTEF.

The sub-programme: Premier's Priority Programmes promotes the culture of engagement by co-ordinating stakeholder participation, priority programmes incorporating Veterans' Support, HIV and AIDS, OSS, the co-ordination of the Inkululeko Development projects (phases 2 and 3) in uMzinyathi and uThukela, as well as PEMP co-ordination. The funding for phase 1 (Ndumo) ended in 2018/19. The funding for the PEMP co-ordination function ended in 2018/19. Should any funding be required for this function in 2019/20, this will be addressed in-year. The increase in the 2018/19 Adjusted Appropriation relates to funding reprioritised from Programme 1 for in-year pressures related to the Social Cohesion and Moral Regeneration programmes, which also account for the significant projected over-spending in the Revised Estimate. These once-off costs contribute to the negative growth in 2019/20, as well as the movement of the Youth Development function to Programme 2 from 2019/20, as mentioned previously. The Social Cohesion and Moral Regeneration programmes spent significantly more in 2018/19, to address the recommendations of the Moerane Commission of Inquiry. While there are some carry-through costs, these

are expected to be significantly less going forward, hence the decrease in 2019/20. This will be reviewed in-year should circumstances require it. Growth over the two outer years of the MTEF is inflationary only.

The sub-programme: Royal Household provides support services to His Majesty, the King and the Royal Household. As previously mentioned, DRH had a first charge that had to be honoured up to 2016/17, as shown in the table. The over-spending projected in the 2018/19 Revised Estimate relates to higher than expected event costs, such as two royal funerals, accounting for the negative growth in 2019/20. The 2019/20 MTEF provides for inflationary increases in the transfer to the RHT, as well as for His Majesty, the King's ceremonies such as *Umkhosi Womhlanga* (Reed Dance), *Umkhosi Wamaganu* (annual Amarula Festival), *Umkhosi Woselwa* (Thanksgiving), homecoming of *Abakhwetha*, various operational costs of the unit, and renovations to the Royal palaces.

In terms of provincial proclamation No. 5 of 14 December 2018, the Heritage unit will be transferred to DAC from 1 April 2019. The reduction in the 2018/19 Adjusted Appropriation is attributed to savings from a vacant post, as well as forced savings in *Goods and services* to address pressures in Programme 2 related to the Social Cohesion and Moral Regeneration programmes.

Compensation of employees decreases in the 2018/19 Adjusted Appropriation due to vacant posts, with reprioritisation to *Goods and services* for pressures related to the Social Cohesion and Moral Regeneration programmes. However, the high projected spending in the Revised Estimate is attributed to over-estimating the extent of savings in the Adjusted Appropriation. The negative growth in 2019/20 is mainly due to the transfer of approximately 14 officials of the Youth Development function to Programme 2 from 2019/20, as well as the movement of the Heritage function to DAC from 1 April 2019. In both these cases, the figures for 2018/19 are not restated. The budget does not grow sufficiently over the two outer years of the MTEF to cover the projected wage increases for existing staff, and this will be addressed in the next budget process.

Goods and services included funding for the PPC, OSS, Diakonia Council of Churches, as well as various events. The reduction in 2016/17 is attributed to cost-cutting. The increase in 2017/18 is due to events held in that year, including a number of Social Cohesion and Moral Regeneration events, as well as Royal Household events, as mentioned. The reduction in the 2018/19 Adjusted Appropriation relates to reprioritisation to address pressures in Programme 2. The projected over-spending in the Revised Estimate is due to pressures in the Social Cohesion and Moral Regeneration programmes, accounting for the negative growth in 2019/20. Also affecting the negative growth in 2019/20 is the movement of the Heritage function to DAC, with the costs for this category not restated in 2018/19. Although the MTEF starts from a relatively lower base, it increases gradually to accommodate service delivery events and campaigns such as OSS, priority programmes and King's support events, etc.

The transfers to the RHT are reflected against *Transfers and subsidies to: Departmental agencies and accounts*, as detailed in Section 7.7.

Transfers and subsidies to: Households provides for staff exit costs. There is no provision for staff exit costs over the 2019/20 MTEF, and this will be reviewed in-year if necessary.

Buildings and other fixed structures caters for the rehabilitation of the Royal palaces. An amount of R1.313 million was approved as a roll-over from 2016/17 and relates to the roll-over of R8 million from 2015/16 to 2016/17, which could not be entirely spent in 2016/17 as a result of delays that were experienced with renovations at KwaKhangela Palace. The projects included roof waterproofing at KwaKhangela Palace, the children's houses, *gogos'* hut and servants' quarters. The increase in the 2018/19 Adjusted Appropriation is due to reprioritisation to address higher than expected costs for completing the tiling project at Enyokeni Palace. The 2019/20 MTEF provides for the upgrading of the palaces at Enyokeni, KwaKhangela and Dlamahlahla.

The amounts against *Machinery and equipment* mainly relate to the purchase of departmental vehicles, office furniture and computer equipment for newly appointed and replacement staff. The funding over the 2019/20 MTEF provides for office furniture, computers, as well as vehicles.

Heritage assets relate to the Heritage function moved to DAC from 1 April 2019. The 2018/19 funding was for the building of memorials and tombstones for struggle veterans, as determined by the Premier.

Software and other intangible assets in 2015/16 provided for the once-off purchasing of software licences for the Nerve Centre.

Payments for financial assets relates to losses written-off, as well as the first charge against the DRH, as mentioned earlier, with the final instalment paid in 2016/17.

Service delivery measures: Policy and Governance

Table 1.19 provides information on the service delivery measures pertaining to Programme 3. It is noted that the OTP sector has not yet agreed on standardised service delivery measures. Note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP.

Table 1.19 : Service delivery measures: Policy and Governance

Outputs	Performance indicators	Estimated performance			
		2018/19	2019/20	2020/21	2021/22
1. Provincial Policy Management					
1.1 Macro policy development and co-ordination					
1.1.1 Policy audit reports	• No. of policy audit reports	2	1	1	1
2. Premier's Priority Programmes					
2.1 PGDP capacity workshops with strategic partnership	• No. of workshops of stakeholders on PGDP Vision 2035	4	4	4	4
2.2 Co-ordination of the implementation of the Moral Regeneration Movement (MRM)	• No. of MRM co-ordination reports	4	4	4	4
2.3 Strategic partnership forums	• No. of forum meetings with each sector 1 x NGO, 1 x Business, Labour and Academics 1 x Traditional Authority, 1 x Religious sector	4	4	4	4
3. King's Support and Royal Household					
3.1 Support service reports	• Quarterly reports on support services provided to His Majesty and Royal Household	4	4	4	4

9. Other programme information

9.1 Personnel numbers and costs

Table 1.20 reflects personnel estimates for the OTP, per programme. The actual permanent personnel increased in 2016/17 as a result of the fact that the DRH (previously Vote 10) was amalgamated into Vote 1. As a result, 106 employees were transferred to Vote 1 after all negotiations with stakeholders including labour unions. Also, the Gaming and Betting unit staff were transferred into the department in 2016/17 from Vote 6 to Vote 1 in line with the Premier's Minute No. 2 of 2016. This has since been reversed in line with provincial proclamation No. 5 of 14 December 2018, with the function moved to EDTEA, along with six staff. In addition, the Heritage function has moved to DAC in terms of the same proclamation along with eight staff. The historical staff numbers and expenditure figures have been restated in Table 1.20, for the prior and outer years.

As mentioned, the department is projecting to fill approximately 20 posts in 2019/20, bringing the total to 602 filled posts, but will not fully implement the entire organisational structure over the 2019/20 MTEF. Posts will be filled in terms of a staggered approach linked to available funding. Examples of posts to be filled include Directors in Human Resource Development (HRD) and Physical Security, as well as Deputy Directors in Logistics, Internal Control, IT and HRD, among others.

Table 1.20 : Summary of departmental personnel numbers and costs by component

R thousands	Audited Actual						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF		
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22				
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Add. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. growth rate	Costs growth rate	% of Total
Salary level																			
1 – 6	172	25 840	210	25 194	211	30 511	200	-	200	44 781	203	45 958	203	48 347	203	51 006	0.5%	4.4%	14.1%
7 – 10	203	59 355	211	86 332	213	88 067	214	-	214	96 024	220	104 725	220	110 867	220	116 965	0.9%	6.8%	31.7%
11 – 12	81	68 105	77	68 279	85	67 721	77	-	77	68 996	79	74 708	79	83 844	79	88 455	0.9%	8.6%	23.6%
13 – 16	55	71 450	65	68 842	66	72 713	72	-	72	82 481	67	89 656	67	96 011	67	101 292	(2.4%)	7.1%	27.4%
Other	-	-	44	-	51	9 754	3	30	33	7 837	33	11 624	33	12 449	33	13 162	-	18.9%	3.3%
Total	511	224 750	607	248 647	626	268 766	566	30	596	300 119	602	326 671	602	351 518	602	370 880	0.3%	7.3%	100.0%
Programme																			
1. Administration	92	63 367	83	64 383	90	64 772	81	-	81	58 118	98	86 148	98	90 825	101	95 849	7.6%	18.1%	23.9%
2. Institutional Development	234	96 982	290	103 207	300	112 769	248	30	278	140 724	289	150 920	289	164 163	286	173 192	1.0%	7.2%	46.8%
3. Policy and Governance	185	64 401	234	81 057	236	91 225	237	-	237	101 277	215	89 603	215	96 530	215	101 839	(3.2%)	0.2%	29.3%
Total	511	224 750	607	248 647	626	268 766	566	30	596	300 119	602	326 671	602	351 518	602	370 880	0.3%	7.3%	100.0%
Employee dispensation classification																			
P.S.A. appointees not covered by OSDs	498	219 891	595	239 153	613	258 702	555	-	555	287 712	561	315 383	561	339 270	561	357 958	0.4%	7.6%	96.3%
Legal Professionals	13	4 859	12	9 494	13	10 064	11	-	11	12 407	11	11 288	11	12 248	11	12 922	-	1.4%	3.7%
Total	511	224 750	607	248 647	626	268 766	566	30	596	300 119	602	326 671	602	351 518	602	370 880	0.3%	7.3%	100.0%

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

9.2 Training

Table 1.21 reflects payments and estimates on training per programme, providing actual and estimated expenditure on training for the period 2015/16 to 2021/22. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. The department will exceed this target with an average of 2 per cent set aside over the 2019/20 MTEF.

Table 1.21 : Information on training: Office of the Premier

R thousand	Audited 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	511	607	626	596	596	596	602	602	602
Number of personnel trained	300	214	157	373	373	373	335	350	350
of which									
Male	120	73	42	130	130	130	85	85	85
Female	180	141	115	243	243	243	250	265	265
Number of training opportunities	-	18	307	442	442	442	459	479	484
of which									
Tertiary	-	-	283	373	373	373	390	410	415
Workshops	-	13	17	50	50	50	50	50	50
Seminars	-	5	7	19	19	19	19	19	19
Other	-	-	-	-	-	-	-	-	-
Number of bursaries offered	32	14	15	10	10	10	20	21	21
Number of interns appointed	39	43	47	45	45	45	53	56	56
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	-	-	-	-	-	-	-	-	-
Payments on training by programme									
1. Administration	-	12	-	222	81	17	172	178	188
2. Institutional Development	5 349	3 693	3 956	7 056	53 801	57 385	9 625	9 783	10 321
3. Policy and Governance	25	198	32	1 215	195	-	330	349	368
Total	5 374	3 903	3 988	8 493	54 077	57 402	10 127	10 310	10 877

ANNEXURE – VOTE 1: OFFICE OF THE PREMIER

Table 1.A : Details of departmental receipts: Office of the Premier

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
				2018/19					
Tax receipts	-	-	-	600 285	600 285	600 884	-	-	-
Casino taxes	-	-	-	518 570	518 570	519 169	-	-	-
Horse racing taxes	-	-	-	81 715	81 715	81 715	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	149	191	175	273	273	178	288	304	321
Sale of goods and services produced by department (excluding capital assets)	149	156	175	273	273	178	288	304	321
Sale by market establishments	-	11	11	123	123	18	13	14	15
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	149	145	164	150	150	160	275	290	306
<i>Of which</i>									
<i>Commission</i>	142	140	156	273	273	160	150	155	160
<i>Tender documents</i>	7	5	8	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	35	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	23	8	30	1	1	9	1	1	1
Interest	23	8	30	1	1	9	1	1	1
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	535	-	-	535	535	1 368	840	966	1 019
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	535	-	-	535	535	1 368	840	966	1 019
Transactions in financial assets and liabilities	423	267	955	44	44	185	47	50	53
Total	1 130	466	1 160	601 138	601 138	602 624	1 176	1 321	1 394

Estimates of Provincial Revenue and Expenditure

Table 1.B : Payments and estimates by economic classification: Office of the Premier

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	548 736	519 106	574 867	648 417	708 520	708 344	650 084	693 986	732 185
Compensation of employees	224 750	248 647	268 766	323 028	306 346	300 119	326 671	351 518	370 880
Salaries and wages	200 176	221 519	239 311	294 904	277 549	267 891	293 626	318 220	335 750
Social contributions	24 574	27 128	29 455	28 124	28 797	32 228	33 045	33 298	35 130
Goods and services	323 986	270 459	306 101	325 389	402 174	408 225	323 413	342 468	361 305
Administrative fees	2 617	2 351	3 957	3 637	4 122	4 259	4 515	5 046	5 324
Advertising	63 464	46 993	29 119	56 987	48 867	40 635	52 700	56 278	59 374
Minor assets	1 426	2 650	1 241	7 495	5 568	2 221	8 973	9 077	9 578
Audit cost: External	6 184	3 547	4 512	4 690	4 722	3 633	4 700	4 934	5 205
Bursaries: Employees	224	233	240	1 022	772	333	805	951	1 004
Catering: Departmental activities	21 937	16 242	11 829	13 536	14 112	6 872	8 527	9 009	9 505
Communication (G&S)	10 262	9 055	10 038	9 782	9 996	8 958	10 978	11 351	11 976
Computer services	29 125	28 727	31 112	42 705	30 129	26 488	38 574	40 079	42 283
Cons. and prof. serv.: Bus. and advisory services	24 437	16 519	12 774	29 314	29 147	28 844	20 328	24 183	25 512
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	3	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 933	4 401	4 515	409	1 609	929	641	673	711
Contractors	56 466	36 398	100 118	32 975	92 959	123 729	56 054	55 648	58 707
Agency and support / outsourced services	1 567	3 257	323	960	1 000	262	700	882	931
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	6 728	7 895	8 927	7 775	7 815	9 036	6 770	7 016	7 401
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	20	20	-	15	15	16
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	4 279	2 653	3 774	6 554	6 256	2 597	3 155	3 422	3 610
Consumable: Stationery, printing and office supplies	7 329	6 877	5 096	8 919	7 002	5 917	9 403	10 024	10 576
Operating leases	8 524	11 659	11 956	20 605	20 948	13 284	18 037	21 013	22 169
Property payments	12 059	14 105	13 550	8 732	9 466	17 518	11 540	12 412	13 094
Transport provided: Departmental activity	18 818	9 016	5 607	13 750	7 493	3 375	9 030	9 230	9 738
Travel and subsistence	26 934	25 403	36 290	36 366	34 105	40 313	38 605	41 348	43 621
Training and development	5 374	3 903	3 988	8 493	54 077	57 402	10 127	10 310	10 877
Operating payments	206	906	485	155	8 796	5 485	293	280	295
Venues and facilities	14 093	17 669	6 650	10 508	3 190	6 135	8 943	9 287	9 798
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	46 582	59 022	46 176	116 923	118 124	118 283	42 616	44 960	47 432
Provinces and municipalities	76	136	80	60	105	131	63	66	70
Provinces	76	136	80	60	105	131	63	66	70
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	76	136	80	60	105	131	63	66	70
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	24 002	22 977	19 869	94 954	94 339	94 339	19 086	20 136	21 243
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	24 002	22 977	19 869	94 954	94 339	94 339	19 086	20 136	21 243
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	27	-	-	-	-	-	-	-
Households	22 504	35 882	26 227	21 909	23 680	23 813	23 467	24 758	26 119
Social benefits	714	2 207	378	3	1 774	2 098	3	3	3
Other transfers to households	21 790	33 675	25 849	21 906	21 906	21 715	23 464	24 755	26 116
Payments for capital assets	29 575	31 001	13 354	21 797	27 423	27 423	21 304	14 956	15 777
Buildings and other fixed structures	2 271	16 823	1 710	5 729	10 415	10 415	9 796	4 071	4 294
Buildings	2 271	5 918	1 710	5 729	10 415	10 415	9 796	4 071	4 294
Other fixed structures	-	10 905	-	-	-	-	-	-	-
Machinery and equipment	27 153	14 178	11 644	11 249	12 189	12 278	11 508	10 885	11 483
Transport equipment	14 775	7 359	8 781	3 215	5 155	3 730	2 961	2 236	2 359
Other machinery and equipment	12 378	6 819	2 863	8 034	7 034	8 548	8 547	8 649	9 124
Heritage assets	-	-	-	4 819	4 819	4 730	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	151	-	-	-	-	-	-	-	-
Payments for financial assets	2 767	2 240	87	-	225	242	-	-	-
Total	627 660	611 369	634 484	787 137	854 292	854 292	714 004	753 902	795 394
Unauth. Exp. (1st charge) not available for spending	(2 500)	(2 194)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	625 160	609 175	634 484	787 137	854 292	854 292	714 004	753 902	795 394

Table 1.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	101 528	94 963	106 245	99 880	100 584	93 693	135 028	142 489	150 355
Compensation of employees	63 367	64 383	64 772	66 878	59 135	58 118	86 148	90 825	95 848
Salaries and wages	57 320	57 943	58 266	62 053	53 797	52 314	77 602	81 488	85 997
Social contributions	6 047	6 440	6 506	4 825	5 338	5 804	8 546	9 337	9 851
Goods and services	38 161	30 580	41 473	33 002	41 449	35 575	48 880	51 664	54 507
Administrative fees	737	600	1 122	249	1 432	1 062	1 411	1 598	1 686
Advertising	144	802	30	196	96	24	317	275	290
Minor assets	571	334	169	1 270	1 197	698	2 131	2 195	2 317
Audit cost: External	5 538	3 547	4 512	4 600	4 722	3 633	4 700	4 934	5 205
Bursaries: Employees	-	-	-	-	-	-	-	81	85
Catering: Departmental activities	2 731	2 080	1 990	1 230	1 230	721	1 147	1 242	1 311
Communication (G&S)	102	178	98	210	792	124	106	121	128
Computer services	5 126	1 600	669	6 989	834	2 888	1 014	1 212	1 279
Cons. and prof. serv.: Bus. and advisory services	7 501	1 288	7 043	1 820	9 980	8 688	13 250	13 712	14 466
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	3	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	2	1 852	37	-	-	-	200	210	222
Contractors	1 511	4 746	11 152	1 647	2 343	1 657	5 068	5 114	5 394
Agency and support / outsourced services	-	76	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	-	2	-	80	-	-	20	24	25
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	5	5	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	250	927	298	725	650	191	816	877	925
Consumable: Stationery, printing and office supplies	1 946	2 025	1 479	2 355	2 385	1 839	4 202	4 551	4 802
Operating leases	1 046	1 132	1 095	1 504	1 674	1 090	1 635	1 733	1 829
Property payments	306	296	206	727	727	683	222	251	265
Transport provided: Departmental activity	451	172	-	170	170	-	50	53	56
Travel and subsistence	9 980	7 581	11 357	8 688	10 188	10 636	12 191	13 164	13 887
Training and development	-	12	-	222	81	17	172	178	188
Operating payments	-	122	-	105	2 730	1 475	13	-	-
Venues and facilities	219	1 208	216	210	210	149	215	139	147
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 099	2 486	1 024	1 182	1 182	990	1 248	1 317	1 389
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 099	2 486	1 024	1 182	1 182	990	1 248	1 317	1 389
Social benefits	94	1 552	-	-	-	-	-	-	-
Other transfers to households	1 005	934	1 024	1 182	1 182	990	1 248	1 317	1 389
Payments for capital assets	2 710	1 434	538	1 264	1 264	1 264	1 861	1 541	1 626
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 563	1 434	538	1 264	1 264	1 264	1 861	1 541	1 626
Transport equipment	501	-	-	-	-	-	400	-	-
Other machinery and equipment	2 062	1 434	538	1 264	1 264	1 264	1 461	1 541	1 626
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	147	-	-	-	-	-	-	-	-
Payments for financial assets	26	-	-	-	-	-	-	-	-
Total	105 363	98 883	107 807	102 326	103 030	95 947	138 137	145 347	153 370

Estimates of Provincial Revenue and Expenditure

Table 1.D : Payments and estimates by economic classification: Institutional Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	268 092	247 802	262 055	338 108	404 592	394 703	327 772	351 912	371 270
Compensation of employees	96 982	103 207	112 769	156 911	150 136	140 724	150 920	164 163	173 193
Salaries and wages	84 830	90 209	98 646	140 808	134 033	124 699	133 536	147 719	155 844
Social contributions	12 152	12 998	14 123	16 103	16 103	16 025	17 384	16 444	17 349
Goods and services	171 110	144 595	149 286	181 197	254 456	253 979	176 852	187 749	198 077
Administrative fees	496	540	886	882	906	1 712	1 014	1 223	1 290
Advertising	60 466	43 856	28 733	52 467	47 947	40 002	50 663	53 976	56 945
Minor assets	353	751	343	3 835	2 255	801	2 322	2 502	2 640
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	224	233	240	822	772	333	805	859	907
Catering: Departmental activities	5 756	4 862	2 121	7 809	6 665	1 957	5 213	5 092	5 372
Communication (G&S)	9 808	8 313	9 766	8 303	8 099	8 700	10 512	10 865	11 463
Computer services	11 966	16 691	18 369	18 074	14 016	12 771	21 655	22 771	24 023
Cons. and prof. serv.: Bus. and advisory services	7 304	5 085	134	12 842	8 415	9 049	3 590	3 812	4 021
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 931	2 549	4 478	389	989	929	441	463	489
Contractors	13 776	8 362	33 356	10 854	49 542	55 629	15 124	15 727	16 592
Agency and support / outsourced services	794	2 385	323	760	800	262	700	882	931
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	6 220	6 121	7 985	6 895	6 415	7 588	6 750	6 969	7 352
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	15	15	-	15	15	16
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 895	276	956	749	1 094	1 152	787	800	844
Consumable: Stationery, printing and office supplies	3 589	2 531	2 626	3 149	3 109	2 210	2 353	2 475	2 611
Operating leases	6 852	9 503	9 923	17 611	17 944	11 340	15 227	18 017	19 008
Property payments	11 217	13 535	13 185	7 795	8 029	15 954	11 318	12 161	12 829
Transport provided: Departmental activity	10 816	3 760	2 007	5 000	4 400	1 484	3 150	2 835	2 991
Travel and subsistence	7 011	6 194	8 788	14 007	12 723	15 924	13 120	13 695	14 449
Training and development	5 349	3 693	3 956	7 056	53 801	57 385	9 625	9 783	10 321
Operating payments	138	91	35	45	4 920	3 604	15	14	15
Venues and facilities	5 149	5 264	1 076	1 838	1 600	5 193	2 453	2 813	2 968
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	21 316	33 350	24 959	63 712	63 860	63 962	22 282	23 507	24 800
Provinces and municipalities	76	136	80	60	105	131	63	66	70
Provinces	76	136	80	60	105	131	63	66	70
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	76	136	80	60	105	131	63	66	70
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	42 925	42 310	42 310	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	42 925	42 310	42 310	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	27	-	-	-	-	-	-	-
Households	21 240	33 187	24 879	20 727	21 445	21 521	22 219	23 441	24 730
Social benefits	455	446	54	3	721	796	3	3	3
Other transfers to households	20 785	32 741	24 825	20 724	20 724	20 725	22 216	23 438	24 727
Payments for capital assets	18 265	17 074	5 564	8 557	14 183	14 183	12 311	5 891	6 214
Buildings and other fixed structures	-	10 905	333	4 747	8 433	8 433	8 293	1 718	1 812
Buildings	-	-	333	4 747	8 433	8 433	8 293	1 718	1 812
Other fixed structures	-	10 905	-	-	-	-	-	-	-
Machinery and equipment	18 265	6 169	5 231	3 810	5 750	5 750	4 018	4 173	4 402
Transport equipment	10 867	4 318	4 564	2 015	3 955	3 730	1 755	1 852	1 954
Other machinery and equipment	7 398	1 851	667	1 795	1 795	2 020	2 263	2 321	2 448
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	20	1	1	-	195	208	-	-	-
Total	307 693	298 227	292 579	410 377	482 830	473 056	362 365	381 310	402 284

Table 1.E : Payments and estimates by economic classification: Policy and Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	179 116	176 341	206 567	210 429	203 344	219 948	187 284	199 585	210 560
Compensation of employees	64 401	81 057	91 225	99 239	97 075	101 277	89 603	96 530	101 839
Salaries and wages	58 026	73 367	82 399	92 043	89 719	90 878	82 488	89 013	93 909
Social contributions	6 375	7 690	8 826	7 196	7 356	10 399	7 115	7 517	7 930
Goods and services	114 715	95 284	115 342	111 190	106 269	118 671	97 681	103 055	108 721
Administrative fees	1 384	1 211	1 949	2 506	1 784	1 485	2 090	2 225	2 348
Advertising	2 854	2 335	356	4 324	824	609	1 720	2 027	2 139
Minor assets	502	1 565	729	2 390	2 116	722	4 520	4 380	4 621
Audit cost: External	646	-	-	90	-	-	-	-	-
Bursaries: Employees	-	-	-	200	-	-	-	11	12
Catering: Departmental activities	13 450	9 300	7 718	4 497	6 217	4 194	2 167	2 675	2 822
Communication (G&S)	352	564	174	1 269	1 105	134	360	365	385
Computer services	12 033	10 436	12 074	17 642	15 279	10 829	15 905	16 096	16 981
Cons. and prof. serv.: Bus. and advisory services	9 632	10 146	5 597	14 652	10 752	11 107	3 488	6 659	7 025
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	20	620	-	-	-	-
Contractors	41 179	23 290	55 610	20 474	41 074	66 443	35 862	34 807	36 721
Agency and support / outsourced services	773	796	-	200	200	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	508	1 772	942	800	1 400	1 448	-	23	24
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 134	1 450	2 520	5 080	4 512	1 254	1 552	1 745	1 841
Consumable: Stationery, printing and office supplies	1 794	2 321	991	3 415	1 508	1 868	2 848	2 998	3 163
Operating leases	626	1 024	938	1 490	1 330	854	1 175	1 263	1 332
Property payments	536	274	159	210	710	881	-	-	-
Transport provided: Departmental activity	7 551	5 084	3 600	8 580	2 923	1 891	5 830	6 342	6 691
Travel and subsistence	9 943	11 628	16 145	13 671	11 194	13 753	13 294	14 489	15 285
Training and development	25	198	32	1 215	195	-	330	349	368
Operating payments	68	693	450	5	1 146	406	265	266	280
Venues and facilities	8 725	11 197	5 358	8 460	1 380	793	6 275	6 335	6 683
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	24 167	23 186	20 193	52 029	53 082	53 331	19 086	20 136	21 243
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	24 002	22 977	19 869	52 029	52 029	52 029	19 086	20 136	21 243
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	24 002	22 977	19 869	52 029	52 029	52 029	19 086	20 136	21 243
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	165	209	324	-	1 053	1 302	-	-	-
Social benefits	165	209	324	-	1 053	1 302	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	8 600	12 493	7 252	11 976	11 976	11 976	7 132	7 524	7 937
Buildings and other fixed structures	2 271	5 918	1 377	982	1 982	1 982	1 503	2 353	2 482
Buildings	2 271	5 918	1 377	982	1 982	1 982	1 503	2 353	2 482
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 325	6 575	5 875	6 175	5 175	5 264	5 629	5 171	5 455
Transport equipment	3 407	3 041	4 217	1 200	1 200	-	806	384	405
Other machinery and equipment	2 918	3 534	1 658	4 975	3 975	5 264	4 823	4 787	5 050
Heritage assets	-	-	-	4 819	4 819	4 730	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	4	-	-	-	-	-	-	-	-
Payments for financial assets	2 721	2 239	86	-	30	34	-	-	-
Total	214 604	214 259	234 098	274 434	268 432	285 289	213 502	227 245	239 740
Unauth. Exp. (1st charge) not available for spending	(2 500)	(2 194)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	212 104	212 065	234 098	274 434	268 432	285 289	213 502	227 245	239 740

Estimates of Provincial Revenue and Expenditure

Table 1.F : Financial summary for Royal Household Trust (RHT)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Revenue									
Tax revenue	-	-	-	-	-	-	-	-	-
Non-tax revenue	24 201	23 186	20 093	18 237	18 237	18 237	19 292	20 346	21 457
Sale of goods and services other than capital assets	-	-	-	-	-	-	-	-	-
Entity revenue other than sales	199	209	224	197	197	197	206	210	214
Transfers received	24 002	22 977	19 869	18 040	18 040	18 040	19 086	20 136	21 243
Of which:									
OTP	24 002	22 977	19 869	18 040	18 040	18 040	19 086	20 136	21 243
Sale of capital assets	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Other non-tax revenue	-	-	-	-	-	-	-	-	-
Total revenue	24 201	23 186	20 093	18 237	18 237	18 237	19 292	20 346	21 457
Expenses									
Programmes									
1. Administration	5 196	6 775	6 529	6 440	6 399	6 399	6 788	7 156	7 546
2. Operations Management	12 074	16 257	14 212	6 182	11 638	11 638	6 553	6 911	7 289
3. Fund Raising	-	444	-	5 615	200	200	5 951	6 279	6 622
Total	17 270	23 476	20 741	18 237	18 237	18 237	19 292	20 346	21 457
Economic classification									
Current expenses	16 890	23 394	20 727	18 216	18 237	18 237	19 269	20 321	21 428
Compensation of employees	3 603	4 203	4 543	4 661	4 246	4 246	4 894	5 139	5 396
Goods and services	13 287	19 191	16 184	13 555	13 991	13 991	14 375	15 182	16 032
Interest on rent and land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	365	60	-	-	-	-	-	-	-
Payments for financial assets	15	22	14	20	-	-	22	25	29
Total expenses	17 270	23 476	20 741	18 237	18 237	18 237	19 292	20 346	21 457
Surplus / (Deficit)	6 931	(290)	(648)	-	-	-	-	-	-
Adjustments for Surplus / (Deficit)	(6 931)	290	648	-	-	-	-	-	-
(Outstanding creditors) / Deficit	(6 931)	290	648	-	-	-	-	-	-
Surplus / (Deficit) after adjustments	-	-	-	-	-	-	-	-	-

Table 1.G : Personnel summary for RHT

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Board members									
Personnel cost (R thousand)	138	83	48	73	69	69	77	82	86
Personnel numbers (head count)	7	7	7	7	7	7	7	7	7
Unit cost	20	12	7	10	10	10	11	12	12
Executive management									
Personnel cost (R thousand)	1 042	1 083	1 143	1 162	703	703	1 220	1 281	1 345
of which:									
Chief Financial Officer	1 042	1 083	1 143	1 162	703	703	1 220	1 281	1 345
Chief Executive Officer	-	-	-	-	-	-	-	-	-
Personnel numbers (head count)	1	1	1	1	1	1	1	1	1
Unit cost	1 042	1 083	1 143	1 162	703	703	1 220	1 281	1 345
Senior management									
Personnel cost (R thousand)	654	889	937	999	985	985	1 049	1 102	1 157
Personnel numbers (head count)	1	1	1	1	1	1	1	1	1
Unit cost	654	889	937	999	985	985	1 049	1 102	1 157
Middle management									
Personnel cost (R thousand)	659	790	845	880	896	896	924	971	1 019
Personnel numbers (head count)	1	1	1	1	1	1	1	1	1
Unit cost	659	790	845	880	896	896	924	971	1 019
Professionals									
Personnel cost (R thousand)	776	835	894	928	957	957	974	1 023	1 074
Personnel numbers (head count)	2	2	2	2	2	2	2	2	2
Unit cost	388	418	447	464	479	479	487	511	537
Semi-skilled									
Personnel cost (R thousand)	472	521	635	597	608	608	627	658	691
Personnel numbers (head count)	3	3	3	3	3	3	3	3	3
Unit cost	157	174	212	199	203	203	209	219	230
Very low skilled									
Personnel cost (R thousand)	-	84	90	95	97	97	100	105	110
Personnel numbers (head count)	-	1	1	1	1	1	1	1	1
Unit cost	-	84	90	95	97	97	100	105	110
Total for entity									
Personnel cost (R thousand)*	3 741	4 286	4 592	4 734	4 315	4 315	4 971	5 221	5 482
Personnel numbers (head count)	15	16	16	16	16	16	16	16	16
Unit cost	249	268	287	296	270	270	311	326	343

*Note: The difference between the Personnel cost and Compensation of employees relates to Board costs, which are paid from Goods and services

VOTE 2

Provincial Legislature

Operational budget	R507 076 000
Statutory amount (Members' remuneration)	R 91 680 000
Of which: Remuneration of Speaker and Deputy Speaker	R 3 565 000
Total budget	R598 756 000
Total to be appropriated (excl. Members' remuneration)	R507 076 000
Responsible MEC	Speaker of the Provincial Legislature
Administering department	Provincial Legislature
Accounting officer	Secretary: Provincial Legislature

1. Overview

Vision

The vision of the Provincial Legislature (hereafter referred to as the Legislature) is: *To be an activist, people-centred Legislature.*

Mission statement

The Legislature's mission statement is: *To deepen democracy and entrench activism in KZN through robust oversight, effective public participation and efficient law-making.*

Strategic objectives

Strategic policy direction: By focussing on its oversight role and by encouraging public participation, the Legislature seeks to align its operations and strategic position with the overall aim of government to achieve accountability and effective service delivery for all citizens of the province in the following areas: access to quality education and health care, prevention of crime and eradication of corruption, creation of decent work and expansion of work opportunities, and agrarian reform and rural development.

Law-making

To be an effective, efficient and visible law-maker through:

- Improved technical capacity on law-making by the Legislature.
- Constitutionally compliant laws enacted by the Legislature.

Oversight

To ensure effective execution of oversight on service delivery, governance and implementation of laws (and conventions) by the Provincial Executive Council through:

- Improved oversight on compliance and accountability by provincial organs of state in terms of relevant legislative prescripts and protocols.
- Improved oversight on service delivery targets set in the NDP, PGDP and MTSF and on the achievement of government outcomes.
- Acceleration of economic transformation in the province.

Public participation

To ensure enhanced public participation in all legislative processes of the Legislature through:

- Improved citizen engagement and participation in the legislative processes.
- Improved public and civic education programmes to empower the citizens of KZN.

Governance and leadership

To ensure improved leadership and governance of the Legislature through:

- Improved institutional performance, efficiencies, communication and transformation.
- Improved institutional fiscal discipline and implementation of financial and supply chain prescripts.
- Improved corporate and human capital management services.
- Improved institutional internal controls and governance practices.
- Improved intergovernmental and international relations.

Core functions

In order to achieve the above strategic objectives, the Legislature is responsible for carrying out the following core functions:

- To maintain the highest standards in drafting, amending and passing legislation.
- To timeously consider, pass, amend or reject legislation referred to the Legislature by the Provincial Executive Council or the National Council of Provinces (NCOP).
- To maintain oversight over the provincial executive authority in the province, including the implementation of legislation.

Legislative mandates

The following mandates clearly define the duties and the requirements of the Legislature:

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Employment Equity Act (Act No. 55 of 1998)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2002)
- State Information Technology Agency Act (Act No. 38 of 2002)
- KZN Petitions Act (Act No. 3 of 2004)
- KZN Funding of Political Parties' Act (Act No. 7 of 2008)
- Financial Management of Parliament Act (Act No. 9 of 2009)
- Financial Management of Parliament Amendment Act (Act No. 34 of 2014)
- Financial Management of Parliament and Provincial Legislatures Act (Act No. 10 of 2009)
- KZN Direct Charges Act (Act No. 2 of 2002)

It is noted that provincial legislatures are no longer governed by the Public Finance Management Act (PFMA) (Act No. 1 of 1999, as amended) and Treasury Regulations. These were replaced by the Financial Management of Parliament and Provincial Legislatures Act (FMPPLA), the implementation of which was phased in with effect from 1 April 2015. This is commented on in further detail in Section 2.

In addition to the above, the Legislature's functions are governed by the Standing Rules and the resolutions of the Standing Committee on Oversight (STACOV), which was constituted in line with the new legislation.

2. Review of the 2018/19 financial year

Section 2 provides a review of 2018/19, outlining the main achievements and progress made by the Legislature, as well as providing a brief discussion on challenges and new developments.

Financial Management of Parliament and Provincial Legislatures Act (FMPPLA)

As anticipated, the full implementation of the FMPPLA has taken some time, especially in the absence of guidelines, such as the Treasury Regulations, that assist provincial departments and public entities with implementing the PFMA. As such, the FMPPLA continued to be implemented in 2018/19, and Treasury Regulations were applied as a guideline in cases where gaps were identified in respect of budgeting and expenditure control. To address such gaps, the development of a budget management policy that includes virement guidelines, among others, was undertaken, and is on track to be adopted and implemented in 2019/20.

A focus area in 2018/19 continued to be the compilation of the Legislature's unaudited and audited AFS on an accrual basis, in line with the requirements of the FMPPLA and the recommendation from the A-G's office. At the same time, the Legislature still complied with the requirements of National Treasury, and compiled the monthly IYMs, including the unaudited and audited IYMs, on a cash basis.

It is noted also that most provinces are in agreement that the budget allocation of provincial legislatures should be top-sliced from the provincial equitable share and elevated to National Government level, as this will ensure the autonomy of provincial legislatures when compared to the other provincial departments and will be in line with the concepts of the FMPPLA. This issue of top-slicing will continue to be discussed with the various role-players, including National Treasury and the Speakers' Forum.

Public participation

Public involvement initiatives like Taking Legislature to the People (TLTP) and sector parliaments continued, and the following public participation events were held in 2018/19:

- Workers' Parliament in the uMkhanyakude District Municipality.
- Youth Parliament in the Zululand District Municipality.
- Women's Parliament in the uMgungundlovu District Municipality.
- Senior Citizens' Parliament in the Amajuba District Municipality.
- People with Disability Parliament in the King Cetshwayo Municipality.
- Two TLTP events in the uThukela District Municipality.
- Interfaith Symposium in the uMkhanyakude District Municipality.

Organisational structure

The Legislature embarked on a restructuring and job evaluation exercise at the end of 2016/17, aimed at achieving an updated organisational structure that will ensure that the Legislature has sufficient capacity to implement the new legislation applicable to provincial legislatures, the various SAP modules, the sector oversight model, increased research support, as well as strengthened Hansard services. The aim was not to expand the organisational structure, but to improve productivity and enhance business efficiencies by re-aligning functions and ensuring fair distribution of workloads. The Legislature took a decision in 2017/18 (continued into 2018/19) not to fill any vacant posts, pending the outcome of this restructuring exercise, which took far longer than anticipated because of the lengthy consultation process between the employees and the employer. Although the restructuring exercise was finalised at the end of 2017/18, the job evaluation phase underwent a lengthy appeal stage in 2018/19, and this was only finalised in the second half of the year. The estimated cost of upgrading the Legislature's existing posts in line with the job evaluation recommendations is approximately R16 million per annum, and implementation is scheduled to commence in the last quarter of the year, funded through internal reprioritisation in 2018/19. The funding over the 2019/20 MTEF is discussed in Section 3 below. It is noted that the filling of new posts in terms of the updated organisational structure largely remains on hold, pending the allocation of additional funds or further internal reprioritisation, both of which seem unlikely at this stage, taking into account the financial constraints facing the province.

Revamping of the Legislature buildings

The Law Society building in the Legislature complex was damaged by fire in 2014/15. In 2015/16, the Legislature received a once-off amount of R1.500 million, based on an assessment by DOPW to renovate this building. This project did not commence in 2015/16, as the revised estimate of more than R6 million from DOPW was far higher than the original estimate. In 2016/17, Provincial Treasury's infrastructure unit undertook to investigate the reason for the price escalation. It was determined that DOPW's original estimate was incorrectly under-stated and omitted basic costs such as Amafa requirements, inaccessibility of the building site, etc. As a result, the revised estimate was considered to be reasonable, and STACOV approval was granted to proceed with the project at this higher cost. Taking into account lengthy tender processes, the site handover was undertaken on 1 November 2017, construction work commenced on 8 November 2017 and the renovations were completed by 31 August 2018.

Cost-containment

The Legislature continued to place emphasis on the effective management of budget and spending, taking into account fiscal consolidation. While the Legislature is not bound by Provincial Executive Council decisions, it continued with its efforts to scale down on certain spending items and adhere as far as possible to the cost-cutting measures as reissued by Provincial Treasury in 2018/19, in conjunction with National Treasury cost-containment measures. The Legislature adapted the cost-cutting measures to take into account its core functions of oversight and public participation. In this regard, the Legislature continued to try and limit attendance of non-Legislature events, limit monthly mileage of staff and Members, as well as limit and control overtime, etc.

3. Outlook for the 2019/20 financial year

Section 3 looks at the key focus areas of 2019/20, outlining what the Legislature is hoping to achieve, as well as briefly looking at challenges and proposed new developments.

The bulk of the Legislature's budget relates to the areas of law-making and oversight, as well as public participation. The Legislature will continue to improve its oversight over departments and public entities, among others, during the year. Also, the Legislature will continue to focus on procedures and processes that need to be reviewed and/or changed to achieve full implementation of the FMPPLA. The 2019 general elections, which are scheduled to be held in May 2019, are also likely to have some impact on the Legislature's activities, programmes and spending patterns (both before and after the general elections).

2019 general elections

The Legislature will be prorogued ahead of the 2019 general elections. There will also be preparations for the winding up of the Fifth Legislature. It is anticipated that the 2019 general elections may result in a 'new' leadership, which is likely to introduce new approaches that will have an impact on the Legislature's current business processes. Accordingly, the routine programme of the Legislature will continue, until the Sixth Legislature has drafted and tabled a five-year strategic plan for the 'new' Legislature, in the first half of 2019/20.

Financial Management of Parliament and Provincial Legislatures Act (FMPPLA)

The Legislature will continue in its efforts to be compliant with the FMPPLA. It is anticipated that the budget management policy, including virement guidelines, will be finalised and ready for implementation in 2019/20. The Legislature also intends to establish a budget committee to assist the budget office in preparing the Legislature's annual budget, prioritising budget requests, reviewing and endorsing the budget before it is presented to STACOV, as well as undertaking other matters pertaining to budgets, including budget adjustments and cost-cutting initiatives. This will ensure that gaps that were identified in respect of budgeting and expenditure control are addressed. The filling of critical vacant posts identified in terms of the restructuring exercise is likely to take time, though, taking into account financial constraints, as mentioned above. As a result, the functions of several units that need to be established in terms of the FMPPLA, such as the Internal Audit function, will continue to be outsourced to consultants, at this stage.

Public participation

Public involvement initiatives like TLTP and sector parliaments will continue in 2019/20. The following public participation events are thus scheduled to be held in 2019/20, although the venues will only be confirmed following the 2019 general elections:

- Workers' Parliament.
- Youth Parliament.
- Women's Parliament.
- Senior Citizens' Parliament.
- People with Disability Parliament.
- One TLTP event.
- Interfaith Symposium.

Organisational structure

The restructuring and job evaluation exercise (including the appeal phase) were finalised in 2018/19. As mentioned, the estimated cost of upgrading the Legislature's existing posts is approximately R16 million per annum. Taking into account the financial constraints facing the province over the MTEF, at a meeting held with the Speaker and the MEC for Finance to review the MTEF budget, an agreement was reached whereby an additional R8 million per annum is to be funded from provincial cash resources over the MTEF (commencing in the 2019/20 Adjustments Estimate), and the balance will be funded by internal reprioritisation within the Legislature's existing baseline, as explained in Section 4 below.

After the job evaluation results (i.e. the upgrading of posts) have been implemented, the Legislature will embark on the recruitment of core and critical positions taking into account availability of funds, and will embark on a skills audit and work measurement exercise.

4. Reprioritisation

The Legislature undertook a comprehensive review of the budget and spending of various components in order to fund the cost of upgrading the Legislature's existing posts, estimated at R16 million per annum. As mentioned, an agreement was reached whereby an additional R8 million per annum is to be funded from provincial cash resources over the MTEF (commencing in the 2019/20 Adjustments Estimate), and the balance must be funded by internal reprioritisation within the Legislature's existing baseline. As such, an amount of R8 million per annum was reprioritised over the MTEF, largely from *Goods and services* in Programme 2: Parliamentary Business and, to a lesser extent, Programme 1: Administration. These funds were moved to *Compensation of employees* in Programme 1 (R3.790 million) and Programme 2 (R4.210 million) toward funding the upgrading of posts.

It is noted that the reprioritisation was possible in 2019/20 as the Legislature's activities are expected to scale down during the year because of the 2019 general elections, resulting in savings in respect of travel and subsistence costs. The reprioritisation in the two outer years of the MTEF was also undertaken from travel and subsistence, but this will be reviewed in the next budget process, taking into account the requirements and approach of the new Legislature.

5. Procurement

The Legislature will continue to strengthen SCM through providing continuous training on SAP, the revised Preferential Procurement Regulations 2017 and on re-training general SCM compliance requirements through education and enhanced awareness.

The major procurement to be undertaken in 2019/20 will be the procurement of SAP support services, catering services for the newly established canteen in the Legislature building, and invoice tracking software.

6. Receipts and financing

6.1 Summary of receipts and departmental receipts collection

Table 2.1 shows the sources of funding and own receipts of Vote 2 over the seven-year period 2015/16 to 2021/22. The table also compares actual and budgeted receipts against actual and budgeted payments. Details of departmental receipts are presented in *Annexure – Vote 2: Provincial Legislature*.

Table 2.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Treasury funding									
Equitable share	455 259	481 842	503 065	532 089	532 089	532 089	563 971	637 970	673 128
Conditional grants	-	-	-	-	-	-	-	-	-
Total receipts: Treasury funding	455 259	481 842	503 065	532 089	532 089	532 089	563 971	637 970	673 128
Departmental receipts									
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	65	63	64	60	60	64	63	66	70
Transfers received	-	-	145	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	3 273	6 859	4 396	506	506	361	534	563	594
Sale of capital assets	-	679	21	-	-	27	-	-	-
Transactions in financial assets and liabilities	-	2	-	294	294	98	310	327	345
Total departmental receipts	3 338	7 603	4 626	860	860	550	907	956	1 009
Total receipts	458 597	489 445	507 691	532 949	532 949	532 639	564 878	638 926	674 137
Total payments	436 137	475 374	614 934	565 214	591 548	591 548	598 756	638 926	674 137
Surplus/(Deficit) before financing	22 460	14 071	(107 243)	(32 265)	(58 599)	(58 909)	(33 878)	-	-
Financing									
of which									
Surplus own revenue surrendered	(2 603)	(6 829)	(3 813)	-	-	-	-	-	-
Surplus own revenue from prior year	2 247	2 603	6 829	-	3 813	3 813	-	-	-
Provincial cash resources	21 021	71 112	107 101	32 265	54 786	54 786	33 878	-	-
Surplus/(Deficit) after financing	43 125	80 957	2 874	-	-	(310)	-	-	-

Summary of departmental receipts

The Legislature collects revenue in the form of interest earned on positive cash balances in the bank against *Interest, dividends and rent on land*, commission on insurance, waste paper in respect of *Sale of goods and services other than capital assets*, as well as recoveries of debts and other miscellaneous items reflected against *Transactions in financial assets and liabilities*.

The PFMA and the FMPPLA both provide for provincial legislatures to retain any monies received (i.e. revenue collected). Therefore, in contrast to provincial departments, the Legislature retains its own departmental receipts, and is thus funded from two sources, namely Treasury funding (equitable share) and departmental receipts. In accordance with this legislation, the Legislature is allocated any surplus revenue collected in the prior year during the next year's Adjustments Estimate. This explains the *Surplus own revenue surrendered* and *Surplus own revenue from prior year* in the *Financing* section in Table 2.1.

Sale of goods and services other than capital assets includes revenue from the sale of old printer cartridges and waste paper, and commission on pay-roll deductions such as insurance and garnishees. This is difficult to predict, hence the slightly fluctuating trend and conservative growth over the MTEF.

Revenue of R145 000 was collected against *Transfers received* in 2017/18 relating to a refund of fees paid in respect of the Commonwealth Parliamentary Association (CPA).

Interest, dividends and rent on land comprises interest earned each month on cash in the Legislature's bank account. The revenue reflected from 2015/16 to 2017/18 is high, largely due to under-spending in prior years. In line with the PFMA and the FMPPLA, any unspent amount must be allocated back to the Legislature in the Adjustments Estimate process in the ensuing year, and therefore these unspent funds were not paid back to the Provincial Revenue Fund. This resulted in more cash in the Legislature's bank account than anticipated, hence the high interest collected in the prior years. The low 2018/19 Revised Estimate relates to the fact that there are now limited funds in the Legislature's bank account. Unlike previous years, the Legislature's operational budget was largely spent in 2017/18 as a result of accruals

from 2016/17 (the audited AFS reflects under-spending of R2.742 million in respect of the operational budget). Moreover, the Legislature had to pay for outstanding 2017/18 commitments in the first quarter of 2018/19, so any surplus funds in the bank account were largely depleted in April 2018, hence the low interest projected to be collected. This also explains the conservative growth over the MTEF.

Revenue collected against *Sale of capital assets* in 2016/17, 2017/18 and the 2018/19 Revised Estimate relates to auction sales of redundant assets (vehicles and/or office equipment). Such auction sales are difficult to predict, and hence no revenue is budgeted to be collected over the MTEF, at this stage.

Revenue from *Transactions in financial assets and liabilities* is difficult to accurately estimate, as it relates to the collection of amounts owing from previous financial years, such as debts relating to both staff and Members, and this accounts for the fluctuating trend.

Summary of receipts and financing

Table 2.1 also compares total receipts and payments.

In 2015/16, the Legislature received provincial cash resources of R21.021 million, as follows:

- R9.500 million, which was suspended from 2014/15, was allocated back in 2015/16 for strengthening oversight and IT infrastructure.
- R7.563 million was allocated back in respect of the operational budget and Members' remuneration funding that was unspent in 2014/15.
- R2.112 million was given for the above-budget 2015 wage adjustment for the Legislature staff.
- R1.500 million was allocated for the Law Society building renovations.
- R346 000 was allocated to assist the Legislature to implement a long service recognition policy.

The 2015/16 AFS was accrual-based, in line with the A-G's recommendation, and reflected a surplus of R34.279 million. However, the audited IYM was compiled on a cash basis, in line with National Treasury's requirements, and was under-spent by R43.125 million as follows:

- Advertising, catering, travel and subsistence and venues and facilities costs were under-spent, mainly because several events were held late in the year, such as the official opening of the Legislature.
- There was under-spending in respect of the purchase of minor assets and stationery, printing and office supplies, where orders were placed but goods were not delivered by year-end.
- Consultants and professional services were under-spent, largely due to the Legislature withholding a payment to the SAP consultants, pending verification of the services delivered.
- The Hansard project and the Law Society building renovations did not proceed, as anticipated.

In 2016/17, the Legislature received provincial cash resources of R71.112 million as follows:

- R30.536 million with carry-through was allocated as a zero-based budget baseline adjustment. It is noted that this was reduced by R611 000 due to the 2 per cent cut effected against the additional funds given to the Legislature with regard to the zero-based budget exercise, as explained in Section 7.2.
- R1.500 million was allocated for the replacement of a lift in the Legislature building.
- R4 million was given to host a CPA conference in KZN.
- R743 000 was allocated for the above-budget 2016 wage adjustment for the Legislature staff.
- R34.944 million was allocated back to the Legislature in line with legislation that provides for provincial legislatures to retain any surplus funds. The composition of this amount was as follows:
 - Although the net under-spending in 2015/16 was R43.125 million, there was over-spending of R2.883 million against the Members' remuneration. As the Members' remuneration is a direct charge on the Provincial Revenue Fund, it is excluded when determining the year-end position. As such, the unspent operational amount of R46.008 million from 2015/16 was allocated back.
 - However, of this amount, R11.064 million was set aside to possibly provide for the Legislature's unauthorised expenditure relating to 2013/14. The authorisation of this unauthorised expenditure

was not addressed in prior years because of uncertainty surrounding the roles and responsibilities of Provincial Treasury and the Legislature, as well as SCOPA and STACOV in terms of the FMPPLA. This amount was authorised by STACOV on 28 September 2016, and the Legislature and Provincial Treasury are in discussion with the A-G's office regarding the accounting treatment of this amount. As such, the R11.064 million is not included in the Legislature's budget.

The 2016/17 AFS was accrual-based, in line with the A-G's recommendation, and reflected a surplus of R31.295 million. However, the audited IYM was compiled on a cash basis, and reflected significant under-spending of R80.957 million. The Members' remuneration was under-spent by R5.278 million, largely relating to the fact that public office bearers received a zero per cent salary adjustment in 2016/17. The operational budget was under-spent by R75.679 million as follows:

- The Legislature took a decision not to fill vacant budgeted posts in 2016/17 pending the finalisation of the above-mentioned restructuring and job evaluation exercise.
- Orders were placed for various projects but invoices were not received in time for payment by year-end. In addition, the Legislature's activities, including overseas study tours, were scaled down to accommodate the 2016 local government elections.
- STACOV approval was only obtained in February 2017 for the Law Society building renovations.

In 2017/18, the Legislature received provincial cash resources of R107.101 million, comprising R31.422 million in respect of the carry-through of the zero-based budget baseline adjustment (including the 2 per cent cut effected against this adjustment). The balance of R75.679 million was allocated back in the 2017/18 Adjustments Estimate in line with legislation that provides for provincial legislatures to retain any surplus operational funds. These funds were allocated back largely for the following:

- R8.100 million for the anticipated once-off cost of the upgrading of posts (i.e. backpay).
- R2 million to provide for higher than budgeted medical aid contributions.
- R17.619 million for various current projects, such as the SAP system and ICT strategy reviews, contractors' costs relating to phase two of the audio-visual project, various security projects, etc.
- R6.460 million for the Law Society building renovations.
- R27.500 million for several capital projects, such as the capital aspects of the audio-visual project, the canteen project, the replacement of lifts in both the Legislature and administration buildings, as well as the upgrading of the Legislature's server to accommodate the full implementation of the SAP system.
- R14 million for outstanding 2016/17 commitments in respect of communication costs, venues and facilities costs, as well as overseas study tours which were scaled down to accommodate the 2016 local government elections.

The 2017/18 AFS was again accrual-based, in line with the A-G's recommendation. The audited IYM, compiled on a cash basis, reflected under-spending of R2.874 million. If the under-spending of R231 000 against the Members' remuneration is excluded, as this is a direct charge, then the under-expenditure in respect of the operational budget was lower, totalling R2.742 million, because the restructuring and job evaluation exercise was not finalised by year-end. As mentioned, the Legislature set aside R8.100 million in the 2017/18 Adjustments Estimate for the anticipated once-off cost of the upgrading of posts. The year-end under-spending was lower than R8.100 million, though, as the Legislature utilised portion of the funds to offset spending pressures in other areas, including overseas study tour costs that were higher than anticipated. Also, a resolution was taken by the Legislature's Executive Committee to increase the Political Parties' Fund (PPF) by R5 million in 2017/18. The redirection of these funds is permissible in terms of the FMPPLA, as they were not specifically and exclusively appropriated.

In 2018/19, the Legislature received provincial cash resources of R32.265 million, being the carry-through of the zero-based budget baseline adjustment (including the 2 per cent cut effected against this adjustment). In addition, R22.521 million was allocated in the 2018/19 Adjustments Estimate as follows:

- R2.742 million was allocated back in line with legislation which provides for provincial legislatures to retain surplus operational funds, to fund spending pressures relating to computer services, as well as outstanding 2017/18 commitments such as the replacement of lifts and the canteen upgrade project.

- R3 million, being interest derived from the PPF, was allocated to offset spending pressures, mainly in respect of the constituency and secretarial allowances.
- Additional funds of R16.779 million were allocated as follows:
 - R7 million to conduct voter education campaigns in partnership with the Independent Electoral Commission (IEC) ahead of the 2019 elections, from December 2018 until February 2019.
 - R9.779 million toward in-year spending pressures, including higher than anticipated external audit costs and property payments (such as municipal services and cleaning and security services).

The Legislature is anticipating a balanced budget in 2018/19, based on the December IYM. The deficit of R310 000 in the 2018/19 Revised Estimate in Table 2.1 relates to a projected under-collection in respect of departmental receipts, largely from *Interest, dividends and rent on land*, as mentioned.

Despite the previously mentioned budget cuts, and disregarding the once-off allocations in prior years, the Legislature's budget shows reasonable growth over the MTEF as a result of the carry-through of the zero-based budget baseline adjustment (including the 2 per cent cut). This is reflected against provincial cash resources in 2019/20, and is included as part of the Legislature's baseline from 2020/21.

6.2 Donor funding

The Legislature receives no direct funding in respect of the Legislature Support programme, which is funded by the European Union (EU), with the aim of contributing to the strengthening of democracy and good governance. Instead, the programme funds projects which support the entire Legislative sector, mainly aimed at achieving constitutional imperatives. The allocation of EU funding and the monitoring thereof is undertaken centrally at a national level on behalf of the nine provinces.

7. Payment summary

This section summarises the expenditure and budgeted estimates for the Vote in terms of programmes and economic classification. Details of the economic classification per programme are given in *Annexure – Vote 2: Provincial Legislature*.

7.1 Key assumptions

The Legislature applied the following broad assumptions when compiling the budget:

- All inflation related increases are based on CPI projections.
- National Treasury's guidelines prescribe cost of living adjustments of 6.5, 6.3 and 6.5 per cent over the MTEF. It is noted that the 1.5 per cent annual pay progression is not applicable to the Legislature sector, nor is the annual wage adjustment as determined by the DPSA for provincial departments. The Legislature budgeted for growth of 16.8, 14.2 and 5.2 per cent over the MTEF, which provides adequately for existing Legislature staff, and caters for the upgrading of posts, as mentioned. Also as mentioned, the *Compensation of employees*' budget will increase by a further R8 million per annum, to be allocated from provincial cash resources from the 2019/20 Adjustments Estimate onward. The *Compensation of employees*' budget may need to be reviewed in-year and further reprioritisation may need to be undertaken, taking into account progress with regard to the upgrading of posts, as well as the need to fill critical posts.
- Although the Legislature is not bound by Provincial Executive Council decisions, it will continue to try and adhere to the expanded cost-cutting measures as far as possible (as reissued by Provincial Treasury in 2018/19, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures).
- With regard to public participation, one TLTP sitting, five sectoral parliaments and an Interfaith Symposium were catered for. The cost of each event may vary, depending on location and population. The costs will only be determined after the 2019 general elections, though, once the venues are finalised.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 2.2 shows additional provincial and equitable share funding received by the Legislature over the 2017/18, 2018/19 and 2019/20 MTEF periods.

The carry-through allocations for the outer year (i.e. 2021/22) are based on the incremental percentage used in the 2019/20 MTEF.

Table 2.2 : Summary of additional provincial and equitable share allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	(3 551)	(3 914)	34 288	(296)	(313)
Zero-based budget baseline adjustment	-	-	34 569	-	-
Reduction of 2% to Zero-based adjustments	(641)	(658)	(691)	(729)	(769)
PES and Provincial Own Revenue reductions	(2 112)	(2 414)	(4 282)	(4 518)	(4 766)
Budget cuts to fund remuneration of <i>Izinduna</i>	(798)	(842)	(888)	(937)	(988)
Additional funding from National Treasury	-	-	5 580	5 887	6 211
2018/19 MTEF period				7 248	7 647
Above-budget wage agreement				7 248	7 647
2019/20 MTEF period			(1 764)	(1 871)	(1 904)
Budget cut in respect of the remuneration of public office bearers			(1 764)	(1 871)	(1 904)
Total	(3 551)	(3 914)	32 524	5 081	5 430

In the 2017/18 MTEF, the following adjustments were made:

- An additional R34.569 million was allocated in 2019/20 in respect of the zero-based budget baseline adjustment. It is noted that the prior year amounts were allocated in the 2016/17 MTEF period, hence they are not reflected in this table. From 2020/21, this adjustment becomes part of the Legislature's baseline.
- Although the Legislature was protected from the budget cuts in the 2016/17 Main Appropriation, it was also said, at the time, that if the top-slicing of provincial legislatures did not occur, the Legislature's budget would be cut in the 2016/17 Adjustments Estimate. As such, a 2 per cent cut was effected against the additional funds given to the Legislature with regard to the zero-based budget exercise, and this was carried through over the MTEF.
- In addition, the Legislature's budget was cut to fund the remuneration of *Izinduna*, as well as the downward revision of the PES and Provincial Own Revenue.
- The budget cuts were, however, offset in the outer year of the 2017/18 MTEF (with carry-through), because of additional funding allocated to provinces by National Treasury. This funding was proportionately allocated to all 15 Votes to ensure that the budget cuts are offset in the outer year.

In the 2018/19 MTEF, National Treasury allocated additional funding in the outer year of the MTEF to provide for the above-budget wage agreement. This was split proportionally across all 15 Votes, with the Legislature receiving R7.248 million in 2020/21, with carry-through.

In the 2019/20 MTEF, the Legislature's statutory allocation (Members' remuneration) was cut by R1.764 million in 2019/20, with carry-through. In this regard, the President announced that there would be minimal or no annual salary increases in 2018/19 for public office bearers. In the case of provincial executives, Premiers, MECs and Speakers did not receive salary increases, while MPLs received a 2.5 per cent increase. The savings realised from this announcement were cut from provinces in line with fiscal consolidation efforts.

7.3 Summary by programme and economic classification

The services rendered by the Legislature are categorised under two programmes, which are largely aligned to the uniform budget and programme structure of the Legislature sector.

The Members' remuneration forms a direct charge on the Provincial Revenue Fund, and so is not included as a programme, but as *Direct charge on the Provincial Revenue Fund*.

Tables 2.3 and 2.4 provide a summary of the Vote's expenditure and budgeted estimates, by programme and economic classification, respectively.

Table 2.3 : Summary of payments and estimates by programme: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	145 983	155 217	220 480	191 996	201 551	201 551	211 088	228 520	241 934
2. Parliamentary Business	212 950	242 156	306 530	282 967	299 746	299 746	295 988	313 000	329 367
Direct charge on the Provincial Revenue Fund									
Members' remuneration	77 204	78 001	87 924	90 251	90 251	90 251	91 680	97 406	102 836
Total	436 137	475 374	614 934	565 214	591 548	591 548	598 756	638 926	674 137
Of which:									
Departmental receipts	3 338	7 603	4 626	860	860	550	907	956	1 009

Table 2.4 : Summary of provincial payments and estimates by economic classification: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	271 616	287 801	385 826	354 561	374 395	378 672	386 193	418 974	442 014
Compensation of employees	160 729	170 455	190 500	208 304	208 304	208 304	229 745	254 280	267 825
Goods and services	110 887	117 346	195 326	146 257	166 091	170 368	156 448	164 694	174 189
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	81 471	101 931	109 578	110 040	112 540	112 540	110 064	111 252	117 372
Provinces and municipalities	19	18	37	42	42	42	44	46	49
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	292	181	428	241	241	241	255	269	284
Public corporations and private enterprises	-	-	-	30	30	30	32	34	36
Non-profit institutions	81 055	101 732	109 113	109 627	112 127	112 127	109 627	110 791	116 885
Households	105	-	-	100	100	100	106	112	118
Payments for capital assets	5 846	7 641	31 606	10 362	14 362	10 085	10 819	11 294	11 915
Buildings and other fixed structures	-	-	-	995	6 895	6 895	1 051	1 109	1 170
Machinery and equipment	4 139	7 641	24 923	5 427	3 527	1 736	5 731	6 047	6 379
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1 707	-	6 683	3 940	3 940	1 454	4 037	4 138	4 366
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	358 933	397 373	527 010	474 963	501 297	501 297	507 076	541 520	571 301
Members' remuneration	77 204	78 001	87 924	90 251	90 251	90 251	91 680	97 406	102 836
of which:									
Compensation of employees	77 204	75 815	84 350	87 260	87 260	87 260	88 410	92 902	98 084
Goods and services	-	2 186	3 574	2 991	2 991	2 991	3 270	4 504	4 752
Adjusted total (incl. Members' remuneration)	436 137	475 374	614 934	565 214	591 548	591 548	598 756	638 926	674 137
of which:									
Departmental receipts	3 338	7 603	4 626	860	860	550	907	956	1 009

The following comments are made with regard to the Members' remuneration allocation, details of which are reflected at economic classification level in the rows beneath the Total in Table 2.4:

- An amendment was undertaken from 2016/17 onward, in that the telephone allowances of Members, which previously formed part of the operational budget, were moved to form part of the statutory Members' remuneration. Prior years could not be restated in respect of the statutory allocation, hence 2015/16 reflects no expenditure against *Goods and services*.
- The decrease from 2015/16 to 2016/17 in respect of *Compensation of employees* was mainly because there was over-spending of R2.883 million against the Members' remuneration in 2015/16. Also contributing to the low growth from 2015/16 to 2016/17 for the Members' remuneration as a whole, was the fact that public office bearers received a zero per cent salary adjustment in 2016/17.
- The fairly low growth from 2018/19 to 2019/20 with regard to *Compensation of employees* relates to the fact that the Members' remuneration budget was cut by R1.764 million in 2019/20, with carry-through, taking into account the fact that the 2018/19 annual salary increase for Members was 2.5 per cent, as mentioned above.
- Apart from the low growth from 2018/19 to 2019/20, the Members' remuneration shows reasonable growth over the MTEF in respect of both *Goods and services* and *Compensation of employees*, averaging more than 5 per cent.

With regard to the Legislature's operational budget (i.e. the two programmes excluding the Members' remuneration), the following paragraphs summarise the trends, while further detail is given in Section 8. As mentioned, it is anticipated that the 2019 general elections may result in a 'new' leadership, which is likely to introduce new approaches that will have an impact on the Legislature's current business processes, hence it is likely that the operational budget will need to be reviewed and adjusted in-year.

Programme 1: Administration shows a fluctuating trend, largely because the Legislature's major procurement costs and various once-off projects are centralised under this programme. The fluctuations can also be explained by the fact that Programme 1 was significantly under-spent in prior years, particularly in 2015/16 and 2016/17, and any unspent funds are allocated back in the ensuing financial year. For instance, there was under-spending of R19 million in 2015/16, largely in respect of orders placed for goods such as minor assets, printing and office supplies, etc., which were not delivered by year-end. There was under-spending of more than R50 million in 2016/17, mainly because of the decision taken to not fill posts, the Law Society building renovations did not proceed, and the Legislature's activities, such as overseas study tours, were scaled down to accommodate the 2016 local government elections. The 2017/18 amount increases significantly as the bulk of the unspent funds from 2016/17 were allocated back and spent on various once-off projects, including the SAP system and ICT strategy reviews, phase two of the audio-visual project, the upgrading of the Legislature's server, the Law Society building renovations, etc. There was also significant spending on overseas study tours in 2017/18. This largely once-off expenditure accounts for the significant reduction from 2017/18 to 2018/19. The increase in the 2018/19 Adjusted Appropriation largely relates to the surplus funds and revenue over-collected in 2017/18 allocated back in line with legislation, which were utilised to fund higher than budgeted computer services, external audit costs and property payments, as well as outstanding 2017/18 commitments for the replacement of lifts and the canteen upgrade project. If this is excluded, then the MTEF allocations show above inflationary growth, averaging 8 per cent per annum, and provide for ongoing support services to the Legislature, including SAP support services, maintenance of the Legislature buildings, administrative support for public participation events including travel and subsistence costs, overseas study tours, etc.

Programme 2: Parliamentary Business also fluctuates in the prior years. This programme includes substantial provision for public participation initiatives, overseas study tours undertaken by portfolio committees, as well as support for political parties in the form of research and legal services, constituency and secretarial allowances, as well as the PPF. The fluctuations can be explained by the fact that Programme 2 was under-spent in prior years, although to a lesser extent than Programme 1, and any unspent funds are allocated back in the ensuing financial year. For instance, Programme 2's budget was significantly under-spent in 2016/17 as a result of overseas study tours being scaled down to accommodate the 2016 local government elections. The increase in 2017/18 relates to these unspent 2016/17 funds being allocated back to cater for outstanding 2016/17 commitments and the above-mentioned overseas study tours, accounting for the reduction from 2017/18 to 2018/19. The increase in the 2018/19 Adjusted Appropriation largely relates to additional once-off funding allocated to offset spending pressures relating to public participation events and new oversight initiatives, as well as for conducting voter education campaigns in partnership with the IEC ahead of the 2019 general elections. In addition, R3 million, being interest derived from the PPF, was allocated to offset in-year spending pressures and to increase the secretarial and constituency allowances. If this largely once-off expenditure is excluded, then the MTEF allocations show inflationary growth averaging 5 per cent, and provide for support to the House and portfolio committees, research and legal services, the PPF, constituency and secretarial allowances, public participation events, overseas study tours, etc.

Compensation of employees in Table 2.4 relates to the Legislature staff only, excluding the Members' remuneration (which was discussed above). The category reflects a steady increase. As mentioned, the Legislature took a decision not to fill posts, pending the outcome of the restructuring and job evaluation exercise. Growth over the MTEF is 16.8, 14.2 and 5.2 per cent, and takes into account the R8 million reprioritised from *Goods and services* to fund the upgrading of posts. The growth will be higher when the additional R8 million is allocated from provincial cash resources in the 2019/20 Adjustments Estimate. The *Compensation of employees'* budget will need to be reviewed over the MTEF to ensure that the growth is sufficient for the upgraded posts, as well as the filling of critical existing and new posts, which may have to be funded through further internal reprioritisation.

Goods and services fluctuates from 2016/17 to 2019/20, largely due to once-off projects, as well as the fact that this category was under-spent in prior years, and any unspent funds are allocated back in the ensuing financial year. In 2015/16, there was under-spending in respect of orders placed for goods such as minor assets, printing and office supplies, etc., which were not delivered by year-end. There was under-spending of more than R50 million in 2016/17, mainly because the Legislature's activities, such as overseas study tours, were scaled down to accommodate the 2016 local government elections. The peak in 2017/18 relates to the fact that these unspent 2016/17 funds were allocated back to cater for outstanding 2016/17 commitments and overseas study tours, accounting for the significant reduction from 2017/18 to 2018/19. The increase in the 2018/19 Adjusted Appropriation largely relates to additional once-off funding allocated to offset in-year spending pressures relating to public participation events and new oversight initiatives, as well as for conducting voter education campaigns in partnership with the IEC ahead of the 2019 general elections. These in-year spending pressures account for the high Revised Estimate, and will be offset by savings under *Software and other intangible assets*. Growth over the MTEF is fairly low, largely because of the reprioritisation of R8 million per annum from this category to fund the upgrading of posts, as mentioned.

The category *Transfers and subsidies* increases fairly steadily over the MTEF period, as follows:

- *Provinces and municipalities* caters for the payment of motor vehicle licences.
- *Foreign governments and international organisations* caters mainly for subscription fees and conference attendance costs in respect of the CPA.
- *Public corporations and private enterprises* caters for insurance claims for motor vehicle accidents relating to the Legislature's official vehicles. No accident claims were received in prior years.
- *Non-profit institutions*, which comprises the constituency and secretarial allowances, as well as the PPF, shows a generally increasing trend. In recent years (from 2017/18 onward), the Legislature reprioritised R5 million per annum to increase the PPF to R40 million per year, and this reprioritisation is carried through over the MTEF. The constituency and secretarial allowances allocation fluctuates from 2017/18 to 2019/20, largely because the bulk of the interest derived from the PPF (R2.500 million) was allocated in the 2018/19 Adjusted Appropriation to increase the secretarial and constituency allowances, hence the decrease from the 2018/19 Adjusted Appropriation to 2019/20. This will have to be reviewed and adjusted in-year, to ensure that adequate provision is made for the constituency and secretarial allowances over the MTEF.
- *Households* caters for donations made under the Speaker's Social Responsibility programme, aimed at providing relief to poverty stricken families in KZN, and is therefore difficult to budget for.

Buildings and other fixed structures, which relates to capital building revamping projects, fluctuates depending on the nature of the work required, as well as progress made. No spending was incurred from 2015/16 to 2017/18, largely due to the fact that the Law Society building renovations did not commence in 2016/17 as anticipated. As mentioned, following approval by STACOV, the project commenced in November 2017, but the project scope was over 10 months and extended into 2018/19. The increase in the 2018/19 Adjusted Appropriation was largely due to internal reprioritisation from *Machinery and equipment* to fund the Law Society building renovations, which were completed in August 2018. Although capital projects are continuing, the extent and nature of the work to be done are still under review, hence the low MTEF allocations, at this stage.

Machinery and equipment fluctuates significantly in the prior years due to several once-off costs. The high 2016/17 amount includes expenditure relating to various projects that commenced in 2016/17, such as the upgrading of the Legislature's server to accommodate the SAP system, etc. The peak in 2017/18 relates to unspent 2016/17 funds allocated back to fund the capital aspects of phase two of the audio-visual project, the replacement of lifts, as well as outstanding costs of the upgrading of the Legislature's server. The reductions in the 2018/19 Adjusted Appropriation and Revised Estimate were largely due to a decision taken to delay the purchase of pool vehicles in order to fund the Law Society building renovations. The growth thereafter is largely inflationary, and caters for the purchase of furniture, vehicles and computers for both staff and Members.

Software and other intangible assets fluctuates, largely due to the roll-out of various SAP modules, especially in the prior years. The low Revised Estimate relates to enforced savings which will be utilised to offset in-year spending pressures under *Goods and services*, as mentioned. The growth over the MTEF caters for annual Microsoft and SAP licences, as well as SAP system upgrades.

7.4 Summary of conditional grant payments and estimates – Nil

7.5 Summary of infrastructure payments and estimates

Table 2.5 provides a summary of infrastructure payments and estimates, reflecting the cost of renovations and repairs to the Legislature buildings, based on input from DOPW.

Infrastructure spending fluctuates markedly over the seven years, as it is dependent on the nature of the work required to be done to the Legislature buildings, as well as the submission of invoices by DOPW. As mentioned, the MTEF infrastructure allocations are preliminary at this stage.

Table 2.5 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Existing infrastructure assets	3 791	14 530	21 144	4 995	10 895	14 518	5 275	5 565	5 871
Maintenance and repair: Current	3 791	14 530	21 144	4 000	4 000	7 623	4 224	4 456	4 701
Upgrades and additions: Capital	-	-	-	995	6 895	6 895	1 051	1 109	1 170
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
New infrastructure assets: Capital	-	-	-	-	-	-	-	-	-
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Non infrastructure¹	-	-	-	-	-	-	-	-	-
Total	3 791	14 530	21 144	4 995	10 895	14 518	5 275	5 565	5 871
Capital infrastructure	-	-	-	995	6 895	6 895	1 051	1 109	1 170
Current infrastructure	3 791	14 530	21 144	4 000	4 000	7 623	4 224	4 456	4 701

1. Non infrastructure is a stand-alone item, and is therefore excluded from Capital infrastructure and Current infrastructure, but is included in the overall total.

Maintenance and repair: Current spending in the prior years relates mainly to current repairs undertaken to the Speaker's cottage and offices of the Deputy Speaker, as well as the Legislature's toilets. The sharp increase in 2016/17 relates to unspent funds from the prior year allocated back in line with legislation, of which some R11 million was allocated to contractors' costs for phase one of the audio-visual project. The high spending in 2017/18 largely relates to contractors' costs for phase two of the audio-visual project. The high 2018/19 Revised Estimate relates to general maintenance costs, and is currently being reviewed by the Legislature. Although maintenance projects are continuing, the extent and nature of the work to be done are still under review, hence the MTEF allocations are inflationary related, at this stage.

Upgrades and additions: Capital is explained under *Buildings and other fixed structures* in Section 7.3.

7.6 Summary of Public Private Partnerships – Nil

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Table 2.6 reflects spending on *Transfers* made by the Legislature to other entities from 2015/16 to 2021/22.

Table 2.6 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Transfers to public entities		-	-	-	-	-	-	-	-	-
Transfers to other entities		30 292	35 181	40 428	40 241	40 241	40 241	40 255	40 269	40 284
Commonwealth Parliamentary Assoc.	1.2. Office of the Secretary	292	181	428	241	241	241	255	269	284
Political Parties' Fund	2.5. Members' Facilities	30 000	35 000	40 000	40 000	40 000	40 000	40 000	40 000	40 000
Total		30 292	35 181	40 428	40 241	40 241	40 241	40 255	40 269	40 284

Payments are made to the CPA mainly for subscription fees and attendance costs relating to CPA conferences, accounting for the fluctuations.

The Legislature transfers funds annually to the PPF, in terms of the KZN Funding of Political Parties' Act. The PPF is aimed at assisting political parties to carry out their constitutional mandate of advancing the ideals of democracy. The allocation of money to the political parties is based on a prescribed formula. The annual transfer was capped at its 2010/11 level of R30 million from 2011/12 onward, in line with a Provincial Executive Council resolution. In 2015, the Provincial Executive Council granted approval to lift the capping of the PPF, hence the Legislature reprioritised R5 million in 2016/17 to increase the annual transfer to R35 million, continued over the MTEF. A further R5 million was again reprioritised from 2017/18 onward, increasing the PPF to R40 million per annum.

7.8 Transfers to local government – Nil

The Legislature makes no transfer payments to local government. Although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence the table reflecting transfers to local government is excluded.

7.9 Transfers and subsidies

Table 2.7 reflects spending on *Transfers and subsidies* by programme and main category. The category as a whole shows a generally steady increase from 2015/16 to 2021/22, as detailed below the table.

Table 2.7 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	416	199	465	413	413	413	437	461	487
Provinces and municipalities	19	18	37	42	42	42	44	46	49
Motor vehicle licences	19	18	37	42	42	42	44	46	49
Foreign government and international organisations	292	181	428	241	241	241	255	269	284
Commonwealth Parliamentary Association	292	181	428	241	241	241	255	269	284
Public corporations and private enterprises	-	-	-	30	30	30	32	34	36
Insurance companies	-	-	-	30	30	30	32	34	36
Households	105	-	-	100	100	100	106	112	118
Speaker's Social Responsibility programme	105	-	-	100	100	100	106	112	118
2. Parliamentary Business	81 055	101 732	109 113	109 627	112 127	112 127	109 627	110 791	116 885
Non-profit institutions	81 055	101 732	109 113	109 627	112 127	112 127	109 627	110 791	116 885
Funding for political parties (e.g. constit. allowance)	51 055	66 732	69 113	69 627	72 127	72 127	69 627	70 791	76 885
Political Parties' Fund	30 000	35 000	40 000	40 000	40 000	40 000	40 000	40 000	40 000
Total	81 471	101 931	109 578	110 040	112 540	112 540	110 064	111 252	117 372

The category *Transfers and subsidies* under Programme 1 includes the following:

- *Provinces and municipalities* caters for the payment of motor vehicle licences.
- *Foreign governments and international organisations* provides for CPA subscription fees and conference attendance costs.
- *Public corporations and private enterprises* caters for insurance claims for motor vehicle accidents relating to the Legislature's official vehicles.
- *Households* comprises donations made as part of the Speaker's Social Responsibility programme.

Under Programme 2, *Transfers and subsidies* comprises *Non-profit institutions*, as follows:

- Funding for political parties, including the constituency and secretarial allowances. The transfers fluctuate from 2017/18 to 2019/20, largely because the bulk of the interest derived from the PPF (R2.500 million) was allocated in the 2018/19 Adjusted Appropriation to increase the allowances. This will have to be reviewed and adjusted in-year, to ensure that adequate provision is made for the constituency and secretarial allowances over the MTEF. Details of the allowances are as follows:
 - Constituency allowances are paid to political parties represented in the Legislature to set up offices for the benefit of constituents.

- o Secretarial allowances provide financial and administrative assistance to each political party represented in the Legislature, in proportion to its representation, to enable the party and its leader to perform their functions in the Legislature effectively.
- The PPF, which is discussed in more detail under Section 7.7 above.

8. Programme description

The uniform budget and programme structure for all Provincial Legislatures consists of two programmes, namely Programme 1: Administration and Programme 2: Parliamentary Business. The payments and budgeted estimates for these two programmes are summarised in terms of economic classification below, details of which are given in *Annexure – Vote 2: Provincial Legislature*.

8.1 Programme 1: Administration

The objective of Programme 1 is to provide strategic management of the institution and to provide quality corporate support services to the Legislature. Various costs relating to the Vote as a whole, including SCM costs, are centralised under the Financial Management sub-programme, while the Corporate Services sub-programme caters for capital and other major procurement projects.

Tables 2.8 and 2.9 summarise payments and estimates for Programme 1 from 2015/16 to 2021/22. As mentioned, it is anticipated that the 2019 general elections may result in a new leadership, which is likely to introduce new approaches that will have an impact on the Legislature's current business processes, hence it is likely that Programme 1's MTEF budget allocations will need to be reviewed in-year.

Table 2.8 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Office of the Speaker	17 934	18 525	21 205	25 097	24 597	24 597	27 673	29 784	31 416
2. Office of the Secretary	18 832	21 661	27 052	28 619	28 119	28 119	33 855	36 368	38 998
3. Financial Management	46 841	53 250	39 688	45 465	45 565	45 565	51 771	56 509	59 539
4. Corporate Services	62 376	61 781	132 535	92 815	103 270	103 270	97 789	105 859	111 981
Total	145 983	155 217	220 480	191 996	201 551	201 551	211 088	228 520	241 934

Table 2.9 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	139 721	147 377	188 409	181 221	186 776	191 053	199 832	216 765	229 532
Compensation of employees	80 396	82 471	92 080	103 310	103 310	103 310	112 499	124 839	131 496
Goods and services	59 325	64 906	96 329	77 911	83 466	87 743	87 333	91 926	98 036
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	416	199	465	413	413	413	437	461	487
Provinces and municipalities	19	18	37	42	42	42	44	46	49
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	292	181	428	241	241	241	255	269	284
Public corporations and private enterprises	-	-	-	30	30	30	32	34	36
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	105	-	-	100	100	100	106	112	118
Payments for capital assets	5 846	7 641	31 606	10 362	14 362	10 085	10 819	11 294	11 915
Buildings and other fixed structures	-	-	-	995	6 895	6 895	1 051	1 109	1 170
Machinery and equipment	4 139	7 641	24 923	5 427	3 527	1 736	5 731	6 047	6 379
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1 707	-	6 683	3 940	3 940	1 454	4 037	4 138	4 366
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	145 983	155 217	220 480	191 996	201 551	201 551	211 088	228 520	241 934

The Office of the Speaker provides political and administrative leadership to the Legislature, ensures the provision of protocol services to Members, and the provision of support services to the Speaker and Deputy Speaker. This sub-programme is responsible for policy implementation, and includes the Speaker's Social Responsibility programme, as well as provision for the ongoing implementation of the

FMPPLA, including the building of capacity in anticipation of the functions to be undertaken by the Office of the Speaker (as the Treasury). The 2018/19 and MTEF allocations include ongoing provision for the various functions required in terms of FMPPLA, such as the Internal Audit function, which is currently being outsourced to consultants, as the filling of critical vacant posts identified in terms of the restructuring exercise is likely to take time, taking into account financial constraints, as mentioned above.

The sub-programme: Office of the Secretary, which shows a steady increase, manages and supports the line function components of the Legislature in achieving their goals by co-ordinating and providing corporate strategy, performance monitoring and evaluation, policy management, transformation and communication, and overseeing internal control, risk management and governance processes. The MTEF reflects above inflationary growth, and caters for the costs of the Office of the Secretary, as well as the Organisational Performance, Governance and Compliance, Transformation and Communication units.

Financial Management aims to provide efficient and effective financial management, and includes the CFO's office, financial management services, as well as SCM services, accounting for the fluctuations in the prior years. The main purpose is to plan the departmental budget, as well as to monitor and evaluate expenditure and revenue collection. In addition, various costs relating to the Vote as a whole are centralised here, such as cell-phone, land-line, printing and publication costs, and all current maintenance costs. The growth over the MTEF is inflation related, and caters for the above-mentioned centralised costs.

Corporate Services includes ICT, communication, human resources management and institutional support (fleet services, etc.), security and facilities management, property payments and operating leases. Capital building renovation costs and other major procurement costs are centralised under this sub-programme, such as the purchase and roll-out of SAP and the Law Society building renovations, accounting for the size of the budget, as well as the fluctuations in trends. The significant increase in 2017/18 relates to the fact that the bulk of the unspent funds from 2016/17 were allocated back to this sub-programme and were spent on various once-off projects, including the SAP system and ICT strategy reviews, phase two of the audio-visual project, the upgrading of the server, the Law Society building renovations, as well as overseas study tours, as mentioned, and this accounts for the steep drop from 2017/18 to 2018/19. The increase in the 2018/19 Adjusted Appropriation largely relates to the surplus funds and revenue over-collected in 2017/18 allocated back in line with legislation, which were used to fund higher than budgeted computer services, external audit costs and property payments, as well as the replacement of lifts and the canteen upgrade project. The growth over the MTEF is largely inflation related, and includes provision for the above-mentioned activities, including increased property payments and operating leases.

The growth in *Compensation of employees* in the prior years was largely on respect of the annual wage agreements, as the filling of critical posts was put on hold, pending the outcome of the restructuring and job evaluation exercise. The growth over the MTEF is 8.9, 11 and 5.3 per cent, which is fairly low, despite the fact that R3.790 million (i.e portion of the previously mentioned R8 million) was reprioritised to this category from *Goods and services* for the upgrading of posts. The growth is not sufficient to provide for both the upgrading and filling of critical existing or new posts. Programme 1 currently has six critical vacant posts, including Chief Director: Corporate Services, Manager: Security, IT specialist posts and budget analysts. The budget will need to be reviewed and adjusted in-year once the upgrading of posts is finalised, and taking into account that R8 million will be allocated from provincial cash resources in the 2019/20 Adjustments Estimate for this purpose (although portion will be allocated to Programme 2).

Goods and services includes provision for several once-off projects, including the audio-visual project and current building revamping projects. The significant increase in 2017/18 relates to unspent 2016/17 funds allocated back for ongoing once-off projects, such as the SAP system and ICT strategy reviews, phase two of the audio-visual project, overseas study tours, etc. This accounts for the dip in 2018/19. The 2018/19 Adjusted Appropriation caters for higher than budgeted computer services, external audit costs, property payments and overseas study tours, as well as additional funding to offset in-year spending pressures relating to public participation events and new oversight initiatives. The projected over-expenditure in the Revised Estimate relates to these in-year spending pressures, and will be offset by savings under *Software and other intangible assets*. The MTEF reflects inflationary growth and includes provision for increased property payments and operating leases, travel and subsistence costs, external audit fees, SAP support services, as well as routine maintenance and repairs to the Legislature and administrative buildings.

The category *Transfers and subsidies* includes the following categories:

- *Provinces and municipalities* reflects the payment of motor vehicle licences.
- *Foreign governments and international organisations* caters mainly for subscription fees and conference attendance costs in respect of the CPA.
- *Public corporations and private enterprises* caters for insurance claims for motor vehicle accidents relating to the Legislature’s official vehicles. This category is difficult to budget for.
- *Households* caters for donations made as part of the Speaker’s Social Responsibility programme.

Buildings and other fixed structures caters for capital building projects in respect of both the Legislature and the administrative building. In 2018/19, the focus was on the Law Society building renovations which commenced in November 2017 and were completed in August 2018. Although capital projects are continuing, the extent and nature of the work are still under review, hence the low MTEF allocations.

Machinery and equipment fluctuates significantly over the seven-year period due to several once-off costs. The increase in 2017/18 relates to unspent 2016/17 funds allocated back to fund the capital aspects of phase two of the audio-visual project, the replacement of lifts, as well as outstanding costs of the upgrading of the Legislature’s server. The reduction in the 2018/19 Adjusted Appropriation and Revised Estimate was largely due to a decision taken to delay the purchase of pool vehicles in order to fund the Law Society building renovations. The growth thereafter is largely inflationary, and caters for the purchase of furniture, vehicles and computers for both staff and Members.

Software and other intangible assets fluctuates, largely due to the roll-out of various SAP modules, especially in the prior years. The low Revised Estimate relates to enforced savings which will be utilised to offset in-year spending pressures under *Goods and services*, as mentioned. The growth over the MTEF caters for annual Microsoft and SAP licences, as well as SAP system upgrades.

Service delivery measures: Administration

Table 2.10 illustrates the main service delivery measures pertaining to Programme 1. It is noted that the Legislature sector has not yet agreed on standardised service delivery measures.

Table 2.10 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
1. Achieved clean administration	<ul style="list-style-type: none"> Quarterly reports on follow-up audits on management efforts towards achieving a clean audit 	4	4	4	4
2. Improved institutional performance, planning, monitoring, reporting and evaluation	<ul style="list-style-type: none"> Quarterly and annual performance reports detailing implementation of 2019/20 APP and Annual Oversight Plan targets, as well as progress in the development of the 2020/21 APP and Annual Oversight Plans in compliance with FMPPLA and the clearing of applicable audit and risk issues 	5	5	5	5
3. Improved management of the Legislature’s budget and expenditure	<ul style="list-style-type: none"> Quarterly budget performance reports detailing implementation of the 2019/20 budget, as well as progress in the development of the 2020/21 budget in compliance with FMPPLA and the clearing of applicable audit and risk issues 	4	4	4	4
4. An implemented procurement plan aligned to the Legislature’s budget	<ul style="list-style-type: none"> Quarterly reports on the implementation of the procurement plan in compliance with SCM prescripts, as well as clearing of applicable audit and risk issues 	4	4	4	4
5. Improved human resources management and development	<ul style="list-style-type: none"> Quarterly reports on the development and implementation of the HR plan in compliance with HR prescripts and clearing of applicable audit and risk issues 	4	4	4	4
6. Improved ICT management, services and support	<ul style="list-style-type: none"> Quarterly reports on the implementation of the ICT plan and clearing of applicable audit and risk issues 	4	4	4	4

8.2 Programme 2: Parliamentary Business

The objective of this programme is to provide effective procedural and related support to the House and to committees, and to facilitate public participation. The programme largely conforms to the customised

budget structure for the sector, but the Legislature does not use the sector sub-programme: Co-operative Governance. The Legislature took a decision not to establish a Co-operative Governance unit, but rather establish an Auxiliary Services unit under the sub-programme: Corporate Services in Programme 1, to oversee transversal activities, such as facilities and security management.

Tables 2.11 and 2.12 reflect payments and estimates for the period 2015/16 to 2021/22. Programme 2 shows generally steady growth over the seven-year period. This programme includes substantial funding for public participation events, overseas study tours undertaken by portfolio committees, as well as support for political parties in the form of constituency and secretarial allowances and the PPF. As mentioned, it is likely that Programme 2's MTEF allocations will need to be reviewed in-year, following the 2019 general elections and the possible impact on the Legislature's current business processes.

Table 2.11 : Summary of payments and estimates by sub-programme: Parliamentary Business

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Law-making	38 749	38 097	47 326	48 062	47 174	47 174	51 245	57 577	61 155
2. NCOP	822	624	1 113	1 566	1 566	295	943	1 022	1 106
3. Oversight	64 299	73 417	105 633	90 880	90 880	90 880	96 911	103 900	109 232
4. Public Participation	21 618	23 676	35 607	27 725	42 892	42 892	30 215	32 165	33 919
5. Members' Facilities	87 462	106 342	116 851	114 734	117 234	118 505	116 674	118 336	123 955
Total	212 950	242 156	306 530	282 967	299 746	299 746	295 988	313 000	329 367

Table 2.12 : Summary of payments and estimates by economic classification: Parliamentary Business

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	131 895	140 424	197 417	173 340	187 619	187 619	186 361	202 209	212 482
Compensation of employees	80 333	87 984	98 420	104 994	104 994	104 994	117 246	129 441	136 329
Goods and services	51 562	52 440	98 997	68 346	82 625	82 625	69 115	72 768	76 153
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	81 055	101 732	109 113	109 627	112 127	112 127	109 627	110 791	116 885
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	81 055	101 732	109 113	109 627	112 127	112 127	109 627	110 791	116 885
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	212 950	242 156	306 530	282 967	299 746	299 746	295 988	313 000	329 367

The sub-programme: Law-making, which shows inflationary growth over the MTEF, focusses on passing effective and relevant laws in KZN, and also incorporates the functions of House Proceedings, Language Services and Hansard. The sub-programme includes provision for the Chief Operations Officer, Legislative Operations (staff) and Legislative Operations (Members).

The NCOP sub-programme is responsible for facilitating NCOP liaison services. Parliament consists of two Houses, namely the National Assembly and the NCOP, which represent provinces to ensure that provincial interests are taken into account in the national sphere of government. The budget provides mainly for the travel and subsistence costs relating to attendance at NCOP meetings, but the salaries for the NCOP support staff are paid from the Oversight sub-programme. The MTEF caters for scheduled NCOP meetings, and will be reviewed in-year, following the 2019 general elections.

The Oversight sub-programme is responsible for executing and conducting effective oversight of the Executive Committees, and providing research and legal services. The core functions include providing legal advice and support services to the Office of the Speaker, the Office of the Secretary, all office bearers, all committees of the Legislature (including management, portfolio and standing committees) and

other units within the Legislature, and rendering legislative drafting services. Provision is also made under this sub-programme for overseas study tours undertaken by committees. The significant increase in 2017/18 relates to unspent funds from 2016/17 being allocated back to cater for overseas study tours which did not take place in 2016/17, as mentioned previously. This also accounts for the low growth to 2018/19, whereafter there is inflationary growth over the MTEF.

The aim of the Public Participation sub-programme is to address complaints through the petitions' system, and to create awareness of legislative processes through public education and the promotion of public involvement. Public participation includes the involvement of the public or communities in legislative processes, oversight, and issues of governance affecting their lives (Acts, Bills and public hearings). Public participation gives members of the public an opportunity to express their views and be informed on government processes and programmes. The increase in 2017/18 relates to unspent funds from 2016/17 allocated back to fund outstanding 2016/17 commitments in respect of communication costs, venues and facilities costs, etc. The 2018/19 Adjusted Appropriation includes additional funding allocated for public participation events and new oversight initiatives, as mentioned. Also included is the additional R7 million for conducting voter education campaigns ahead of the 2019 elections. This also accounts for the low growth to 2018/19, whereafter there is inflationary growth over the MTEF.

The sub-programme: Members' Facilities provides benefits and facilities in respect of Members and offers support to political parties, and therefore includes no provision for *Compensation of employees*. This sub-programme caters for the constituency and secretarial allowances, as well as the PPF, as explained in Sections 7.7 and 7.9. The sub-programme also includes travel and subsistence costs relating to Members, in line with the "Quota of journeys" benefits prescribed in the Members' Handbook. The 2018/19 Adjusted Appropriation includes R2.500 million (of the R3 million PPF interest) allocated to increase the secretarial and constituency allowances. The inflationary growth over the MTEF caters for the continued implementation of the sector oversight model, as well as support staff, such as researchers, which are contract based, and are not on the Legislature's organisational structure. These allowances are in line with guidelines from Parliament. The MTEF allocations will have to be reviewed and adjusted in-year, to ensure that adequate provision is made for the constituency and secretarial allowances.

The growth in *Compensation of employees* in the prior years caters mainly for the annual wage agreements, as the filling of critical posts was put on hold, pending the outcome of the restructuring and job evaluation exercise. The growth over the MTEF is 11.7, 10.4 and 5.3 per cent, which is fairly low, despite the fact that R4.210 million (i.e. portion of the previously mentioned R8 million) was reprioritised to this category from *Goods and services* to cater for the upgrading of posts. The growth is not sufficient to provide for the upgrading and filling of critical new posts. Programme 2 currently has four critical vacant posts, including the Chief Operations Officer and Protocol Manager. As mentioned, though, the *Compensation of employees*' budget will need to be reviewed and adjusted in-year once the upgrading of posts is finalised, and taking into account that R8 million will be allocated from provincial cash resources in the 2019/20 Adjustments Estimate for this purpose (although portion will be allocated to Programme 1).

Goods and services largely caters for both staff and sectoral public participation costs, overseas study tours, committee costs, etc., and the bulk of the budget is allocated to travel and subsistence costs, advertising and communication, contractors (events co-ordinators), as well as venues and facilities. The significant increase in 2017/18 relates to unspent 2016/17 funds allocated back to fund outstanding 2016/17 commitments and overseas study tours which were scaled down to accommodate the 2016 local government elections, accounting for the decrease from 2017/18 to 2018/19. The 2018/19 Adjusted Appropriation includes additional funding for in-year spending pressures, as well as the additional R7 million for conducting voter education campaigns. The MTEF growth is inflationary.

Transfers and subsidies to: Non-profit institutions comprises the constituency, secretarial and research allowances payable to political parties, as well as the PPF, as explained in Sections 7.7 and 7.9 above.

Service delivery measures: Parliamentary Business

Table 2.13 illustrates the main service delivery measures relating to Programme 2. The Legislature sector has not yet agreed on standardised service delivery measures.

Table 2.13 : Service delivery measures: Parliamentary Business

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
1. Increased level of awareness and knowledge of the Legislature and its core business	• Quarterly reports on public education campaigns/workshops held	20	4	4	4
2. Enhanced oversight, law-making and accountability	• Quarterly reports on House sittings facilitated	4	4	4	4
3. Improved tracking of implementation of resolutions and answers to questions	• Quarterly progress reports on tracking the implementation of resolutions	4	4	4	4
4. Improved oversight over departmental and committee planning	• No. of approved Committee Annual Oversight Plans and Committee Annual Operational Plans	19	21	21	21
5. Improved oversight over the implementation of the NDP/PGDP by provincial departments	• No. of oversight reports on achievements in the implementation of NDP/PGDP prioritised targets tabled in the house	2	2	2	2
6. Improved input by the Committees into the departmental APPs and budgets	• Quarterly reports on the inputs/processing by Committees of draft 2020/21 APPs and budgets submitted to Office of the Chairperson of Committees	15	4	4	4
7. Improved oversight over the departmental performance against their APPs and budgets	• No. of analysis reports on quarterly and annual reports	55	55	55	55
8. Improved stakeholder involvement/ engagement on Legislature business	• Quarterly outcomes-based reports on stakeholder involvement in Legislature business (Committees/TLTP/sector outreach programmes)	4	4	4	4
9. Improved oversight over financial management and performance of departments and public entities	• No. of reports on Finance Portfolio Committee hearings conducted	3	2	3	3
10. Improved oversight over departments and public entities in respect of the attainment of clean audit reports	• No. of SCOPA hearings conducted	2	2	2	2
11. Enhanced oversight through focused intervention studies and oversight visits	• No. of reports on focused intervention studies conducted	11	11	11	11
	• Quarterly reports on oversight visits conducted	4	4	4	4
12. Empowered Committees to perform oversight	• Quarterly reports on study tours programme	4	4	4	4
13. Improved processing of legislation before Committees	• No. of reports on Bills processed	4	4	4	4

9. Other programme information

9.1 Personnel numbers and costs

Table 2.14 reflects personnel information pertaining to the Legislature. Note that the table includes information relating to the Legislature staff only, and information relating to the Members of the Legislature is included as a footnote.

Table 2.14 : Summary of personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2018/19 - 2021/22		
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		Pers. growth rate	Costs growth rate	% Costs of Total		
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Addit. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs					
R thousands																			
Salary level																			
1 – 6	46	12 798	46	12 256	22	10 679	22	-	22	11 881	22	12 133	22	13 298	22	14 028	0.0%	5.7%	5.4%
7 – 10	123	98 151	119	85 624	125	98 263	125	-	125	107 855	125	119 308	125	130 665	125	137 632	0.0%	8.5%	51.5%
11 – 12	21	43 544	18	39 189	35	39 680	35	-	35	43 838	35	49 442	35	53 593	35	56 431	0.0%	8.8%	21.1%
13 – 16	28	6 236	26	33 386	26	41 878	26	-	26	44 730	26	48 862	26	56 724	26	59 734	0.0%	10.1%	22.1%
Total*	218	160 729	209	170 455	208	190 500	208	-	208	208 304	208	229 745	208	254 280	208	267 825	0.0%	8.7%	100.0%
Programme																			
1. Administration	109	80 396	107	82 471	107	92 080	107	-	107	103 310	107	112 499	107	124 839	107	131 496	0.0%	8.4%	49.2%
2. Parliamentary Business	109	80 333	102	87 984	101	98 420	101	-	101	104 994	101	117 246	101	129 441	101	136 329	0.0%	9.1%	50.8%
Total*	218	160 729	209	170 455	208	190 500	208	-	208	208 304	208	229 745	208	254 280	208	267 825	0.0%	8.7%	100.0%
*Excl. Members' remuneration:	69	77 204	69	75 815	69	84 350	-	69	69	87 260	69	88 410	69	92 902	69	98 084	0.0%	4.0%	100.0%

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

It is noted that the Legislature's salary structure is very different to that of the Public Service. For the most part, the Legislature's salary levels are higher than Public Service counterparts. This position is exacerbated by the fact that, in some years, the annual wage adjustments for the administrative staff has been higher than the Public Service wage agreements.

As mentioned, at the end of 2016/17, the Legislature embarked on a restructuring and job evaluation exercise aimed at achieving an updated organisational structure that is aligned to the current institutional strategic plan. The Legislature took a decision in 2017/18 (continued into 2018/19) not to fill any vacant posts, pending the outcome of this restructuring exercise, which took far longer than anticipated because of the lengthy consultation process between the employees and the employer. As such, 10 critical vacant posts were not filled in 2016/17 and 2017/18, pending the finalisation of the restructuring and job evaluation exercise. Although some of the critical vacant posts are new, most are due to recent retirements and/or resignations, and this accounts for the decrease in personnel numbers from 218 in 2015/16 to 208 in 2017/18. Programme 1 has six critical vacant posts, including Chief Director: Corporate Services, Manager: Security, three IT specialist posts, two budget analysts, etc. Programme 2 has four critical vacant posts, including the Chief Operations Officer and Protocol Manager.

Growth over the MTEF is 16.8, 14.2 and 5.2 per cent, and this takes into account the amount of R8 million reprioritised from *Goods and services* to fund the upgrading of posts, as mentioned. The growth will be higher when the additional R8 million is allocated from provincial cash resources in the 2019/20 Adjustments Estimate. The *Compensation of employees*' budget will need to be reviewed over the MTEF to ensure that the growth is sufficient for the upgrading of posts and filling the above-mentioned critical existing and new posts, which may have to be funded through further internal reprioritisation.

9.2 Training

Table 2.15 gives a summary of the Legislature's spending and information on training per programme over the seven-year period. It is noted that the Legislature's training budget caters for both staff and Members. As such, the table illustrates the number of staff and Members affected by the various training programmes and initiatives, and this accounts for the number of staff reflected in Table 2.15 being higher than the personnel numbers reflected in Section 9.1.

Table 2.15 : Information on training: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	287	278	277	277	277	277	277	277	277
Number of personnel trained	62	66	70	74	74	74	78	82	82
of which									
Male	20	22	24	25	25	25	27	28	28
Female	42	44	46	49	49	49	51	54	54
Number of training opportunities	39	50	54	58	58	58	62	65	65
of which									
Tertiary	10	15	16	17	17	17	18	19	19
Workshops	11	15	16	17	17	17	18	19	19
Seminars	-	-	-	-	-	-	-	-	-
Other	18	20	22	24	24	24	26	27	27
Number of bursaries offered	10	15	24	25	25	25	26	27	27
Number of interns appointed	-	-	-	-	-	-	-	-	-
Number of learnerships appointed	-	10	24	25	25	25	26	27	27
Number of days spent on training	139	140	142	142	142	142	142	150	150
Payments on training by programme									
1. Administration	898	1 028	1 312	2 253	2 253	1 331	2 905	3 065	3 234
2. Parliamentary Business	-	-	-	553	-	-	-	-	-
Total	898	1 028	1 312	2 806	2 253	1 331	2 905	3 065	3 234

The Skills Development Act is not applicable to provincial legislatures. The amounts reflected relate to specific training courses that will assist in capacitating the Members and various components of the Legislature. The MTEF allocations provide for ongoing SAP and SCM training to both staff and Members, as well as training on the implementation of the FMPPLA.

ANNEXURE – VOTE 2: PROVINCIAL LEGISLATURE

Table 2.A : Details of receipts: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	65	63	64	60	60	64	63	66	70
Sale of goods and services produced by department (excluding capital assets)	65	63	64	60	60	64	63	66	70
Sale by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	65	63	64	60	60	64	63	66	70
<i>Of which</i>									
<i>Commission</i>	64	62	64	60	60	64	62	66	70
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	145	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	145	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	3 273	6 859	4 396	506	506	361	534	563	594
Interest	3 273	6 859	4 396	506	506	361	534	563	594
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	679	21	-	-	27	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	679	21	-	-	27	-	-	-
Transactions in financial assets and liabilities	-	2	-	294	294	98	310	327	345
Total	3 338	7 603	4 626	860	860	550	907	956	1 009

Estimates of Provincial Revenue and Expenditure

Table 2.B: Payments and estimates by economic classification: Provincial Legislature

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	271 616	287 801	385 826	354 561	374 395	378 672	386 193	418 974	442 014
Compensation of employees	160 729	170 455	190 500	208 304	208 304	208 304	229 745	254 280	267 825
Salaries and wages	127 498	134 004	150 867	162 376	162 068	162 068	180 289	202 105	212 780
Social contributions	33 231	36 451	39 633	45 928	46 236	46 236	49 456	52 175	55 045
Goods and services	110 887	117 346	195 326	146 257	166 091	170 368	156 448	164 694	174 189
Administrative fees	576	810	828	1 429	1 429	1 473	1 509	1 592	1 679
Advertising	4 537	6 487	13 320	7 769	9 784	9 688	8 675	9 134	9 637
Minor assets	51	-	-	-	-	-	-	-	-
Audit cost: External	2 970	3 205	2 757	3 268	3 968	4 278	3 451	3 641	3 841
Bursaries: Employees	364	199	163	1 297	1 297	1 297	1 370	1 446	1 526
Catering: Departmental activities	5 851	8 207	10 082	8 542	8 942	11 709	9 582	10 131	10 688
Communication (G&S)	8 302	7 528	9 166	7 720	9 273	9 738	8 736	9 217	9 724
Computer services	2 675	3 860	10 877	1 046	5 901	5 901	5 756	6 226	6 568
Cons. and prof. serv.: Bus. and advisory serv.	9 833	10 443	20 506	15 947	14 040	15 696	16 028	16 063	16 946
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	613	515	327	635	635	635	670	707	746
Contractors	4 127	9 348	14 879	8 572	10 304	14 471	9 052	9 550	10 074
Agency and support / outsourced services	(1)	-	5	-	-	-	-	-	-
Entertainment	15	28	83	463	463	363	490	517	546
Fleet services (including govt. motor transport)	2 002	1 642	1 466	2 008	2 008	2 009	2 120	2 236	2 359
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	958	493	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	510	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	91	91	91	96	101	107
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 306	1 294	2 456	2 747	2 832	2 664	3 027	3 193	3 368
Consumable: Stationery, printing and office supplies	2 910	852	1 974	2 764	2 671	2 138	2 917	3 077	3 246
Operating leases	6 959	5 317	8 771	6 500	6 500	6 500	6 864	7 242	7 640
Property payments	10 155	8 102	8 893	9 372	10 372	11 297	9 790	10 329	10 897
Transport provided: Departmental activity	3 900	3 738	4 960	3 795	4 674	5 213	4 165	4 394	4 635
Travel and subsistence	30 794	35 137	68 397	44 862	50 141	47 953	43 279	45 987	48 956
Training and development	898	1 028	1 312	2 806	2 253	1 331	2 905	3 065	3 234
Operating payments	5 433	3 660	4 669	6 692	7 992	5 577	7 371	7 779	8 206
Venues and facilities	5 149	5 453	9 435	7 932	10 521	10 346	8 595	9 067	9 566
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	81 471	101 931	109 578	110 040	112 540	112 540	110 064	111 252	117 372
Provinces and municipalities	19	18	37	42	42	42	44	46	49
Provinces	19	18	37	42	42	42	44	46	49
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	19	18	37	42	42	42	44	46	49
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	292	181	428	241	241	241	255	269	284
Public corporations and private enterprises	-	-	-	30	30	30	32	34	36
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	30	30	30	32	34	36
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	30	30	30	32	34	36
Non-profit institutions	81 055	101 732	109 113	109 627	112 127	112 127	109 627	110 791	116 885
Households	105	-	-	100	100	100	106	112	118
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	105	-	-	100	100	100	106	112	118
Payments for capital assets	5 846	7 641	31 606	10 362	14 362	10 085	10 819	11 294	11 915
Buildings and other fixed structures	-	-	-	995	6 895	6 895	1 051	1 109	1 170
Buildings	-	-	-	995	6 895	6 895	1 051	1 109	1 170
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 139	7 641	24 923	5 427	3 527	1 736	5 731	6 047	6 379
Transport equipment	1 196	-	4 552	2 385	485	-	2 519	2 658	2 804
Other machinery and equipment	2 943	7 641	20 371	3 042	3 042	1 736	3 212	3 389	3 575
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1 707	-	6 683	3 940	3 940	1 454	4 037	4 138	4 366
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	358 933	397 373	527 010	474 963	501 297	501 297	507 076	541 520	571 301
Members' remuneration	77 204	78 001	87 924	90 251	90 251	90 251	91 680	97 406	102 836
of which:									
Compensation of employees	77 204	75 815	84 350	87 260	87 260	87 260	88 410	92 902	98 084
Goods and services	-	2 186	3 574	2 991	2 991	2 991	3 270	4 504	4 752
Adjusted total (incl. Members' remuneration)	436 137	475 374	614 934	565 214	591 548	591 548	598 756	638 926	674 137
of which:									
Departmental receipts	3 338	7 603	4 626	860	860	550	907	956	1 009

Table 2.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	139 721	147 377	188 409	181 221	186 776	191 053	199 832	216 765	229 532
Compensation of employees	80 396	82 471	92 080	103 310	103 310	103 310	112 499	124 839	131 496
Salaries and wages	70 922	71 106	80 622	89 346	89 346	89 346	97 853	109 388	115 195
Social contributions	9 474	11 365	11 458	13 964	13 964	13 964	14 646	15 451	16 301
Goods and services	59 325	64 906	96 329	77 911	83 466	87 743	87 333	91 926	98 036
Administrative fees	576	636	647	997	997	1 041	1 053	1 111	1 172
Advertising	1 280	2 103	4 130	2 561	2 561	2 561	2 857	2 996	3 161
Minor assets	51	-	-	-	-	-	-	-	-
Audit cost: External	2 970	3 205	2 757	3 268	3 968	4 278	3 451	3 641	3 841
Bursaries: Employees	364	189	138	841	841	841	888	937	989
Catering: Departmental activities	(45)	(15)	891	582	582	686	1 178	1 265	1 334
Communication (G&S)	5 889	7 008	6 489	7 534	7 534	8 134	7 956	8 394	8 856
Computer services	2 675	3 791	10 877	1 046	5 901	5 901	5 756	6 226	6 568
Cons. and prof. serv.: Bus. and advisory serv.	9 582	10 379	20 157	15 654	13 747	15 317	15 718	15 737	16 602
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	2 751	8 128	11 910	6 300	6 300	10 140	6 654	7 020	7 405
Agency and support / outsourced services	(1)	-	-	-	-	-	-	-	-
Entertainment	6	28	53	333	333	236	352	371	392
Fleet services (including govt. motor transport)	2 002	1 642	1 466	2 008	2 008	2 009	2 120	2 236	2 359
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	958	493	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	34	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	91	91	91	96	101	107
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 149	1 134	2 038	2 214	2 214	2 214	2 465	2 600	2 743
Consumable: Stationery, printing and office supplies	2 708	385	1 162	1 997	1 904	1 541	2 109	2 225	2 347
Operating leases	6 938	5 317	8 771	6 500	6 500	6 500	6 864	7 242	7 640
Property payments	10 048	8 102	8 902	9 372	10 372	11 297	9 790	10 329	10 897
Transport provided: Departmental activity	58	151	199	210	210	210	222	234	247
Travel and subsistence	6 250	7 822	11 011	9 994	9 994	9 444	9 990	11 014	12 675
Training and development	898	1 028	1 312	2 253	2 253	1 331	2 905	3 065	3 234
Operating payments	2 103	2 668	3 264	3 552	4 552	3 367	4 053	4 279	4 514
Venues and facilities	81	712	155	604	604	604	856	903	953
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	416	199	465	413	413	413	437	461	487
Provinces and municipalities	19	18	37	42	42	42	44	46	49
Provinces	19	18	37	42	42	42	44	46	49
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	19	18	37	42	42	42	44	46	49
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	292	181	428	241	241	241	255	269	284
Public corporations and private enterprises	-	-	-	30	30	30	32	34	36
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	30	30	30	32	34	36
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	30	30	30	32	34	36
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	105	-	-	100	100	100	106	112	118
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	105	-	-	100	100	100	106	112	118
Payments for capital assets	5 846	7 641	31 606	10 362	14 362	10 085	10 819	11 294	11 915
Buildings and other fixed structures	-	-	-	995	6 895	6 895	1 051	1 109	1 170
Buildings	-	-	-	995	6 895	6 895	1 051	1 109	1 170
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 139	7 641	24 923	5 427	3 527	1 736	5 731	6 047	6 379
Transport equipment	1 196	-	4 552	2 385	485	-	2 519	2 658	2 804
Other machinery and equipment	2 943	7 641	20 371	3 042	3 042	1 736	3 212	3 389	3 575
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1 707	-	6 683	3 940	3 940	1 454	4 037	4 138	4 366
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	145 983	155 217	220 480	191 996	201 551	201 551	211 088	228 520	241 934

Table 2.D : Payments and estimates by economic classification: Parliamentary Business

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	131 895	140 424	197 417	173 340	187 619	187 619	186 361	202 209	212 482
Compensation of employees	80 333	87 984	98 420	104 994	104 994	104 994	117 246	129 441	136 329
Salaries and wages	70 308	76 491	85 556	90 702	90 394	90 394	102 154	113 519	119 531
Social contributions	10 025	11 493	12 864	14 292	14 600	14 600	15 092	15 922	16 798
Goods and services	51 562	52 440	98 997	68 346	82 625	82 625	69 115	72 768	76 153
Administrative fees	-	174	181	432	432	432	456	481	507
Advertising	3 257	4 384	9 190	5 208	7 223	7 127	5 818	6 138	6 476
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	10	25	456	456	456	482	509	537
Catering: Departmental activities	5 896	8 222	9 191	7 960	8 360	11 023	8 404	8 866	9 354
Communication (G&S)	2 413	520	2 677	186	1 739	1 604	780	823	868
Computer services	-	69	-	-	-	-	-	-	-
Cons. and prof. serv.: Bus. and advisory serv.	251	64	349	293	293	379	310	326	344
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	613	515	327	635	635	635	670	707	746
Contractors	1 376	1 220	2 969	2 272	4 004	4 331	2 398	2 530	2 669
Agency and support / outsourced services	-	-	5	-	-	-	-	-	-
Entertainment	9	-	30	130	130	127	138	146	154
Fleet services (including govt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Leamer and teacher support material	476	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	157	160	418	533	618	450	562	593	625
Consumable: Stationery, printing and office supplies	202	467	812	767	767	597	808	852	899
Operating leases	21	-	-	-	-	-	-	-	-
Property payments	107	-	(9)	-	-	-	-	-	-
Transport provided: Departmental activity	3 842	3 587	4 761	3 585	4 464	5 003	3 943	4 160	4 388
Travel and subsistence	24 544	27 315	57 386	34 868	40 147	38 509	33 289	34 973	36 281
Training and development	-	-	-	553	-	-	-	-	-
Operating payments	3 330	992	1 405	3 140	3 440	2 210	3 318	3 500	3 692
Venues and facilities	5 068	4 741	9 280	7 328	9 917	9 742	7 739	8 164	8 613
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	81 055	101 732	109 113	109 627	112 127	112 127	109 627	110 791	116 885
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entitles receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	81 055	101 732	109 113	109 627	112 127	112 127	109 627	110 791	116 885
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	212 950	242 156	306 530	282 967	299 746	299 746	295 988	313 000	329 367

VOTE 3

Agriculture and Rural Development

Operational budget	R2 424 963 205
MEC remuneration	R 1 977 795
Total amount to be appropriated	R2 426 941 000
Responsible MEC	MEC for Agriculture and Rural Development
Administering department	Agriculture and Rural Development
Accounting officer	Head: Agriculture and Rural Development

1. Overview

Vision

The vision of the Department of Agriculture and Rural Development (DARD) is: *An inclusive, sustainable and radically transformed agricultural sector that builds thriving communities in balance with nature.*

Mission statement

The department's mission is: *To advance sound agricultural practices that stimulate comprehensive economic growth, food security and advancement of rural communities.*

Strategic objectives

Strategic policy direction: The department's strategic direction is biased toward food security at subsistence and household level, thereby addressing poverty, inequality and unemployment.

The department has set the following goals and strategic objectives in order to achieve this:

- **Corporate governance and integrated service delivery:** Provision of sound and transparent corporate and financial management systems.
- **Develop and promote the agricultural potential in KZN:** Promotion of optimal agricultural production for improved economic development and job creation.
- **Sustainable natural environmental management:** Promotion of natural resource conservation for improved agricultural production.
- **Promote sustainable rural livelihoods:** Improve access to services in rural areas through co-ordination.

Core functions

The core functions of the department are as follows:

- Food security
- Farmer development
- Veterinary services
- Rural development
- Governance

Legislative mandate

The core functions are governed by various Acts and regulations, falling under the following categories:

Transversal legislation

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- KZN Provincial SCM Policy Framework of 2006
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Companies Act (Act No. 61 of 1973)
- Public Service Act (Act No. 109 of 1994, as amended) and Public Service Regulations of 2001
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Skills Development Act (Act No. 97 of 1998)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Promotion of Administrative Justice Act (Act No. 3 of 2000)
- Occupational Health and Safety Act (Act No. 85 of 1993)
- Compensation for Occupational Injuries and Diseases Act (Act No. 130 of 1993)
- Annual Division of Revenue Act
- Employment Equity Act (Act No. 55 of 1998)
- Public Service Commission Act (Act No. 65 of 1984)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)

Agriculture and rural development legislation

- Conservation of Agricultural Resources Act (Act No. 43 of 1983)
- Marketing of Agricultural Products Act (Act No. 47 of 1996)
- Subdivision of Agricultural Land Act (Act No. 10 of 1970)
- Plant Improvement Act (Act No. 53 of 1976)
- Agricultural Pests Act (Act No. 36 of 1983)
- Agriculture Law Extension Act (Act No. 87 of 1996)
- National Veld and Forest Fire Act (Act No. 101 of 1998)
- Veterinary and Para-Veterinary Professions Act (Act No. 19 of 1982)
- Livestock Brands Act (Act No. 87 of 1962)
- Livestock Improvement Act (Act No. 25 of 1977)
- Meat Safety Act (Act No. 40 of 2000) (Replacing Abattoir and Co-operation Act)
- Animal Diseases Act (Act No. 35 of 1984)
- Water Services Act (Act No. 108 of 1997)
- Marketing of Agricultural Products Act (Act No. 47 of 1996)
- Agricultural Pests Act (Act No. 36 of 1983)
- Agricultural Research Act (Act No. 86 1990)
- Agricultural Products Standards Act (Act No. 119 of 1990)
- Agricultural Produce Agents Act (Act No. 12 of 1992)
- Agricultural Development Fund Act (Act No. 175 of 1993)
- Perishable Product Export Control Act (Act No. 9 of 1983)
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act (Act No. 36 of 1947)
- Agricultural Credit Act (Act No. 28 of 1966)
- Fencing Act (Act No. 31 of 1963)
- Marketing Act (Act No. 59 of 1958)
- Plant Breeders Rights Act (Act No. 15 of 1976)
- Agricultural Debt Management Act (Act No. 45 of 2001)

- Soil User Planning Ordinance (Ordinance No. 15 of 1985)
- Genetically Modified Organisms Act (Act No. 15 of 1997)
- Hazardous Substances Act (Act No. 63 of 1973)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Environment Conservation Act (Act No. 73 of 1989)
- Environmental Conservation Amendment Act (Act No. 50 of 2003)
- Municipal Systems Act (Act No. 32 of 2000)
- South African Medicines and Medical Devices Regulatory Authority Act (Act No. 32 of 1998)
- Further Education and Training Act (Act No. 98 of 1998)
- Higher Education Act (Act No. 101 of 1997)
- National Qualifications Act (Act No. 67 of 2008)
- International Animal Health Code of World Organisation for Animal Health (OIE-Office International *des Epizooties*)
- International Code for Laboratory Diagnostic Procedure for Animal Diseases of World Organisation for Animal Health
- The Sanitary and Phyto-sanitary Agreement of the World Trade Organisation (WTO)
- Spatial Planning and Land Use Management White Paper 2001
- Land Redistribution Policy for Agricultural Development

2. Review of the 2018/19 financial year

Section 2 provides a review of 2018/19, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

Administration

The review and alignment of the organisational structure was completed and is now in line with the strategic objectives of the department. Discussions are being held with the OTP before engagement with the DPSA for approval of this structure. The entire process is planned to be completed in May 2019.

The proposed structure includes the re-introduction of directorates to oversee food security, youth, women and people living with disability. While the existing structure makes provision for a branch for Rural Development, due to lack of funding, this branch is integrated within the agricultural branch in the new structure, to ensure a reasonable allocation of funding, as well as to ensure equity in providing client services. Two branches are thus provided for within Agriculture, one to render implementation services, while the other is concerned with operational support, resulting in a reconfigured Rural Development and Sectoral Services component at chief directorate level. It is noted that the budget structure of the department will not be changed at this stage and there will continue to be two separate budget programmes for Agriculture and for Rural Development.

Furthermore, the structure extends the span of control within the Chief Directorate: Agricultural Services by introducing a second chief directorate, to oversee the northern and southern districts. In addition, a directorate to manage risk and integrity within the department was created and will be reporting directly to the HOD. To ensure work improvement and standardisation within the department, a number of internal control measures were introduced along with the development of standard operating procedures and processes. All the core functions of the department have been process mapped (inclusive of standardising operating procedures) and approved by the HOD, and the standard operating procedures are in the process of implementation.

Agriculture

Food security and nutrition programme:

KZN embarked on a nutritious food security programme that promotes multi-season planting, where the focus is no longer only on maize and bean production. This intervention includes one-home-one-garden,

community gardens, one-hectare-one-household, institution gardens, one-household-one-fruit-tree (or more), indigenous goats, indigenous chickens, as well as mushrooms.

Mechanisation programme:

DARD finalised a procurement process to establish a panel of mechanisation service providers that consists of B-BBEE Level 1 contributing companies for a period of 24 months, which commenced in November 2018. Each district will have a dedicated number of service providers to expand the service among the rural communities, including to household and subsistence farmers. The lease agreement for tractors and agricultural implements for the Communal Estates was extended to the end of 2018/19.

Infrastructure development:

The implementation of infrastructure projects comprising nurseries, grazing camps, dams, boreholes, irrigation schemes, diptanks, poultry houses, piggeries, etc. was slower than planned as the department's SCM unit's capacity was stretched with the high volume of bids advertised and high number of responses thereto. In addition, priority was given to finalising the tender processes that established contracts for the supply of fertiliser and panels of service providers for the supply and delivery of seeds and seedlings. The establishment of a panel of service providers for the supply and delivery of fencing, as well as the supply, delivery and installation of fencing will be finalised in the last quarter of 2018/19. The establishment of these various contracts and panels will streamline procurement during the ensuing year. These panels are appointed for a period of 24 months. Most of the infrastructure projects were funded through the Comprehensive Agricultural Support Programme (CASP) grant. These facilities assisted smallholder farmers to increase productivity and move up the ladder toward commercial farming.

Extension and advisory services:

The department was unable to finalise the procurement of a service provider to render the hardware and support services for the digi-pen software due to the bid price being higher than budgeted. The recording of digital information was therefore not achieved which limited the manner in which the department was able to share its knowledge and also record its achievements. The digi-pen software is budgeted for and will be procured in 2019/20.

Research and technology development:

The department's research unit invests in a needs-driven research and technology development programme to provide solutions to problems and constraints in the agriculture sector and to offer new and innovative technologies that ensure sustainable agricultural production in KZN. In terms of Agricultural Risk and Disaster Management Relief Schemes, no specific interventions were required, apart from the allocation of R9.850 million from National Treasury for drought assistance that was added to the Land Care Programme Grant: Poverty Relief and Infrastructure Development (henceforth called Land Care grant) during the Adjustments Estimate to be utilised on land care projects, such as the management of grazing land, alien species control, fencing, etc. The department is finalising the terms of reference for the study on the Status of Agriculture in the Province. The tender process to hire a service provider to undertake this study is expected to start in the fourth quarter of 2018/19. The aim of the study is to establish baseline data of farmers, crops, livestock, etc. in agriculture in the province. This is an initiative of the department but it also addresses a Cabinet *Lekgotla* resolution in this regard.

Rural development

The Rural Development branch was severely affected by a vacancy rate of between 72 – 100 per cent per directorate, with two critical posts on the list approved for filling in November 2018 and these are at recruitment stage. The other vacancies are not on the approved list, as they are not funded following the budget cuts in 2016/17. The focus of the branch was to consolidate its programmes to best accommodate the available resources and implement achievable targets. Critical posts were identified, however, due to the incorporation of Rural Development as a chief directorate under Agriculture, no posts were approved for recruitment. The incorporation is in terms of the new structure and is due to lack of funding, as mentioned.

Focus was on the promotion of the Unemployed Agriculture Graduates Youth Programme (UAGYP), where 160 unemployed graduates were placed on identified farms for a period of two years. This included a process of consultation, interviews and best placement for the graduates.

The KZN Rural Development co-ordinating mechanism was effected through formal inter-governmental structures that include the KZN Inter-departmental Task Team and the KZN Technical Implementation Forum. These structures meet quarterly and are represented by relevant sector departments, state owned entities and district municipalities. This arrangement has since been rationalised into one structure to be more effective. The Inter-departmental Task Team is responsible for the preparation, approval and submission of the KZN programme of action, which is geared toward the effective implementation of the Comprehensive Rural Development Programme (Outcome 7, Chapter 6 of the NDP).

Rationalisation of public entities

The department commenced with the due diligence to amalgamate all agricultural entities in the province, including Mjindi Farming (Pty) Ltd (henceforth called Mjindi), Agri-business Development Agency (ADA) and Ntingwe Tea Estate, during the fourth quarter of 2018/19. It is envisaged that this study will be completed by December 2019. The new mandate of the combined entity will be to support and develop commercial farming, allowing the department to focus on household and smallholder farmers. The impact on the entities will only be established once the study is completed.

Agri-business Development Agency (ADA)

In line with its mandate, ADA developed farmers and entrepreneurs for agri-processing in KZN in order to achieve a more competitive, equitable and sustainable agriculture sector. ADA implemented agri-business projects such as Celokuhle Farm and Siyaphambili Tannery, conducted a SABS Certification programme, and organised a basic taxation workshop, facilitated by SARS, to ensure tax compliance by farmers, as well as to enhance their understanding of the provisions available to them in the Tax Act.

To foster product differentiation and diversification in the market, ADA successfully implemented and maintained three projects in the field of strawberries and wine grapes by providing operational inputs (seedlings and fertilizer) and started exploring models for commercial farming as this could have a broad impact in rural areas. ADA continued with providing capacity building support to the agri-business sector by assisting 81 entrepreneurs with technical support in their related agri-processing enterprises and four enterprises with infrastructure development.

ADA assisted 20 agri-processors with product testing and this created international exhibition opportunities for two companies to exhibit in Miami and China in terms of processed vegetables and herb commodities. In addition, ADA supported three agri-processors to exhibit their products during Export Week, which is an event hosted by Trade and Investment KZN (TIK), and a further three during the Provincial Agricultural Summit.

Mjindi Farming (Pty) Ltd (Mjindi)

The mandate of Mjindi involves the provision of farmer advisory services and irrigation water, as well as the maintenance of the infrastructure, including the canal, balancing dams, pump stations, underground pipes, fences and infield roads, in the Makhathini irrigation scheme. In 2018/19, Mjindi's activities focussed on routine maintenance, operating the irrigation infrastructure and provision of advisory services to increase the productivity of farmers.

The entity trained 302 farmers in diverse agricultural skills. Mjindi pursued initiatives to link farmers and major role-players in the fresh produce market, and assisted agri-businesses by supporting farmers and facilitating relations between them and the banking sector.

The entity leveraged local entrepreneurs which created job opportunities for the community at large. A number of sizable projects, such as the maintenance of fences, grading of infield roads, and refurbishment of sluice gates, canal rehabilitation, and clearing of vegetation, were implemented.

3. Outlook for the 2019/20 financial year

Section 3 looks at the key focus areas of 2019/20, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. With the 2019/20 budget allocation, the department will continue to focus on providing support to food insecure communities at subsistence and household food production level. The department established 24-month contracts per district for the supply and delivery of fertilizer. This is the first time that the department has

its own contracts and will not be relying on the national transversal contract. Also, a panel of service providers was established for the supply and delivery of seeds and seedlings, as well as a panel of service providers for mechanisation services.

Administration

The department will focus on building capacity to deliver its mandate through filling all vacant funded posts, after receiving approval from DPSA for its new structure. The department will implement interventions aimed at the development of its own professionals and technical skills in order to reduce its reliance on consultants. This will include fast-tracking the registration of engineers and establishing an artisanal development programme with a particular focus on the mechanical field. Meeting equity targets remains a challenge and therefore interventions, such as mentorship and strengthened partnerships with organisations for people living with disabilities, will be implemented. The department will ensure that the Operations Management Framework, which is aimed at ensuring efficiency in the manner in which services are delivered, is fully implemented. Even though the department has made strides in developing standard operating procedures, as well as business process mapping which are part of the Operations Management Framework, other critical components must be implemented. The department will develop sound performance standards for its key services, as well as commitment charters. The department will continue to embrace the fourth industrial revolution through automation of business processes such as leave application, as well as by empowering its employees in the use of technology.

Agriculture

The department's agricultural development approach for the province will, in the medium- to long-term, be premised on the transformation and promotion of previously disadvantaged producers, ensuring their inclusion in the agricultural mainstream economy, in particular to achieve household food security, increased production and productivity and promotion of competitiveness and commercialisation of agricultural enterprises, especially of smallholder producers.

The department will focus agricultural development on transforming key institutions in agriculture and the agri-business value chain through the inclusion of designated groups (women, youth and people with disabilities) in agriculture. The aim of this transformation is to promote agricultural growth and offer multiple economic opportunities so as to increase productivity of crops. This entails improving yields and providing access to markets for the crops produced, livestock and other related sub-sectors. Also, the aim is to enhance national food self-sufficiency and food supply, as well as to increase household food security. Furthermore, the aim is to promote efficient utilisation of agricultural land, expansion of irrigable land, improving market access and adding value and agri-processing to agricultural products.

Food security and nutrition programme:

The department will continue to accelerate its food security interventions, especially at household level. The programme will focus on interventions that seek to promote food access and utilisation of food by vulnerable households. This will be achieved through various structured and informal interventions, such as the up-scaled production of staple food crops, investing in indigenous knowledge systems of food production including research and technology development, training and capacity building of producers, strengthening of partnerships with relevant agricultural sector stakeholders (sub-tropical fruit, citrus and wool growers), and the provision of support to initiatives such as the South African Vulnerability Assessment Committee. This committee measures food security status and vulnerability levels, and this will assist the department in identifying the relevant interventions required. The multi-planting season programme will be one of the main focus areas of the department, aimed at enhancing and promoting access to sufficient food by vulnerable households throughout the year.

Horticultural programme:

The focus of this programme will be promoting vegetable production (including mushrooms for household food security) in line with the Radical Agrarian Socio-Economic Transformation (RASET) programme, as well as sub-tropical fruits such as macadamia, citrus, mango and amarula. The interventions will include increased market access, increased extension support, and encouraging value addition to primary products, provision of capacity building to smallholder farmers, encouraging export of primary and processed products, as well as promoting partnerships with commodity organisations in order to ensure standard compliance, among others.

Livestock programme:

The natural resources of the province provide a conducive environment for the production and promotion of a thriving livestock industry. It is reported that communal areas account for almost 40 per cent of the total livestock in the province, however, the potential commercial value proposition still remains highly under-developed, mainly due to historic traditional symbolism associated with livestock ownership. The initiatives largely aimed at turning this around are as follows:

- Improved market access for communal cattle.
- Improved traceability (animal identification).
- Training on grazing management and nutrition.
- Provision of livestock water (dams, boreholes).
- Breeding and selection.
- Commercialisation of piggery projects for smallholder producers.
- Resuscitation and intensification of poultry production.
- Investigation into rabbit production practices, and implementation of rabbit projects.
- Up-skilling of farmers.
- Improved veterinary services.
- Improved quality of products.
- Improved sheep, bird and goat flock productivity.
- Farmer support programme intensification.
- Access to funds (public and private partnerships).

Grain development programme:

Recognising the suitability of KZN's natural resources for the production of grains and its competitive advantage, especially in the northern and inland parts of the province, the department will, over the medium-term, promote the development of grain crops (maize, dry beans, soya beans and groundnuts), both for household food production and commercialisation purposes. Grains, especially maize and soya beans, have a well-established market which smallholder producers will be assisted to access through state supported initiatives. The interventions will include intensification of farmer support programmes and facilitation of public and private partnerships to access funding by smallholder producers.

Infrastructure development:

It is widely accepted that, both internationally and domestically, investment in agricultural infrastructure is one of the key instruments in unlocking rural socio-economic development and this is clearly stated in the NDP. The department will continue to support the establishment and maintenance of infrastructure such as diptanks, animal handling facilities, livestock dams, fencing including grazing camps, livestock watering systems (boreholes) and irrigation, etc.

Rural development

A draft Rural Development Strategy was previously developed. However, this was not adopted as there were a number of changes in policy direction by government, which necessitated the development of a revised Rural Development Strategy for the province. The revised strategy will include agri-parks, agri-hubs and farmer development support centres. The land reform process and the agri-parks have various co-ordinating structures in which the department plays an oversight role.

The department will engage in Rural Development and Sector roadshows and these will encompass stakeholder consultation at a provincial and district level. This exercise will be undertaken parallel with the revised MTSF 2019/2024 as mandated by the National Department of Performance Management and Evaluation and delegated to the National Planning Commission. The review of the outcome indicators will form the base of the revised Rural Development Strategy. This will also find its focus within the PGDS Strategy. The Rural Development Strategy will form part of the KZN Agricultural Master Plan as developed by DARD. This is planned for adoption in the third quarter of 2019/20.

Rationalisation of public entities

The department will finalise the due diligence to amalgamate all agricultural entities, including Mjindi, ADA and Ntingwe Tea Estate, during 2019/20. The budget provision over the 2019/20 MTEF for Mjindi and ADA is therefore based on the current operations and mandate of the entities. Any amendments affecting the 2019/20 allocation will be included in the 2019/20 Adjustments Estimate process.

Agri-business Development Agency (ADA)

It is anticipated that ADA will implement a new strategic direction, in line with the Rationalisation of public entities recommendations and the due diligence study outcomes, once the amalgamation process is finalised. In the interim, ADA will continue to develop farmers and promote agri-processing in KZN. ADA will also continue to implement projects that were initiated in 2018/19, such as the Siyaphambili Tannery, Maphophoma Mill, KZN Essential Oils, Ubumbano Chicory, Madzikane Citrus, and Cathedral Peak Winery. ADA will also implement new projects, such as the Aqhamile Youth Vegetable project, Eston Abattoir, KZN Rabbit Cluster programme, Thulwane Citrus and Ophondweni Feedlot.

Mjindi Farming (Pty) Ltd (Mjindi)

Mjindi will continue to facilitate agricultural development in the Makhathini irrigation scheme, with production focus on field crops, vegetables and fruits, thereby benefitting the local community and enhancing the KZN economy. The aged infrastructure is a major challenge, undermining the realisation of high yields and production. In addition to the high costs of rehabilitating the underground pipes and canal, investment decisions are also complicated as the land under the irrigation scheme is now privately owned. The realisation of the economic benefits of the irrigation scheme requires a co-ordinated and common vision among the stakeholders, including government, traditional leadership, land owners and farmers.

In line with the Rationalisation of public entities recommendations, the entity will develop a turnaround strategy in consultation with DARD, which takes into account the merger of agricultural entities in the province, while addressing the issues of financial sustainability and rehabilitation of the water infrastructure, as well as engaging stakeholders with a view to move from a primary agricultural focus to agri-processing.

4. Reprioritisation

There is limited scope for significant reprioritisation. However, reprioritisation was undertaken over the MTEF within Programme 2: Agriculture to fund the fight against rabies as an ongoing programme. In this way, the outbreak of rabies will be controlled and eventually eliminated. There was also reprioritisation to ensure adequate provision of mushroom substrates that are required to ensure continuous supply of mushroom to the district mushroom bases and communal projects over the MTEF. All these funds are reprioritised within the sub-programme: Farmer Support and Development. An amount of R2 million, within CASP, is allocated in 2019/20 for the Foot and Mouth Disease (FMD) outbreak.

Spending pressures as a result of higher than inflationary increases in utility costs, particularly for water at Cedara, as well as provision of security costs at all departmental offices, were also catered for through reprioritisation.

5. Procurement

During 2018/19, the department finalised a number of bids and set up contracts per district. These bids were aligned to RASET, with only B-BBEE Level 1 contributors and bias toward locally based service providers being considered, as far as possible.

In this regard, contracts were established per district for the supply and delivery of fertilizer. This is the first time that the department has its own contract and will not be relying on the national transversal contract. Also, a panel of service providers was established for the supply and delivery of seeds and seedlings per district where bidders are restricted to only two districts, as well as a panel of service providers for the mechanisation services with restriction to servicing a maximum of three districts. The department is in final stages of setting up similar panels for the supply and delivery of fencing material, as well as erection of fencing. These panels are valid for a period of 24 months.

A number of contracts that had expired and resulted in irregular expenditure were awarded through the bid process and will be finalised in February 2019, such as Cedara security services, bus services for transport of officials and catering at the two agricultural colleges. The security contracts for the offices in the southern district is on appeal while the northern district contract is at bid stage, and both should be resolved by March 2019. This will significantly reduce the irregular expenditure of the department. To this end, the department is establishing a comprehensive contract management tool, to be implemented during the first quarter of 2019/20, that will ensure close monitoring of all contracts with timeous renewal.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 3.1 indicates the sources of funding for Vote 3 for the period 2015/16 to 2021/22. The department will receive a budget of R2.427 billion for 2019/20, including conditional grants of R291.864 million made up of the Land Care grant, the CASP grant, the Ilima/Letsema Projects grant and the EPWP Integrated Grant for Provinces, details of which are provided in Section 7.4. It is noted that the EPWP Integrated Grant for Provinces allocation ends in 2019/20 since this grant is allocated on an annual basis, dependent on the department's prior year's actual performance.

Table 3.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Equitable share	1 884 349	1 870 141	1 899 712	2 009 546	2 009 546	2 009 546	2 135 077	2 277 691	2 402 992
Conditional grants	308 524	300 503	297 432	314 562	324 412	324 412	291 864	309 684	333 096
CASP grant	226 161	222 155	209 598	223 975	223 975	223 975	199 351	217 191	235 040
Ilima/Letsema Projects grant	69 401	63 876	67 356	71 263	71 263	71 263	75 253	79 392	84 234
Land Care grant	10 666	10 632	12 012	12 016	21 866	21 866	12 418	13 101	13 822
EPWP Integrated Grant for Provinces	2 296	3 840	8 466	7 308	7 308	7 308	4 842	-	-
Total receipts	2 192 873	2 170 644	2 197 144	2 324 108	2 333 958	2 333 958	2 426 941	2 587 375	2 736 088
Total payments	2 199 187	2 216 366	2 032 865	2 324 108	2 391 096	2 391 096	2 426 941	2 587 375	2 736 088
Surplus/(Deficit) before financing	(6 314)	(45 722)	164 279	-	(57 138)	(57 138)	-	-	-
Financing									
of which									
Provincial roll-overs	50 506	46 098	-	-	57 138	57 138	-	-	-
Provincial cash resources	49 100	-	-	-	-	-	-	-	-
Surplus/(Deficit) after financing	93 292	376	164 279	-	-	-	-	-	-

The table shows that, in the period 2015/16 to 2017/18, the department under-spent its budget allocation by R93.292 million, R376 000 and R164.279 million, respectively.

In 2015/16, the provincial roll-overs of R50.506 million consisted of the following:

- R1.554 million in respect of a project to install Exinda software on all official computers.
- R22.490 million in respect of the FMD barrier, irrigation projects in the Makhathini area relating to irrigation at Ndumo, the KwaNgwanase abattoir and Jozini packer house, construction of diptanks, boreholes, stock watering dams and repairs to quarantine camps for the red-line fence.
- R26.462 million for animal vaccines that were ordered in 2014/15 but only delivered and paid for in 2015/16, as well as production inputs for the food security programme, which were delayed as a result of late rains and procurement challenges.

In addition to the roll-overs, the department received once-off provincial cash resources of R49.100 million, as follows:

- R10.200 million for assistance in the form of livestock fodder for farmers affected by the veld fire disaster in 2014 in the Harry Gwala District.
- R38.900 million which was suspended from the 2014/15 budget to 2015/16. The remaining R28.700 million related to rural development initiatives.

The under-expenditure of R93.292 million in 2015/16 was mainly attributable to:

- R22 million for the software migration from Novell to Microsoft.
- R38.009 million in respect of the drought relief programme, of which R10.276 million relates to animal feed and medicines that were ordered but not delivered and R27.733 million in respect of boreholes, stock watering dams and diptanks that were not completed by 31 March 2016.
- R8.089 million in respect of departmental vehicles ordered but not delivered.
- R19.852 million under transfer payments, of which R15.752 million related to Communal Estates for fuel and tractor drivers that was not transferred due to the impact of the drought that resulted in fewer hectares planted. A further R4 million related to a direct transfer for a poultry project where the project was behind schedule, hence DARD withheld the next tranche.

In 2016/17, an amount of R46.098 million was rolled over from 2015/16 for the following:

- R8.089 million in respect of motor vehicles.
- R27.733 million related to boreholes, stock watering dams and the rehabilitation of diptanks.
- R10.276 million in respect of feed, fodder and animal medicine.

The under-expenditure of R376 000 in 2016/17 was against *Compensation of employees* as a result of vacant posts.

In 2017/18, the department did not receive any additional funding during the year and recorded an under-expenditure of R164.279 million, of which R72.479 million related to conditional grants (R49.663 million against the CASP grant and R22.816 million against the Ilima/Letsema Projects grant) and R91.800 million to the equitable share. The conditional grant roll-overs were treated as provincial roll-overs, hence are not reflected against the respective conditional grants. The CASP grant under-expenditure of R49.663 million was due to:

- Slow progress in the implementation of infrastructure related projects such as fencing, irrigation schemes, construction of poultry houses, piggeries, etc. mainly due to the late finalisation of projects and SCM capacity constraints, resulting in R34.372 million not committed at the end of 2018/19.
- Various services committed in 2017/18 for goods and services not delivered or completed by 31 March 2018, such as computer equipment for the Extension Recovery Programme (ERP), supply and delivery of animal feed, construction of animal handling facilities, irrigation schemes, as well as mechanisation services, amounting to R15.291 million. This amount was rolled-over to 2018/19.

The under-expenditure of R22.816 million under the Ilima/Letsema Projects grant relates to the following and the funds were rolled-over to 2018/19:

- Mechanisation services not completed and paid for, amounting to R9.573 million.
- Irrigation scheme development in the Makhathini area where there was a nine-month delay due to environmental concerns and thereafter the implementing agent failing to obtain a variation order on time, amounting to R13.116 million.
- Supply and delivery of fertilizer not completed, amounting to R127 000.

The equitable share under-expenditure of R91.800 million was attributable to the following:

- Slow progress by DOPW in implementing the rehabilitation/ upgrades and construction of new office buildings and departmental staff houses, amounting to R19.031 million. These funds were rolled over to 2018/19.
- Vehicles ordered but not delivered, amounting to R6.568 million.
- R4.210 million relating to computer equipment and highly specialised laboratory equipment.
- Slow progress in the implementation of irrigation, fencing, animal handling facilities, diptanks etc. due to late finalisation of projects, as well as capacity constraints to deal with the high volume of requests submitted simultaneously to SCM, amounting to R4.423 million.
- Supply and delivery of veterinary supplies, fencing material, agricultural inputs, repairs of tractors, etc. not finalised by 31 March 2018, amounting to R26.502 million.

- Computer services for migration to Microsoft, maintenance of office buildings and outstanding lease agreements claims from DOPW, amounting to R6.723 million.
- Transfer payments not paid due to slow progress by the agricultural schools in implementing the schools revitalisation programme, delays in finalising the awards of external bursaries, as well as Agri-SETA submitting invoices late in respect of the skills development levy, amounting to R7.308 million.
- Various under-expenditure and savings on vacant posts, travelling and subsistence, stationery, etc. amounting to the balance of the under-expenditure of R17 million.

In 2018/19, the department received a roll-over of R57.138 million during the Adjustments Estimate as explained above and, in terms of the December IYM, the department is projecting to fully spend the entire Adjusted Appropriation of R2.391 billion.

The 2019/20 allocation shows a decrease in conditional grants, in particular the CASP grant allocation in line with the proposal from the Department of Agriculture, Forestry and Fisheries (DAFF) to reduce allocations to provinces in respect of this grant, and redirect these funds toward the Black Producer Commercialisation Programme (BPCP). The farmers will still have access to the funding, but this will be managed through a funding model at a national level. The reduction in the CASP grant is also to fund the FMD facility to be established by the Agricultural Research Council. There is steady growth in the equitable share and conditional grants over the two outer years of the 2019/20 MTEF.

6.2 Departmental receipts collection

The estimated departmental receipts for Vote 3 are reflected in Table 3.2. Further details are provided in *Annexure – Vote 3: Agriculture and Rural Development*.

Table 3.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	18 720	16 295	18 129	19 967	19 967	17 564	20 152	21 225	22 392
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	1	-	1	1	1	1	1	1
Interest, dividends and rent on land	27	79	56	20	20	41	21	22	23
Sale of capital assets	3 323	426	2 108	4 000	4 000	4 000	3 000	3 200	3 400
Transactions in financial assets and liabilities	1 642	3 222	1 050	592	592	702	625	659	695
Total	23 712	20 023	21 343	24 580	24 580	22 308	23 799	25 107	26 511

The bulk of department's revenue is from *Sale of goods and services other than capital assets*. This category comprises rental on departmental dwellings, parking fees, tender fees, sale of assets less than R5 000, student fees from the Cedara Agricultural College and Owen Sithole College of Agriculture (OSCA), as well as soil and veterinary analytical services offered at the department's laboratories, etc. There was low revenue collection in the 2015 and 2016 academic years due to no increase in tuition fees, coupled with the scholarships granted to 30 students, as well as the slow rate of payments made by students, resulting in low collections in these years. Also, in 2016/17 the department received a smaller number of sample tests at the laboratories due to the drought in that year. The 2018/19 Revised Estimate shows a possible under-collection mainly due to low revenue received from the department's two colleges for students' academic fees and a decline in the number of samples received by the laboratories, among others. The revenue budget is expected to grow significantly in 2019/20, despite the projected under-collection in 2018/19. The department will review the revenue figures in the next budget process.

Interest, dividends and rent on land mainly relates to interest charged on outstanding debts. The high collection in the 2018/19 Revised Estimate is due to interest received on staff debts. It is difficult to budget for this category, hence the department's projections are conservative over the MTEF.

Sale of capital assets is derived from the sale of redundant assets, such as the sale of farming equipment, office equipment, and vehicles. The high revenue collection in 2015/16 and 2017/18 is mainly related to the sale of redundant motor vehicles. A steady increase is anticipated over the MTEF.

Transactions in financial assets and liabilities comprises staff debts recovered, such as breached bursary contracts, salary and supplier over-payments, etc. The 2018/19 Revised Estimate is projecting to over-collect due to salary reversals and staff debts recovered from pension funds. The budget grows gradually over the MTEF.

6.3 Donor funding

Tables 3.3 and 3.4 reflect information relating to donor funding that the department receives. The department does not have any current donor funding agreements and hence the tables only reflect historic information. The department had an agreement with the World Health Organisation (WHO) which ended in December 2015.

Table 3.3 : Details of donor funding receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Donor funding	2 895	-	-	-	-	-	-	-	-
World Health Organisation (Rabies project)	2 895	-	-	-	-	-	-	-	-
Total	2 895	-	-	-	-	-	-	-	-

Table 3.4 : Details of donor funding payments and estimates

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Donor funding	2 895	-	-	-	-	-	-	-	-
World Health Organisation (Rabies project)	2 895	-	-	-	-	-	-	-	-
Total	2 895	-	-	-	-	-	-	-	-

The agreement with WHO provided funding over five years from 2009/10, aimed at human rabies prevention through dog rabies control and eventual elimination in KZN. This funding was made available by the Bill and Melinda Gates Foundation, through WHO. The final transfer was received in the first quarter of 2015/16 and the programme ended in December 2015.

7. Payment summary

Section 7 reflects payments and budgeted estimates in terms of programmes and economic classification. Details are given in *Annexure – Vote 3: Agriculture and Rural Development*.

7.1 Key assumptions

The key assumptions that underpin the MTEF budget of the department are summarised below:

- All inflation related increases are based on CPI projections.
- In terms of National Treasury's guidelines, the cost of living adjustment is 6.3 per cent in 2019/20, 6.5 per cent in 2020/21 and 6.5 per cent in 2021/22, which excludes the 1.5 per cent pay progression. The *Compensation of employees* budget adequately caters for the increase and the filling of 80 posts in 2019/20 at 15.6 per cent. The growth is slightly inadequate in 2020/21 at 7.8 per cent, declining to growth in 2021/22 at 5.5 per cent, and the department will review this in the next budget process, taking into account progress made with the filling of vacant posts in 2019/20.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2018/19, will continue to be adhered to over the 2019/20 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 3.5 shows additional provincial and equitable share funding received by the department over the 2017/18, 2018/19 and 2019/20 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2021/22) are based on the incremental percentage used in the 2019/20 MTEF.

Table 3.5 : Summary of additional provincial allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	(10 312)	(11 541)	1 452	1 532	1 616
PES and Provincial Own Revenue reductions	(7 485)	(8 558)	(15 179)	(16 014)	(16 895)
Budget cuts to fund remuneration of <i>Izinduna</i>	(2 827)	(2 983)	(3 147)	(3 320)	(3 503)
Additional funding from National Treasury	-	-	19 778	20 866	22 013
2018/19 MTEF period				25 188	26 573
Above-budget wage agreement				25 188	26 573
2019/20 MTEF period					
Budget cut for remuneration of Public Office Bearers			(643)	(682)	(692)
Total	(10 312)	(11 541)	809	26 038	27 497

With regard to 2017/18, as determined by the Provincial Executive Council on 2 November 2016, the province commenced the process of the remuneration of *Izinduna* in compliance with previously issued Presidential proclamations. There were also reductions to the Provincial Own Revenue and the PES due to data updates of the PES formula, as well as fiscal framework reductions. The department also received a baseline adjustment over the MTEF, as well as additional funding from National Treasury in the outer year which offset the budget cuts in that year.

Over the 2018/19 MTEF, the department received additional funding from National Treasury from 2020/21 for the above-budget wage agreement.

In the 2019/20 MTEF, the department's budget was cut by R643 000 in 2019/20, with carry-through. In this regard, the President announced that there would be minimal or no annual salary increases in 2018/19 for public office bearers. In the case of provincial executives, Premiers, MECs and Speakers did not receive salary increases, while MPLs received a 2.5 per cent increase. The savings realised from this announcement were cut from provinces in line with fiscal consolidation efforts.

7.3 Summary by programme and economic classification

The department's budget structure conforms to the uniform programme structure prescribed for the Agriculture and Rural Development sector.

The department has opted to utilise three programmes, namely Administration, Agriculture and Rural Development. Administration comprises the support services budget, and the core functions are housed under the Agriculture and Rural Development programmes. While the existing structure makes provision for a branch for Rural Development, due to lack of funding, this branch is integrated within the agricultural branch in the new structure, to ensure a reasonable allocation of funding, as well as ensuring equity in providing client services. At this stage the budget structure remains unchanged, though.

The bulk of the department's budget allocation is for Agriculture (crop production, livestock farming, natural resources use and management, extension, and land care and agricultural research), Veterinary Services (animal disease control, prevention of zoonotic diseases, inspection services, and primary health care services), as well as Rural Development (co-ordination and social facilitation). The department also receives various conditional grants and makes transfers to its two public entities, ADA and Mjindi.

Programme 2 provides the sector information by sub-programme and sub-sub-programme, due to the level of detail required by the sector in respect of Agriculture.

Tables 3.6 and 3.7 reflect a summary per programme and per economic classification for the Vote, details of which are given in *Annexure – Vote 3: Agriculture and Rural Development*.

Table 3.6 : Summary of payments and estimates by programme: Agriculture and Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	432 548	457 419	476 647	532 805	564 160	527 102	567 101	604 516	638 481
2. Agriculture	1 764 748	1 744 190	1 536 918	1 759 864	1 794 556	1 839 244	1 827 866	1 948 581	2 061 445
3. Rural Development	1 891	14 757	19 300	31 439	32 380	24 750	31 974	34 278	36 162
Total	2 199 187	2 216 366	2 032 865	2 324 108	2 391 096	2 391 096	2 426 941	2 587 375	2 736 088

Table 3.7 : Summary of payments and estimates by economic classification: Agriculture and Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	1 738 423	1 644 912	1 635 267	1 938 325	1 946 481	1 993 498	2 070 454	2 199 210	2 325 794
Compensation of employees	911 392	950 488	996 587	1 106 994	1 074 337	1 033 451	1 195 333	1 289 565	1 360 492
Goods and services	826 804	694 322	637 724	831 241	872 054	959 957	875 030	909 553	965 205
Interest and rent on land	227	102	956	90	90	90	91	92	97
Transfers and subsidies to:	246 968	275 994	287 119	208 699	212 300	219 017	208 053	218 588	230 400
Provinces and municipalities	1 313	1 278	1 380	2 092	2 083	2 083	2 159	2 216	2 338
Departmental agencies and accounts	101 306	97 000	123 184	122 838	122 840	122 840	129 357	136 170	143 659
Higher education institutions	-	3 000	44	-	-	92	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	112 091	155 526	136 592	74 230	69 586	69 586	66 773	70 344	74 213
Non-profit institutions	13 770	3 569	7 321	-	-	-	-	-	-
Households	18 488	15 621	18 598	9 539	17 791	24 416	9 764	9 858	10 190
Payments for capital assets	213 177	293 622	109 991	177 084	232 315	178 582	148 434	169 577	179 894
Buildings and other fixed structures	172 688	163 282	76 430	130 547	169 512	124 410	100 832	121 689	129 374
Machinery and equipment	40 139	130 120	32 866	45 987	62 253	53 953	47 032	47 318	49 919
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	350	169	695	550	550	219	570	570	601
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	51	-	-	-	-	-	-	-
Payments for financial assets	619	1 838	488	-	-	-	-	-	-
Total	2 199 187	2 216 366	2 032 865	2 324 108	2 391 096	2 391 096	2 426 941	2 587 375	2 736 088

Programme 1: Administration shows a steady increase over the seven-year period. The increase from the 2018/19 Main to Adjusted Appropriation is in respect of the roll-over of R14.575 million relating to the rehabilitation and upgrading of office accommodation at the Cedara head office, which was not completed in 2017/18 and is being undertaken by DOPW. In addition, there was a virement of R15.580 million from Programme 2 from *Compensation of employees* to fund the investigations undertaken by the Special Investigating Unit (SIU) which were not budgeted for, to cater for increases in utility tariffs, such as water, at the Cedara head office, as well as to fund the terms of reference for the study on the Status of Agriculture in the Province. Furthermore, an amount of R1.200 million was shifted from *Goods and services* under Programme 3 relating to the communication strategy for the UAGYP and was moved to the same category in Programme 1, as the communication strategy for the UAGYP will be managed by Communication Services. The decrease in the Revised Estimate is mainly due to slow progress by DOPW in securing office accommodation, as well as slow implementation of infrastructure projects. There is a steady inflationary linked increase over the MTEF to provide the necessary administrative support to the line function programmes.

Programme 2 shows a significant decrease from 2015/16 to 2017/18 due to the under-expenditure incurred by the department over this period, as well as the effect of the matching and placing of staff in terms of the new organisational structure. The increase from the 2018/19 Main to Adjusted Appropriation is attributable to the roll-over of conditional grant funding, as well as R4.456 million in respect of the equitable share for the rehabilitation of staff accommodation. The further increase in the Revised Estimate is as a result of reprioritisation that was undertaken at the end of the third quarter toward increasing the service delivery programmes such as intervention and assistance to the piggery industry and veterinary services. The low growth in 2019/20 relates to budget cuts in respect of the CASP grant, as mentioned. The programme shows steady growth in 2020/21 and 2021/22. This programme is the core of the department's service delivery and, over the MTEF, provides for sustainable resource management, farmer support and development through extension services and project interventions, veterinary services,

research and technology development, agricultural education training at the department's two colleges, the Status of Agriculture in the Province Study, as well as the digi-pen software to enhance the departments' extension and advisory services.

Programme 3: Rural Development is a programme that commenced in 2015/16 and provides rural development co-ordination and social facilitation functions. The increase from 2015/16 to 2016/17 takes into account the new organisational structure, where certain directorates such as Investment and Partnerships were moved to this programme. Also contributing to the 2016/17 increase is the partnership with the University of Zululand (UNIZULU) for the development of a Centre for Sustainable and Integrated Rural Development (CSIRD) at the university. The increase from 2017/18 onward provides for the implementation of the UAGYP aimed at facilitating comprehensive interventions towards promoting equitable and sustainable opportunities for unemployed agricultural graduates in KZN. The decrease from the 2018/19 Main to Adjusted Appropriation is due to the slower than planned implementation of the UAGYP, in particular the formation of partnerships for the placement of unemployed graduates on farms. The department advertised in the third quarter and placements on farms commenced in the fourth quarter of 2018/19. The decrease in the Revised Estimate is due to the slow implementation of UAGYP, as mentioned. The department will be remunerating the graduates that are placed and will also manage their progress. The MTEF provides for the continued roll-out of the UAGYP programme, as well as co-ordinating, monitoring and reporting on rural development in the province.

Compensation of employees shows a steady increase from 2015/16 to 2017/18 which is mainly in respect of the annual wage adjustments and pay progressions, rather than the appointment of additional staff. The increase in the 2018/19 Main Appropriation was to cater for the above-budget wage adjustment, as well as filling additional posts. The filling of posts was slower than anticipated, though, and these savings were reprioritised in the Adjustments Estimate toward service delivery items under *Goods and services* to fund the spending pressure of increased water costs and unplanned SIU investigations, as well as to offset the shortfall under *Transfers and subsidies to: Households*, as a result of unplanned staff exits. The non-filling of posts also accounts for the further drop in the Revised Estimate. The significant increase in 2019/20 is to cater for the filling of 80 critical posts. The growth of 15.6 per cent caters for the increase and the filling of 80 posts in 2019/20, but is inadequate in 2020/21 at 7.8 per cent and in 2021/22 at 5.5 per cent and the department will review this in the next budget process.

Goods and services shows a decrease from 2015/16 to 2017/18 due to the under-expenditure in that period, as well as an increase in funding through transfer payments for projects funded using the department's 50:50 funding model. The department provides 50 per cent of the funding to farmers as support and the farmer must provide the other 50 per cent. These beneficiaries include Copperfield Dairy, Izobuya Nini Trading Enterprise CC, Indlovu Family CC, as well as Ekuphileni Poultry and Agricultural Farming Primary Co-operative. This resulted in an increase under *Transfers and subsidies to: Public corporations and private enterprises*. During 2018/19, the increase from the Main to the Adjusted Appropriation and again to the Revised Estimate is to address the high demand for services such as veterinary supplies, production inputs, as well as the provision for animal feed, and is funded through reprioritisation from savings under *Compensation of employees*, as well as funds rolled over from 2017/18. There is low but steady growth over the MTEF to enable the department to continue developing and providing support to address food insecurity, poverty and inequality, as well as operational costs for extension work, research and education/training.

Transfers and subsidies to: Provinces and municipalities relates to the payment of motor vehicle licences.

Transfers and subsidies to: Departmental agencies and accounts relates mainly to the transfers to ADA, as well as some transfers in terms of the Skills Development Levy and TV licences. The funding for ADA is for operational costs and project implementation by the entity in line with its mandate to improve the secondary agriculture sector in the province. The decrease in 2016/17 was due to the review of ADA to ensure that there is no duplication of functions between the department and the entity, which led to delays in the implementation of projects, as well as slow implementation of projects by ADA. There is a steady increase over the MTEF to provide for projects to be implemented by the ADA.

Transfers and subsidies to: Public corporations and private enterprises comprises transfers to several entities, the main ones being Mjindi, SA Sugar Research Institute and Ithala Development Finance

Corporation (Ithala) in 2015/16. The increase from 2015/16 to 2016/17 was due to an increase in the number of entities that received once-off funding in line with the department's 50:50 funding model for projects. The peak in 2016/17 was due to the once-off transfer to the Independent Development Trust (IDT) of R20.322 million for the clearing of invasive alien species under the land care programme. The decrease in 2018/19 is due to the uncertainty of the continued use of direct transfers following an audit finding on the classification of such expenditure. The department has since received confirmation from National Treasury that such transfers are correctly classified as transfer payments. Details of the various entities receiving funds from the department are provided under Sections 7.7 and 7.9 of this document.

The high amount under *Transfers and subsidies to: Non-profit institutions* in 2015/16 is in respect of the agricultural schools revitalisation programme. The department provided R50 million between 2015/16 to 2017/18 to improve the facilities for agricultural education at the five agricultural schools in the province, namely Zakhe Agricultural College, Weston Agricultural College, Vryheid Landbou High School, James Nxumalo Agricultural High School and Shakaskraal Secondary School. It is noted that Zakhe Agricultural College is a private college, unlike the other four government colleges, but is benefitting from the programme. This allocation was based on approved business plans and was done in collaboration with DOE, with the original plan to implement over three years. Actual implementation at the schools is very slow, hence the decrease in 2016/17 and the slight increase in 2017/18.

Transfers and subsidies to: Households caters for staff exit costs and bursaries to external bursary holders.

Buildings and other fixed structures shows a decreasing trend between 2015/16 and 2017/18 as a result of slow progress by DOPW, a number of projects at Makhathini being completed, as well as budget cuts, resulting in fewer new projects being undertaken. Also contributing to the slow spending was slow progress in implementing agricultural infrastructure projects that led to the under-expenditure in 2017/18, as mentioned. The increase in the 2018/19 Adjusted Appropriation is in respect of the roll-over of funds for office accommodation upgrades and the repair of official houses at the department's research farms (at Dundee and Bartlow), as well as the CASP and Ilima/Letsema Projects conditional grants roll-overs for the Ndumo A irrigation scheme, installation of sub-surface drainage at Block 6 in Makhathini, as well as agricultural infrastructure such as the construction of broiler houses, store rooms and fencing. The Revised Estimate indicates under-expenditure due to continued slow progress by DOPW and departmental infrastructure projects. The further decrease in 2019/20 is due to the reduction against the CASP grant to fund the BPCP, as mentioned. The MTEF provides for infrastructure projects such as diptanks, stock watering dams, broiler houses, piggeries, irrigation schemes, fencing, etc.

Machinery and equipment shows a peak in 2016/17 due to the once-off acquisition of additional tractors and implements for the development of Communal Estates. The steady growth over the 2019/20 MTEF provides for the replacement of the existing fleet of departmental vehicles, farm equipment, laboratory equipment, as well as computers and office related furniture and equipment.

Biological assets provides for the acquisition of animals for research purposes, as well as livestock projects in respect of food security at household and smallholder level. The quantum of animals required is dependent on the research to be conducted, natural death, as well as the specific needs of livestock food security projects and therefore the fluctuating trend between 2015/16 and 2018/19. The MTEF provides for an inflationary increase in the outer year.

Payments for financial assets reflects expenditure in 2016/17 only, and this relates to an approved write-off of thefts and losses.

7.4 Summary of conditional grant payments and estimates

Tables 3.8 and 3.9 illustrate conditional grant payments and estimates from 2015/16 to 2021/22. Further details are given in *Annexure – Vote 3: Agriculture and Rural Development*.

Note that the conditional grant figures in Table 3.1 for the period 2015/16 to 2021/22 indicate the actual receipts for each grant, as well as other technical adjustments, and therefore should not be compared to the figures reflected in Table 3.8, which show the actual expenditure and estimates.

Table 3.8 : Summary of conditional grant payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
CASP grant	226 161	222 155	159 935	223 975	239 266	239 266	199 351	217 191	235 040
Ilima/Letsema Projects grant	69 401	63 876	44 540	71 263	94 079	94 079	75 253	79 392	84 234
Land Care grant	10 666	10 632	12 012	12 016	21 866	21 866	12 418	13 101	13 822
EPWP Integrated Grant for Provinces	2 296	3 840	8 466	7 308	7 308	7 308	4 842	-	-
Total	308 524	300 503	224 953	314 562	362 519	362 519	291 864	309 684	333 096

Table 3.9 : Summary of conditional grant payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	179 231	154 476	90 828	209 334	230 333	230 333	205 418	215 550	234 692
Compensation of employees	18 000	19 296	21 000	24 381	24 381	24 381	25 844	27 395	29 312
Goods and services	161 231	135 180	69 828	184 953	205 952	205 952	179 574	188 155	205 380
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	48 297	36 593	68 351	34 030	34 823	34 823	29 863	29 863	29 863
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	20 707	10 500	27 087	28 500	28 500	28 500	29 863	29 863	29 863
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	27 590	26 093	41 264	5 530	6 323	6 323	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	80 996	109 434	65 774	71 198	97 363	97 363	56 583	64 271	68 541
Buildings and other fixed structures	70 633	72 812	62 516	63 824	83 758	83 758	48 204	55 892	59 701
Machinery and equipment	10 363	36 622	3 258	7 374	13 605	13 605	8 379	8 379	8 840
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	308 524	300 503	224 953	314 562	362 519	362 519	291 864	309 684	333 096

The department is responsible for the following four national conditional grants:

- The CASP grant is aimed at enhancing the capacity of the Agriculture sector by providing support to beneficiaries of land and agrarian reform programmes. This grant also focuses on the revival of agricultural extension services. The decreases in 2016/17 and 2017/18 were due to fiscal consolidation, to allow DAFF to conduct an agricultural and rural census, as well as to correctly allocate disaster funds that were inadvertently allocated to all nine provinces instead of the Northern Cape. The under-expenditure of R49.663 million in 2017/18, due to slow progress in the implementation of infrastructure projects, further contributed to the low expenditure. The increase from the 2018/19 Main to Adjusted Appropriation is due to the roll-over of unspent committed funds from 2017/18. The drop in 2019/20 is due to a reduction in the CASP grant allocation to provinces to fund the BPCP. The funding model will be such that the portion from DAFF will be a grant and the portion from the financier will be a loan to the farmer. This programme aims to accelerate growth of black commercial farmers in the agricultural sector. In KZN, a portion of the CASP funding is transferred to ADA against *Transfers and subsidies to: Departmental agencies and accounts* in respect of projects implemented by ADA, following the finalisation of the CASP grant business plan. These projects were identified specifically for ADA. The grant allocation is also used for projects that are funded by way of direct transfers and are managed through a funding agreement between the department and beneficiaries. This method of funding is only utilised once the beneficiary has met certain criteria and the adjustments are then effected in the Adjustments Estimate, and hence there is no allocation against *Transfers and subsidies to: Public corporations and private enterprises* over the MTEF, at this stage. Beneficiaries funded under this category include Inqanawe Tunnel Project, Rapid Dawn 1064 CC, Siyathuthuka Farms, Copperfield Dairy, Ekuphileni Poultry and Agricultural Farming Primary Co-operative, Mpofana Land Reform Cluster, etc. The grant shows a steady increase from 2019/20 onward to develop and support farmers by improving their infrastructure (diptanks, broiler houses, fencing, irrigation, etc.), improving the extension services through the ERP by providing skills and training, as well as provision of adequate tools and equipment. The MTEF also provides for continued upgrading and improvement of the colleges' infrastructure.

- The Ilima/Letsema Projects grant, which falls under the Ilima/Letsema campaign driven by DAFF, is aimed at unlocking the potential of currently ‘dead’ land and other assets, particularly in communal areas. In KZN, this grant is used for various projects, including the food security and mechanisation programme and the irrigation schemes within the Makhathini development project. The decrease in 2016/17 was due to fiscal consolidation cuts. The under-expenditure of R22.816 million was the reason for the further dip in 2017/18. The increase from the 2018/19 Main to Adjusted Appropriation is due to the roll-over of the unspent amount of R22.816 million. Apart from these fluctuations, the grant shows a steady increase over the 2019/20 MTEF. The grant will deliver mechanisation services, irrigation development, and establishment of institutional gardens, one-home-one-garden and one-home-one-hectare programmes to improve the food and nutrition security in the province.
- The Land Care grant is aimed at optimising the sustainable use of natural resources to ensure greater productivity, food security and job creation. The allocation remains largely constant in 2015/16 and 2016/17, due to fiscal consolidation, before increasing again from 2017/18 onward. The increase from the 2018/19 Main to Adjusted Appropriation is due to the once-off allocation of R9.850 million for drought relief. This funding was allocated to the province from the National Disaster Relief Fund. These funds will be utilised on land care projects such as the management of grazing land, alien species control, fencing, etc. to assist farmers in protecting their farms against the impact of potential drought in the future. This is a proactive response taking into account the recent drought in the province. The grant shows a steady increase from 2019/20 to 2021/22 in respect of the management of grazing land, alien species control, fencing, etc.
- The EPWP Integrated Grant for Provinces allocation is based on the number of EPWP jobs created in the previous year and therefore allocations are for one year only and not over the MTEF period, hence there is no allocation in 2020/21 and 2021/22. This grant is used to fund additional projects in the department’s land care programme, and includes costs for materials and wages.

Compensation of employees relates to extension officers funded from the ERP pillar of the CASP grant.

The decrease in *Goods and services* from 2015/16 to 2016/17 was due to a change of the funding mechanism to direct transfer for certain projects against *Transfers and subsidies to: Public corporations and private enterprises* and the acquisition of tractors and implements under *Machinery and equipment*. The further decrease in 2017/18 was due to under-expenditure, of which a portion was rolled over to 2018/19, and resulted in the increase from the 2018/19 Main to Adjusted Appropriation. This category caters for agricultural production inputs and materials, as well as computer services, training costs and uniforms for extension officers under the ERP pillar of CASP. The allocation shows a further decrease in 2019/20 to fund the BPCP, as mentioned. An amount of R2 million within CASP is allocated to control the FMD outbreak. The category increases in the outer two years of the MTEF and caters for the services, mentioned above.

Transfers and subsidies to: Departmental agencies and accounts relates to transfers made to ADA to implement projects funded from the CASP grant. The dip in 2016/17 was due to the slow progress made by the entity in implementing its projects and the department limiting the funding from CASP. There was a steady increase from 2017/18 to 2018/19 and this is an indication of the number and value of projects that are implemented by ADA. This category is flat-lined over the MTEF.

Transfers and subsidies to: Public corporations and private enterprises from 2015/16 to 2018/19 is in respect of those projects where the department provides the funding as a direct transfer instead of procuring the *Goods and services*. This funding mechanism is only utilised where the beneficiary meets specific requirements and the adjustments are therefore effected during the year. Beneficiaries funded under this category include Inqanawe Tunnel Project, Rapid Dawn 1064 CC, Siyathuthuka Farms, Copperfield Dairy, Ekuphileni Poultry and Agricultural Farming Primary Co-operative, as mentioned.

Buildings and other fixed structures is mainly related to agricultural infrastructure such as poultry houses, fencing, irrigation schemes, etc. The decrease in 2017/18 was due to the department’s under-expenditure against the grant allocation, of which a portion was rolled over to 2018/19 and accounts for the increase from the 2018/19 Main to Adjusted Appropriation. The further dip in 2019/20 is due to the reduction of

the CASP grant to fund the BPCP, as indicated above, and thereafter there is a steady increase over the MTEF to provide for diptanks, animal handling facilities, irrigation and fencing, etc.

Machinery and equipment relates to various agricultural equipment, as well as computers and vehicles acquired under the ERP pillar of the CASP grant. The high expenditure in 2016/17 relates to additional tractors and implements acquired for the Communal Estates programme. The low expenditure in 2017/18 is attributable to computers ordered but not delivered for the ERP programme and the funds were rolled over to 2018/19, resulting in the increase from the 2018/19 Main to Adjusted Appropriation. The MTEF allocations cater for the replacement of existing equipment, such as computers and office furniture.

7.5 Summary of infrastructure payments and estimates

Table 3.10 illustrates infrastructure payments and estimates for the period 2015/16 to 2021/22. Further details of the department's infrastructure payments and estimates are presented in the *2019/20 Estimates of Capital Expenditure*.

Table 3.10 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Existing infrastructure assets	56 937	44 218	33 956	84 721	68 484	15 824	79 522	93 460	98 600
Maintenance and repair: Current	25 312	6 059	4 001	9 278	9 278	9 441	9 798	10 337	10 906
Upgrades and additions: Capital	6 321	1 089	5 659	-	13 243	8 472	8 810	9 150	9 654
Refurbishment and rehabilitation: Capital	25 304	37 070	24 296	75 443	45 963	(2 089)	60 914	73 973	78 040
New infrastructure assets: Capital	141 063	125 123	46 475	55 104	110 306	92 852	31 108	38 567	41 680
Infrastructure transfers	-	30 606	10 621	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	30 606	10 621	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Non infrastructure¹	-	-	-	-	-	-	-	-	-
Total	198 000	199 947	91 052	139 825	178 790	108 676	110 630	132 026	140 280
<i>Capital infrastructure</i>	172 688	193 888	87 051	130 547	169 512	99 235	100 832	121 689	129 374
<i>Current infrastructure</i>	25 312	6 059	4 001	9 278	9 278	9 441	9 798	10 337	10 906

1. *Non infrastructure* is a stand-alone item, and is therefore excluded from *Capital infrastructure* and *Current infrastructure*, but it is included in the overall total

It should be noted that *Capital infrastructure* in the Revised Estimate does not balance to R124.410 million in *Buildings and other fixed structures* in Table 3.7 due to an error in the December IYM because of the negative Revised Estimate against *Refurbishment and rehabilitation: Capital*. This will be corrected in the January IYM. The department's infrastructure spending was at its highest in 2016/17 and then decreases. The decreasing trend is associated with the fiscal consolidation budget cuts from 2016/17. The major dip in 2017/18 was due to the significant under-expenditure of R42.488 million.

Maintenance and repair: Current was high in 2015/16 due to an incorrect allocation for repairs of agricultural infrastructure which should have been classified under *Refurbishment and rehabilitation: Capital*, hence the decrease against this category between 2015/16 and 2016/17. The further decrease in 2017/18 is associated with under-expenditure and thereafter the category shows a steady increase to 2021/22. Over the 2019/20 MTEF, the category continues to provide for the maintenance and repairs of departmental buildings such as toilets, water supply, roof leaks, etc. at district and local offices.

Upgrades and additions: Capital shows no provision in the 2018/19 Main Appropriation as all the projects were classified as *Refurbishment and rehabilitation: Capital*. The increase in the 2018/19 Adjusted Appropriation is to correct the classification of projects which were incorrectly classified, as mentioned. The allocations over the MTEF reflect a steady increase and include upgrading of storage facilities, upgrading of ablution facilities and fencing at local offices.

Refurbishment and rehabilitation: Capital shows a significant increase between 2015/16 and 2016/17, as mentioned above. The 2019/20 MTEF provides for continuous refurbishment and rehabilitation of departmental offices and official houses at research farms, district and local offices, as well as the two agricultural colleges, namely Cedara and OSCA. These projects include refurbishment of the Zululand District office, lecture rooms, office building roofs, student offices, store rooms and dormitories at both colleges.

New infrastructure assets: Capital relates mainly to the development of agricultural infrastructure such as animal handling facilities, irrigation schemes, fencing projects, boreholes, stock watering dams, etc. The decrease in 2016/17 was in respect of a shift from this category to *Infrastructure transfers: Capital* in respect of projects where the department's CASP grant portion was transferred to the beneficiaries. The department provides 50 per cent of the funding to farmers as support and the farmer must provide the other 50 per cent. These beneficiaries included Copperfield Dairy, Izobuya Nini Trading Enterprise CC, Indlovu Family CC, as well as Ekuphileni Poultry and Agricultural Farming Primary Co-operative. In 2017/18, only R10.621 million was transferred to beneficiaries for infrastructure. The increase from the 2018/19 Main to Adjusted Appropriation is in respect of the roll-over of unspent funds from 2017/18. The decrease in 2019/20 is due to the reduction in the CASP grant allocation to provinces to fund the BPCP. The 2019/20 MTEF provides for projects such as irrigation schemes to enhance crop production across all districts, animal handling facilities and new sport facilities at OSCA, as these are multi-year projects, as well as fencing, boreholes, stock watering dams, etc.

The category *Infrastructure transfers: Capital* in 2016/17 is in respect of a shift relating to projects where the department's CASP grant portion was transferred to the beneficiaries, as mentioned. The spending in 2017/18 was to finalise projects, such as Nyezenhle Holdings – Roadside Abattoir, which commenced in 2016/17.

7.6 Summary of Public Private Partnerships – Nil

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Table 3.11 shows transfers made by the department to public entities that are listed in terms of Schedule 3 of the PFMA, as well as other entities. The financial summaries received from ADA and Mjindi are provided in *Annexure – Vote 3: Agriculture and Rural Development*. Note that Ithala does not fall under the auspices of DARD, hence Ithala's financial summary is not included here.

Table 3.11 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Transfers to public entities		162 199	147 764	188 658	178 815	178 815	178 815	188 402	198 389	209 300
	Agri-business Development Agency	99 500	94 581	121 334	120 014	120 014	120 014	126 308	132 880	140 188
	Ithala Development Finance Corporation	12 193	-	11 323	-	-	-	-	-	-
	Mjindi Farming (Pty) Ltd	50 506	53 183	56 001	58 801	58 801	58 801	62 094	65 509	69 112
Transfers to other entities		63 157	108 912	76 633	15 429	10 785	10 877	4 679	4 835	5 101
	Agricultural Schools	10 681	3 569	5 543	-	-	-	-	-	-
	Communal Estates	9 640	12 426	12 633	-	-	-	-	-	-
	Copperfield Dairy	-	6 500	-	-	-	-	-	-	-
	Ekuphileni Poultry and Agric. Farm. Prim. Co-op.	-	5 500	6 500	-	-	-	-	-	-
	Future Farmers Foundation	-	-	2 224	2 324	-	-	-	-	-
	Independent Development Trust (IDT)	-	20 322	-	-	-	-	-	-	-
	Indlovu Family CC	-	3 221	-	-	-	-	-	-	-
	Inqanawe Tunnel Project	4 450	3 054	-	-	-	-	-	-	-
	Izobuya Nini Trading Enterprise CC	-	1 500	-	-	-	-	-	-	-
	KZN Goat Agri-business Project	-	-	2 950	3 113	-	-	-	-	-
	Mbangweni Logistics (Pty) Ltd	-	-	2 200	2 765	2 765	2 765	-	-	-
	Mpofana Land Reform Cluster	-	-	20 563	-	793	793	-	-	-
	Ndisinduna Multi-purpose Co-op Ltd	-	-	800	-	-	-	-	-	-
	Nozinkaniso Trading CC	-	-	2 200	2 765	2 765	2 765	-	-	-
	Nyezenhle Holdings - Roadside Abattoir	-	7 000	3 900	-	-	-	-	-	-
	Nyonende Hatchery	4 200	-	-	-	-	-	-	-	-
	Rapid Dawn 1064 CC	-	1 474	-	-	-	-	-	-	-
	River Valley Project	-	1 200	-	-	-	-	-	-	-
	SA Sugarcane Research Institute	2 544	2 242	2 692	2 645	2 645	2 645	2 760	2 916	3 076
	Siyathuthuka Farms	-	3 429	670	-	-	-	-	-	-
	Sizisizwe Trad. Ent. Primary Co-op.	-	4 728	-	-	-	-	-	-	-
	Soil conservation subsidy	1 500	1 604	659	1 817	1 817	1 817	1 919	1 919	2 025
	South African Sugar Association (SASA)	27 053	15 117	7 156	-	-	-	-	-	-
	THB Matebese Trading 114 CC	-	-	4 121	-	-	-	-	-	-
	University of KwaZulu-Natal	-	-	44	-	-	92	-	-	-
	University of Zululand	-	3 000	-	-	-	-	-	-	-
	uThukela Local House of Trad. Leaders Dev. Tr.	-	13 026	-	-	-	-	-	-	-
	Zakhe Agricultural College	3 089	-	1 778	-	-	-	-	-	-
Total		225 356	256 676	265 291	194 244	189 600	189 692	193 081	203 224	214 401

Although decisions taken in respect of the Rationalisation of public entities process are expected to have an impact on the 2019/20 MTEF budgets of Mjindi and ADA, the baselines for these entities were maintained, with inflationary growth provided for over the MTEF, pending the outcome of the due diligence study.

Agri-business Development Agency (ADA)

The actual expenditure and 2019/20 MTEF transfers are for projects to be implemented by ADA, as well as the operational costs of the entity. The decrease in 2016/17 was due to the slow progress in implementation of projects that led to the department not transferring all the funds to the entity. The transfers increase steadily from 2017/18 onward. The entity will continue to focus on secondary agriculture and commercial farming with particular focus on the agri-processing sector, while the department will focus on household and subsistence farming aligned to the department's agrarian transformation strategy.

Ithala Development Finance Corporation (Ithala)

The 2015/16 and 2017/18 amounts relating to Ithala cater for a shortfall in wages and operational costs of Ntingwe Tea Estate during the off-season. DARD is the main shareholder in the Ntingwe Tea Estate. Ithala is a lesser shareholder, and provides the management oversight of the entity. The department uses Ithala as a vehicle to channel the funding to Ntingwe Tea Estate. The Rationalisation of public entities exercise also impacts on Ntingwe Tea, including the outcome of the due diligence study, and a priority area for the entity is to obtain its rain forest accreditation that will allow the entity to export its products and obtain better returns, thus increasing profits.

Mjindi Farming (Pty) Ltd (Mjindi)

The transfers over the 2019/20 MTEF provide for the operational costs of the entity, as well as maintenance of the existing infrastructure.

Other entities:

The department entered into a funding agreement with the DOE whereby R50 million was made available over three years commencing in 2015/16, for the improvement of facilities at agricultural schools in order to enable practical teaching and learning. The funding was allocated to the five agricultural schools in the province, namely Zakhe Agricultural College (a private college), Weston Agricultural College, Vryheid Landbou High School, James Nxumalo Agricultural High School and Shakaskraal Secondary School, as mentioned previously. The funding ended in 2017/18 and the DOE is responsible for the maintenance of the infrastructure thereafter.

The transfers to Communal Estates were for the operational costs, such as fuel and tractor drivers, in respect of the tractors and farming implements that the department has transferred to them, in line with its agricultural transformation strategy implemented from 2015/16. The 2015/16 transfer was low due to the drought which restricted agricultural activities. The transfer ended in 2017/18, as all Communal Estates were on the programme for three years and therefore no longer qualify for financial assistance in terms of the current funding model. The department did extend the lease of the tractors and implements to 2018/19, but the Communal Estates provided the funding for the operational costs.

In 2014/15, DARD entered into an agreement with the SA Sugar Association to implement specifically approved sugarcane projects from 2014/15 to 2017/18. Funding of R4.200 million was provided to the Nyonende Hatchery in 2015/16 to enable the hatchery to become economically viable. Also, funding was provided to project beneficiaries under the 50:50 funding model, including Inqanawe Tunnel Project, Ekuphileni Poultry and Agricultural Farming Primary Co-operative, Siyathuthuka Farms, Masisizane Fund and Nyezenhle Holdings – Roadside Abattoir.

The partnership with the SA Sugarcane Research Institute, which was formed in 2010/11, continues and grows steadily over the seven years. This partnership ensures the provision of specialist extension services to assist small-scale sugarcane farmers.

The Soil conservation subsidy is a provision to business and farming enterprises for sub-surface drainage works, and is a national initiative in response to the Conservation of Agricultural Resources Act (CARA).

In 2017/18, the department formed a five-year partnership with the KZN Goat Agri-business Project with the first year contribution initially planned to be R8.350 million, but the department's contribution was subsequently extended over a five-year period. Following the classification circular from National Treasury issued in May 2018, it was found that this transaction should be *Goods and services* and not a transfer payment, hence the decrease from the 2018/19 Main to Adjusted Appropriation and no provision over the MTEF. Also, in 2017/18, further direct transfers were made to THB Matabese Trading 114 CC, Ndisinduna Multipurpose Co-op Ltd, Mbangweni Logistics (Pty) Ltd and Nozinkaniso Trading CC. The latter two projects are also funded in 2018/19.

7.8 Transfers to local government

Tables 3.12 and 3.13 show the details of transfers to local government, which relate to rates in respect of OSCA. It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds are not transferred to any municipality, and so are excluded from the tables.

Table 3.12 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Category A	-	-	-	-	-	-	-	-	-
Category B	-	-	-	-	-	-	-	-	-
Category C	13	-	52	34	25	25	38	40	42
Unallocated	-	-	-	-	-	-	-	-	-
Total	13	-	52	34	25	25	38	40	42

Table 3.13 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
OSCA - Rates and taxes	2.6. Struc. Agric. Edu. and Train.	13	-	52	34	25	25	38	40	42
Total		13	-	52	34	25	25	38	40	42

7.9 Transfers and subsidies

Table 3.14 summarises *Transfers and subsidies* by programme and category, as explained above and below the table.

Programme 1's *Transfers and subsidies* fluctuate, largely due to the nature of transfers made as follows:

- *Provinces and municipalities* caters for motor vehicle licences.
- *Departmental agencies and accounts* caters for the Skills Development Levy.
- *Public corporations and private enterprises* is in respect of a donation toward the gala dinner for the Edendale Lay Ecumenical Centre centenary celebration.
- *Households* caters for staff exit costs and bursaries to external bursary holders covering Agricultural Engineering and various Agriculture Science Degrees, as well as Veterinary Degrees and Diplomas.

Transfers and subsidies under Programme 2 also fluctuates markedly over the seven years, as follows:

- *Provinces and municipalities* provides for the payment of motor vehicle licences. Municipal agencies and funds are in respect of rates paid for OSCA, which the department is providing for until DOPW takes responsibility for this account.
- *Departmental agencies and accounts* reflects payments for TV licences, as well as transfers made to ADA. The fluctuations take into account the operational costs and projects undertaken by ADA.
- *Public corporations and private enterprises* relates to transfers made by the department to Mjindi, transfers made to an implementing agent (IDT), as well as project beneficiaries that received direct

grant funding, as detailed in Section 7.7. From 2019/20, this category provides for transfers to Mjindi, as well as transfers for the soil conservation subsidy and the SA Sugarcane Research Institute.

- The funding for *Non-profit institutions* is dependent on partnerships/agreements that may be in place at any given point in time. The transfer against agricultural schools is in respect of the agricultural school revitalisation programme, also to Zakhe Agricultural College, as mentioned.
- *Households* caters for staff exit costs.

Table 3.14 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
1. Administration	7 327	8 971	7 569	8 713	10 313	11 218	9 348	9 819	10 360
Provinces and municipalities	1 147	1 278	718	1 180	1 180	1 180	1 200	1 210	1 277
Motor vehicle licences	1 147	1 278	718	1 180	1 180	1 180	1 200	1 210	1 277
Departmental agencies and accounts	1 805	2 418	1 849	2 823	2 823	2 823	3 048	3 289	3 470
Skills Development Levy	1 805	2 418	1 849	2 823	2 823	2 823	3 048	3 289	3 470
Public corporations and private enterprises	5	-	-	-	-	-	-	-	-
Edendale Lay Ecumenical Centre	5	-	-	-	-	-	-	-	-
Households	4 370	5 275	5 002	4 710	6 310	7 215	5 100	5 320	5 613
Staff exit costs	1 260	1 259	2 034	10	1 610	2 515	100	220	232
Bursaries	3 110	4 016	2 968	4 700	4 700	4 700	5 000	5 100	5 381
2. Agriculture	239 641	263 995	277 095	197 662	201 939	207 628	198 705	208 769	220 040
Provinces and municipalities	166	-	662	912	903	903	959	1 006	1 061
Motor vehicle licences	153	-	610	878	878	878	921	966	1 019
Municipal agencies and funds	13	-	52	34	25	25	38	40	42
Departmental agencies and accounts	99 501	94 582	121 335	120 015	120 017	120 017	126 309	132 881	140 189
Agri-business Development Agency	99 500	94 581	121 334	120 014	120 014	120 014	126 308	132 880	140 188
TV and radio licences	1	1	1	1	3	3	1	1	1
Public corporations and private enterprises	112 086	155 526	134 368	71 906	69 586	69 586	66 773	70 344	74 213
Communal Estates	9 640	12 426	12 633	-	-	-	-	-	-
Copperfield Dairy	-	6 500	-	-	-	-	-	-	-
Ekuphileni Poultry and Agric. Farming Prim. Co-op.	-	5 500	6 500	-	-	-	-	-	-
Independent Development Trust (IDT)	-	20 322	-	-	-	-	-	-	-
Indlovu Family CC	-	3 221	-	-	-	-	-	-	-
Inqanawu Tunnel Project	4 450	3 054	-	-	-	-	-	-	-
Ithala	12 193	-	11 323	-	-	-	-	-	-
Izobuya Nini Trading Enterprise CC	-	1 500	-	-	-	-	-	-	-
KZN Goat Agri-business Project	-	-	2 950	3 113	-	-	-	-	-
Mbangweni Logistics (Pty) Ltd	-	-	2 200	2 765	2 765	2 765	-	-	-
Mjindi	50 506	53 183	56 001	58 801	58 801	58 801	62 094	65 509	69 112
Mpofana Land Reform Cluster	-	-	20 563	-	793	793	-	-	-
Ndisinduna Multi-purpose Co-op Ltd	-	-	800	-	-	-	-	-	-
Nozinkaniso Trading CC	-	-	2 200	2 765	2 765	2 765	-	-	-
Nyezenhle Holdings - Roadside Abattoir	-	7 000	3 900	-	-	-	-	-	-
Nyonende Hatchery	4 200	-	-	-	-	-	-	-	-
Rapid Dawn 1064 CC	-	1 474	-	-	-	-	-	-	-
River Valley Project	-	1 200	-	-	-	-	-	-	-
SA Sugarcane Research Institute	2 544	2 242	2 692	2 645	2 645	2 645	2 760	2 916	3 076
Siyathuthuka Farms	-	3 429	670	-	-	-	-	-	-
Sizisizwe Trad. Ent. Primary Co-op.	-	4 728	-	-	-	-	-	-	-
Soil conservation subsidy	1 500	1 604	659	1 817	1 817	1 817	1 919	1 919	2 025
South African Sugar Association (SASA)	27 053	15 117	7 156	-	-	-	-	-	-
THB Matebese Trading 114 CC	-	-	4 121	-	-	-	-	-	-
uThukela Local House of Trad. Leaders Dev. Tr.	-	13 026	-	-	-	-	-	-	-
Non-profit institutions	13 770	3 569	7 321	-	-	-	-	-	-
Zakhe Agricultural College	3 089	-	1 778	-	-	-	-	-	-
Agricultural Schools	10 681	3 569	5 543	-	-	-	-	-	-
Households	14 118	10 318	13 409	4 829	11 433	17 122	4 664	4 538	4 577
Staff exit costs	14 118	10 318	13 409	4 829	11 233	16 922	4 464	4 338	4 577
External bursaries	-	-	-	-	200	200	200	200	-
3. Rural Development	-	3 028	2 455	2 324	48	171	-	-	-
Higher education institutions	-	3 000	44	-	-	92	-	-	-
University of Zululand	-	3 000	-	-	-	-	-	-	-
University of KwaZulu-Natal	-	-	44	-	-	92	-	-	-
Public corporations and private enterprises	-	-	2 224	2 324	-	-	-	-	-
Future Farmers Foundation	-	-	2 224	2 324	-	-	-	-	-
Households	-	28	187	-	48	79	-	-	-
Staff exit costs	-	28	187	-	48	79	-	-	-
Total	246 968	275 994	287 119	208 699	212 300	219 017	208 053	218 588	230 400

Transfers and subsidies under Programme 3 relates to:

- R3 million against *Higher education institutions* in 2016/17 relates to the department's contribution to the development of the CSIRD at UNIZULU. The payments in 2017/18 and the 2018/19 Revised

Estimate relate to donations made to the UKZN towards funding the Postgraduate Research and Innovation Day.

- *Public corporations and private enterprises* provides for the partnership with the Future Farmers Foundation for the placement of unemployed graduates on various farms, as well as agro-processing. The expenditure for this activity is reflected against *Goods and services* in the 2018/19 Adjusted Appropriation in line with the National Treasury Circular on classification of expenditure.
- *Households* caters for staff exit costs.

8. Programme description

The services rendered by the department are categorised under three programmes, which largely conform to the uniform budget and programme structure of the Agriculture and Rural Development sector, as explained previously. Programme 2 provides the sector information by sub-programme and sub-sub-programme, because of the level of detail required by the sector.

8.1 Programme 1: Administration

The primary role of Programme 1 is to support the line function components of the department in achieving their goals.

Tables 3.15 and 3.16 summarise payments and estimates relating to Programme 1 for the period 2015/16 to 2021/22.

Table 3.15 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Office of the MEC	14 129	16 001	11 812	15 535	15 965	16 273	16 475	17 327	18 279
2. Senior Management	31 238	26 144	43 393	45 917	47 925	57 817	47 259	49 797	52 533
3. Corporate Services	227 745	244 961	272 772	275 268	286 893	272 551	293 430	311 283	328 404
4. Financial Management	133 645	142 117	117 230	162 138	177 440	149 855	173 659	187 688	198 730
5. Communication Services	25 791	28 196	31 440	33 947	35 937	30 606	36 278	38 421	40 535
Total	432 548	457 419	476 647	532 805	564 160	527 102	567 101	604 516	638 481

Table 3.16 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	391 822	412 181	443 038	476 750	490 216	470 791	507 458	541 845	572 363
Compensation of employees	188 954	192 245	205 016	223 302	217 923	222 336	241 093	260 068	274 372
Goods and services	202 817	219 850	238 022	253 448	272 293	248 455	266 365	281 777	297 991
Interest and rent on land	51	86	-	-	-	-	-	-	-
Transfers and subsidies to:	7 327	8 971	7 569	8 713	10 313	11 218	9 348	9 819	10 360
Provinces and municipalities	1 147	1 278	718	1 180	1 180	1 180	1 200	1 210	1 277
Departmental agencies and accounts	1 805	2 418	1 849	2 823	2 823	2 823	3 048	3 289	3 470
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	5	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	4 370	5 275	5 002	4 710	6 310	7 215	5 100	5 320	5 613
Payments for capital assets	32 780	34 448	25 685	47 342	63 631	45 093	50 295	52 852	55 758
Buildings and other fixed structures	10 705	6 650	3 184	27 789	42 364	20 386	29 345	30 959	32 662
Machinery and equipment	22 075	27 747	22 501	19 553	21 267	24 707	20 950	21 893	23 096
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	51	-	-	-	-	-	-	-
Payments for financial assets	619	1 819	355	-	-	-	-	-	-
Total	432 548	457 419	476 647	532 805	564 160	527 102	567 101	604 516	638 481

The sub-programme: Office of the MEC provides for the efficient operation of the ministry, and the MTEF allocations show steady growth in line with anticipated wage adjustments and inflationary increases, as well as the fact that the MEC's salary did not increase in 2018/19.

The sub-programme: Senior Management provides for the running costs of the office of the HOD, DDGs and Chief Directors. This sub-programme also provides for audit fees, any other audits commissioned, as well as the Rationalisation of public entities and the study on the Status of Agriculture in the Province (to be undertaken in 2019/20). The increase in 2017/18 is ascribed to the filling of posts such as the DDG: Agriculture Services, Chief Directors: Veterinary Services, Research and Development, Rural Enterprise Development, Human Resource Management, as well as the costs for the investigation undertaken by the SIU. The increase against the 2018/19 Revised Estimate was due to an incorrect inter-face between PERSAL and BAS instead of to the Rural Development programme. This will be corrected and there will be no reduction from 2018/19 to 2019/20. The growth over the MTEF is in respect of the carry-through costs of the above-budget wage agreements and annual salary increments, as well as undertaking the Status of Agriculture in the Province study in 2019/20.

The Corporate Services sub-programme includes human resource management and development, business support services, legal services, security services, facilities, etc. The increases in 2016/17 and 2017/18 relate to the cost of the migration from Novell to Microsoft, and hence there is no growth in 2018/19. The decrease in the Revised Estimate is due to savings on computer services, legal fees and subsistence and traveling costs. The 2019/20 MTEF provides for support to the department in terms of sound legal advice, adequate IT infrastructure, human resource management and development, employee wellness and ensuring adherence to the occupational health and safety requirements.

The sub-programme: Financial Management provides for sound financial management systems and controls, SCM systems that are fair, transparent and address the need for radical economic transformation, as well as the management of the departmental fleet and capital infrastructure development. The operational costs of vehicles are charged to the programmes that utilise the vehicles. DOPW is the implementing agent for the department's infrastructure projects, such as the upgrade and refurbishment of departmental offices and staff accommodation. The progress of implementation was slow between 2015/16 and 2017/18 which explains the low spending against this sub-programme and *Buildings and other fixed structures*. This trend continues into 2018/19, and the roll-over of funds increased the 2018/19 Adjusted Appropriation. The 2019/20 MTEF provides for continued support to the line function, rehabilitation and upgrade of office accommodation at various departmental district and local offices, as well as the replacement of departmental vehicles.

The sub-programme: Communication Services includes activities to promote the image of the department and market the services provided by the department through a comprehensive communication strategy for both external stakeholders, as well as internal employees. The decrease in the 2018/19 Revised Estimate is due to the procurement of signage for the remaining offices not covered in phase 1 not being finalised.

Compensation of employees shows a steady increase over the seven-year period, with 2019/20 providing for the filling of 21 vacant posts in the Office of the HOD, Corporate Services, and Financial Management. The growth is 7.2 per cent in 2019/20, 10.5 per cent in 2020/21 and 5.8 per cent in 2021/22. The growth of 7.2 per cent in 2019/20 is not adequate for filling 21 posts and the department will review this, as well as the low growth in the outer year.

Goods and services provides for the hiring of offices and ITC services through SITA, for the entire department, as well as leases of labour saving devices, telecommunication services, fleet management costs, operational costs such as subsistence and travel, as well as utility and security services, all in respect of Programme 1. The budget over the 2019/20 MTEF provides for inflationary increases for these items.

With regard to *Transfers and subsidies*:

- *Provinces and municipalities* relates to the payment of motor vehicle licence fees.
- *Departmental agencies and accounts* is in respect of the Skills Development Levy payable to the Agriculture SETA.

- *Public corporations and private enterprises* relates to a once-off donation of R5 000 toward the gala dinner for the Edendale Lay Ecumenical Centre centenary celebration.
- *Households* caters for staff exit costs, as well as bursaries to 54 external bursary holders.

Buildings and other fixed structures comprises mainly renovations of office buildings at head office, as well as district and local offices. There is steady growth over the MTEF despite the slow spending in prior years which resulted in the roll-over of funds in the 2018/19 Adjusted Appropriation. Capital projects over the 2019/20 MTEF relate to the rehabilitation of departmental buildings, such as local and district offices, staff accommodation and college facilities, including the canteen at Cedara, installation of electricity, boreholes and elevated water tanks, upgrade of ablution facilities, repair and renovation of the district office in the eThekweni Metro, etc.

Machinery and equipment provides for the purchase of replacement vehicles and, to a limited extent, new vehicles for the departmental fleet, centralised under Programme 1, as well as office furniture and equipment. The allocation over the 2019/20 MTEF shows a steady increase.

Payments for financial assets provides for the approved write-off of thefts and losses.

8.2 Programme 2: Agriculture

Programme 2 has two main core functions, namely Agriculture and Veterinary Services.

Agriculture encompasses crop production, livestock farming, land use and land reform (a national priority run by DARD at a provincial level).

Veterinary Services entails animal disease control, prevention of zoonotic diseases, and ensuring safety of food products of animal origin.

Tables 3.17 and 3.18 give information relating to Programme 2, providing detail at sub-programme and sub-sub programme level, largely conforming to the uniform budget and programme structure for the sector, as mentioned earlier.

Table 3.17 : Summary of payments and estimates by sub-programme: Agriculture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Sustainable Resource Management	75 492	74 396	75 340	85 176	89 495	90 556	96 390	96 321	101 621
Engineering Services	36 571	19 084	17 264	26 098	18 534	19 779	28 044	29 984	31 636
Land Care	38 921	41 601	41 712	43 250	57 218	56 205	51 471	48 372	51 032
Land Use Management	-	10 193	11 496	11 214	9 674	10 007	11 908	12 589	13 281
Disaster Risk Management	-	3 518	4 868	4 614	4 069	4 565	4 967	5 376	5 672
2. Farmer Support and Development	1 235 839	1 233 265	958 766	1 146 349	1 187 853	1 257 627	1 168 026	1 253 314	1 327 931
Farmer-Settlement and Development	452 879	701 418	315 123	313 275	348 723	430 800	285 593	288 476	310 026
Extension and Advisory Services	761 833	514 022	556 164	630 215	636 271	620 666	668 432	738 040	778 633
Food Security	21 127	17 825	87 479	202 859	202 859	206 161	214 001	226 798	239 272
3. Veterinary Services	163 086	176 333	200 850	198 694	193 131	211 261	212 060	226 594	239 058
Animal Health	131 833	141 881	166 079	159 655	154 092	176 848	170 607	182 933	192 995
Veterinary Public Health	7 951	9 117	2 721	8 409	8 409	6 296	8 941	9 410	9 928
Veterinary Laboratory Services	23 302	25 335	32 050	30 630	30 630	28 117	32 512	34 251	36 135
4. Research and Technology Development	181 914	170 881	187 457	212 362	209 729	170 482	226 676	240 417	253 641
Research	133 932	126 406	127 259	135 104	128 015	105 381	144 186	153 065	161 485
Research Infrastructure Support	47 982	44 475	60 198	77 258	81 714	65 101	82 490	87 352	92 156
5. Agricultural Economic Services	5 699	5 047	9 289	10 746	9 281	9 265	11 540	12 480	13 167
Agri-Business Support and Development	5 699	5 047	9 289	10 746	9 281	9 265	11 540	12 480	13 167
6. Structured Agricultural Education and Training	102 718	84 268	105 216	106 537	105 067	100 053	113 174	119 455	126 027
Higher Education and Training	102 718	76 440	95 230	85 534	84 064	83 390	90 808	95 747	101 015
Further Education and Training (FET)	-	7 828	9 986	21 003	21 003	16 663	22 366	23 708	25 012
Total	1 764 748	1 744 190	1 536 918	1 759 864	1 794 556	1 839 244	1 827 866	1 948 581	2 061 445

Table 3.18 : Summary of payments and estimates by economic classification: Agriculture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	1 344 710	1 221 290	1 175 394	1 432 677	1 424 150	1 498 345	1 531 164	1 623 347	1 717 543
Compensation of employees	720 896	750 131	779 552	873 193	843 822	799 143	942 894	1 017 246	1 073 195
Goods and services	623 638	471 143	395 838	559 394	580 238	699 112	588 179	606 009	644 251
Interest and rent on land	176	16	4	90	90	90	91	92	97
Transfers and subsidies to:	239 641	263 995	277 095	197 662	201 939	207 628	198 705	208 769	220 040
Provinces and municipalities	166	-	662	912	903	903	959	1 006	1 061
Departmental agencies and accounts	99 501	94 582	121 335	120 015	120 017	120 017	126 309	132 881	140 189
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	112 086	155 526	134 368	71 906	69 586	69 586	66 773	70 344	74 213
Non-profit institutions	13 770	3 569	7 321	-	-	-	-	-	-
Households	14 118	10 318	13 409	4 829	11 433	17 122	4 664	4 538	4 577
Payments for capital assets	180 397	258 886	84 296	129 525	168 467	133 272	97 997	116 465	123 862
Buildings and other fixed structures	161 983	156 632	73 246	102 758	127 148	104 024	71 487	90 730	96 712
Machinery and equipment	18 064	102 085	10 355	26 217	40 769	29 029	25 940	25 165	26 549
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	350	169	695	550	550	219	570	570	601
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	19	133	-	-	-	-	-	-
Total	1 764 748	1 744 190	1 536 918	1 759 864	1 794 556	1 839 244	1 827 866	1 948 581	2 061 445

The Sustainable Resource Management sub-programme includes the Engineering Services and Land Care sub-sub-programmes, as well as Land Use Management and Disaster Risk Management from 2016/17 onward. The additions of the latter two sub-sub-programmes were in line with the organisational structure, as well as further alignment to the uniform budget structure for the sector. Also affecting the Land Care sub-sub-programme, is the EPWP Integrated Grant for Provinces, which is an annual allocation based on the prior year's performance. This grant shows fluctuations over the years, accounting for the fluctuations under that sub-sub-programme. Furthermore, a drought relief allocation of R9.850 million was added to the Land Care grant in the 2018/19 Adjusted Appropriation under the sub-sub-programme: Land Care. The budget over the 2019/20 MTEF is to provide for the implementation of land care projects and to re-establish land for agricultural purposes, and these projects are implemented using EPWP principles aimed at job creation. The Engineering Services sub-sub-programme provides technical support and specifications for infrastructure related projects, such as irrigation schemes, fencing, animal handling facilities, etc., and also ensures that the service providers adhere to the correct standards and specification during implementation. This sub-sub-programme also provides for soil conservation services, including developing and conducting research on new soil conservation methods that will be adaptive to climate change, as well as providing advisory services to farmers. The Disaster Risk Management sub-sub-programme caters for the operational costs of the unit only, which provides continuous monitoring and advisory services on any potential and unusual climatic conditions. This unit will manage any disaster that may occur and oversee the implementation of any interventions required, including the submission of requests for funding to the provincial and national disaster management centres.

The Farmer Support and Development sub-programme houses the bulk of the conditional grants, funding for the Makhathini development project, extension services, as well as the fencing and irrigation scheme programmes. The Farmer-Settlement and Development sub-sub-programme includes the subsidies to ADA and Mjindi. The decrease in 2017/18 is as a result of fiscal consolidation cuts, as well as the reprioritisation undertaken to fund 133 critical vacant posts in the department and the effect of the under-expenditure in that year. The increase from the 2018/19 Main to Adjusted Appropriation is in respect of the roll-over of the CASP and Ilima/Letsema Projects grants. Further reprioritisation into this sub-programme for additional hectares to be cultivated accounts for the increase in the 2018/19 Revised Estimate. This sub-programme shows steady growth over the 2019/20 MTEF and is the key service delivery programme of the department, with the budget allowing the department to facilitate, co-ordinate and provide support to smallholder and commercial farmers through sustainable agricultural development within agrarian reform initiatives such as on-and off-farm infrastructure development, market access, agro-processing, etc. The Food Security sub-sub-programme shows an increase in 2017/18 and 2018/19 in line with the shift in the strategy towards providing nutritious food security support at household and

subsistence level. The interventions at household level will include, among others, one-household-one-hectare, communal gardens and distribution of various varieties of seeds/commodities to provide nutritious food throughout the year whereas, in the past, it was biased toward summer crops only (maize and beans in particular). The sub-sub-programme: Extension and Advisory Services, which is also partly funded by the CASP grant, provides for extension services to farmers through the department's extension officers that are located at the local offices throughout the province. The budget under this sub-sub-programme is therefore primarily for *Compensation of employees* and related costs such as travel and subsistence, the digi-pen software and ERP, as well as the utility and security services at district and local offices.

Veterinary Services provides for the acquisition of animal medicines and dipping chemicals. The increase in 2017/18 and again in the 2018/19 Revised Estimate is the result of reprioritisation for the acquisition of dipping material and chemicals to address the high demand for this service at communal level. There is steady growth over the 2019/20 MTEF to provide veterinary services to clients in order to ensure healthy animals, safe animal products and the welfare of the people of South Africa. The sub-sub-programme: Animal Health provides for animal health technicians in the various veterinary offices to facilitate and provide animal disease control services in order to protect the animal and human population against identified infectious, zoonotic and/or economic diseases, through the implementation of the Animal Diseases Act, and primary animal health programme/projects such as dipping and vaccinations. The sub-sub-programme: Veterinary Public Health ensures the safety of meat and meat products through the implementation of the Meat Safety Act, the Animal Diseases Act, and other relevant legislation through inspections of abattoir facilities and quality control of the export of meat. The provision for the sub-sub-programme: Veterinary Laboratory Services is for the operational costs of the veterinary laboratories at Allerton in Pietermaritzburg and Vryheid, which are utilised to render veterinary diagnostic, laboratory and investigative services that will focus on the control of animal diseases for adherence to hygienic standards and for generating data.

The sub-programme: Research and Technology Development Services shows a fluctuating trend between 2015/16 and the 2018/19 Revised Estimate, due to the effect of the matching and placing of posts, difficulty in the procurement of high-tech equipment for the soil analytical laboratory, as well as slow progress in the rehabilitation of official houses at research farms. There is a steady increase over the 2019/20 MTEF. The sub-sub-programme: Research provides for existing and new scientists to conduct, facilitate and co-ordinate research and to participate in multi-disciplinary development projects, as well as to disseminate information on research and technology to farmers. The department has a soil analytical laboratory at Cedara that provides critical soil analysis for farmers to enable them to maintain and enhance the fertility of the soil. The sub-sub-programme: Research Infrastructure Support Services provides for the maintenance and management of the six agricultural research farms that are used to conduct the above-mentioned research. These research farms are at Cedara in uMgungundlovu, Kokstad in Harry Gwala, Dundee in uMzinyathi, as well as Makhathini, Bartlow and OSCA in uMkhanyakude.

The purpose of the Agricultural Economic Services sub-programme is to market information and facilitate marketing and provide agricultural economic services to clients. It is expected that the activities will play a leading role in stimulating agri-business and related activities in the rural areas of KZN. As such, this sub-programme increases steadily over the period, and was not impacted by any budget cuts.

The Structured Agricultural Education and Training sub-programme houses the department's agricultural colleges, namely Cedara and OSCA, as well as the other agricultural colleges (Zakhe Agricultural College, Weston College, etc.). The two colleges provide an accredited two-year diploma in agriculture courses, and various FET short courses. Cedara is also accredited with UKZN and provides a three-year B. Agric. Degree. Funding for improving the infrastructure facilities at these colleges is received from the CASP grant across all seven years. The MTEF allocations are mainly in respect of the appointment of lecturers and support staff, operational costs for the student farms and hostels, as well as rehabilitation/upgrading and new infrastructure such as sport facilities, lecture rooms, dairy milk parlours for the two colleges.

Compensation of employees shows steady growth over the seven-year period, which is reflective of the annual wage adjustments, filling of critical vacant posts, as well as the implementation of the various OSDs within the department. The decrease in the 2018/19 Adjusted Appropriation and further reduction in the Revised Estimate is due to slower than anticipated filling of critical posts. The funds for these critical

posts remain in the 2019/20 MTEF and hence the increase from the 2018/19 Revised Estimate to 2019/20. The progress in filling vacant posts will be closely monitored by the department so that any savings emanating from vacant posts can be re-directed to other areas during the year. The growth is 17.9 per cent in 2019/20, 7.8 per cent in 2020/21 and 5.5 per cent in 2021/22. The growth is thus adequate in 2019/20 for filling 62 posts, while the growth in the two outer years will be reviewed in the next budget process, taking into account progress made with regard to the filling of the vacant posts.

Goods and services includes the bulk of the conditional grant funding. This category was negatively affected by the reduction in the conditional grants, budget cuts and the need to reprioritise to fund critical posts. The decreases in 2016/17 and 2017/18 were also due to funding some projects through direct transfer, as already mentioned. This category recorded under-expenditure in 2017/18, further explaining the significant decrease in that year. The increase from the 2018/19 Main to Adjusted Appropriation and again to the Revised Estimate is due to the roll-over of unspent funds from 2017/18 and the reprioritisation of funds towards increased mechanisation and provision of agricultural inputs. The increase in the Revised Estimate is to address the high demand for services such as veterinary supplies, production inputs, as well as the provision for animal feed, and is funded through reprioritisation from savings under *Compensation of employees*, as mentioned. There is steady growth over the 2019/20 MTEF. This category provides for the acquisition of agricultural inputs such as seeds, fertilizer, chemicals and pesticides, as well as fencing and irrigation material and supplies which are on a two-year contract. The other major items are subsistence and travel for scientists, extension officers and animal health technicians, running costs of departmental vehicles and the payment for security and utility services at the district and local offices.

With regard to *Transfers and subsidies*:

- *Provinces and municipalities* relates to motor vehicle and tractor licences.
- *Departmental agencies and accounts* comprises transfers made to ADA and a minimal allocation for TV and radio licences.
- *Public corporations and private enterprises* includes the transfers to Mjindi, but also includes transfers to various other entities, as well as direct transfers for certain agricultural projects and details thereof are provided under Section 7.7 and 7.9. This category provides for transfers for the soil conservation subsidy and the SA Sugarcane Research Institute over the 2019/20 MTEF.
- *Non-profit institutions* provides for the transfer to agricultural schools as part of the agricultural school revitalisation programme and these transfers ended in 2017/18.
- *Households* caters for staff exit costs.

Buildings and other fixed structures shows a steady decrease from 2015/16 to 2017/18 due to budget cuts, as well as the completion of projects in the Makhathini area and the fact that the department under-spent at the end of 2017/18. The increase in the 2018/19 Adjusted Appropriation is in respect of the roll-over of unspent funds in respect of both conditional grants and equitable share. The low rate of spending, however, is continuing and accounts for the decrease in the 2018/19 Revised Estimate due to slow procurement processes. The decrease in 2019/20 is due to the reduction in the CASP grant allocation to fund the BPCP, as mentioned. The MTEF includes further development in the Makhathini area, upgrade of agricultural colleges, as well as construction of fencing, boreholes, stock watering dams, diptanks, etc.

Machinery and equipment shows high expenditure in 2016/17 due to the acquisition of tractors and implements to increase the fleet for the Communal Estates. The allocations show a slight decrease over the 2019/20 MTEF due to the budget pressure to increase funding for interventions at household and smallholder level, which are provided under *Goods and services*. The MTEF provides for farming equipment, irrigation equipment, departmental vehicles for the ERP, the digi-pen software, as well as office furniture and equipment at the various district and local agricultural offices.

Biological assets is primarily in respect of animals acquired for research and educational purposes and is affected by deaths, type of research to be undertaken, as well as availability of the specific breed, resulting in the fluctuating trend. Also provided for are livestock for food security and smallholder livestock projects, adding to the fluctuations.

Software and other intangible assets fluctuates, as it is dependent on the need for updated software.

Service delivery measures – Programme 2: Agriculture

Table 3.19 shows service delivery measures pertaining to Programme 2, which are aligned to the customised measures prescribed for the Agriculture sector. In addition to the information reflected, the department reports on several measures which are not prescribed by the sector, which are not reflected here but are included in the APP.

The department reviewed its service delivery measures for 2019/20, and hence four new targets are included, indicated by “New” in the 2018/19 column.

Table 3.19 : Service delivery measures: Agriculture

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2018/19	2019/20	2020/21	2021/22	
1. Sustainable Resource Management						
1.1	Engineering services	<ul style="list-style-type: none"> No. of agricultural infrastructure established No. of agricultural infrastructure rehabilitated No. of km fenced 	100 47 450	85 84 300	90 90 320	95 95 350
1.2	Land use management	<ul style="list-style-type: none"> No. of agro-ecosystem management plans developed No. of ha protected to improve agricultural production No. of farm management plans developed 	New 6 500 New	10 6 500 10	10 7 000 10	10 7 500 10
1.3	Disaster risk management	<ul style="list-style-type: none"> No. of disaster relief schemes managed No. of disaster risk reduction services managed 	3 4	1 1	3 4	3 4
1.4	Land care	<ul style="list-style-type: none"> No. of green jobs created No. of ha of agricultural land rehabilitated 	1 120 8 000	1 000 8 800	1 100 8 800	1 100 8 800
2. Farmer Support and Development						
2.1	Farmer-settlement and development	<ul style="list-style-type: none"> No. of smallholder producers supported No. of commercial farmers supported 	7 010 103	3 200 90	3 750 100	4 000 105
2.2	Extension and advisory services	<ul style="list-style-type: none"> No. of smallholder producers supported with agricultural advice No. of ha under irrigation used by smallholder farmers No. of jobs created 	30 724 6 129 832	22 500 1 429 710	25 000 1 500 800	27 000 1 510 900
2.3	Food security	<ul style="list-style-type: none"> No. of ha planted for food production No. of households supported with agricultural food production initiatives 	7 020 54 180	11 310 21 096	12 000 22 361	12 500 23 702
3. Veterinary Services						
3.1	Animal health	<ul style="list-style-type: none"> No. of epidemiological units visited for veterinary interventions 	New	40 000	40 000	40 000
3.2	Veterinary export control	<ul style="list-style-type: none"> No. of export control certificates issued 	New	1 848	2 500	2 600
3.3	Veterinary public health	<ul style="list-style-type: none"> Average percentage of compliance of all operating abattoirs in the province to meat safety legislation 	100%	100%	100%	100%
3.4	Veterinary laboratory services	<ul style="list-style-type: none"> No. of laboratory tests performed according to prescribed standards 	65 000	65 000	72 000	76 000
4. Research and Technology Development Services						
4.1	Research	<ul style="list-style-type: none"> No. of research projects implemented to improve agricultural production 	96	80	80	80
4.2	Technology transfer services	<ul style="list-style-type: none"> No. of scientific papers published No. of research presentations made at peer reviewed events No. of research presentations made at technology transfer events 	11 5 101	5 11 228	12 12 228	12 12 228
4.3	Research infrastructure support	<ul style="list-style-type: none"> No. of research infrastructure managed 	11	6	11	11
5. Agricultural Economic Services						
5.1	Production economics and marketing support	<ul style="list-style-type: none"> No. of agri-businesses supported with marketing services No. of agri-businesses supported with production economic services 	20 1 100	30 2 000	40 2 000	45 2 100
5.2	Macroeconomics support	<ul style="list-style-type: none"> No. of economic reports compiled 	4	4	4	4
5.3	Agro-processing support	<ul style="list-style-type: none"> No. of agro-processing initiatives supported 	10	10	20	20
6. Structured Agricultural Education and Training						
6.1	Higher Education and Training	<ul style="list-style-type: none"> No. of students graduated from agricultural training institutions 	90	90	90	90
6.2	Agricultural skills development	<ul style="list-style-type: none"> No. of participants trained in skills development programmes in the sector No. of interventions in school programmes 	2 400 4	1 200 4	1 200 4	1 200 4

8.3 Programme 3: Rural Development

The programme aims to initiate, plan and monitor development in specific rural areas (comprehensive rural development project sites) across the three spheres of government, as well as facilitate rural development initiatives by engaging communities on priorities and to institutionalise and support community organisational structures.

The programme has six main priorities which respond directly to the intended outcome of the mandate, which seeks to achieve vibrant, equitable, sustainable rural communities contributing toward food security for all. These six main priorities are:

- Improved land administration and spatial planning for integrated development in rural areas.
- Sustainable land reform (agrarian transformation).
- Improved food security.
- Smallholder farmer development and support (technical, financial, infrastructure) for agrarian transformation.
- Increased access to quality basic infrastructure and services, particularly in education, healthcare and public transport in rural areas.
- Growth of sustainable rural enterprises and industries characterised by strong rural-urban linkages, increased investment in agro-processing, trade development and access to markets and financial services resulting in rural job creation.

Tables 3.20 and 3.21 summarise payments and estimates for Programme 3, which conforms to the uniform budget structure of the Agriculture and Rural Development sector.

Table 3.20 : Summary of payments and estimates by sub-programme: Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Rural Development Co-ordination	1 089	7 999	5 875	6 415	7 546	6 914	6 934	7 478	7 890
2. Social Facilitation	802	6 758	13 425	25 024	24 834	17 836	25 040	26 800	28 272
Total	1 891	14 757	19 300	31 439	32 380	24 750	31 974	34 278	36 162

Table 3.21 : Summary of payments and estimates by economic classification: Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	1 891	11 441	16 835	28 898	32 115	24 362	31 832	34 018	35 888
Compensation of employees	1 542	8 112	12 019	10 499	12 592	11 972	11 346	12 251	12 925
Goods and services	349	3 329	3 864	18 399	19 523	12 390	20 486	21 767	22 963
Interest and rent on land	-	-	952	-	-	-	-	-	-
Transfers and subsidies to:	-	3 028	2 455	2 324	48	171	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	3 000	44	-	-	92	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	2 224	2 324	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	28	187	-	48	79	-	-	-
Payments for capital assets	-	288	10	217	217	217	142	260	274
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	288	10	217	217	217	142	260	274
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 891	14 757	19 300	31 439	32 380	24 750	31 974	34 278	36 162

The Rural Development Co-ordination sub-programme aims to ensure that effective rural development co-ordination, monitoring and evaluation structures are established across all three spheres of government. The allocation provides for *Compensation of employees* and related costs and, to some extent, the hosting and co-ordination of meetings and forums. As mentioned, a draft Rural Development Strategy was previously developed, but was not adopted. The department will focus on developing a revised strategy, to include agri-parks, agri-hubs and farmer development support centres.

The Social Facilitation sub-programme increased in 2017/18 and in the 2018/19 Main Appropriation relating to the implementation of the UAGYP, aimed at facilitating comprehensive interventions towards promoting equitable and sustainable opportunities for unemployed agricultural graduates in KZN. Progress was slower than planned, though, and this accounts for the decrease in the 2018/19 Revised Estimate. A total of 160 graduates were employed in the final quarter of 2018/19. The allocation increases over the MTEF, taking into account the ongoing implementation of the UAGYP.

The *Compensation of employees* budget over the 2019/20 MTEF is to cater for carry-through costs and anticipated wage adjustments only, and no provision is made for additional posts. This will be reviewed during the year, taking into account when the new structure is implemented.

Goods and services provides for operational costs such as travel and subsistence, stationery, office furniture and equipment less than R5 000, as well as the implementation of the UAGYP, as mentioned. It also provides for costs relating to the facilitation of rural development co-ordination meetings and forums.

The spending against *Transfers and subsidies to: Higher education institutions* in 2016/17 relates to the department's contribution to the development of the CSIRD at UNIZULU. Expenditure in 2017/18 and 2018/19 is for a donation to UKZN in respect of the Postgraduate Research and Innovation Day. These are once-off transfers and hence there is no provision over the MTEF.

Transfers and subsidies to: Public corporations and private enterprise in 2017/18 and the 2018/19 Main Appropriation related to the partnership with the Future Farmers Foundation in placing unemployed agriculture graduates on various farms and/or within the agro-processing industry. In line with the National Treasury guidelines of classification of transfer payments, this transaction was recorded under *Goods and services* from the 2018/19 Adjusted Appropriation onwards, hence it is not budgeted for under this category over 2019/20 MTEF.

Machinery and equipment provides for computer and office related equipment and furniture.

Service delivery measures – Programme 3: Rural Development

Table 3.22 shows service delivery pertaining to Programme 3. Although there are no customised measures for this programme, the following measures are part of the set of measures published in the APP. Note that the department publishes additional measures for this programme in its annual APP. The department reviewed its service delivery measures for 2019/20, and hence one new target is included, indicated by “New” in the 2018/19 column.

Table 3.22 : Service delivery measures: Rural Development

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. Integrated Co-ordination of implementation for Rural Development					
1.1 Integrated rural development	<ul style="list-style-type: none"> Develop a KZN programme of action aligned to Outcome 7 No. of structures co-ordinated in line with Comprehensive Rural Dev. Prog. Outcome 7 performance reports submitted for the province 	1 New 4	1 2 4	1 2 4	1 2 4
2. Rural Enterprise and Industry Development					
2.1 Maximisation of agricultural profitability for benefit of society	<ul style="list-style-type: none"> No. of projects mentored 	50	50	50	50

9. Other programme information

9.1 Personnel numbers and costs

Table 3.23 illustrates personnel estimates for the department by programme from 2015/16 to 2021/22.

Table 3.23 : Summary of departmental personnel numbers and costs by component

R thousands	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2018/19 - 2021/22		
	2015/16		2016/17		2017/18		2018/19				2019/20		2020/21		2021/22		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Filled posts	Addit. posts	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. nos ¹	Costs			
Salary level																			
1 – 6	1 416	261 030	1 326	277 806	1 238	251 452	1 350	-	1 350	289 994	1 293	315 031	1 293	339 730	1 293	358 416	(1.4%)	7.3%	26.8%
7 – 10	1 191	466 207	1 139	435 778	1 096	447 164	1 075	-	1 075	514 867	1 176	599 119	1 176	646 456	1 176	682 010	3.0%	9.8%	50.0%
11 – 12	185	131 275	170	171 930	205	222 693	200	-	200	158 063	240	197 549	240	213 337	240	225 072	6.3%	12.5%	16.2%
13 – 16	48	49 935	46	48 203	51	53 876	54	-	54	65 576	60	76 746	60	82 603	60	87 146	3.6%	9.9%	6.4%
Other	17	2 945	65	16 771	79	21 402	93	-	93	4 951	83	6 888	83	7 439	83	7 848	(3.7%)	16.6%	0.5%
Total	2 857	911 392	2 746	950 488	2 669	996 587	2 772	-	2 772	1 033 451	2 852	1 195 333	2 852	1 289 565	2 852	1 360 492	1.0%	9.6%	100.0%
Programme																			
1. Administration	352	188 954	534	192 245	530	205 016	565	-	565	222 336	586	241 093	586	260 068	586	274 372	1.2%	7.3%	20.5%
2. Agriculture	2 501	720 896	2 202	750 131	2 127	779 552	2 192	-	2 192	799 143	2 254	942 894	2 254	1 017 246	2 254	1 073 195	0.9%	10.3%	78.4%
3. Rural Development	4	1 542	10	8 112	12	12 019	15	-	15	11 972	12	11 346	12	12 251	12	12 925	(7%)	2.6%	1.0%
Total	2 857	911 392	2 746	950 488	2 669	996 587	2 772	-	2 772	1 033 451	2 852	1 195 333	2 852	1 289 565	2 852	1 360 492	1.0%	9.6%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	-	840 538	2 600	869 554	2 634	975 250	2 728	-	2 728	1 006 307	2 777	1 146 511	2 777	1 237 534	2 777	1 305 104	0.6%	9.1%	96.3%
Legal Professionals	-	2 891	4	3 277	4	3 533	3	-	3	2 184	3	2 361	3	2 550	3	2 690	0%	7.2%	0.2%
Engineering Prof. and related occ.	-	67 963	142	77 657	31	17 804	41	-	41	24 960	72	46 461	72	49 481	72	52 698	20.6%	28.3%	3.5%
Total	-	911 392	2 746	950 488	2 669	996 587	2 772	-	2 772	1 033 451	2 852	1 195 333	2 852	1 289 565	2 852	1 360 492	1.0%	9.6%	100.0%

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

The approved organisational structure makes provision for 3 719 posts but the department plans to fill only 2 852 posts during 2019/20 due to the budget cuts carried over following the freezing of posts in the 2016/17 MTEF and unavailability of funds at this stage. As at 31 December 2018, 2 662 posts were filled and the department is projecting that 110 posts will be filled during the last quarter, resulting in 2 772 filled posts at the end of 2018/19. A further 80 posts are to be filled during 2019/20, increasing the total number of filled posts to 2 852. The number of budgeted posts remains at 2 852 and funding for these posts has been catered for over the 2019/20 MTEF.

The budget adequately caters for the increase in 2019/20 at 15.6 per cent to fill 80 posts, but growth is inadequate in 2020/21 at 7.8 per cent, and in 2021/22 at 5.5 per cent, and the department will review this in the next budget process.

As is evident in the table, the number of filled posts between 2015/16 and 2017/18 is far below the approved establishment of 3 796 posts for a number of reasons, including the freezing of posts and the moratorium on the filling of posts, pending the finalisation of the matching and placing of existing employees into the new organisational structure. The declining number of employees during this period is due to natural attrition and retirements. Also affecting the decrease in 2015/16 against Programme 2 is the assistant extension officer programme that ended in September 2014. This programme offered contracts to undergraduates with a diploma to gain experience and an opportunity to improve their qualification from a diploma to a three-year degree.

The increase in personnel numbers under Programme 1 and similar decrease under Programme 2 from March 2016 to March 2017 is due to the new organisational structure in terms of which the support functions, such as Human Resource and Finance at regional offices, form part of Programme 1, and no longer fall under Programme 2.

9.2 Training

Table 3.24 gives a summary of departmental spending and information on training per programme over the seven-year period. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expenses on staff training, to cater for human resource development. As the percentage spent on training exceeds three per cent of the department's baseline, this requirement is fully achieved.

Table 3.24 : Information on training: Agriculture and Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Number of staff	2 857	2 746	2 669	2 772	2 772	2 772	2 852	2 852	2 852
Number of personnel trained	2 600	2 000	1 500	2 500	2 500	2 500	2 640	2 785	2 837
of which									
Male	1 100	800	600	1 000	1 000	1 000	1 056	1 114	1 125
Female	1 500	1 200	900	1 500	1 500	1 500	1 584	1 671	1 712
Number of training opportunities	2 731	2 000	1 500	1 500	1 500	1 500	1 584	1 672	1 705
of which									
Tertiary	127	150	150	130	130	130	137	145	147
Workshops	2 500	1 746	1 226	1 266	1 266	1 266	1 337	1 411	1 439
Seminars	100	100	120	100	100	100	106	112	115
Other	4	4	4	4	4	4	4	4	4
Number of bursaries offered	127	195	195	206	206	206	218	230	235
Number of interns appointed	149	148	190	201	201	201	212	224	228
Number of learnerships appointed	20	20	20	11	11	11	12	13	13
Number of days spent on training	5 000	3 700	2 700	2 740	2 740	2 740	2 893	3 052	3 113
Payments on training by programme									
1. Administration	3 898	3 724	1 964	5 183	5 183	5 183	5 645	6 128	6 465
2. Agriculture	3 263	2 001	611	4 405	6 743	6 474	5 041	5 041	4 897
3. Rural Development	-	-	-	4 650	4 685	430	4 629	4 656	4 912
Total	7 161	5 725	2 575	14 238	16 611	12 087	15 315	15 825	16 274

ANNEXURE TO VOTE 3 – AGRICULTURE AND RURAL DEVELOPMENT

Table 3.A : Details of departmental receipts: Agriculture and Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	18 720	16 295	18 129	19 967	19 967	17 564	20 152	21 225	22 392
Sale of goods and services produced by department (excluding capital assets)	18 717	16 291	18 127	19 965	19 965	17 562	20 150	21 223	22 390
Sale by market establishments	3 071	3 130	2 461	2 600	2 600	2 300	2 600	2 600	2 600
Administrative fees	26	7	270	404	404	501	405	420	420
Other sales	15 620	13 154	15 396	16 961	16 961	14 761	17 145	18 203	19 370
<i>Of which</i>									
<i>Commission</i>	916	932	963	950	950	972	976	980	985
<i>Academic services</i>	5 798	4 304	7 271	7 200	7 200	5 825	5 800	6 000	6 200
<i>Laboratory services</i>	4 280	4 566	4 493	5 521	5 521	4 922	5 000	5 100	5 200
<i>Sale of goods</i>	3 829	2 841	2 162	2 000	2 000	2 541	2 120	2 230	2 400
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	3	4	2	2	2	2	2	2	2
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	1	-	1	1	1	1	1	1
Interest, dividends and rent on land	27	79	56	20	20	41	21	22	23
Interest	27	79	56	20	20	41	21	22	23
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	3 323	426	2 108	4 000	4 000	4 000	3 000	3 200	3 400
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	3 323	426	2 108	4 000	4 000	4 000	3 000	3 200	3 400
Transactions in financial assets and liabilities	1 642	3 222	1 050	592	592	702	625	659	695
Total	23 712	20 023	21 343	24 580	24 580	22 308	23 799	25 107	26 511

Table 3.B : Payments and estimates by economic classification: Agriculture and Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	1 738 423	1 644 912	1 635 267	1 938 325	1 946 481	1 993 498	2 070 454	2 199 210	2 325 794
Compensation of employees	911 392	950 488	996 587	1 106 994	1 074 337	1 033 451	1 195 333	1 289 565	1 360 492
Salaries and wages	781 300	815 014	855 639	940 190	917 748	885 117	1 015 044	1 094 884	1 155 103
Social contributions	130 092	135 474	140 948	166 804	156 589	148 334	180 289	194 681	205 389
Goods and services	826 804	694 322	637 724	831 241	872 054	959 957	875 030	909 553	965 205
Administrative fees	2 070	2 654	2 624	2 272	2 250	3 346	2 468	2 544	2 682
Advertising	5 844	4 381	1 784	6 432	4 976	2 774	1 645	2 148	2 266
Minor assets	5 806	4 860	3 945	8 557	10 284	6 630	7 578	7 338	7 742
Audit cost: External	5 765	4 151	11 542	6 640	14 654	18 294	6 914	7 198	7 594
Bursaries: Employees	1 451	1 165	443	1 070	1 070	850	1 089	1 125	1 188
Catering: Departmental activities	1 336	3 507	3 787	4 509	4 600	2 778	4 679	4 882	5 152
Communication (G&S)	34 983	33 670	37 720	37 130	34 285	34 282	42 545	45 626	48 135
Computer services	58 362	46 014	70 014	58 907	61 291	49 991	60 678	64 256	67 790
Cons and prof services: Business and advisory services	1 522	7 247	945	2 858	9 388	3 907	825	900	949
Infrastructure and planning	75 473	51 467	44 180	90 964	120 888	127 266	72 034	82 371	89 902
Laboratory services	53	32	110	24	242	22	25	30	32
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 637	1 282	735	3 278	3 054	1 525	3 610	3 525	3 719
Contractors	44 672	29 763	33 502	43 942	39 680	34 491	47 869	45 020	44 922
Agency and support / outsourced services	14 315	10 721	10 659	15 795	18 951	13 479	19 512	20 106	21 211
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	34 715	35 414	38 453	39 910	41 884	45 342	42 565	44 773	47 235
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	5 790	6 059	358	-	8	6	4	5	5
Inventory: Farming supplies	251 256	193 417	116 553	196 324	130 059	262 147	226 729	224 949	241 220
Inventory: Food and food supplies	2	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	2 733	1 976	2 212	3 434	5 771	3 602	3 543	3 934	4 150
Inventory: Learner and teacher support material	1 793	1 650	1 129	1 958	1 465	1 435	2 090	2 210	2 332
Inventory: Materials and supplies	4 264	6 496	7 646	25 474	51 482	37 040	26 745	27 592	29 110
Inventory: Medical supplies	595	254	797	1 127	2 965	1 214	1 071	1 027	1 084
Inventory: Medicine	30 036	32 577	27 924	8 913	12 253	45 273	10 500	11 607	12 246
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	3 883	3 469	-	-	-	-	-	-	-
Consumable supplies	46 946	23 947	22 443	24 443	35 051	25 054	24 038	24 159	26 489
Consumable: Stationery, printing and office supplies	8 032	3 977	4 771	8 718	8 107	5 690	8 729	9 222	9 731
Operating leases	29 284	30 603	29 237	48 007	46 033	34 990	51 867	56 837	60 682
Property payments	64 253	71 046	86 658	84 323	108 881	103 166	88 197	106 937	112 818
Transport provided: Departmental activity	281	340	-	8 473	-	-	10 356	-	-
Travel and subsistence	71 774	65 499	66 131	76 461	77 299	71 917	81 261	82 363	86 894
Training and development	7 161	5 725	2 575	14 238	16 611	12 087	15 315	15 825	16 274
Operating payments	9 784	8 754	7 535	5 947	8 016	11 179	9 331	9 884	10 427
Venues and facilities	873	2 195	1 207	1 050	480	160	1 168	1 093	1 153
Rental and hiring	60	10	105	63	76	20	50	67	71
Interest and rent on land	227	102	956	90	90	90	91	92	97
Interest	157	102	956	-	-	-	-	-	-
Rent on land	70	-	-	90	90	90	91	92	97
Transfers and subsidies	246 968	275 994	287 119	208 699	212 300	219 017	208 053	218 588	230 400
Provinces and municipalities	1 313	1 278	1 380	2 092	2 083	2 083	2 159	2 216	2 338
Provinces	1 300	1 278	1 328	2 058	2 058	2 058	2 121	2 176	2 296
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 300	1 278	1 328	2 058	2 058	2 058	2 121	2 176	2 296
Municipalities	13	-	52	34	25	25	38	40	42
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	13	-	52	34	25	25	38	40	42
Departmental agencies and accounts	101 306	97 000	123 184	122 838	122 840	122 840	129 357	136 170	143 659
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	101 306	97 000	123 184	122 838	122 840	122 840	129 357	136 170	143 659
Higher education institutions	-	3 000	44	-	-	92	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	112 091	155 526	136 592	74 230	69 586	69 586	66 773	70 344	74 213
Public corporations	62 699	73 505	67 324	58 801	58 801	58 801	62 094	65 509	69 112
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	62 699	73 505	67 324	58 801	58 801	58 801	62 094	65 509	69 112
Private enterprises	49 392	82 021	69 268	15 429	10 785	10 785	4 679	4 835	5 101
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	49 392	82 021	69 268	15 429	10 785	10 785	4 679	4 835	5 101
Non-profit institutions	13 770	3 569	7 321	-	-	-	-	-	-
Households	18 488	15 621	18 598	9 539	17 791	24 416	9 764	9 858	10 190
Social benefits	15 378	11 605	15 630	4 839	12 891	19 516	4 564	4 558	4 809
Other transfers to households	3 110	4 016	2 968	4 700	4 900	4 900	5 200	5 300	5 381
Payments for capital assets	213 177	293 622	109 991	177 084	232 315	178 582	148 434	169 577	179 894
Buildings and other fixed structures	172 688	163 282	76 430	130 547	169 512	124 410	100 832	121 689	129 374
Buildings	8 548	6 650	37 766	68 837	89 907	60 148	57 740	60 053	63 356
Other fixed structures	164 140	156 632	38 664	61 710	79 605	64 262	43 092	61 636	66 018
Machinery and equipment	40 139	130 120	32 866	45 987	62 253	53 953	47 032	47 318	49 919
Transport equipment	17 896	18 030	21 260	20 351	24 288	25 758	21 923	22 931	24 192
Other machinery and equipment	22 243	112 090	11 606	25 636	37 965	28 195	25 109	24 387	25 727
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	350	169	695	550	550	219	570	570	601
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	51	-	-	-	-	-	-	-
Payments for financial assets	619	1 838	488	-	-	-	-	-	-
Total	2 199 187	2 216 366	2 032 865	2 324 108	2 391 096	2 391 096	2 426 941	2 587 375	2 736 088

Table 3.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19	2018/19	2019/20	2020/21	2021/22	
Current payments	391 822	412 181	443 038	476 750	490 216	470 791	507 458	541 845	572 363
Compensation of employees	188 954	192 245	205 016	223 302	217 923	222 336	241 093	260 068	274 372
Salaries and wages	162 487	165 772	178 040	190 924	188 595	193 908	206 102	222 291	234 517
Social contributions	26 467	26 473	26 976	32 378	29 328	28 428	34 991	37 777	39 855
Goods and services	202 817	219 850	238 022	253 448	272 293	248 455	266 365	281 777	297 991
Administrative fees	995	1 031	1 000	614	775	1 174	660	710	748
Advertising	5 792	4 309	1 767	6 341	3 634	2 669	1 605	2 103	2 218
Minor assets	2 317	1 922	218	1 968	2 656	887	2 073	2 056	2 169
Audit cost: External	5 765	4 019	11 542	6 500	14 594	18 294	6 764	7 038	7 425
Bursaries: Employees	1 260	1 144	443	850	850	850	869	900	950
Catering: Departmental activities	550	986	976	1 456	1 444	771	1 489	1 570	1 657
Communication (G&S)	26 139	22 503	24 840	28 622	25 749	22 114	33 272	36 157	38 145
Computer services	47 305	42 252	64 736	52 308	51 454	48 587	55 458	58 331	61 539
Cons and prof services: Business and advisory services	1 472	224	945	2 418	5 988	3 031	440	455	480
Infrastructure and planning	1 651	160	1 525	252	446	446	267	281	296
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 637	1 282	735	3 278	3 054	1 525	3 610	3 525	3 719
Contractors	12 372	11 257	16 424	14 810	14 398	17 909	15 927	13 090	13 810
Agency and support / outsourced services	242	270	795	-	700	580	10	20	21
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	5 337	32 342	7 403	6 660	8 675	9 232	7 270	7 672	8 093
Housing	-	-	-	-	-	-	-	-	-
Inventories: Clothing material and accessories	1 825	2 641	355	-	-	-	-	-	-
Inventories: Farming supplies	-	25	-	501	-	373	545	590	622
Inventories: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventories: Fuel, oil and gas	4	1	2	-	-	-	-	-	-
Inventories: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventories: Materials and supplies	591	3 056	-	21	-	-	22	23	24
Inventories: Medical supplies	-	-	-	-	-	-	-	-	-
Inventories: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventories: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 255	1 712	13 151	7 469	8 876	5 234	5 764	6 341	6 690
Consumable: Stationery, printing and office supplies	4 897	2 150	2 596	4 701	3 731	2 664	4 298	4 850	5 117
Operating leases	26 009	27 710	25 642	43 963	41 852	30 635	47 579	52 326	55 924
Property payments	33 118	37 584	41 255	43 503	51 698	51 666	46 167	50 841	53 637
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	15 959	15 670	16 840	19 947	22 096	17 885	21 543	21 489	22 671
Training and development	3 898	3 724	1 964	5 183	5 183	5 183	5 645	6 128	6 465
Operating payments	1 625	980	2 638	1 503	4 254	6 606	4 566	4 891	5 159
Venues and facilities	802	886	170	570	150	120	522	373	394
Rental and hiring	-	10	60	10	36	20	-	17	18
Interest and rent on land	51	86	-	-	-	-	-	-	-
Interest	51	86	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	7 327	8 971	7 569	8 713	10 313	11 218	9 348	9 819	10 360
Provinces and municipalities	1 147	1 278	718	1 180	1 180	1 180	1 200	1 210	1 277
Provinces	1 147	1 278	718	1 180	1 180	1 180	1 200	1 210	1 277
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 147	1 278	718	1 180	1 180	1 180	1 200	1 210	1 277
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	1 805	2 418	1 849	2 823	2 823	2 823	3 048	3 289	3 470
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	1 805	2 418	1 849	2 823	2 823	2 823	3 048	3 289	3 470
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	5	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	5	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	5	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	4 370	5 275	5 002	4 710	6 310	7 215	5 100	5 320	5 613
Social benefits	1 260	1 259	2 034	10	1 610	2 515	100	220	232
Other transfers to households	3 110	4 016	2 968	4 700	4 700	4 700	5 000	5 100	5 381
Payments for capital assets	32 780	34 448	25 685	47 342	63 631	45 093	50 295	52 852	55 758
Buildings and other fixed structures	10 705	6 650	3 184	27 789	42 364	20 386	29 345	30 959	32 662
Buildings	8 548	6 650	3 184	27 789	42 364	20 386	29 345	30 959	32 662
Other fixed structures	2 157	-	-	-	-	-	-	-	-
Machinery and equipment	22 075	27 747	22 501	19 553	21 267	24 707	20 950	21 893	23 096
Transport equipment	13 958	16 050	18 832	17 351	17 351	18 821	18 323	19 331	20 394
Other machinery and equipment	8 117	11 697	3 669	2 202	3 916	5 886	2 627	2 562	2 702
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	51	-	-	-	-	-	-	-
Payments for financial assets	619	1 819	355	-	-	-	-	-	-
Total	432 548	457 419	476 647	532 805	564 160	527 102	567 101	604 516	638 481

Estimates of Provincial Revenue and Expenditure

Table 3.D : Payments and estimates by economic classification: Agriculture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	1 344 710	1 221 290	1 175 394	1 432 677	1 424 150	1 498 345	1 531 164	1 623 347	1 717 543
Compensation of employees	720 896	750 131	779 552	873 193	843 822	799 143	942 894	1 017 246	1 073 195
Salaries and wages	617 402	641 834	666 661	740 178	717 653	680 474	799 121	861 989	909 399
Social contributions	103 494	108 297	112 891	133 015	126 169	118 669	143 773	155 257	163 796
Goods and services	623 638	471 143	395 838	559 394	580 238	699 112	588 179	606 009	644 251
Administrative fees	1 066	1 601	1 593	1 639	1 457	2 071	1 786	1 809	1 908
Advertising	52	72	17	71	1 322	105	30	35	37
Minor assets	3 489	2 899	3 727	6 578	7 586	5 671	5 476	5 267	5 557
Audit cost: External	-	132	-	140	60	-	150	160	169
Bursaries: Employees	191	21	-	100	100	-	100	100	106
Catering: Departmental activities	786	2 397	2 703	2 436	2 478	1 730	2 527	2 614	2 758
Communication (G&S)	8 844	10 926	12 679	8 343	8 399	12 088	9 104	9 296	9 808
Computer services	11 057	3 762	5 278	6 599	9 837	1 404	5 220	5 925	6 251
Cons and prof services: Business and advisory services	50	7 022	-	90	3 050	550	85	95	100
Infrastructure and planning	73 822	51 307	42 655	81 978	112 908	126 820	63 798	73 252	80 282
Laboratory services	53	32	110	24	242	22	25	30	32
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	32 300	18 345	16 826	29 057	25 207	16 272	31 867	31 850	31 028
Agency and support / outsourced services	14 073	10 451	9 864	15 795	15 927	10 275	17 064	17 521	18 484
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	29 378	3 064	31 048	33 250	33 209	36 084	35 295	37 101	39 142
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	3 965	3 418	3	-	8	6	4	5	5
Inventory: Farming supplies	251 256	193 392	116 553	195 823	130 059	257 553	226 184	224 359	240 598
Inventory: Food and food supplies	2	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	2 729	1 975	2 210	3 434	5 771	3 602	3 543	3 934	4 150
Inventory: Learner and teacher support material	1 793	1 650	1 129	1 958	1 465	1 435	2 090	2 210	2 332
Inventory: Materials and supplies	3 673	3 439	7 305	25 453	51 482	37 040	26 723	27 569	29 086
Inventory: Medical supplies	595	254	797	1 127	2 965	1 214	1 071	1 027	1 084
Inventory: Medicine	30 036	32 577	27 924	8 913	12 253	45 273	10 500	11 607	12 246
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	3 883	3 469	-	-	-	-	-	-	-
Consumable supplies	45 691	21 608	8 376	16 435	25 631	18 383	17 701	17 214	19 162
Consumable: Stationery, printing and office supplies	3 135	1 796	2 118	3 981	4 330	2 904	4 384	4 317	4 556
Operating leases	3 275	2 826	3 409	3 861	4 025	4 197	4 100	4 316	4 553
Property payments	31 135	33 462	45 403	40 820	57 183	51 500	42 030	56 096	59 181
Transport provided: Departmental activity	281	-	-	8 473	-	-	10 356	-	-
Travel and subsistence	55 475	48 918	47 685	54 206	52 846	51 881	57 154	58 190	61 391
Training and development	3 263	2 001	611	4 405	6 743	6 474	5 041	5 041	4 897
Operating payments	8 159	7 418	4 897	4 392	3 695	4 558	4 684	4 911	5 181
Venues and facilities	71	909	873	-	-	-	87	158	167
Rental and hiring	60	-	45	13	-	-	-	-	-
Interest and rent on land	176	16	4	90	90	90	91	92	97
Interest	106	16	4	-	-	-	-	-	-
Rent on land	70	-	-	90	90	90	91	92	97
Transfers and subsidies	239 641	263 995	277 095	197 662	201 939	207 628	198 705	208 769	220 040
Provinces and municipalities	166	-	662	912	903	903	959	1 006	1 061
Provinces	153	-	610	878	878	878	921	966	1 019
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	153	-	610	878	878	878	921	966	1 019
Municipalities	13	-	52	34	25	25	38	40	42
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	13	-	52	34	25	25	38	40	42
Departmental agencies and accounts	99 501	94 582	121 335	120 015	120 017	120 017	126 309	132 881	140 189
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	99 501	94 582	121 335	120 015	120 017	120 017	126 309	132 881	140 189
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	112 086	155 526	134 368	71 906	69 586	69 586	66 773	70 344	74 213
Public corporations	62 699	73 505	67 324	58 801	58 801	58 801	62 094	65 509	69 112
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	62 699	73 505	67 324	58 801	58 801	58 801	62 094	65 509	69 112
Private enterprises	49 387	82 021	67 044	13 105	10 785	10 785	4 679	4 835	5 101
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	49 387	82 021	67 044	13 105	10 785	10 785	4 679	4 835	5 101
Non-profit institutions	13 770	3 569	7 321	-	-	-	-	-	-
Households	14 118	10 318	13 409	4 829	11 433	17 122	4 664	4 538	4 577
Social benefits	14 118	10 318	13 409	4 829	11 233	16 922	4 464	4 338	4 577
Other transfers to households	-	-	-	-	200	200	200	200	-
Payments for capital assets	180 397	258 886	84 296	129 525	168 467	133 272	97 997	116 465	123 862
Buildings and other fixed structures	161 983	156 632	73 246	102 758	127 148	104 024	71 487	90 730	96 712
Buildings	-	-	34 582	41 048	47 543	39 762	28 395	29 094	30 694
Other fixed structures	161 983	156 632	38 664	61 710	79 605	64 262	43 092	61 636	66 018
Machinery and equipment	18 064	102 085	10 355	26 217	40 769	29 029	25 940	25 165	26 549
Transport equipment	3 938	1 980	2 428	3 000	6 937	6 937	3 600	3 600	3 798
Other machinery and equipment	14 126	100 105	7 927	23 217	33 832	22 092	22 340	21 565	22 751
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	350	169	695	550	550	219	570	570	601
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	19	133	-	-	-	-	-	-
Total	1 764 748	1 744 190	1 536 918	1 759 864	1 794 556	1 839 244	1 827 866	1 948 581	2 061 445

Table 3.E : Details of payments and estimates by economic classification - Sub-programme: Sustainable Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	72 837	72 580	73 318	82 129	85 900	86 612	93 191	93 383	98 521
Compensation of employees	29 390	27 947	27 152	37 168	23 361	25 943	40 118	43 267	45 647
Salaries and wages	26 300	25 432	24 681	31 993	19 886	23 439	34 529	37 235	39 283
Social contributions	3 090	2 515	2 471	5 175	3 475	2 504	5 589	6 032	6 364
Goods and services	43 447	44 633	46 166	44 961	62 539	60 669	53 073	50 116	52 874
Administrative fees	117	155	126	141	105	187	166	171	180
Advertising	45	53	-	-	-	-	-	-	-
Minor assets	60	114	389	60	-	23	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	174	202	457	750	1 220	804	750	750	791
Communication (G&S)	252	784	724	460	530	424	449	472	498
Computer services	740	-	928	-	483	383	-	-	-
Cons and prof services: Business and advisory services	-	-	-	-	-	-	-	-	-
Infras and planning	29 464	30 620	28 339	28 342	36 712	36 294	35 368	31 756	33 503
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	234	7	3	50	-	-	50	50	53
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	26	94	93	84	84	77	89	100	106
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	1 281	2 910	-	-	-	-	-	-	-
Inventory: Farming supplies	1 187	916	5 977	2 970	5 067	5 067	3 269	3 775	3 983
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	472	424	2 866	3 750	5 577	5 577	3 750	3 750	3 966
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 883	3 266	2 142	3 390	5 800	5 800	4 025	3 906	4 121
Consumable: Stationery, printing and office supplies	238	126	103	292	285	185	329	360	380
Operating leases	81	170	259	300	300	297	320	330	348
Property payments	-	-	-	-	940	936	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	5 833	4 631	3 565	4 019	5 145	4 378	4 163	4 319	4 557
Training and development	111	76	139	192	150	116	192	192	203
Operating payments	249	85	56	161	141	121	153	185	195
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	1 931	1 631	1 241	1 817	1 865	2 243	2 119	1 919	2 025
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	1 500	1 604	659	1 817	1 817	1 817	1 919	1 919	2 025
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	1 500	1 604	659	1 817	1 817	1 817	1 919	1 919	2 025
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	1 500	1 604	659	1 817	1 817	1 817	1 919	1 919	2 025
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	431	27	582	-	48	426	200	-	-
Social benefits	431	27	582	-	48	426	200	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	724	185	773	1 230	1 730	1 701	1 080	1 019	1 075
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	724	185	773	1 230	1 730	1 701	1 080	1 019	1 075
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	724	185	773	1 230	1 730	1 701	1 080	1 019	1 075
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	8	-	-	-	-	-	-
Total	75 492	74 396	75 340	85 176	89 495	90 556	96 390	96 321	101 621

Table 3.F : Details of payments and estimates by economic classification - Sub-programme: Farmer Support and Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	860 486	741 124	642 349	854 532	859 054	950 664	906 444	963 618	1 021 522
Compensation of employees	396 545	426 763	431 089	474 261	474 507	462 421	512 091	552 442	582 826
Salaries and wages	337 680	363 259	367 145	401 331	406 657	392 639	433 262	467 315	493 017
Social contributions	58 865	63 504	63 944	72 930	67 850	69 782	78 829	85 127	89 809
Goods and services	463 842	314 349	211 258	380 271	384 547	488 243	394 353	411 176	438 696
Administrative fees	383	477	535	425	665	834	486	460	485
Advertising	-	-	-	6	1 200	-	-	-	-
Minor assets	2 788	2 325	2 649	5 229	5 554	3 675	5 054	4 887	5 156
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	191	21	-	100	100	-	100	100	106
Catering: Departmental activities	544	2 135	2 203	1 564	1 114	741	1 665	1 739	1 835
Communication (G&S)	7 669	8 779	10 547	6 498	6 498	10 547	7 188	7 291	7 692
Computer services	10 200	3 112	3 036	5 764	8 050	-	4 200	4 880	5 148
Cons and prof services: Business and advisory services	50	7 022	-	-	3 000	500	-	-	-
Infras and planning	44 358	20 687	14 316	53 636	76 196	90 526	28 430	41 496	46 779
Laboratory services	-	-	-	-	218	-	-	-	-
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	26 166	12 122	10 752	22 307	16 900	8 468	24 676	24 982	23 782
Agency and support / outsourced services	4 775	232	5	-	3 794	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	26 799	95	28 352	30 562	30 447	33 276	32 133	33 675	35 527
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	1 014	49	-	-	-	-	-	-	-
Inventory: Farming supplies	236 479	183 940	73 579	158 142	96 690	232 148	187 492	184 430	198 473
Inventory: Food and food supplies	2	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	311	68	279	280	2 428	821	299	314	331
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	552	1 856	2 183	18 600	41 639	27 614	19 643	20 555	21 686
Inventory: Medical supplies	-	-	-	-	1 313	-	-	-	-
Inventory: Medicine	9 808	865	32	513	51	136	542	571	602
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	39 517	15 550	1 106	5 513	11 173	4 466	5 920	5 905	7 230
Consumable: Stationery, printing and office supplies	1 387	1 073	1 019	1 923	1 923	874	2 118	1 944	2 051
Operating leases	1 895	1 649	1 868	2 120	2 126	2 379	2 199	2 283	2 409
Property payments	16 607	18 543	29 527	23 446	38 421	33 681	24 105	37 506	39 569
Transport provided: Departmental activity	281	-	-	8 473	-	-	10 356	-	-
Travel and subsistence	26 461	26 021	25 630	28 517	28 517	29 713	30 256	30 563	32 244
Training and development	127	1 925	48	4 213	4 868	4 868	4 849	4 849	4 694
Operating payments	5 347	4 894	2 719	2 440	1 662	2 976	2 555	2 688	2 836
Venues and facilities	71	909	873	-	-	-	87	58	61
Rental and hiring	60	-	-	-	-	-	-	-	-
Interest and rent on land	99	12	2	-	-	-	-	-	-
Interest	99	12	2	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	218 559	255 248	263 660	194 093	197 122	201 244	195 554	205 706	216 808
Provinces and municipalities	153	-	610	878	878	878	921	966	1 019
Provinces	153	-	610	878	878	878	921	966	1 019
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	153	-	610	878	878	878	921	966	1 019
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	99 500	94 581	121 334	120 014	120 014	120 014	126 308	132 880	140 188
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	99 500	94 581	121 334	120 014	120 014	120 014	126 308	132 880	140 188
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	110 586	153 922	133 709	70 089	67 769	67 769	64 854	68 425	72 188
Public corporations	62 699	73 505	67 324	58 801	58 801	58 801	62 094	65 509	69 112
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	62 699	73 505	67 324	58 801	58 801	58 801	62 094	65 509	69 112
Private enterprises	47 887	80 417	66 385	11 288	8 968	8 968	2 760	2 916	3 076
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	47 887	80 417	66 385	11 288	8 968	8 968	2 760	2 916	3 076
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	8 320	6 745	8 007	3 112	8 461	12 583	3 471	3 435	3 413
Social benefits	8 320	6 745	8 007	3 112	8 261	12 383	3 271	3 235	3 413
Other transfers to households	-	-	-	-	200	200	200	200	-
Payments for capital assets	156 794	236 884	52 644	97 724	131 677	105 720	66 028	83 990	89 601
Buildings and other fixed structures	141 974	138 141	48 272	83 840	103 739	87 345	51 564	69 812	74 643
Buildings	-	-	9 608	23 130	25 134	24 887	9 541	9 245	9 753
Other fixed structures	141 974	138 141	38 664	60 710	78 605	62 458	42 023	60 567	64 890
Machinery and equipment	14 820	98 692	4 162	13 884	27 938	18 375	14 464	14 178	14 958
Transport equipment	3 938	1 980	2 428	3 000	6 937	6 937	3 600	3 600	3 798
Other machinery and equipment	10 882	96 712	1 734	10 884	21 001	11 438	10 864	10 578	11 160
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	51	210	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	9	113	-	-	-	-	-	-
Total	1 235 839	1 233 265	958 766	1 146 349	1 187 853	1 257 627	1 168 026	1 253 314	1 327 931

Table 3.G : Details of payments and estimates by economic classification - Sub-programme: Veterinary Services

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation 2018/19	Estimate	2019/20	2020/21	2021/22
Current payments	152 604	164 274	196 081	196 214	190 390	208 527	210 175	224 574	236 927
Compensation of employees	111 217	115 526	122 192	142 401	137 679	134 225	153 783	165 926	175 052
Salaries and wages	95 342	98 805	104 392	121 477	116 755	114 165	131 167	141 504	149 287
Social contributions	15 875	16 721	17 800	20 924	20 924	20 060	22 616	24 422	25 765
Goods and services	41 387	48 748	73 889	53 813	52 711	74 302	56 392	58 648	61 875
Administrative fees	233	516	387	517	166	454	538	543	573
Advertising	7	-	-	15	22	-	-	-	-
Minor assets	148	153	312	154	140	102	110	126	133
Audit cost: External	-	132	-	140	60	-	150	160	169
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	43	-	4	20	32	115	30	40	42
Communication (G&S)	234	441	471	375	402	280	398	415	438
Computer services	-	13	645	260	449	207	280	300	317
Cons and prof services: Business and advisory services	-	-	-	-	-	-	-	-	-
Infras and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	27	-	-	-	-	-	-
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	546	844	759	656	920	808	662	557	588
Agency and support / outsourced services	635	566	719	1 347	1 047	546	1 399	1 422	1 500
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	21	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	281	39	-	-	-	-	-	-	-
Inventory: Farming supplies	3 716	972	28 968	23 041	17 872	9 988	23 244	24 032	25 354
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	207	78	219	201	334	280	204	215	227
Inventory: Learner and teacher support material	7	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	85	12	633	-	315	314	-	-	-
Inventory: Medical supplies	532	242	770	1 062	1 623	1 188	1 008	959	1 012
Inventory: Medicine	19 851	31 595	27 536	7 817	11 520	44 370	9 298	10 344	10 913
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	2 736	2 509	-	-	-	-	-	-	-
Consumable supplies	211	118	2 504	3 810	4 623	4 367	3 838	3 664	3 866
Consumable: Stationery, printing and office supplies	451	240	313	692	698	493	765	760	802
Operating leases	138	93	171	233	193	184	262	263	277
Property payments	90	142	203	203	278	179	201	209	220
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	9 566	8 166	7 906	12 267	10 893	9 540	12 798	13 364	14 099
Training and development	-	-	2	-	15	5	-	-	-
Operating payments	1 649	1 877	1 340	1 003	1 109	882	1 207	1 275	1 345
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	2 093	1 415	3 147	965	1 226	1 886	876	978	1 032
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	1	1	1	1	3	3	1	1	1
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	1	1	1	1	3	3	1	1	1
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 092	1 414	3 146	964	1 223	1 883	875	977	1 031
Social benefits	2 092	1 414	3 146	964	1 223	1 883	875	977	1 031
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	8 389	10 644	1 622	1 515	1 515	848	1 009	1 042	1 099
Buildings and other fixed structures	7 453	9 912	1 110	-	35	35	-	-	-
Buildings	-	-	1 110	-	35	35	-	-	-
Other fixed structures	7 453	9 912	-	-	-	-	-	-	-
Machinery and equipment	936	732	512	1 515	1 480	813	1 009	1 042	1 099
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	936	732	512	1 515	1 480	813	1 009	1 042	1 099
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	163 086	176 333	200 850	198 694	193 131	211 261	212 060	226 594	239 058

Table 3.H : Details of payments and estimates by economic classification - Sub-programme: Research and Technology Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	171 966	166 664	181 020	195 545	187 558	156 634	209 782	223 321	235 605
Compensation of employees	133 389	133 196	147 684	156 270	148 198	118 855	168 760	182 082	192 097
Salaries and wages	115 061	114 383	126 503	132 147	124 075	100 999	142 683	153 920	162 386
Social contributions	18 328	18 813	21 181	24 123	24 123	17 856	26 077	28 162	29 711
Goods and services	38 506	33 465	33 335	39 185	39 270	37 689	40 931	41 147	43 411
Administrative fees	93	93	111	114	107	143	119	125	132
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	154	136	184	450	577	902	312	254	268
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	16	48	24	81	81	41	82	85	90
Communication (G&S)	217	327	299	310	333	292	326	339	358
Computer services	111	586	432	340	470	470	500	500	528
Cons and prof services: Business and advisory services	-	-	-	90	50	50	85	95	100
Infras and planning	-	-	-	-	-	-	-	-	-
Laboratory services	53	32	83	24	24	22	25	30	32
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	3 650	5 011	4 913	5 396	6 390	6 295	5 704	5 461	5 761
Agency and support / outsourced services	115	41	29	200	200	115	210	220	232
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	322	471	487	442	560	399	457	479	505
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	1 174	392	-	-	-	1	-	-	-
Inventory: Farming supplies	6 207	5 614	6 383	7 959	6 977	7 238	8 244	7 987	8 426
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	1 917	1 780	1 711	2 793	2 716	2 306	2 955	3 315	3 497
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	2 485	1 097	1 505	2 903	3 631	3 340	3 200	3 124	3 296
Inventory: Medical supplies	54	12	27	60	29	26	63	68	72
Inventory: Medicine	68	61	308	348	407	391	370	392	414
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 147	960	-	-	-	-	-	-	-
Consumable supplies	2 558	2 189	2 009	3 057	2 995	2 813	3 193	2 979	3 143
Consumable: Stationery, printing and office supplies	396	227	235	294	292	213	349	392	414
Operating leases	357	323	408	486	574	516	514	532	561
Property payments	7 562	7 307	7 896	8 888	9 063	8 479	9 284	9 840	10 381
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	9 321	6 298	5 942	4 453	3 337	3 380	4 480	4 489	4 736
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	529	460	304	497	457	257	459	441	465
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	45	-	-	-	-	-	-
Interest and rent on land	71	3	1	90	90	90	91	92	97
Interest	1	3	1	-	-	-	-	-	-
Rent on land	70	-	-	90	90	90	91	92	97
Transfers and subsidies to	2 398	1 661	942	435	1 300	1 519	118	126	133
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 398	1 661	942	435	1 300	1 519	118	126	133
Social benefits	2 398	1 661	942	435	1 300	1 519	118	126	133
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	7 550	2 550	5 490	16 382	20 871	12 329	16 776	16 970	17 903
Buildings and other fixed structures	5 627	182	347	6 780	11 236	4 506	7 119	7 474	7 885
Buildings	-	-	347	6 780	11 236	3 702	7 119	7 474	7 885
Other fixed structures	5 627	182	-	-	-	804	-	-	-
Machinery and equipment	1 573	2 250	4 658	9 052	9 085	7 604	9 087	8 926	9 417
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 573	2 250	4 658	9 052	9 085	7 604	9 087	8 926	9 417
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	350	118	485	550	550	219	570	570	601
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	6	5	-	-	-	-	-	-
Total	181 914	170 881	187 457	212 362	209 729	170 482	226 676	240 417	253 641

Table 3.1 : Details of payments and estimates by economic classification - Sub-programme: Agricultural Economic Services

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	5 660	4 978	9 180	10 679	9 131	8 805	11 540	12 480	13 167
Compensation of employees	5 203	4 147	7 826	9 091	7 543	7 437	9 823	10 605	11 188
Salaries and wages	4 656	3 864	7 177	7 965	6 483	6 685	8 606	9 291	9 802
Social contributions	547	283	649	1 126	1 060	752	1 217	1 314	1 386
Goods and services	457	831	1 354	1 588	1 588	1 368	1 717	1 875	1 979
Administrative fees	2	10	31	12	12	15	13	14	15
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	2	47	47	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	12	7	21	31	17	-	-	-
Communication (G&S)	20	121	146	127	127	91	135	141	149
Computer services	-	-	-	-	-	-	-	-	-
Cons and prof services: Business and advisory services	-	-	-	-	-	-	-	-	-
Infras and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	1	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	21	40	19	44	44	42	47	50	53
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	3	3	-	8	5	4	5	5
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	1	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	6	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	27	29	100	126	68	120	125	132
Consumable: Stationery, printing and office supplies	-	-	12	25	125	128	28	31	33
Operating leases	-	4	58	52	52	48	55	58	61
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	414	606	1 048	1 205	1 016	907	1 315	1 351	1 425
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	1	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	100	106
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	39	69	109	-	83	393	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	39	69	109	-	83	393	-	-	-
Social benefits	39	69	109	-	83	393	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	67	67	67	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	67	67	67	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	67	67	67	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	5 699	5 047	9 289	10 746	9 281	9 265	11 540	12 480	13 167

Table 3.J : Details of payments and estimates by economic classification - Sub-programme: Structured Agricultural Education and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	81 157	71 670	73 446	93 578	92 117	87 103	100 032	105 971	111 801
Compensation of employees	45 152	42 552	43 609	54 002	52 534	50 262	58 319	62 924	66 385
Salaries and wages	38 363	36 091	36 763	45 265	43 797	42 547	48 874	52 724	55 624
Social contributions	6 789	6 461	6 846	8 737	8 737	7 715	9 445	10 200	10 761
Goods and services	35 999	29 117	29 836	39 576	39 583	36 841	41 713	43 047	45 416
Administrative fees	238	350	403	430	402	438	464	496	523
Advertising	-	19	17	50	100	105	30	35	37
Minor assets	339	171	193	683	1 268	922	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	9	-	8	-	-	12	-	-	-
Communication (G&S)	452	474	492	573	509	454	608	638	673
Computer services	6	51	237	235	385	344	240	245	258
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infras and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	1 704	360	399	648	997	701	775	800	844
Agency and support / outsourced services	8 548	9 612	9 111	14 248	10 886	9 614	15 455	15 879	16 752
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	2 189	2 364	2 097	2 118	2 074	2 290	2 569	2 797	2 951
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	215	25	-	-	-	-	-	-	-
Inventory: Farming supplies	3 667	1 950	1 646	3 711	3 453	3 112	3 935	4 135	4 362
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	294	48	1	160	293	195	85	90	95
Inventory: Learner and teacher support material	1 786	1 650	1 129	1 958	1 465	1 435	2 090	2 210	2 332
Inventory: Materials and supplies	79	44	118	200	320	195	130	140	148
Inventory: Medical supplies	9	-	-	5	-	-	-	-	-
Inventory: Medicine	309	56	48	235	275	376	290	300	317
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	522	458	586	565	914	869	605	635	670
Consumable: Stationery, printing and office supplies	663	130	436	755	1 007	1 011	795	830	876
Operating leases	804	587	645	670	780	773	750	850	897
Property payments	6 876	7 470	7 777	8 283	8 481	8 225	8 440	8 541	9 011
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 880	3 196	3 584	3 745	3 938	3 963	4 142	4 104	4 330
Training and development	3 025	-	422	-	1 710	1 485	-	-	-
Operating payments	385	102	477	291	326	322	310	322	340
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	13	-	-	-	-	-
Interest and rent on land	6	1	1	-	-	-	-	-	-
Interest	6	1	1	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	14 621	3 971	7 996	352	343	343	38	40	42
Provinces and municipalities	13	-	52	34	25	25	38	40	42
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	13	-	52	34	25	25	38	40	42
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	13	-	52	34	25	25	38	40	42
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	13 770	3 569	7 321	-	-	-	-	-	-
Households	838	402	623	318	318	318	-	-	-
Social benefits	838	402	623	318	318	318	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	6 940	8 623	23 767	12 607	12 607	12 607	13 104	13 444	14 184
Buildings and other fixed structures	6 929	8 397	23 517	12 138	12 138	12 138	12 804	13 444	14 184
Buildings	-	-	23 517	11 138	11 138	11 138	11 735	12 375	13 056
Other fixed structures	6 929	8 397	-	1 000	1 000	1 000	1 069	1 069	1 128
Machinery and equipment	11	226	250	469	469	469	300	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	11	226	250	469	469	469	300	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	4	7	-	-	-	-	-	-
Total	102 718	84 268	105 216	106 537	105 067	100 053	113 174	119 455	126 027

Table 3.K : Payments and estimates by economic classification: Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	1 891	11 441	16 835	28 898	32 115	24 362	31 832	34 018	35 888
Compensation of employees	1 542	8 112	12 019	10 499	12 592	11 972	11 346	12 251	12 925
Salaries and wages	1 411	7 408	10 938	9 088	11 500	10 735	9 821	10 604	11 187
Social contributions	131	704	1 081	1 411	1 092	1 237	1 525	1 647	1 738
Goods and services	349	3 329	3 864	18 399	19 523	12 390	20 486	21 767	22 963
Administrative fees	9	22	31	19	18	101	22	25	26
Advertising	-	-	-	20	20	-	10	10	11
Minor assets	-	39	-	11	42	72	29	15	16
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	120	120	-	120	125	132
Catering: Departmental activities	-	124	108	617	678	277	663	698	737
Communication (G&S)	-	241	201	165	137	80	169	173	182
Computer services	-	-	-	-	-	-	-	-	-
Cons and prof services: Business and advisory services	-	1	-	350	350	326	300	350	369
Infrastructure and planning	-	-	-	8 734	7 534	-	7 969	8 838	9 324
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	161	252	75	75	310	75	80	84
Agency and support / outsourced services	-	-	-	-	2 324	2 624	2 438	2 565	2 706
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	8	2	-	-	26	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	4 221	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	1	341	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	627	916	539	544	1 437	573	604	637
Consumable: Stationery, printing and office supplies	-	31	57	36	46	122	47	55	58
Operating leases	-	67	186	183	156	158	188	195	205
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	340	-	-	-	-	-	-	-
Travel and subsistence	340	911	1 606	2 308	2 357	2 151	2 564	2 684	2 832
Training and development	-	-	-	4 650	4 685	430	4 629	4 656	4 912
Operating payments	-	356	-	52	67	15	81	82	87
Venues and facilities	-	400	164	480	330	40	559	562	592
Rental and hiring	-	-	-	40	40	-	50	50	53
Interest and rent on land	-	-	952	-	-	-	-	-	-
Interest	-	-	952	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	3 028	2 455	2 324	48	171	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	3 000	44	-	-	92	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	2 224	2 324	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	2 224	2 324	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	2 224	2 324	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	28	187	-	48	79	-	-	-
Social benefits	-	28	187	-	48	79	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	288	10	217	217	217	142	260	274
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	288	10	217	217	217	142	260	274
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	288	10	217	217	217	142	260	274
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 891	14 757	19 300	31 439	32 380	24 750	31 974	34 278	36 162

Table 3.L : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	179 231	154 476	90 828	209 334	230 333	230 333	205 418	215 550	234 692
Compensation of employees	18 000	19 296	21 000	24 381	24 381	24 381	25 844	27 395	29 312
Salaries and wages	18 000	19 296	21 000	24 381	24 381	24 381	25 844	27 395	29 312
Goods and services	161 231	135 180	69 828	184 953	205 952	205 952	179 574	188 155	205 380
Administrative fees	-	109	103	110	110	110	131	131	138
Advertising	49	48	-	-	-	-	-	-	-
Minor assets	3 521	713	245	61	386	386	62	62	65
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	191	21	-	100	100	100	100	100	106
Catering: Departmental activities	207	375	1 126	810	810	810	827	827	872
Communication (G&S)	3 694	4 631	6 815	3 000	3 000	3 000	3 500	3 500	3 693
Computer services	7 358	3 111	3 036	5 150	5 150	5 150	4 200	4 200	4 431
Cons and prof services: Business and advisory services	-	-	-	-	-	-	-	-	-
Infras and planning	8 610	30 758	29 008	80 419	89 769	89 769	68 902	73 775	80 833
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	6 549	6 365	2 952	17 755	27 328	27 328	20 148	20 148	21 257
Agency and support / outsourced services	449	2 242	1 385	6 314	6 657	6 657	6 607	6 607	6 970
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	236	1 216	-	-	-	-	-	-	-
Inventory: Farming supplies	113 316	76 013	19 331	56 161	57 314	57 314	59 080	63 120	69 067
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	16	40	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	1 771	1 321	3 103	3 103	3 103	3 263	3 263	3 943
Inventory: Medical supplies	9 025	4	32	11	11	11	12	12	13
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	3 851	2 729	2 184	5 682	5 682	5 682	6 061	5 729	6 944
Consumable supplies	12	-	114	405	405	405	415	415	438
Consumable: Stationery, printing and office supplies	126	47	98	70	70	70	80	80	84
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	466	731	237	260	260	260	260	260	274
Transport provided: Departmental activity	585	584	493	1 329	1 329	1 329	1 477	1 477	1 558
Travel and subsistence	2 766	2 764	470	4 213	4 468	4 468	4 449	4 449	4 694
Training and development	163	-	-	-	-	-	-	-	-
Operating payments	41	908	878	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	48 297	36 593	68 351	34 030	34 823	34 823	29 863	29 863	29 863
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	20 707	10 500	27 087	28 500	28 500	28 500	29 863	29 863	29 863
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	20 707	10 500	27 087	28 500	28 500	28 500	29 863	29 863	29 863
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	27 590	26 093	41 264	5 530	6 323	6 323	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	27 590	26 093	41 264	5 530	6 323	6 323	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	27 590	26 093	41 264	5 530	6 323	6 323	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	80 996	109 434	65 774	71 198	97 363	97 363	56 583	64 271	68 541
Buildings and other fixed structures	70 633	72 812	62 516	63 824	83 758	83 758	48 204	55 892	59 701
Buildings	-	-	29 587	30 498	32 295	32 295	18 804	18 972	20 015
Other fixed structures	70 633	72 812	32 929	33 326	51 463	51 463	29 400	36 920	39 686
Machinery and equipment	10 363	36 622	3 258	7 374	13 605	13 605	8 379	8 379	8 840
Transport equipment	3 938	10 030	2 428	3 000	3 000	3 000	3 600	3 600	3 798
Other machinery and equipment	6 425	26 592	830	4 374	10 605	10 605	4 779	4 779	5 042
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	308 524	300 503	224 953	314 562	362 519	362 519	291 864	309 684	333 096

Table 3.M : Payments and estimates by economic classification: CASP grant (Prog. 2: Agriculture)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	118 676	93 878	44 173	144 247	146 196	146 196	138 405	148 557	163 539
Compensation of employees	18 000	19 296	21 000	24 381	24 381	24 381	25 844	27 395	29 312
Salaries and wages	18 000	19 296	21 000	24 381	24 381	24 381	25 844	27 395	29 312
Goods and services	100 676	74 582	23 173	119 866	121 815	121 815	112 561	121 162	134 227
Administrative fees	-	109	97	100	100	100	117	117	123
Minor assets	2 911	660	54	61	386	386	62	62	65
Bursaries: Employees	191	21	-	100	100	100	100	100	106
Catering: Departmental activities	10	182	669	60	60	60	77	77	81
Communication (G&S)	3 694	4 631	6 815	3 000	3 000	3 000	3 500	3 500	3 693
Computer services	7 358	3 111	3 036	5 150	5 150	5 150	4 200	4 200	4 431
Cons and prof services: Infrastructure and planning	-	13 244	2 327	65 057	65 057	65 057	55 389	63 990	70 510
Contractors	580	-	2 952	234	234	234	247	247	261
Agency and support / outsourced services	449	2 242	1 385	6 314	6 657	6 657	6 607	6 607	6 970
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	72 790	46 105	2 485	26 694	27 720	27 720	28 054	28 054	31 597
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Material and supplies	-	-	1 069	2 853	2 853	2 853	3 013	3 013	3 679
Inventory: Medicine	8 999	4	32	11	11	11	12	12	13
Consumable supplies	1	-	256	4 257	4 257	4 257	4 804	4 804	5 968
Consumable: Stationery, printing and office supplies	12	-	114	405	405	405	415	415	438
Operating leases	126	47	98	70	70	70	80	80	84
Property payments	-	-	-	-	-	-	-	-	-
Travel and subsistence	585	554	436	1 287	1 287	1 287	1 435	1 435	1 514
Training and development	2 766	2 764	470	4 213	4 468	4 468	4 449	4 449	4 694
Operating payments	163	-	-	-	-	-	-	-	-
Venues and facilities	41	908	878	-	-	-	-	-	-
Transfers and subsidies	48 297	36 593	68 351	34 030	34 823	34 823	29 863	29 863	29 863
Departmental agencies and accounts	20 707	10 500	27 087	28 500	28 500	28 500	29 863	29 863	29 863
Entities receiving funds	20 707	10 500	27 087	28 500	28 500	28 500	29 863	29 863	29 863
Public corporations and private enterprises	27 590	26 093	41 264	5 530	6 323	6 323	-	-	-
Private enterprises	27 590	26 093	41 264	5 530	6 323	6 323	-	-	-
Other transfers	27 590	26 093	41 264	5 530	6 323	6 323	-	-	-
Payments for capital assets	59 188	91 684	47 411	45 698	58 247	58 247	31 083	38 771	41 638
Buildings and other fixed structures	49 586	56 918	44 531	38 824	45 642	45 642	23 204	30 892	33 326
Buildings	-	-	29 587	30 498	32 295	32 295	18 804	18 972	20 015
Other fixed structures	49 586	56 918	14 944	8 326	13 347	13 347	4 400	11 920	13 311
Machinery and equipment	9 602	34 766	2 880	6 874	12 605	12 605	7 879	7 879	8 312
Transport equipment	3 938	10 030	2 428	3 000	3 000	3 000	3 600	3 600	3 798
Other machinery and equipment	5 664	24 736	452	3 874	9 605	9 605	4 279	4 279	4 514
Biological assets	-	-	-	-	-	-	-	-	-
Total	226 161	222 155	159 935	223 975	239 266	239 266	199 351	217 191	235 040

Table 3.N : Payments and estimates by economic classification: Ilima/Letsema Projects grant (Prog. 2: Agriculture)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	47 750	46 126	26 555	46 263	55 963	55 963	50 253	54 392	57 859
Goods and services	47 750	46 126	26 555	46 263	55 963	55 963	50 253	54 392	57 859
Minor assets	610	-	-	-	-	-	-	-	-
Catering: Departmental activities	23	-	-	-	-	-	-	-	-
Cons and prof services: Infrastructure and planning	-	6 961	12 128	-	-	-	-	-	-
Contractors	5 969	6 365	-	17 521	27 094	27 094	19 901	19 901	20 996
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	39 339	29 035	14 427	28 742	28 869	28 869	30 352	34 491	36 863
Inventory: Fuel, oil and gas	16	40	-	-	-	-	-	-	-
Inventory: Material and supplies	-	1 771	-	-	-	-	-	-	-
Inventory: Medicine	26	-	-	-	-	-	-	-	-
Consumable supplies	1 767	1 954	-	-	-	-	-	-	-
Payments for capital assets	21 651	17 750	17 985	25 000	38 116	38 116	25 000	25 000	26 375
Buildings and other fixed structures	21 047	15 894	17 985	25 000	38 116	38 116	25 000	25 000	26 375
Other fixed structures	21 047	15 894	17 985	25 000	38 116	38 116	25 000	25 000	26 375
Machinery and equipment	604	1 856	-	-	-	-	-	-	-
Other machinery and equipment	604	1 856	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	69 401	63 876	44 540	71 263	94 079	94 079	75 253	79 392	84 234

Table 3.O : Payments and estimates by economic classification: Land Care grant (Prog. 2: Agriculture)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	10 509	10 632	11 634	11 516	20 866	20 866	11 918	12 601	13 294
Goods and services	10 509	10 632	11 634	11 516	20 866	20 866	11 918	12 601	13 294
Administrative fees	-	-	6	10	10	10	14	14	15
Advertising	49	48	-	-	-	-	-	-	-
Minor assets	-	53	191	-	-	-	-	-	-
Catering: Departmental activities	174	193	457	750	750	750	750	750	791
Cons and prof serv: Infrastructure and planning	6 737	7 331	7 951	8 704	18 054	18 054	9 102	9 785	10 323
Inventory: Clothing material and accessories	206	701	-	-	-	-	-	-	-
Inventory: Farming supplies	794	770	1 476	575	575	575	575	575	607
Inventory: Material and supplies	-	-	252	250	250	250	250	250	264
Consumable supplies	2 083	775	1 007	925	925	925	925	925	976
Transport provided: Departmental activity	466	731	237	260	260	260	260	260	274
Travel and subsistence	-	30	57	42	42	42	42	42	44
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	157	-	378	500	1 000	1 000	500	500	528
Machinery and equipment	157	-	378	500	1 000	1 000	500	500	528
Other machinery and equipment	157	-	378	500	1 000	1 000	500	500	528
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	10 666	10 632	12 012	12 016	21 866	21 866	12 418	13 101	13 822

Table 3.P : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces (Prog. 2: Agriculture)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	2 296	3 840	8 466	7 308	7 308	7 308	4 842	-	-
Goods and services	2 296	3 840	8 466	7 308	7 308	7 308	4 842	-	-
Cons and prof services: Infrastructure and planning	1 873	3 222	6 602	6 658	6 658	6 658	4 411	-	-
Inventory: Clothing material and accessories	30	515	-	-	-	-	-	-	-
Inventory: Farming supplies	393	103	943	150	150	150	99	-	-
Consumable supplies	-	-	921	500	500	500	332	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 296	3 840	8 466	7 308	7 308	7 308	4 842	-	-

Table 3.Q : Financial summary for Agri-business Development Agency (ADA)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Revenue									
Tax revenue	-	-	-	-	-	-	-	-	-
Non-tax revenue	125 843	135 634	150 265	121 055	165 654	165 654	128 588	135 327	142 693
Sale of goods and services other than capital assets	38	845	1 041	1 041	461	461	80	86	91
Entity revenue other than sales	927	357	1 396	-	1 650	1 650	2 200	2 361	2 414
Transfers received*	124 870	134 402	147 822	120 014	163 543	163 543	126 308	132 880	140 188
Of which:									
DARD	99 500	94 581	121 334	120 014	120 014	120 014	126 308	132 880	140 188
Other transfers: various	6 150	14 550	-	-	-	-	-	-	-
Roll-over: DARD	19 220	21 367	17 984	-	36 858	36 858	-	-	-
Roll-over: COGTA	-	3 904	8 504	-	6 671	6 671	-	-	-
Sale of capital assets	8	30	6	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Other non-tax revenue	-	-	-	-	-	-	-	-	-
Total revenue	125 843	135 634	150 265	121 055	165 654	165 654	128 588	135 327	142 693
Expenses									
Programmes									
1. Finance and Administration	40 638	38 685	40 396	48 123	48 788	48 788	51 316	52 956	55 177
2. Comprehensive Capacity Building	11 817	9 020	11 101	3 150	3 149	3 149	3 150	3 150	3 150
3. Enterprise and Value Chain Development	31 962	400	23 943	16 602	31 227	31 227	16 834	17 928	19 093
4. Infrastructure Development	16 596	68 501	33 393	53 180	82 490	82 490	57 288	61 293	65 273
Total	101 013	116 606	108 833	121 055	165 654	165 654	128 588	135 327	142 693
Economic classification									
Current expenses	98 212	116 227	107 182	120 755	163 772	163 772	128 288	135 027	142 663
Compensation of employees	19 729	19 377	22 350	30 856	27 366	27 366	33 238	33 723	34 982
Goods and services	78 483	96 850	84 832	89 894	136 406	136 406	95 050	101 304	107 681
Interest on rent and land	-	-	-	5	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	2 801	379	1 651	300	1 882	1 882	300	300	30
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total expenses	101 013	116 606	108 833	121 055	165 654	165 654	128 588	135 327	142 693
Surplus / (Deficit)	24 830	19 028	41 432	-	-	-	-	-	-
Adjustments for Surplus / (Deficit)	(24 830)	(19 028)	(41 432)	-	-	-	-	-	-
Accumulated reserves	(2 728)	6 404	(5 277)	-	-	-	-	-	-
Roll-over: various	(25 273)	(26 488)	(28 382)	-	-	-	-	-	-
Non-cash items	3 171	1 056	7 051	-	-	-	-	-	-
Deferred income	-	-	(14 824)	-	-	-	-	-	-
Surplus / (Deficit) after adjustments	-	-	-	-	-	-	-	-	-

*Note: Transfers received from Vote 11: COGTA do not equal amounts in Table 11.11, as the amounts reflected include project funds rolled over multiple years

Table 3.R : Personnel summary for ADA

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Board members									
Personnel cost (R thousand)	2 936	2 152	1 536	1 200	1 200	1 200	1 815	1 932	2 058
Personnel numbers (head count)	9	8	9	9	9	9	9	9	9
Unit cost	326	269	171	133	133	133	202	215	229
Executive management									
Personnel cost (R thousand)	2 259	2 520	1 820	3 749	3 178	3 178	5 633	5 992	6 373
of which:									
Chief Financial Officer	1 136	1 182	1 020	1 379	1 395	1 395	1 842	1 962	2 089
Chief Executive Officer	1 123	1 338	800	1 506	1 783	1 783	3 791	4 030	4 284
Personnel numbers (head count)	3	3	3	3	2	2	3	3	3
Unit cost	753	840	607	1 250	1 589	1 589	1 878	1 997	2 124
Senior management									
Personnel cost (R thousand)	2 963	1 891	1 800	3 850	4 753	4 753	5 449	5 537	5 878
Personnel numbers (head count)	3	2	4	4	4	4	4	4	4
Unit cost	988	946	450	963	1 188	1 188	1 362	1 384	1 470
Middle management									
Personnel cost (R thousand)	8 770	8 889	9 549	12 246	5 743	5 743	6 042	6 374	6 725
Personnel numbers (head count)	13	13	13	13	6	6	6	8	8
Unit cost	675	684	735	942	957	957	1 007	797	841
Professionals									
Personnel cost (R thousand)	5 054	5 414	8 553	10 050	10 668	10 668	12 125	12 442	12 546
Personnel numbers (head count)	17	17	17	17	19	19	19	19	19
Unit cost	297	318	503	591	561	561	638	655	660
Semi-skilled									
Personnel cost (R thousand)	523	263	148	161	2 020	2 020	2 230	2 277	2 389
Personnel numbers (head count)	4	2	1	1	6	6	6	6	6
Unit cost	131	132	148	161	337	337	372	380	398
Very low skilled									
Personnel cost (R thousand)	160	400	480	800	1 004	1 004	1 759	1 101	1 071
Personnel numbers (head count)	4	4	5	5	10	10	10	10	8
Unit cost	40	100	96	160	100	100	176	110	134
Total for entity									
Personnel cost (R thousand)*	22 665	21 529	23 886	32 066	28 566	28 566	35 053	35 655	37 040
Personnel numbers (head count)	53	49	52	52	56	56	57	59	57
Unit cost	428	439	459	616	510	510	615	604	650

*Note: The difference between the Personnel cost and Compensation of employees relates to Board costs, which are paid from Goods and services

Estimates of Provincial Revenue and Expenditure

Table 3.S : Financial summary for Mjindi Farming (Pty) Ltd (Mjindi)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Revenue									
Tax revenue	-	-	-	-	-	-	-	-	-
Non-tax revenue	75 785	68 065	55 142	61 977	60 724	60 724	60 929	64 264	68 031
Sale of goods and services other than capital assets	4 538	5 522	4 971	5 805	3 125	3 125	6 367	6 984	7 682
Entity revenue other than sales	706	473	271	284	164	164	300	316	337
Transfers received	70 541	62 070	49 900	55 888	57 435	57 435	54 262	56 964	60 012
<i>Of which:</i>									
DARD	50 506	53 183	56 001	58 801	58 801	58 801	62 094	65 509	69 112
Roll-over: DARD	20 035	8 887	-	-	3 299	3 299	-	-	-
Adjustment for VAT	-	-	(6 101)	(2 913)	(4 665)	(4 665)	(7 832)	(8 545)	(9 100)
Sale of capital assets	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Other non-tax revenue	-	-	-	-	-	-	-	-	-
Total revenue	75 785	68 065	55 142	61 977	60 724	60 724	60 929	64 264	68 031
Expenses									
Programmes									
1. Administration and Support Services	15 187	21 521	13 249	17 564	14 461	14 461	17 545	18 060	19 119
2. Farmer Development and Support Services	33 629	36 789	22 708	26 430	22 437	22 437	25 512	27 706	29 330
3. Infrastructure and Water Services	32 023	14 494	18 936	17 983	23 826	23 826	17 872	18 498	19 582
Total	80 839	72 804	54 893	61 977	60 724	60 724	60 929	64 264	68 031
Economic classification									
Current expenses	80 839	71 852	53 331	61 300	57 953	57 953	60 929	64 264	67 031
Compensation of employees	19 940	20 187	20 374	25 062	21 989	21 989	22 322	23 949	25 697
Goods and services	60 899	51 665	32 957	36 238	35 964	35 964	38 607	40 315	41 334
Interest on rent and land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	952	1 562	677	2 771	2 771	-	-	1 000
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total expenses	80 839	72 804	54 893	61 977	60 724	60 724	60 929	64 264	68 031
Surplus / (Deficit)*	(5 054)	(4 739)	249	-	-	-	-	-	-
Adjustments for Surplus / (Deficit)	5 054	4 739	(249)	-	-	-	-	-	-
<i>Of which:</i>									
Accumulated reserves	5 054	4 739	(249)	-	-	-	-	-	-
Surplus / (Deficit) after adjustments	-	-	-	-	-	-	-	-	-

*Note: The Surplus / (Deficit) relates to the accounting treatment of capital and other non-cash expense items

Table 3.T : Personnel summary for Mjindi

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Board members									
Personnel cost (R thousand)	53	606	853	1 520	750	750	1 363	1 452	1 542
Personnel numbers (head count)	8	8	8	8	8	8	8	8	8
Unit cost	7	76	107	190	94	94	170	182	193
Executive management									
Personnel cost (R thousand)	2 471	2 535	2 413	1 314	2 625	2 625	1 752	1 866	1 987
<i>of which:</i>									
Chief Financial Officer	1 106	1 154	1 114	1 314	1 327	1 327	1 354	1 442	1 536
Chief Executive Officer	1 365	1 381	1 299	-	1 298	1 298	398	424	451
Personnel numbers (head count)	2	2	2	1	2	2	2	2	2
Unit cost	1 236	1 268	1 207	1 314	1 313	1 313	876	933	994
Senior management									
Personnel cost (R thousand)	1 781	1 894	2 192	2 536	2 149	2 149	2 197	2 340	2 492
Personnel numbers (head count)	2	2	2	2	2	2	2	2	2
Unit cost	891	947	1 096	1 268	1 075	1 075	1 099	1 170	1 246
Middle management									
Personnel cost (R thousand)	1 272	2 288	2 340	2 216	2 591	2 591	3 163	3 495	3 862
Personnel numbers (head count)	4	4	4	3	4	4	4	4	4
Unit cost	318	572	585	739	648	648	791	874	966
Professionals									
Personnel cost (R thousand)	6 399	6 267	6 900	9 584	5 724	5 724	6 325	6 989	7 723
Personnel numbers (head count)	8	8	8	20	20	20	20	20	26
Unit cost	800	783	863	479	286	286	316	349	297
Semi-skilled									
Personnel cost (R thousand)	6 543	6 295	5 619	7 904	5 870	5 870	6 714	6 947	7 173
Personnel numbers (head count)	54	50	50	34	27	27	29	29	29
Unit cost	121	126	112	232	217	217	232	240	247
Very low skilled									
Personnel cost (R thousand)	1 474	908	910	1 508	3 030	3 030	2 171	2 312	2 460
Personnel numbers (head count)	7	6	-	9	24	24	28	28	28
Unit cost	211	151	-	168	126	126	78	83	88
Total for entity									
Personnel cost (R thousand)*	19 993	20 793	21 227	26 582	22 739	22 739	23 685	25 401	27 239
Personnel numbers (head count)	85	80	74	77	87	87	93	93	99
Unit cost	235	260	287	345	261	261	255	273	275

*Note: The difference between the Personnel cost and Compensation of employees relates to Board costs, which are paid from Goods and services

Table 4.32 : Summary of departmental personnel numbers and costs by component

R thousands	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2018/19 - 2021/22		
	2015/16		2016/17		2017/18		2018/19				2019/20		2020/21		2021/22		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers no ¹	Costs	Pers no ¹	Costs	Pers no ¹	Costs	Filled posts	Addit. posts	Pers no ¹	Costs	Pers no ¹	Costs	Pers no ¹	Costs	Pers no ¹	Costs			
Salary level																			
1 – 6	112	17 882	113	19 521	255	20 675	5	238	243	33 346	270	35 237	270	37 424	270	39 881	3.6%	6.1%	8.4%
7 – 10	375	131 301	339	137 748	377	142 482	354	3	357	170 429	418	215 721	418	229 014	418	243 143	5.4%	12.6%	48.9%
11 – 12	122	77 911	81	79 348	95	84 698	96	1	97	88 739	114	102 144	114	107 540	114	113 278	5.5%	8.5%	23.6%
13 – 16	42	44 251	37	44 914	38	45 254	52	1	53	59 890	58	69 466	58	72 934	58	76 596	3.1%	8.5%	15.9%
Other	50	8 923	94	9 998	6	5 923	-	-	-	-	6	17 273	6	20 533	6	21 195	-	0.0%	3.2%
Total	701	280 268	664	291 529	771	299 032	507	243	750	352 404	866	439 841	866	467 445	866	494 093	4.9%	11.9%	100.0%
Programme																			
1. Administration	177	71 157	128	75 311	186	80 335	141	46	187	93 621	211	127 683	211	135 554	211	143 914	4.1%	15.4%	28.4%
2. Integrated Economic Development	124	54 286	116	55 049	147	59 643	88	59	147	69 994	155	79 911	155	84 809	155	89 473	1.8%	8.5%	18.6%
3. Trade and Sector Development	23	10 673	21	11 481	20	9 985	16	6	22	12 215	28	15 324	28	16 261	28	17 157	8.4%	12.0%	3.5%
4. Business Regulation and Governance	43	20 363	44	20 963	53	22 560	34	11	45	23 400	58	33 504	58	35 543	58	37 498	8.8%	17.0%	7.3%
5. Economic Planning	28	14 281	29	14 462	27	14 238	14	8	22	15 818	30	17 639	30	18 722	30	19 782	10.9%	7.7%	4.1%
6. Tourism	41	10 546	83	12 775	101	12 274	15	82	97	19 323	104	25 442	104	26 997	104	28 483	2.3%	13.8%	5.7%
7. Environmental Affairs	265	98 962	243	101 488	237	99 997	199	31	230	118 033	280	140 338	280	149 559	280	157 786	6.8%	10.2%	32.4%
Total	701	280 268	664	291 529	771	299 032	507	243	750	352 404	866	439 841	866	467 445	866	494 093	4.9%	11.9%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	701	280 268	664	291 529	771	299 032	507	243	750	352 404	866	439 841	866	467 445	866	494 093	4.9%	11.9%	100.0%
Total	701	280 268	664	291 529	771	299 032	507	243	750	352 404	866	439 841	866	467 445	866	494 093	4.9%	11.9%	100.0%

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

9.2 Training

Table 4.33 reflects the payments and estimates on training for the seven-year period.

The amounts reflected pertain to capacitating and improving the skills of the staff of the department, in line with the Skills Development Act requirement to budget at least 1 per cent of its salary expense for staff training. This requirement gives credence to government policy on human resource development. Programme 2 amounts do not balance to Annexure 4.D with regard to *Training and development* in the 2018/19 Adjusted Appropriation and Revised Estimate, as the high amounts in the annexure relate to SMME training which was offered by KZN SEDA and the uMfolozi TVET College. The training budget is under all programmes, for capacitating and improving the skills of staff. There is no provision made over the MTEF for Programmes 3 and 7, and this will be reviewed in-year.

Table 4.33 : Information on training: Economic Development, Tourism and Environmental Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Number of staff	701	664	771	750	750	750	866	866	866
Number of personnel trained	346	346	363	384	384	384	406	428	428
of which									
Male	137	137	144	152	152	152	161	170	170
Female	209	209	219	232	232	232	245	258	258
Number of training opportunities	90	90	95	100	100	100	105	111	111
of which									
Tertiary	30	30	32	33	33	33	35	37	37
Workshops	40	40	42	44	44	44	47	50	50
Seminars	20	20	21	22	22	22	23	24	24
Other	-	-	-	-	-	-	-	-	-
Number of bursaries offered	56	56	59	62	62	62	66	70	70
Number of interns appointed	38	38	40	42	42	42	45	47	47
Number of learnerships appointed	21	21	22	23	23	23	25	26	26
Number of days spent on training	211	211	222	234	234	234	248	262	262
Payments on training by programme									
1. Administration	891	1 433	257	3 280	2 693	2 374	3 000	3 174	3 349
2. Integrated Economic Development Services	1 079	978	2 334	1 190	1 190	1 190	100	106	112
3. Trade and Sector Development	100	83	1 535	345	296	296	-	-	-
4. Business Regulation and Governance	6	9	-	-	-	-	500	525	554
5. Economic Planning	27	126	-	79	79	133	120	127	134
6. Tourism	-	-	-	1 300	1 300	1 300	300	617	651
7. Environmental Affairs	1 550	116	641	893	111	276	-	-	-
Total	3 653	2 745	4 767	7 087	5 669	5 569	4 020	4 549	4 800

VOTE 5

Education

Operational budget	R 54 019 537 205
MEC remuneration	R 1 977 795
Total amount to be appropriated	R 54 021 515 000
Responsible MEC	MEC for Education
Administering department	Education
Accounting officer	Head: Education

1. Overview

Vision

The vision of the Department of Education (DOE) is: *A well-educated, skilled and highly developed citizenry.*

Mission statement

The department's mission is: *To provide equitable access to quality education for the people of KZN.*

Strategic goals

Strategic policy directions: These are directly linked to the 14 national outcomes, which also inform the department's strategic goals and objectives, as listed below:

- Quality basic education.
- Skilled and capable workforce to support an inclusive growth path.

In line with the new strategic plan, the strategic goals encapsulate the department's contribution toward the achievement of national and provincial goals, and all other international mandates within the context of MTSF 2014-2019 for the current electoral cycle, and national and provincial action plans. Hereunder are the strategic goals:

- Strengthen and sustain good corporate governance to promote an efficient and effective administration.
- Develop human capacity and achieve excellent levels of performance.
- Broaden access and develop offices and schools into centres of excellence and improve learner performance in all grades.
- Develop schools into centres of community focus, care and support in promoting national identity and social cohesion.

Core functions

The core functions of the department are summarised below:

Public Ordinary Schools

This is the department's primary function aimed at the provision of quality education and learning in schools, the development of educators to ensure that they are equipped to provide the best quality teaching and the provision of Learner Teacher Support Materials (LTSM). Also included in this programme is the provision of support to learners on the curriculum, as well as teacher training programmes.

Lastly, the function includes the provision of food to Public Ordinary School learners from the poorest communities, through the National School Nutrition Programme (NSNP). Other conditional grants that are

aimed at uplifting the quality of education are also in this programme and these include, but are not limited to, the Maths, Science and Technology (MST) grant.

Public Special School Education

The aim of this programme is to provide public education in special schools and full-service schools.

Early Childhood Development (ECD)

The aim of this programme is to strengthen pre-Grade R education, and to make it available to the majority of the citizens.

Infrastructure Development

The aim of this programme is to provide new schools and upgrades and additions to existing schools, including sports fields, specialists rooms. It also has focussed interventions to provide sanitation, electricity and maintenance to all schools.

Legislative mandates

The following pieces of legislation, among others, govern the operations of the department:

- The Constitution of the Republic of South Africa, No. 108 of 1996
- Public Service Act, No. 103 of 1994
- National Education Policy Act, No. 27 of 1996
- South African Schools Act (SASA), No. 84 of 1996
- Employment of Educators Act, No. 76 of 1998
- South African Council for Educators (SACE) Act, No. 31 of 2000
- South African Qualifications Authority Act, No. 58 of 1995
- National Policy on HIV and AIDS for Learners and Educators in Public Schools and Students and Educators in FET Institutions, 1999
- Education White Paper 5 on Early Childhood Development, 2000
- Education White Paper 6 on Inclusive Education, 2001
- Curriculum and Assessment Policy Statement
- Labour Relations Act, No. 66 of 1995
- Employment Equity Act, No. 55 of 1998
- Public Finance Management Act, No. 1 of 1999, as amended and Treasury Regulations
- KZN Provincial SCM Policy Framework of 2006
- Preferential Procurement Policy Framework Act, No. 5 of 2000
- Promotion of Access to Information Act, No. 2 of 2000
- Annual Division of Revenue Act

2. Review of the 2018/19 financial year

Section 2 provides a review of 2018/19, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

Budget pressures

In an effort to reduce projected spending pressures against *Compensation of employees*, the department developed a turnaround strategy. This strategy entailed addressing inefficiencies in the appointment of temporary educators, leave management, transfers to Education Training and Development Practices Sector Education and Training Authority (ETDP SETA). The strategy also included managing the Personnel Provisioning Norm (PPN) in schools where there are excess educators based on the school

enrolment. The approach of deploying surplus educators to posts that become vacant, lead to a reduction in the number of surplus educators. The department reported that there were 2 500 educators at the beginning of 2018 and this reduced to 536 by December 2018. The turnaround plan assisted the department to find savings within the Vote in order to fill 330 office based critical posts for various districts and at head office.

The transformation of the schooling system

The primary objective of the transformation of the schooling system (TSS) is to provide access to quality basic education through resource provisioning. Furthermore, the TSS is to ensure that, where possible, micro and unviable schools are closed or merged having taken certain factors into consideration, and that misaligned schools are re-aligned and renamed. The re-alignment of schools is the process of aligning the schooling system in line with only two school prototypes, namely primary schools and secondary schools. The scenario in many instances is that, in an area with ten schools, nine would be primary schools feeding into one senior secondary school. This arrangement leads to over-crowding and poor performance by learners as the learner: teacher ratio is excessive. The department reports that there are 968 non-viable schools in the province of which 733 are primary schools and 235 are secondary schools. Out of these, 184 schools were rationalised/closed, 127 schools were re-aligned and 51 schools were renamed.

The revitalisation and expansion of technical schools continued in 2018/19. The department revitalised four agricultural high schools, based on their individual needs such as construction of an agricultural technology workshop, purchase of farm machinery, etc. to improve agricultural education delivery. The site for the Maritime school was identified in Durban in Acton Road. The construction of the La Mercy Maths and Science Academy is still in progress and is expected to be completed in 2019/20. The Ndumo School of Excellence (now known as Mandla Mthethwa School of Excellence) reached practical completion in November 2017, and was commissioned in 2018 and admitted the first group of 247 learners in the 2018 academic year.

Curriculum and assessment

The curriculum and assessment policy statement (CAPS) is implemented in all grades with a view to strengthen quality teaching and learning. Where there is poor performance in teaching, the provincial academic improvement plan was implemented and this includes providing intervention, per subject, especially in Mathematics, Sciences and Languages. The department monitored curriculum coverage by sampling one district per quarter, and monitored how learner performance is tracked by schools and districts. The report generated assisted in identifying gaps in the system. The following was undertaken:

Implementation of the 2018 provincial academic improvement plan

The province developed a provincial academic improvement plan with its implementation monitored by head office. The activities contained in the plan were informed by the comments made by the markers and moderators during the 2017 NSC marking session. The plan was also informed by the strengths and weaknesses of the 2017 academic improvement plan, as well as the gaps identified in term 1, 2 and 3 performance in common assessments. The district Directors and their teams used the provincial academic improvement plan to develop district academic improvement plans, and the Subject Advisors used it to develop subject improvement plans. The school management teams (SMTs) used the district academic improvement plans to specifically develop school improvement plans and subject improvement plans for their particular schools. The implementation of these plans is monitored by the department's management team through unannounced school and district functionality monitoring visits.

Improvement of supply of learner teacher support material (LTSM)

Purchasing of LTSM was prioritised so that teaching and learning in 2018 would start on time with necessary basic resources (stationery and textbooks). Orders were placed for schools and these were based on Education Management Information System (EMIS) learner enrolment data. The 2018/19 distribution of LTSM for all schools which was procured through the department was completed in November 2017. The textbooks purchased were ready for delivery to schools in the first week of the 2018 school year. Textbook coverage is still a challenge for some grades with average textbook coverage measured at 97 per cent. The department allocated LTSM funds to 5 848 public ordinary schools to procure their own LTSM material.

Analysis of the 2018 NSC results

KwaZulu-Natal sustained good results. A total of 116 152 candidates sat for the NSC and 13 103 sat for the Adult Education and Training examination. The province sustained an above 70 per cent pass rate for Grade 12 over the last two years. A total of 1 766 schools administered matric examinations of which 123 schools achieved a 100 per cent pass rate and 32 were in quintile 1 and 3 special schools. The province is also proud to have 38 573 learners achieving bachelor passes to study at university. This translates to 33.2 per cent compared to 28.7 per cent in 2017. The overall Mathematics pass percentage is 50.6 per cent compared to 41.6 per cent in 2017 and 73.6 per cent in Physical Science compared to 65.1 per cent in 2017. This improved performance is largely due to the provincial academic improvement plan.

Tracking of learner attainment

Common tests for each term were analysed for Grades 3, 6, 9 and 12. This assisted the province to track improvement in teaching and learning. Diagnostic tools were distributed to schools to enable them to identify areas where learners were performing better and areas where learners were having challenges. The results showed that the programmes for supporting progressed learners were working, but some did not respond positively to interventions.

Stakeholder consultation and involvement

The implementation of the provincial academic improvement plan included consulting stakeholders in most activities. The province was able to work with some non-government organisations to improve performance in Mathematics, Agricultural Sciences and newly introduced subjects, such as Civil technology, Technical Mathematics, Mechanical technology, etc. Curriculum delivery directorates worked with Mangosuthu University of Technology and University of South Africa in various areas for teaching and learning content and methodology.

Teacher provisioning, development and support

Teacher provisioning: Although the department has surplus educators, there is still a shortage of educators for Mathematics, Science, Engineering Graphics and Design. The problem is exacerbated by the fact that the schooling system is not producing learners that are doing well in Mathematics, and those that do well do not choose teaching as their chosen profession.

Teacher supply: The pool of educators in relation to the PPN was capped at 90 057 and was fully funded. This was to ensure that there would be an educator in the classroom at any given time. The learner:teacher ratio is currently at 1:30. The attraction of qualified skilled educators into the system is being addressed by the Funza Lushaka bursary campaign through which qualified educators enter the system annually. There are 895 bursary holders under the programme who are due for placement in schools.

Teacher development and support: In order to curb unprofessional conduct in schools, principals were capacitated on co-operative discipline, the South African Council for Educators (SACE) Code of Professional Ethics and employee disciplinary measures. This programme was also covered during the induction of 1 191 newly appointed SMTs. Furthermore, 1 496 newly appointed post level (PL1) educators were also capacitated in this regard.

An advocacy campaign was conducted in the first two quarters of 2018 to enhance support through District Teacher Development Centres (DTDCs). The campaign targeted both officials and educators, aimed at maximising the utilisation of the DTDCs by creating awareness of the resources and support that is available in these centres. In total, the advocacy campaign reached 6 770 educators, SMTs, officials and out-of-school youth.

Early Childhood Development (ECD)

Training of 1 014 practitioners commenced in February in various TVET Colleges for these practitioners to obtain an NQF Level 4 qualification to teach pre-Grade R. Stipends were paid to 1 124 practitioners in community-based centres, with the provision of core material, such as board games and charts, being the mandate of the DSD. In 2018, ECD consisted of 4 008 schools with Grade R classes and approximately 50 subsidised community-based centres servicing some 198 587 learners. ECD has seen 98 per cent of Grade 1 learners receive formal Grade R education.

In September 2018, salary adjustments were implemented for 2 927 ECD practitioners from R6 500 to R7 250, while 2 088 increased to R7 750. The increase in the stipend for ECD practitioners depended on the qualification level and experience, as well as NQF level and these were backdated to April 2018.

Provision of classroom support resources and equipment

Norms and standards: No-fee schools were funded at R955 per learner in 2018/19, while the recommended national funding norm is R1 316 per learner. This applies to schools ranked in quintiles 1 to 3. The fee paying schools in quintiles 4 and 5 are funded at R522 and R179 per learner, compared to the recommended national norm of R660 and R228, respectively. In terms of the rationalisation of schools, this will assist the department to realise savings if the identified schools can be merged. Also, the department assists some schools which struggle to pay their domestic accounts resulting in additional non-LTSM support to these schools. This assistance should be reviewed by the department in order to determine if this support does not result in an increase in the norms and standards.

National School Nutrition Programme: All learners in quintiles 1 – 3 schools, as well as some quintile 4 and 5 schools, are provided a meal through the NSNP grant. The NSNP seeks to alleviate short-term hunger at school, improve learner attendance and participation in class, reduced learner absenteeism and provision of support to learners from child-headed households. The NSNP programme provided nutritious meals to 2 333 934 learners in 5 729 schools. Learners were served with a standardised menu which comprises a balanced cooked protein dish, starch and fresh vegetable per learner. The department expanded the programme to 50 more schools totalling 36 250 learners. The department used 173 co-operatives and 1 645 SMMEs in the provision of meals. The programme thus creates jobs for 12 366 food handlers who are parents in participating schools and received a stipend of R1 089 per month.

Infrastructure development and maintenance

A number of new projects were planned for 2018/19 in line with the Norms and Standards Guidelines for School Infrastructure which focuses on the elimination of schools without water, sanitation and electricity, as well as schools constructed with inappropriate structures. The following was achieved:

- 100 per cent of schools have some sort of water provision. However, 23 per cent of these schools require upgrading as their water facilities are inadequate.
- 100 per cent of schools have access to sanitation facilities, though some are temporary.
- 100 per cent of schools are constructed with appropriate structures, though storm damage has had a negative impact in many instances.
- Only four per cent of schools are not electrified, with 96 per cent currently having electrical supply.

Various storms affected the province during the months of September and October 2017 and additional funds for repairing the damage were received. This related to a wind storm that damaged 324 schools on 17 September 2017 and flood damage that damaged 170 schools on 10 October 2017. Approximately 200 schools were repaired and completed through the additional funding of R83.800 million.

Repairs and renovation: The department completed repairs and renovations for numerous schools, including Sidiya primary school and Bhekaphambili primary school in Umlazi district, Umzinto primary school in Ugu district, among others.

New infrastructure assets: As part of ensuring that a conducive environment is created for teaching and learning, the department completed and procured furniture for new schools, such as Zimele secondary school with 300 learners in uMkhanyakude district, Mdombolo primary school with 320 learners in King Cetshwayo district, Goodhome secondary school with 360 learners in uThukela district and Mbongeleni primary school with 6 000 learners in uMzinyathi district.

Special schools infrastructure: The department continued to focus on the provision of special schools' infrastructure in order to grant access to education for learners with special needs. This included projects such as the construction of new schools, as well as boarding facilities, namely Pholela special school in the Harry Gwala district, Ukukhanya KoMsinga in the uMzinyathi district and Vuleka in the King Cetshwayo district.

3. Outlook for the 2019/20 financial year

Section 3 looks at the key focus areas of 2019/20 outlining what the department is targeting to achieve during the year, as well as briefly looking at the challenges, and proposed new developments. The largest share of the department's budget allocation is for the provision of personnel. The baseline for 2019/20 includes an additional allocation from National Treasury in respect of the carry-through costs for the 2015 above-budget wage agreement in order to fully compensate the department for the wage differential. However, in applying the inflationary wage adjustments, a shortfall continues to exist despite the turnaround plan, and this amounts to R606.763 million estimated for 2019/20. The budget growth for 2020/21 is within the National Treasury prescribed rate of 8 per cent, however, the outer year shows growth below prescribed growth rates at 5.5 per cent. The department will have to review this budget growth and continue to implement its strategy to manage *Compensation of employees*, especially in filling posts. It should be noted that the department was allocated additional funding from National Treasury relating to the sanitary dignity project.

The transformation of the schooling system

The department aims to prioritise various activities to assist in transforming the schooling system. Firstly, the department will focus on rationalisation or closure of small and non-viable schools with learner enrolment of less than 50 in primary schools. The department reports that there is a five-year implementation plan for the rationalisation of the remaining schools earmarked for closure. In this regard, 167 schools with learner enrolment less than 50 are earmarked for closure in 2019/20.

Curriculum and Assessment

Curriculum and Assessment Policy Statements: The department will maintain the intervention programmes of previous years, but the main aspect of curriculum delivery and support will focus on the role of circuit managers as curriculum delivery supervisors, the audit of curriculum delivery, re-skilling of teachers through improved teacher development strategies, as well as improvement of assessment strategies in the General Education and Training band. The Subject Advisors and Circuit Managers will assist schools to monitor curriculum coverage. There will be regular monitoring of curriculum coverage by the SMTs. The schools will receive well prepared lesson plans, coupled with assessment exercises and memoranda. These exercises will help teachers to get feedback after teaching each aspect of work. The schools will have curriculum delivery targets which will be monitored by the circuit management on a monthly basis. The schools will write common tests as part of continuous assessments in all subjects, where they have obtained less than 75 per cent. The schools will be sampled for moderation by subject.

Early Childhood Development: Provision is made for the training of practitioners, payment of stipends for practitioners in community-based centres with Grade R classes and the provision of core material.

Teacher Provisioning, Development and Support

Teacher supply: The supply of qualified educators into the system remains a challenge towards the delivery of quality education, particularly in subjects like Mathematics and Science. In addition to the provision of bursaries to attract young people into teaching, the department will be engaging with the Department of Higher Education and Training (DHET) with a view to encourage more young people to register for Mathematics and Science qualifications.

Teacher development and support: Support to educators will be provided as part of the overall curriculum content implementation, management and delivery. Subject specialists will contribute towards educator support through capacity building programmes conducted at the Provincial Teacher Development Institute (PTDI) and DTDCs, including the Jika Imfundo campaign and empowerment of women managers.

Continuing Professional Teacher Development (CPTD) Management System: Implementation of the CPTD Management System will be strengthened and teachers will be encouraged to share good practice by participating in subject based Professional Learning Communities (PLCs).

VVOB Educational Development organisation: Through the partnership with VVOB (an international organisation responsible for teacher development worldwide) departmental officials will embark on action research and monitoring and evaluation courses in order to provide needs based on-site support to teachers and optimise the functionality of school based support structures to ensure learning by all.

Development of strong leadership and management

Induction of newly appointed SMTs: Newly appointed SMTs will be empowered to provide effective leadership and management at school level through an induction programme in 2019/20 in order to enhance teaching and learning. The new incumbents will be capacitated on their core duties and responsibilities, as well as on school management related legislative mandates and policies.

Jika Imfundo Campaign – Programme to Improve Learning Outcomes (PILO): This is a National Education Collaboration Trust (NECT) led programme, which targets 4 000 Principals, Deputy Principals and Departmental Heads, and will be conducted in the uMkhanyakude, uMzinyathi, uMgungundlovu and Ilembe districts. The focus will be implementing modules on building teams, curriculum tracking and supervision, school planning and curriculum management.

South African Standards for Principalship: The roll-out of the policy on the South African Standard for Principalship which defines the role of school Principals and the key aspects of professionalism, image and competencies required for the principalship will commence in 2019. Through this programme, Principals and those who are aspiring to be part of the leadership and management of schools will be given a clear understanding of what principalship entails.

Leadership and management: Through the women in-and-into management (WIIM) and female Principals support programme (FPSP), women Principals, Deputy Principals and Departmental Heads will be supported to perform their duties effectively and efficiently in report writing and strategic planning.

Provision of classroom support resources and equipment

Norms and standards: No-fee learners currently constitute 75 per cent of the total population of learners in public ordinary schools, whereas the national target is 65 per cent. This is an indication of pressures currently facing the department which result in the below national norm subsidy provided to the no-fee schools. No-fee schools will continue to be funded at R955 per learner in 2019/20, while the recommended national funding norm is R1 394 per learner in quintiles 1 – 3. The fee-paying schools in quintiles 4 and 5 are funded at R522 and R179 per learner, compared to the recommended national norm of R699 and R241, respectively. The department will continue to implement the recommendations from DBE towards strengthening the rationalisation team in order to reduce the small and non-viable schools, to assist the department to realise savings if possible.

Learner Teacher Support Material: The 2019 distribution of LTSM for all schools which procure through the department was completed in November 2018. The textbooks purchased were ready for delivery to schools in the first week of the 2019 school year. Textbook coverage is still a challenge for some grades such as Grade 9, with average textbook coverage measured at 97 per cent.

National School Nutrition Programme

The NSNP grant allocation for 2019/20 is R1.621 billion. All learners in quintiles 1 – 3, including some quintile 4 and 5 schools, will continue to be provided with a balanced nutritious meal. The NSNP seeks to alleviate short-term hunger at school, improve learner attendance and participation in class, reduce learner absenteeism, provide support to learners from child-headed households and contribute to the overall improvement of learner attainment. The NSNP will provide nutritious meals to 2 333 934 learners in 5 729 schools throughout the province.

Infrastructure planning and delivery management***Infrastructure development and maintenance***

The department aims to increase the maintenance portfolio to be in line with the Education Infrastructure grant (EIG) framework as 20 per cent of the allocated budget in 2019/20 MTEF is for maintenance. The EIG was increased over the 2019/20 MTEF by amounts of R392.518 million, R22.071 million and R177.717 million, respectively.

Over the 2019/20 MTEF, the EIG includes a specific allocation for the following projects:

- R200.319 million is allocated to repair schools, and this entails 86 projects in respect of the carry-through of the flood disaster funding for floods that occurred in October 2017.
- R58.747 million is allocated mainly for desludging in respect of the maintenance and repairs of 1 400 schools.

School infrastructure: The department is planning to complete 10 new and replacement schools in 2019/20 as part of implementing norms and standards guidelines for school infrastructure. The focus will be on schools with over-crowding, creating new teaching and learning spaces and those requiring specialist classrooms. New schools to be completed in 2019/20 include Bhevu secondary school in uThukela district, Bloemfontein primary school in Harry Gwala district, Cosmo primary school in uMgungundlovu district, Khindi Jobe secondary school and New Mahlabeni primary school in uMkhanyakude district and Siphumelelo secondary school in King Cetshwayo district.

Projects relating to new schools, curriculum support classrooms, laboratories, multi-purpose classrooms, as well as electrification, sanitation and water projects will continue so that basic functionality can be achieved in all 6 175 schools in KZN. The roll-out of water and sanitation projects, repairs to storm damaged schools and upgrades and additions will continue to receive attention from the department. The department has recruited 71 technical personnel as part of the IDMS for improving infrastructure planning, attending to problematic projects, monitoring and evaluation, and quality of completed work to ensure value for money.

Information and communication technology (ICT)

The department will develop a revised ICT Strategy. A work study will be conducted to determine how the department can build an ICT network for all schools in the province. The department also plans on upgrading and maintaining the existing ICT network infrastructure.

4. Reprioritisation

The department undertook reprioritisation at both programme and economic classification levels, and the details are as follows:

- Programme 1 was reduced by R242 million and R301 million in 2019/20 and 2020/21, respectively, mainly from *Compensation of employees*, to align to the turnaround strategy. It should be noted that reprioritisation was also undertaken against training and development.
- Programme 2 was increased by R252 million and R308 million in 2019/20 and 2020/21, respectively, from Programmes 1 and 7 to cater for the shortfall in *Compensation of employees*. This was to address the carry-through of the 2018 below inflationary cost of living adjustment budget growth. It should be noted that the reprioritisation undertaken was to align to the turnaround strategy. Despite the reprioritisation undertaken, this does not sufficiently address the shortfall. Reprioritisation was also undertaken against training and development.
- Programme 4 was increased by R30 million and R33 million in 2019/20 and 2020/21, respectively, from Programme 7 to cater for a shortfall in the carry-through of the 2018 below inflationary cost of living adjustment budget growth against *Compensation of employees*. Despite the reprioritisation undertaken, this does not sufficiently address the shortfall. Reprioritisation was also undertaken against training and development.
- Programme 7 was reduced by R40 million in 2019/20 and 2020/21, respectively, to cater for a shortfall in *Compensation of employees* in Programmes 2 and 4. This was to align to the turnaround strategy and was done by reducing the allocation for the transfer to ETDP SETA.

5. Procurement

The department will continue to implement government policies on procurement in order to maximise the current budget allocation. The procurement plan will be monitored throughout the financial year to ensure that procurement of *Goods and services* is in line with planned activities. The major procurement to be undertaken continues to include LTSM top-up for non S21 schools and some S21 schools that opt to utilise the management agent to purchase LTSM, school furniture, NSNP, and the hiring of marking centres for the NSC. The improvement of the SCM processes in respect of the MST grant and Learners with Profound Intellectual Disabilities grant will be monitored continuously in order to ensure that the grants are fully spent.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 5.1 shows the sources of funding for Vote 5: Education from 2015/16 to 2021/22. The table also compares actual and budgeted receipts against actual and budgeted payments.

The department receives a provincial allocation in the form of equitable share, and national conditional grant allocations.

Table 5.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Equitable share	39 624 948	41 905 148	43 853 225	47 242 210	47 035 580	47 035 580	50 027 148	53 764 174	56 721 231
Conditional grants	3 395 026	3 554 651	3 913 370	3 577 672	3 727 672	3 727 672	3 994 367	3 890 981	4 149 789
Education Infrastructure grant (EIG)	1 978 683	2 045 211	2 333 142	1 866 435	2 016 435	2 016 435	2 187 162	2 013 404	2 169 050
HIV and AIDS (Life-Skills Education) grant	50 588	53 096	56 115	58 922	58 922	58 922	62 155	65 450	69 050
National School Nutrition Programme (NSNP) grant	1 287 034	1 363 783	1 450 087	1 534 878	1 534 878	1 534 878	1 621 291	1 710 462	1 804 538
Maths, Science and Technology (MST) grant	59 998	62 453	61 660	61 203	61 203	61 203	64 638	67 079	70 663
OSD for Education Sector Therapists grant	13 079	-	-	-	-	-	-	-	-
Learners with Profound Intellectual Disabilities grant	-	-	5 558	27 230	27 230	27 230	32 279	34 586	36 488
Social Sector EPWP Incentive Grant for Provinces	3 000	27 318	4 808	27 004	27 004	27 004	24 814	-	-
EPWP Integrated Grant for Provinces	2 644	2 790	2 000	2 000	2 000	2 000	2 028	-	-
Total receipts	43 019 974	45 459 799	47 766 595	50 819 882	50 763 252	50 763 252	54 021 515	57 655 155	60 871 020
Total payments	42 887 911	45 662 557	48 316 485	50 903 682	50 983 637	50 983 637	54 021 515	57 655 155	60 871 020
Surplus/(Deficit) before financing	132 063	(202 758)	(549 890)	(83 800)	(220 385)	(220 385)	-	-	-
Financing									
of which									
Provincial roll-overs	6 896	40 210	116 807	-	136 585	136 585	-	-	-
Provincial cash resources	136 000	240 000	356 687	83 800	83 800	83 800	-	-	-
Surplus/(Deficit) after financing	274 959	77 452	(76 396)	-	-	-	-	-	-

It should be noted that the learner transport services function moved to the department during the preparation of the 2018/19 main budget and was moved back to DOT from the 2018/19 Adjustments Estimate onward in line with a Provincial Executive Council decision on 20 June 2018. This resulted in the reduction of R206.630 million from the Main Appropriation. As this is a function shift, funds must follow function, and historic, as well as the 2019/20 MTEF figures were restated. Consequently, the prior years' figures do not correspond to the 2018/19 EPRE.

In 2015/16, R6.896 million was rolled over from 2014/15, relating to infrastructure projects. Also, R136 million was allocated from provincial cash resources, of which R25 million related to the above-budget 2015 wage agreement, and R111 million was allocated for the capital amount owed in terms of the Indiza LTSM litigation matter. The under-spending of R274.959 million relates to *Compensation of employees* as a result of the lower than anticipated number of employees at the end of the year.

In 2016/17, R40.210 million was rolled over from 2015/16 in respect of committed funds for the payment of minor assets and vehicles that were ordered but not delivered in 2015/16. Also, R100 million was allocated from provincial cash resources to assist the department to address the backlog in respect of water and sanitation improvement in schools and R140 million was allocated from provincial cash resources to ease pressures in respect of the above-budget 2016 wage adjustment. National Treasury increased the NSNP grant by R8.536 million to cover the shortfall caused by high food inflation. The department under-spent by R77.452 million mainly related to non-filling of posts. Also, the NSNP grant was under-spent, because March invoices for feeding for the month were only paid in April. The department also implemented an internal cost-containment plan against various items.

In 2017/18, R116.807 million was rolled over from 2016/17 relating to the NSNP grant. The department's baseline included an amount of R50 million from provincial cash resources in respect of improving water and sanitation in schools. This was the balance of the total amount of R150 million that was allocated to the department for this purpose, commencing in 2016/17. Also, R200 million was allocated from provincial cash resources to assist the department to address spending pressures and R106.687 million was allocated to repair numerous schools that were damaged by a severe wind storm in September 2017 (R36.687 million), as well as flood disaster in October 2017 (R70 million). The 2017/18 budget was over-

spent by R76.396 million mainly attributed to *Compensation of employees* as a result of low inflationary cost of living adjustment budget growth while preparing the 2017/18 MTEF budget. Also, transfers were over-spent due to a greater number of S21 and non-S21 schools who met the transfer requirements after successful contestations in terms of changes in their quintile ranking, as well as higher than anticipated staff exit costs for 3 967 employees who exited the system in 2017/18.

The 2018/19 budget includes R83.800 million, funded from provincial cash resources, for disaster relief for the damage caused by the wind storm in September 2017 and flooding in October 2017, as this allocation was made over two years, i.e. 2017/18 and 2018/19. The department received a provincial roll-over of R136.585 million in respect of the under-spent MST grant, NSNP grant and Learners with Profound Intellectual Disabilities (LPID) grant. The department is anticipating a balanced budget in 2018/19, based on the December IYM. It should be noted that, although the department is projecting a balanced budget, some grants are slow in spending and will more than likely under-spend and the department may not utilise these funds for any other purpose.

As reflected in the table, the department's budget increases steadily over the seven-year period. A total of R691.266 million over the 2019/20 MTEF has been shifted from DOE to DOT in respect of the learner transport services function, as mentioned.

6.2 Departmental receipts collection

Table 5.2 illustrates the revenue collected by the DOE over the seven-year period: 2015/16 to 2021/22. Details of these receipts are presented in the *Annexure – Vote 5: Education*.

Table 5.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	48 807	56 377	62 193	61 961	61 961	61 961	65 430	69 028	72 824
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 618	592	1 264	379	379	379	400	422	445
Sale of capital assets	5 489	11 556	4 253	-	-	-	-	-	-
Transactions in financial assets and liabilities	37 604	55 114	40 254	35 411	35 411	35 411	37 394	39 451	41 621
Total	93 518	123 639	107 964	97 751	97 751	97 751	103 224	108 901	114 890

Sale of goods and services other than capital assets is derived from commission on PERSAL deductions such as insurance premiums and garnishees, remarking fees, reprinting of certificates, housing and parking rental, etc. The budget over the 2019/20 MTEF increases by inflation.

Interest, dividends and rent on land is derived mainly from interest on staff debts such as breached bursary contracts, salary over-payments, etc. The revenue collection trend varies over the seven-year period due to the unpredictable nature of this category.

Sale of capital assets relates to the disposal of redundant motor vehicles and office equipment. There is no budget from 2018/19 to 2021/22 as the department does not dispose of its redundant assets every year. As part of cost containment efforts, departments try to continue utilising their motor vehicles for as long as it is still economical to do so.

Transactions in financial assets and liabilities is in respect of monies expended by the department in prior years relating to over-payments of suppliers, salary over-payments and breached bursary contracts. The fluctuation in the prior years was due to the unpredictable nature of this source. The revenue budget over the MTEF is based on the historic performance of this category.

6.3 Donor funding – Nil

7. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification.

Further details are given in Section 8 below, as well as in the *Annexure – Vote 5: Education*.

7.1 Key assumptions

The following key assumptions were applied in formulating the 2019/20 MTEF budget:

- All inflation related increases are based on CPI projections.
- In terms of the National Treasury's guidelines, the cost of living adjustment is 7.8 per cent in 2019/20, 8 per cent in 2020/21 and 2021/22, including the 1.5 per cent pay progression. However, the department's budget growth is below inflation at 6.4 per cent in 2019/20, 8 per cent in 2020/21 and 5.5 per cent in 2021/22. This means that the budget does not provide for the 1.5 per cent pay progression for office-based employees, as well as filling of vacant posts. It is noted that the pay progression for educators was increased to 1.3 per cent with effect from 1 July 2018, and in July 2019 this will further increase to 1.5 per cent. This is an unfunded mandate which will exert more pressure on the over-stretched budget.
- It should be noted that the budget growth does not sufficiently cater for all the personnel numbers currently on the system (PERSAL). Although the department reprioritised within the baseline in order to address the shortfall in *Compensation of employees*, this could not sufficiently address the budget shortfall. As at the end of December, the personnel numbers were at 115 635, which included the examination markers appointed for the exam period only. It should be noted that the number of employees fluctuates in-year, especially for educator posts. The department will have to implement a strategy to fill posts in phases taking into account the budget shortfall in 2019/20 and 2021/22. It should be noted that the additional funding of R457.095 million allocated by National Treasury from 2019/20 onwards was not sufficient to cover the shortfall, and only 2020/21 is sufficiently funded, at this stage.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2018/19, will continue to be adhered to over the 2019/20 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.
- In line with cost-cutting and efforts to reduce the projected pressures against *Compensation of employees*, the department has put in place measures to manage the personnel budget including addressing inefficiencies in the appointment of temporary educators, leave management, etc.
- As previously discussed, the learner transport function was returned back to DOT in the 2018/19 Adjustments Estimate and, as this is a function shift, funds must follow function, thus historic, as well as the 2019/20 MTEF figures have been restated accordingly.
- The funding of schools is not yet in line with the National Norms and Standards for School Funding due to budget constraints within the Vote.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 5.3 shows additional provincial and equitable share funding received by the department over the 2017/18 and 2019/20 MTEF periods, and excludes conditional grant funding.

The carry-through allocations for the outer year (i.e. for the financial year 2021/22) are based on the incremental percentage used in the 2019/20 MTEF.

Table 5.3 : Summary of additional provincial and equitable share allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	(238 347)	367 889	719 678	759 260	801 021
PES and Provincial Own Revenue reductions	(172 998)	(197 773)	(350 792)	(370 086)	(390 440)
Budget cuts to fund remuneration of <i>Izinduna</i>	(65 349)	(68 943)	(72 735)	(76 735)	(80 955)
Additions for <i>Compensation of employees</i>	-	634 605	686 110	723 846	763 658
Additional funding from National Treasury	-	-	457 095	482 235	508 758
2018/19 MTEF period		290 430	218 201	1 244 256	1 312 690
Learner Transport function shift from DOT		206 630	218 201	230 202	242 863
Disaster relief - Wind storms in Sept 2017		20 000	-	-	-
Disaster relief - flooding of 10 October 2017		63 800	-	-	-
Above-budget wage agreement		-	-	1 014 054	1 069 827
2019/20 MTEF period			(191 813)	(230 884)	(243 555)
Learner Transport function shift to DOT			(218 201)	(230 202)	(242 863)
Sanitary dignity project			27 031	-	-
Budget cuts for remuneration of public office bearers			(643)	(682)	(692)
Total	(238 347)	658 319	746 066	1 772 632	1 870 156

In the 2017/18 MTEF, the department's budget was reduced in respect of the cuts implemented against the PES and Provincial Own Revenue. Also, the department's budget decreased relating to the provincial reprioritisation undertaken for the remuneration of *Izinduna*. Offsetting the cuts, National Treasury allocated additional funding from 2018/19 to allow provinces to fill some of the posts which became vacant or to employ additional teachers to respond to increasing enrolment which has resulted in increases in class sizes in some instances. Furthermore, National Treasury allocated additional funding to provinces in the outer year of the 2017/18 MTEF with carry-through. This amount was proportionately allocated to all 15 Votes to ensure that the budget cuts referred to above were offset in the outer year.

In the 2018/19 MTEF, the learner transport services function was shifted back to the department from DOT, as mentioned. However, in the 2018/19 Adjustments Estimate, an amount of R206.630 million was moved back to DOT. The 2018/19 budget includes R20 million and R63.800 million, funded from provincial cash resources, for disaster relief in respect of the damage caused by the wind storm in September 2017 and flooding in October 2017, as this allocation was made over two years, i.e. 2017/18 and 2018/19. Also, National Treasury allocated additional funding to provinces in the outer year of the 2018/19 MTEF, with carry-through. This amount was proportionately allocated to all 15 Votes to cater for the above-budget wage agreement, hence an allocation of R1.014 billion in 2020/21, with carry-through.

In the 2019/20 MTEF, the learner transport services function shift to DOT is being formalised. In 2019/20, the department receives R27.031 million from National Treasury for the sanitary dignity project from National Treasury, as previously mentioned. This project confirms government's commitment to provide sanitary products to indigent persons (indigent girls and women) and addresses the governance aspects relating thereto. It identifies indigent persons who are to benefit from this framework including girls who attend schools ranked at quintile 1, 2 and 3. The department's budget was cut by R643 000 in 2019/20, with carry-through. In this regard, the President announced that there would be minimal or no annual salary increases in 2018/19 for public office bearers. In the case of provincial executives, Premiers, MECs and Speakers did not receive salary increases, while MPLs received a 2.5 per cent increase. The savings realised from this announcement were cut from provinces in line with fiscal consolidation efforts.

Note that additional funding was allocated in the 2012/13 MTEF for improving infrastructure support. Although no longer visible in Table 5.3, this funding was specifically and exclusively appropriated and the department has appointed administrative support staff who assist the Works Inspectors. The department envisages filling additional Works Inspector posts over the MTEF. Thus, amounts of R12.605 million, R13.298 million and R14.029 million remain ring-fenced for this purpose over the 2019/20 MTEF.

7.3 Summary by programme and economic classification

Tables 5.4 and 5.5 provide a summary of the Vote's payments and budgeted estimates by programme and economic classification, respectively, for the seven-year period. The services rendered by the department are categorised under seven programmes, which are largely aligned to the uniform budget and programme structure of the Education sector.

Table 5.4 : Summary of payments and estimates by programme: Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	1 654 811	1 888 567	1 843 402	1 984 826	1 744 826	1 744 826	1 852 867	1 906 555	2 011 445
2. Public Ordinary School Education	35 580 394	37 826 186	40 228 039	42 626 473	42 890 984	42 890 984	45 311 690	48 828 969	51 514 453
3. Independent School Subsidies	77 278	80 900	82 980	91 028	84 028	84 028	96 125	101 411	106 989
4. Public Special School Education	942 327	1 047 943	1 124 496	1 167 951	1 214 051	1 214 051	1 267 272	1 339 238	1 412 896
5. Early Childhood Development	603 671	973 523	971 251	1 280 418	1 220 672	1 220 672	1 329 386	1 380 173	1 456 082
6. Infrastructure Development	2 610 700	2 529 200	2 491 555	2 186 607	2 336 607	2 336 607	2 546 372	2 394 901	2 571 531
7. Examination and Education Related Services	1 418 730	1 316 238	1 574 762	1 566 379	1 492 469	1 492 469	1 617 803	1 703 908	1 797 624
Total	42 887 911	45 662 557	48 316 485	50 903 682	50 983 637	50 983 637	54 021 515	57 655 155	60 871 020
Unauth. Exp. (1st charge) not available for spending	(31 892)	(31 893)	(31 892)	-	-	-	-	-	-
Baseline available for spending after 1st charge	42 856 019	45 630 664	48 284 593	50 903 682	50 983 637	50 983 637	54 021 515	57 655 155	60 871 020

Table 5.5 : Summary of payments and estimates by economic classification: Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	38 506 958	41 467 331	44 442 185	47 154 751	47 443 465	47 442 238	49 913 988	53 605 165	56 549 695
Compensation of employees	34 527 080	37 608 395	40 061 215	42 890 943	42 892 737	42 810 925	45 543 414	49 037 205	51 737 086
Goods and services	3 841 946	3 858 408	4 379 734	4 263 808	4 548 728	4 629 231	4 370 574	4 567 960	4 812 609
Interest and rent on land	137 932	528	1 236	-	2 000	2 082	-	-	-
Transfers and subsidies to:	1 908 152	1 945 524	1 884 913	1 988 164	1 754 420	1 755 745	2 039 860	2 160 718	2 279 558
Provinces and municipalities	1 702	1 331	2 561	1 287	2 287	2 287	1 359	1 434	1 513
Departmental agencies and accounts	78 139	83 257	89 497	93 910	-	-	34 169	38 623	40 747
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	1 656 841	1 692 709	1 621 649	1 805 150	1 590 406	1 590 415	1 899 598	2 006 826	2 117 202
Households	171 470	168 227	171 206	87 817	161 727	163 043	104 734	113 835	120 096
Payments for capital assets	2 440 909	2 217 809	1 957 495	1 760 767	1 785 752	1 785 654	2 067 667	1 889 272	2 041 767
Buildings and other fixed structures	2 343 612	2 170 374	1 946 262	1 736 691	1 764 158	1 764 158	2 024 650	1 849 851	2 002 752
Machinery and equipment	97 297	47 188	11 095	20 076	17 594	17 496	42 517	38 921	38 515
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	247	138	4 000	4 000	4 000	500	500	500
Payments for financial assets	31 892	31 893	31 892	-	-	-	-	-	-
Total	42 887 911	45 662 557	48 316 485	50 903 682	50 983 637	50 983 637	54 021 515	57 655 155	60 871 020
Unauth. Exp. (1st charge) not available for spending	(31 892)	(31 893)	(31 892)	-	-	-	-	-	-
Baseline available for spending after 1st charge	42 856 019	45 630 664	48 284 593	50 903 682	50 983 637	50 983 637	54 021 515	57 655 155	60 871 020

In terms of Section 34(2) of the PFMA, and in line with SCOPA resolutions by the Legislature on 9 December 2014, the department was liable for the repayment of previous year's over-spending which resulted in unauthorised expenditure. This resulted in instalments of the first charge of R31.892 million being implemented against the budget in 2015/16, and 2017/18 as well as R31.893 million in 2016/17 as per the department's AFS, and the last instalment was in 2017/18. This is shown as a footnote in Tables 5.4 and 5.5.

As previously discussed, the learner transport services function has been shifted back to DOT from the department with effect from the 2018/19 Adjustments Estimate. The prior years' and the 2019/20 MTEF figures have been adjusted accordingly. However, it should be noted that 2017/18 was not adjusted in the previous MTEF, as the expenditure still resided with DOT for reporting purposes.

Programme 1: Administration: shows a reduction in the 2018/19 Adjusted Appropriation and Revised Estimate as a result of projected under-expenditure against *Compensation of employees* due to delays in filling HR and Finance posts at head office and the district offices. This included posts such as Chief Director: Office of the HOD, DDG: Corporate Management, Deputy Director: Human Resource (HR) and Finance posts in various districts, Assistant Director posts, as well as Office-Based Educator posts. All critical posts are anticipated to be filled by the beginning of 2019/20, hence an increase in the allocation over the MTEF. It should be noted that, out of 330 critical vacant posts which were requested to be filled, 238 are under Programme 1. In addition, the budget provides for operational costs including computer services such as SITA datalines which are centralised under this programme, bursaries for employees, communication costs for departmental programmes including radio broadcasts in remote areas for offering matric lessons, travel and subsistence for school and district monitoring, cleaning, security, electricity and

fumigation services in district offices, legal services for cases against the department, the Principal management development programme (PMDP), PILO which is radical education transformation initiative and teacher development strategy focusing on developing strong curriculum management skills to strengthen district support to teaching and learning, as well as operating leases for office buildings, etc.

Programme 2: Public Ordinary School Education reflects a steady rise from 2015/16 to 2021/22, although not sufficient to cover required growth against *Compensation of employees* which consumes about 84 per cent of the total budget of the department. The 2019/20 budget growth is 5.6 per cent which is largely in line with the projected CPI of 5.3 per cent, but this is not sufficient for the annual wage adjustment growth rates plus pay progression, as well as filling posts. The National Treasury prescribed growth rate for salary adjustments is at 7.8 per cent in 2019/20, and 8 per cent in 2020/21 and 2021/22. The growth over the 2019/20 MTEF provides for the conditional grant increases which are commented on later, the development of educators and SMTs, norms and standards for transfers to schools and the purchase of LTSM, school feeding in respect of the NSNP grant, and the sanitary dignity project for which National Treasury provided funding in the first year and the department will review funding for the two outer years in future MTEFs. In addition, the budget provides for the implementation and monitoring of the provincial academic improvement plan in respect of winter and summer classes, etc. The learner transport function was against this programme, thus the previous years and the 2019/20 MTEF were restated in line with the movement of the function and the budget in the 2018/19 Adjustments Estimate.

Programme 3: Independent School Subsidies reflects steady growth over the seven-year period except for the reduction in the 2018/19 Adjusted Appropriation and Revised Estimate and this relates to the non-transfer of subsidies to new schools attributed to the temporary allocation that was to be surrendered to the Provincial Revenue Fund as part of the 2018/19 budget cuts. However, these cuts were withdrawn during 2018/19 in line with a Provincial Executive Council decision. The department indicated that these transfers were not part of the gazetted school transfers. This programme previously experienced pressures due to the increase in the number of schools that require subsidies. The subsidies are to assist independent schools which are not entirely privately managed but are registered as non-profit organisations. The growth over the 2019/20 MTEF is inflation related.

Programme 4: Public Special School Education reflects steady growth over the seven-year period. The increase in the 2018/19 Adjusted Appropriation relates to the reprioritisation undertaken to address the below inflationary budget growth, as well as a roll-over in respect of the LPID grant. The 2019/20 MTEF includes the LPID grant, which seeks to assist learners with intellectual disabilities in public special schools. The allocation against *Compensation of employees* provides for educators in special schools, Therapists, Chief Psychologists, Education Specialists, as well as Deputy Chief Education Specialists. Also, the budget provides for transfers to special schools for the purchase of LTSM resources for S21 and non-S21 schools, as well as operational costs. The budget also provides for the purchase of buses for transporting disabled learners in 72 schools, the purchase of vehicles for school and district monitoring, as well as the purchase of tools of trade such as office furniture and computers for filled specialist posts. The department indicated that a policy with regard to the transportation of learners from special schools through the learner transport function has not yet been finalised, and hence the provision for the purchase of buses.

Programme 5: Early Childhood Development reflects a 8.9 per cent increase in 2019/20 due to the low baseline in the 2018/19 Adjusted Appropriation and Revised Estimate as a result of vacant ECD educator posts. The 2019/20 MTEF budget provides for training of ECD practitioners, transfers to ECD centres and the purchase of inventory: LTSM (educational toys, story books, workbooks, etc.) and furniture such as desks. Qualified Grade R educators are paid in this programme, while community members who work in crèches and facilitate programmes for young children while receiving training towards an ECD NQF Level 4 qualification to be qualified ECD practitioners are paid through the Social Sector EPWP Incentive Grant for Provinces in Programme 2.

Programme 6: Infrastructure Development fluctuates over the period and shows an increase in 2019/20 as a result of the EIG increase. The fluctuating trend is mainly ascribed to once-off funding from both provincial resources and National Treasury in-year to address infrastructure backlogs, as well as water and sanitation in schools. The increase in the 2018/19 Adjusted Appropriation and Revised Estimate was due

to additional funding received for the flood disaster that occurred in the province, mainly affecting the uMlazi, Pinetown and Ugu districts, in October 2017. This additional funding from National Treasury was received *via* the EIG. The 2019/20 MTEF budget caters for filled and vacant posts which are mainly funded from the grant, maintenance and repairs to schools and office buildings, major upgrades and additions, refurbishments, as well as construction of new infrastructure. In addition, the grant provides for the carry-through funding in respect of the flood disaster that occurred in the province. The department was allocated an amount of R200.319 million in 2019/20 as part of the EIG in this regard. This will be utilised to complete 150 schools, such as Muzomhle primary school and Phakathi primary school in Umlazi district, among others. The department received a score of 75 per cent in respect of the Performance-Based Incentive Grant assessment process for the 2019/20 incentive allocation. Thus, an amount of R138 million was allocated as an incentive and this forms part of the EIG.

Programme 7: Examination and Education Related Services shows fluctuations over the period. The expenditure for this programme is influenced by the number of learners writing matric and common tests in all grades. The 2018/19 Adjusted Appropriation and Revised Estimate shows a decrease because of a reduction in the budget for ETDP SETA. This decrease was due to enforced savings as part of the turnaround strategy. The department indicated that the reason for not reducing the budget to zero over the 2019/20 MTEF, was due to current negotiations between the department and the SETA on the minimum budget required for training still undertaken by this institution. The 2019/20 MTEF growth provides for strengthening of the marking processes. Included in this budget is provision for operating payments due to increased printing for the June and September supplementary exams, examination services, such as printing for continuous assessments for all grades, as well as travelling in the province to provide professional or advisory services in various schools, etc. The HIV and AIDS (Life-Skills Education) grant is also provided for in this programme and includes training and workshops of educators and peer education, purchase of material such as life skills teacher manuals, etc. for the Integrated School Health Programme which refers to a comprehensive programme of health services conducted at schools.

Compensation of employees provided for growth of 6.4 per cent in 2019/20, 8 per cent in 2020/21, and 5.5 per cent in 2021/22. This growth is below the National Treasury prescribed growth rate of 7.8 per cent in 2019/20 and 8 per cent in 2021/22. The department will have to review the budget in future MTEFs, as it indicated that further reprioritisation could not currently be undertaken to sufficiently fund *Compensation of employees*. It is also noted that the budget growth for 2019/20 and 2021/22 is below the prescribed inflationary wage adjustment, although the department was allocated additional funds for the above-budget 2015 wage agreement. This clearly indicates the need to develop a strategy to fill advertised posts considering that most posts in the districts and at head office are anticipated to be filled in 2019/20. The department will have to continue in implementing the turnaround strategy to manage inefficiencies in *Compensation of employees* by addressing areas such as leave management, finalisation of cases for suspended officials, payouts of leave gratuities in district offices, management of appointment of substitute and temporary educators, gradual filling of advertised posts, etc.

Goods and services reflects steady growth from 2015/16 to 2017/18. The negative growth in 2019/20 is due to roll-overs in respect of various conditional grants, as well as in-year reprioritisation that was undertaken in the 2018/19 Adjustments Estimate to address budget pressures in respect of areas such as property payments for higher than budgeted domestic account costs and provision for LTSM. Although there is low growth in 2019/20 and 2020/21, the department has provided for training and development to ensure that educators are developed in various priority areas, and includes workshops and training of SMTs such as Principals, HODs and SGBs, operating payments for printing of memos for NSC exams and printing of continuous assessment common tests for Grades 10 to 12, travel and subsistence for school monitoring, monitoring of school feeding in various district offices in respect of the NSNP grant, provision for the sanitary dignity project, the maintenance and repairs of school infrastructure, purchase of LTSM, among others.

Transfers and subsidies to: Provinces and municipalities relates to renewal of motor vehicle licences. The reduction from the high 2018/19 Adjusted Appropriation and Revised Estimate is ascribed to the costs for registering new vehicles including annual renewal of licences. The department will have to review the MTEF allocations as it is anticipated that buses will be purchased for special schools.

Transfers and subsidies to: Departmental agencies and accounts reflects transfers made to the ETDP SETA in respect of the Skills Development Act. The reduction in the allocation from the 2018/19 Adjusted Appropriation relates to the previously mentioned enforced savings in respect of the transfer to the ETDP SETA. The department implemented a turnaround strategy to manage pressures within the Vote and the department therefore took a decision to reduce its transfer to the SETA in 2018/19 and, to a lesser extent over the 2019/20 MTEF. As previously explained, the department indicated that the non-reduction of the budget to the level of 2018/19 is due to current negotiations between the department and the SETA on the minimum budget required for training still undertaken by this institution.

Transfers and subsidies to: Non-profit institutions fluctuates over the period under review, largely influenced by the unpredictability in learner enrolment numbers in both public ordinary and independent schools. Also, some of the S21 schools opt to procure LTSM through the management agent resulting in lower expenditure against this category. Due to budget pressures, the transfer payments to schools are below the sector norms and standards. The 2019/20 MTEF makes provision for transfers to quintile 1 – 5 schools in respect of public ordinary schools, independent schools, public special schools and ECD centres. The funds are utilised for the purchase of textbooks and stationery for S21(c) schools, as well as for payment of operational costs such as domestic accounts and minor maintenance such as painting and cleaning. As previously explained, the department is in the process of addressing the funding gap for transfers to no-fee schools. Although these schools receive subsidies in respect of payment of domestic accounts, the department assists some schools who are struggling to pay their domestic accounts.

Transfers and subsidies to: Households caters for staff exit costs and fluctuates over the period due to the uncertain nature of the item.

Buildings and other fixed structures fluctuates over the period, largely due to the incentive nature of the EIG, additional funding provided from the provincial fiscus, as well as a baseline reprioritisation that was undertaken against the equitable share from 2014/15 and over the 2015/16 MTEF to fund personnel pressures. The increase in 2019/20 is attributed to the additional amount of R200.319 million in respect of the carry-through funding in respect of the flood disaster that occurred in the province, as well as various capital infrastructure projects. The roll-out of water and sanitation projects, repairs to storm damaged schools and upgrades and additions will also continue. The fluctuating trend over the 2019/20 MTEF relates to the incentive allocation in 2019/20 and the increase in outer years relates to inflation.

Machinery and equipment fluctuates between 2015/16 and 2021/22, due to cost-cutting and enforced savings to ease pressures against personnel. The high 2015/16 amount is due to the procurement of buses for transportation of disabled learners, additional tools of trade including Braille machines, and workshop tools for technical schools, among others. The low 2018/19 Revised Estimate is due to delays in the procurement of tools of trade, as well as workshop equipment for technical schools against the MST grant. The 2019/20 MTEF provides mainly for the MST grant, for the purchase of workshop tools for technical schools, purchase of school buses for 72 special schools, purchase of vehicles in respect of the LPID grant, as well as the replacement of tools of trade such as office furniture and computers for the department.

Software and other intangible assets reflects a lower allocation over the 2019/20 MTEF mainly in respect of ICT in schools, and is mainly funded from the MST grant. The 2018/19 Revised Estimate is high due to the anticipated purchase of ICT equipment in schools. The 2019/20 MTEF provides for ICT in 88 schools, progressive upgrading of IT at an administration level, as well as strengthening EMIS to improve data credibility in schools.

Payments for financial assets relates to the previously mentioned first charge for the unauthorised expenditure which was not approved by SCOPA with last instalment paid in 2017/18.

7.4 Summary of conditional grant payments and estimates

Tables 5.6 and 5.7 provide a summary of conditional grant payments and estimates by programme and economic classification for the period 2015/16 to 2021/22. Note that the historical figures set out in Table 5.6 reflect actual expenditure per grant, and should not be compared to those in Table 5.1, which represent the actual receipts with respect to each grant. The department continues to administer seven conditional grants over the 2019/20 MTEF, details of which are included in the *Annexure – Vote 5: Education*.

Table 5.6 : Summary of conditional grant payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Education Infrastructure grant	1 978 683	2 045 211	2 333 142	1 866 435	2 016 435	2 016 435	2 187 162	2 013 404	2 169 050
HIV and AIDS (Life-Skills Education) grant	50 588	55 074	64 262	58 922	58 922	56 261	62 155	65 450	69 050
National School Nutrition Programme grant	1 287 034	1 246 976	1 437 448	1 534 878	1 664 215	1 661 715	1 621 291	1 710 462	1 804 538
Maths, Science and Technology grant	59 998	63 468	55 512	61 203	67 351	54 851	64 638	67 079	70 663
Social Sector EPWP Incentive Grant for Provinces	3 000	27 365	4 297	27 004	27 004	26 475	24 814	-	-
EPWP Integrated Grant for Provinces	2 644	2 844	2 123	2 000	2 000	1 897	2 028	-	-
Learners with Profound Intellectual Disabilities grant	-	-	2 696	27 230	28 330	27 738	32 279	34 586	36 488
OSD for Education Sector Therapists grant	13 079	-	-	-	-	-	-	-	-
Total	3 395 026	3 440 938	3 899 480	3 577 672	3 864 257	3 845 372	3 994 367	3 890 981	4 149 789

Table 5.7 : Summary of conditional grant payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	1 415 639	1 418 425	2 047 749	1 902 037	2 169 637	2 150 747	2 048 705	2 129 649	2 294 974
Compensation of employees	41 026	69 097	53 887	120 515	103 552	101 112	126 430	103 789	112 308
Goods and services	1 374 569	1 349 328	1 993 862	1 781 522	2 066 085	2 049 635	1 922 275	2 025 860	2 182 666
Interest and rent on land	44	-	-	-	-	-	-	-	-
Transfers and subsidies to:	12 178	15 680	20 062	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	12 178	15 680	20 000	-	-	-	-	-	-
Households	-	-	62	-	-	-	-	-	-
Payments for capital assets	1 967 209	2 006 833	1 831 669	1 675 635	1 694 620	1 694 625	1 945 662	1 761 332	1 854 815
Buildings and other fixed structures	1 967 178	2 006 568	1 826 473	1 652 891	1 680 358	1 680 358	1 918 600	1 737 968	1 832 741
Machinery and equipment	31	265	5 196	18 744	10 262	10 267	26 562	22 864	21 574
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	4 000	4 000	4 000	500	500	500
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 395 026	3 440 938	3 899 480	3 577 672	3 864 257	3 845 372	3 994 367	3 890 981	4 149 789

It should be noted that the 2018/19 Revised Estimate does not correspond to the December IYM which showed a projected balanced budget against all grants. The department indicated that this was to be corrected in the January IYM as the grants were showing projected under-spending at programme level.

The EIG sees a marginal increase in 2019/20. Although this grant was meant to supplement the equitable share funded infrastructure budget, it now forms a major portion following the reduction of the equitable share. The increase in 2019/20 includes R200.319 million in terms of disaster relief funding for repairs of schools damaged in the October 2017 flood disaster. Various projects are funded by the grant including upgrades, refurbishment, maintenance and repairs, as well as new schools. An estimated 169 projects are budgeted for completion in 2019/20. These include Sibomvu combined primary school in King Cetshwayo district, Singele high school in Ugu district, Siqongweni secondary school in uMgungundlovu district, etc. It should be noted that the grant framework allows for the utilisation of 20 per cent of the grant funding towards maintenance of schools and this has been provided for over the 2019/20 MTEF. As mentioned, an amount of R188 million was allocated as an incentive and this forms part of the EIG.

The HIV and AIDS (Life-Skills Education) grant funds a life-skills programme aimed at creating awareness in respect of this epidemic among learners and educators. This grant sees inflationary growth over the MTEF and thus provides for the grant activities, including the payment of stipends to learner support agents to undertake on-site peer education and care support programmes in schools on a day-to-day basis, in order to monitor social issues affecting the learners. These include focussing on keeping girls in school, training of educators to implement comprehensive sexuality education and TB prevention programmes. SMTs and SGBs will be trained to develop policy implementation plans focussing on keeping young girls in school, advocacy and social mobilisation events such as World AIDS Day, information on safe circumcision in secondary schools, etc. In addition, the department will undertake the training of educators and peer education, as well as the purchase of material for an Integrated School Health Programme such as life skills teacher manuals.

The allocation for the NSNP grant shows an upward trend. The coverage of the NSNP grant was expanded to include quintile 3 secondary schools since 2013. Also, this includes coverage of quintiles 4 and 5 learners from disadvantaged backgrounds. It should be noted that the negative growth from the 2018/19 Revised Estimate to 2019/20 mainly relates to the roll-over that was approved in the 2018/19 Adjustments Estimate. The 2019/20 allocation provides for *Compensation of employees* for staff to monitor feeding in districts (Director, Field Workers, Food Handlers, Deputy Directors and Assistant Directors), as well as *Machinery and equipment* for the purchase of 10 vehicles. This grant also provides for school feeding, including the payment of food handlers at a ratio of 1:200 with a minimum honorarium of R1 271 per person for 12 months. The targeted number of learners is 2 330 421 in 5 279 schools, including primary, secondary and special schools in quintiles 1 – 3 and 144 166 learners from quintiles 4 to 5.

The MST grant has been affected by slow spending mainly due to delays in SCM processes, as reflected in the 2018/19 Revised Estimate. The budget over the MTEF caters for the equipping of technical secondary schools with the necessary equipment to enhance curriculum delivery and thus increasing the number of suitably qualified and technically skilled learners within quintiles 1 – 3 schools. The MTEF also provides for training and development in terms of structured training in teaching methodologies and subject content for an estimated 4 000 educators and subject advisors in Mathematics, Physical Science, computer applications and technology subjects, as well as purchase of ICT equipment such as computer hardware and software for 1 000 schools.

The Social Sector EPWP Incentive Grant for Provinces is only provided for from 2015/16 to 2019/20 at this stage and decreases in 2019/20 to R24.814 million. This grant is utilised for the appointment of food handlers and data capturers for the NSNP grant programme, as well as utilising community members in social projects such as gardening in schools or crèches, and some who teach at crèches, thus assisting in job creation and poverty alleviation. The 2019/20 allocation will be utilised towards the appointment of chief food handlers and ECD practitioners.

The EPWP Integrated Grant for Provinces is aimed at providing incentives to use members of the community in projects. The programme targets the cleaning of school gardens, grounds and ablution facilities through labour intensive methods utilising unemployed youth and indigent women. The department receives R2.028 million for the first year of the MTEF only, at this stage.

The LPID grant was first introduced in 2017/18 and provides educational opportunities to learners with severe and profound intellectual disabilities. The 2017/18 allocation was to appoint Therapists, Chief Psychologists, as well as a Deputy Chief Education Specialists. The purchase of vehicles was undertaken, as well as travelling and accommodation by outreach teams (Therapists and Psychologists) to monitor the DSD care centres for children with profound disabilities, who are severely intellectually challenged and therefore cannot attend normal special schools. The 2019/20 MTEF provides for the continuous implementation of the grant and monitoring of DSD care centres. Also, the grant provides for the anticipated purchase of LTSM toolkits such as sign motor equipment, gross motor equipment and communication toolkits for care centres, payments for office equipment leases, travel and subsistence costs, travel agency fees for monitoring various DSD care centres, training of care-givers responsible for teaching learners with intellectual disabilities, purchase of office furniture and equipment, as well as vehicles for various teams in district offices.

Funding relating to the OSD for Education Sector Therapists grant was allocated to allow for the full implementation of the Education Labour Relations Council (ELRC) Collective Agreement 1 of 2012 and the grant was phased into the equitable share from 2016/17.

7.5 Summary of infrastructure payments and estimates

Table 5.8 presents a summary of infrastructure payments and estimates by category for the Vote, including both capital and current infrastructure for the period 2015/16 to 2021/22. Detailed information on infrastructure is given in the *2019/20 Estimates of Capital Expenditure (ECE)*. The infrastructure budget fluctuates over the period. The reduction of the equitable share portion of the infrastructure budget, which commenced in 2014/15 and was carried through the baseline, has had a negative impact on the roll-out of the infrastructure programme, with the infrastructure budget mainly provided from the EIG.

Table 5.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Existing infrastructure assets	1 943 009	2 208 888	2 019 203	1 810 334	2 082 406	1 938 900	2 227 257	2 104 902	2 247 157
Maintenance and repair: Current	214 383	313 588	496 176	395 000	517 533	515 667	464 131	486 459	506 976
Upgrades and additions: Capital	1 279 912	1 144 873	1 267 197	1 061 108	988 917	1 072 716	1 284 481	1 181 869	1 172 556
Refurbishment and rehabilitation: Capital	448 714	750 427	255 830	354 226	575 956	350 517	478 645	436 573	567 625
New infrastructure assets: Capital	614 986	275 074	423 235	321 357	199 285	340 925	261 525	231 408	262 571
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	92 336	83 233	44 000	44 000	44 000	46 000	46 000	48 530
Non infrastructure¹	-	44 923	22 582	54 916	54 916	54 129	57 591	58 591	61 803
Total	2 557 995	2 621 221	2 548 253	2 230 607	2 380 607	2 377 954	2 592 373	2 440 901	2 620 061
<i>Capital infrastructure</i>	<i>2 343 612</i>	<i>2 170 374</i>	<i>1 946 262</i>	<i>1 736 691</i>	<i>1 764 158</i>	<i>1 764 158</i>	<i>2 024 650</i>	<i>1 849 851</i>	<i>2 002 752</i>
<i>Current infrastructure</i>	<i>214 383</i>	<i>405 924</i>	<i>579 409</i>	<i>439 000</i>	<i>561 533</i>	<i>559 667</i>	<i>510 131</i>	<i>532 459</i>	<i>555 506</i>

1. Non infrastructure is a stand-alone item, and is therefore excluded from Capital infrastructure and Current infrastructure, but it is included in the overall total

Existing infrastructure assets fluctuates over the seven-year period. The increase in the 2018/19 Adjusted Appropriation relates to additional funds for the wind storm that damaged schools on 17 September 2017, as well as flood relief in respect of flood damage that occurred on 10 October 2017 mainly in the uMlazi, Pinetown and Ugu districts. This additional allocation, which forms part of the EIG, was from the National Disaster Relief Fund and was utilised specifically for the 86 projects verified by National COGTA. The MTEF provides for various ongoing infrastructure projects, explained below.

- *Maintenance and repair: Current* fluctuates over the seven-year period. The 2019/20 MTEF provides for the de-sludging programme, chemical toilets and other maintenance programmes at various schools and administration buildings, including circuit and district offices. The EIG allocations for the 2019/20 MTEF include specific amounts for maintenance of R58.747 million in 2019/20, R64.621 million and R76.371 million in the two outer years, respectively. This caters for 370 maintenance projects to be undertaken over the MTEF. The department plans to maintain and keep existing ablution facilities in good working condition, while planning and constructing permanent facilities according to the norms and standards. This will be undertaken through de-sludging of pit toilets and septic tanks where needed, provision of interim ablution facilities, as well as the repair and maintenance of existing ablution facilities. Furthermore, this category caters for major and minor repairs to schools across the province, such as Vuthela primary school in Zululand district, Richards Bay secondary school in King Cetshwayo district, Anjuman Islamic primary school in Umlazi district, etc.
- *Upgrades and additions: Capital* makes up the largest portion of the infrastructure budget, as follows:
 - The allocation fluctuates over the seven-year period due to the carry-through costs of the reprioritisation that was undertaken over the 2015/16 MTEF to ease pressures against *Compensation of employees*. In 2019/20, the department will continue with work at the 37 schools who are at construction stage in respect of the eradication of existing pit toilets funded from the EIG. The districts with the highest number of schools with pit toilets are Zululand, uMkhanyakude and uMzinyathi. There are 778 schools which require sanitation improvements. These have been assessed and are planned for implementation in 2019/20, with the department now needing to access these funds via the DBE as these funds are held in the Schools Infrastructure Backlogs grant. All nine provinces will apply for funding via a mechanism still to be communicated by DBE. The department indicated that the scope of work includes construction of boy's urinals and girls toilets as well as staff and disabled toilet blocks.
 - The MTEF provides for upgrade projects in various districts, such as Ohlange high school in Pinetown district, Open Gate special school in uMgungundlovu district, Sithobelumthetho primary school in Amajuba, Phumanyova high school and Dingukwazi secondary school in Zululand, etc. The infrastructure programmes relating to additions and/or renovations of schools to accommodate learners with special needs, boarding facilities, as well as office accommodation will continue in 2019/20. The budget in 2021/22 is ascribed to the projects which will be finalised in the outer year.
- *Refurbishment and rehabilitation: Capital* fluctuates over the seven-year period. This fluctuation is attributed to the decrease in 2017/18 due to reprioritisation that was undertaken to address a shortfall in

school upgrade projects. It is noted that the EIG includes an additional allocation of R200.319 million in 2019/20 to finalise 150 projects relating to the flood disaster that damaged school infrastructure in 2017. The projects include Muzomhle primary school and Phakathi primary school in Umlazi district, as well as Umuzokhanyayo primary school in Ugu district.

- *New infrastructure assets: Capital* fluctuates over the seven-year period. The MTEF provides for the continued construction of various new schools which have already commenced and are progressing well including Siphumele secondary school in King Cetshwayo district, Bloemfontein primary school in Harry Gwala district, Illovu primary school and Collingwood primary school in Umlazi district, La Mercy Maths and Science Academy in Pinetown district, among others. Provision of furniture for these schools will be funded as part of the projects using EIG funding.

Infrastructure: Leases caters for the leasing of office buildings in various district offices. The low budget growth in the first two years of the MTEF is noted and will be addressed by the department in-year.

Non infrastructure provides for *Compensation of employees* for officials appointed through DORA. A total number of 69 posts were filled as at December 2018 from the 76 DORA funded posts against the EIG. The vacant posts included an Architect and Electrical Engineer post, GIS technician, Chief Director: IDMS, etc. which are anticipated to be filled early in 2019/20.

7.6 Public Private Partnerships – Nil

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Table 5.9 provides details of transfers made to other entities over the seven-year period.

Table 5.9 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) other entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Transfers to public entities	-	-	-	-	-	-	-	-	-
Transfers to other entities	1 734 980	1 775 966	1 711 146	1 899 060	1 590 406	1 590 415	1 933 767	2 045 449	2 157 949
Section 21 schools	1 417 671	1 437 301	1 368 807	1 520 862	1 332 180	1 332 180	1 608 322	1 698 980	1 792 424
Section 20 schools (petty cash)	8 913	9 013	6 970	7 640	7 640	7 640	8 016	8 457	8 922
Independent schools	77 278	80 900	82 980	91 028	84 028	84 028	96 125	101 411	106 989
Public special schools	123 927	130 964	133 488	152 161	137 845	137 845	150 682	159 520	168 294
ECD centres	17 022	18 851	29 404	33 459	28 713	28 722	36 453	38 458	40 573
ETDP SETA	78 139	83 257	89 497	93 910	-	-	34 169	38 623	40 747
HIV and AIDS (Life-Skills Edu.) grant	12 030	15 680	-	-	-	-	-	-	-
Total	1 734 980	1 775 966	1 711 146	1 899 060	1 590 406	1 590 415	1 933 767	2 045 449	2 157 949

S21 schools receive the school allocation as a monetary transfer for the functions allocated to them and must administer the funds in accordance with the provisions of the SASA. These schools carry out their own procurement and deal directly with suppliers and contractors in accordance with standard procurement procedures. The allocations for the 2019/20 MTEF include provision for claims of learners who cannot pay for school fees and are therefore exempted from paying, as per the “No-Fee School” policy. These funds are therefore claimed by the school on behalf of learners. It should be noted that the department still subsidises no-fee schools below the norms and standards level. The department indicated that the rationalisation of non-viable schools should have a positive impact on this ratio. Also, the department plans to improve the use of IT systems such as SA-SAMS and LURITS to ensure accuracy in reported learner numbers. It should be noted that schools which are having challenges in paying their domestic accounts are assisted by the department. These are additional funds which are paid by the department and should therefore be included in the norms and standards in an attempt to address the funding gap. The growth over the 2019/20 MTEF mainly relates to purchases of LTSM such as textbooks, library books, charts, computer hardware and software, home economics equipment, etc. as well as non-LTSM expenditure such as minor repairs and maintenance, cleaning equipment, first aid kits, sporting equipment, electricity and water, rates and taxes, etc.

The Non-S21 schools or S20 schools may only procure *Goods and services* through district offices and thus only receive 10 per cent of their allocation as an electronic bank cash transfer which is meant to assist the schools with their day-to-day running expenses. The 2019/10 MTEF reflects an inflationary increase.

As mentioned, the subsidies to independent schools are based on learner numbers as verified at the beginning of the school year. The high growth in 2019/20 can mainly be ascribed to the reduction of the budget during the 2018/19 Adjustments Estimate. This relates to funds which were temporarily allocated against this line item to be surrendered, as mentioned. The growth in the two outer years is inflationary.

Public special schools transfers reflect a steady growth from 2015/16 to 2017/18. The reduction in the 2018/19 Adjustments Estimate relates to funds which were temporarily allocated against this line item to be surrendered in the 2018/19 Adjustments Estimate. The growth in the two outer years is inflationary.

ECD centres reflect steady growth from 2015/16 to 2016/17, while the high 2017/18 amount relates to compliance to transfer requirements by most schools with Grade R. The reduction of the budget during the 2018/19 Adjustments Estimate relates to funds which were temporarily allocated against this line item to be surrendered. The 2019/20 MTEF reflects steady growth, and provides for operational costs for the purchase of some of the LTSM and core materials for Grade R classes.

ETDP SETA transfers relate to the contribution by the department to ETDP SETA, as per the Skills Development Act. The budget was significantly reduced in 2018/19 due to the implementation of the turnaround strategy to manage *Compensation of employees* pressures and address other inefficiencies within the Vote. The decrease over the 2019/20 MTEF is due to the carry-through of the reprioritisation that was undertaken in the 2018/19 Adjustments. The department indicated that 2019/20 MTEF budget was not reduced to the level of 2018/19 due to current negotiations between the department and the SETA on the minimum budget required for training that is still undertaken by this institution.

HIV and AIDS (Life Skills-Education) grant reflects transfers to schools for the procurement of uniforms and other needs for orphaned and vulnerable children. The decrease to zero from 2017/18 onwards was to correctly allocate the budget to *Goods and services* for advocacy campaigns and training and development, in line with the grant framework.

7.8 Transfers to local government

It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds are not transferred to any municipality, and therefore the table reflecting transfers to local government is excluded.

7.9 Transfers and subsidies

Table 5.10 provides a summary of transfers and subsidies by programme and main category. It is noted that the department mainly transfers funds to schools. Details are provided above and below the table.

- Programme 1, Transfers and subsidies caters for:
 - *Provinces and municipalities* relates to motor vehicle licences.
 - *Households* under this programme reflects staff exit costs.
 - *Other transfers to households* caters for external bursaries for non-employees. These were awarded in respect of the youth empowerment programme to assist students from disadvantaged backgrounds to study towards and education-related qualification in Mathematics and Science.
- With regard to Programme 2, *Transfers and subsidies* caters for:
 - *Non-profit institutions* reflects transfer payments to schools which should be according to sectorally determined norms and standards. As previously explained, the department still subsidises no-fee schools below the set norms and standards. The growth over the 2019/20 MTEF mainly relates to purchases of LTSM such as textbooks, library books, charts, computer hardware and software, home economics equipment, etc. as well as non-LTSM expenditure such as minor repairs and maintenance, cleaning equipment, first aid kits, sporting equipment, electricity and water, rates and taxes, etc.
 - *Households* fluctuates over the period under review and caters for staff exit costs.

Table 5.10 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	16 976	20 433	22 611	36 185	37 185	37 366	23 211	25 313	26 705
Provinces and municipalities	1 702	1 331	2 561	1 287	2 287	2 287	1 359	1 434	1 513
Motor vehicle licences	1 702	1 331	2 561	1 287	2 287	2 287	1 359	1 434	1 513
Households	15 274	19 102	20 050	34 898	34 898	35 079	21 852	23 879	25 192
Staff exit costs	15 274	19 102	20 050	34 898	31 498	33 035	21 852	23 879	25 192
External bursaries	-	-	-	-	3 400	2 044	-	-	-
2. Public Ordinary School Education	1 573 083	1 585 607	1 519 093	1 579 596	1 464 824	1 464 920	1 692 293	1 789 360	1 887 775
Non-profit institutions	1 426 584	1 446 314	1 375 777	1 528 502	1 339 820	1 339 820	1 616 338	1 707 437	1 801 346
Section 21 schools	1 417 671	1 437 301	1 368 807	1 520 862	1 332 180	1 332 180	1 608 322	1 698 980	1 792 424
Section 20 schools	8 913	9 013	6 970	7 640	7 640	7 640	8 016	8 457	8 922
Households	146 499	139 293	143 316	51 094	125 004	125 100	75 955	81 923	86 429
Staff exit costs	146 499	139 293	143 316	51 094	125 004	125 004	75 955	81 923	86 429
Other transfers to households	-	-	-	-	-	96	-	-	-
3. Independent School Subsidies	77 278	80 900	82 980	91 028	84 028	84 028	96 125	101 411	106 989
Non-profit institutions	77 278	80 900	82 980	91 028	84 028	84 028	96 125	101 411	106 989
Independent schools	77 278	80 900	82 980	91 028	84 028	84 028	96 125	101 411	106 989
4. Public Special School Education	127 316	134 830	135 946	153 986	139 670	140 331	152 609	161 553	170 439
Non-profit institutions	123 927	130 964	133 488	152 161	137 845	137 845	150 682	159 520	168 294
Schools	123 927	130 964	133 488	152 161	137 845	137 845	150 682	159 520	168 294
Households	3 389	3 866	2 458	1 825	1 825	2 486	1 927	2 033	2 145
Staff exit costs	3 389	3 866	2 458	1 825	1 825	2 486	1 927	2 033	2 145
5. Early Childhood Development	17 475	19 002	29 672	33 459	28 713	29 077	36 453	38 458	40 573
Non-profit institutions	17 022	18 851	29 404	33 459	28 713	28 722	36 453	38 458	40 573
ECD centres	17 022	18 851	29 404	33 459	28 713	28 722	36 453	38 458	40 573
Households	453	151	268	-	-	355	-	-	-
Staff exit costs	453	151	268	-	-	355	-	-	-
6. Infrastructure Development	-	-	62	-	-	-	-	-	-
Households	-	-	62	-	-	-	-	-	-
Staff exit costs	-	-	62	-	-	-	-	-	-
7. Examination and Education Related Services	96 024	104 752	94 549	93 910	-	23	39 169	44 623	47 077
Departmental agencies and accounts	78 139	83 257	89 497	93 910	-	-	34 169	38 623	40 747
ETDP SETA	78 139	83 257	89 497	93 910	-	-	34 169	38 623	40 747
Non-profit institutions	12 030	15 680	-	-	-	-	-	-	-
HIV and AIDS (Life Skills-Education) grant	12 030	15 680	-	-	-	-	-	-	-
Households	5 855	5 815	5 052	-	-	23	5 000	6 000	6 330
Staff exit costs	5 855	5 815	5 052	-	-	23	5 000	6 000	6 330
Total	1 908 152	1 945 524	1 884 913	1 988 164	1 754 420	1 755 745	2 039 860	2 160 718	2 279 558

- With regard to Programme 3, *Transfers and subsidies* provides for:
 - *Non-profit institutions* relates to funds which are transferred to independent schools. As previously mentioned, the decrease in the 2018/19 Adjusted Appropriation relates to the non-transfer of subsidies to new schools attributed to the temporary allocation of funds to this line item that were to be surrendered. The steady growth over the 2019/20 MTEF relates to inflationary increases.
- With regard to Programme 4, *Transfers and subsidies* caters for:
 - *Non-profit institutions* decreases in the 2018/19 Adjusted Appropriation due to the non-transfer of subsidies to new schools attributed to the temporary allocation of funds to this line item that were to be surrendered. The steady growth over the MTEF is due to inflationary increases in respect of transfers to special schools who meet the transfer requirements, and is for the purchase of LTSM.
 - *Households* caters for staff exit costs.
- With regard to Programme 5, *Transfers and subsidies* relates to:
 - *Non-profit institutions* reflects payments to ECD centres. The decrease in the 2018/19 Adjusted Appropriation relates to the temporary allocation of funds to this line item that were to be surrendered. The growth over the 2019/20 MTEF relates to inflationary increases.
 - *Households* caters for staff exit costs.
- With regard to *Transfers and subsidies* in Programme 7:
 - Payments to the ETDP SETA are provided for against *Departmental agencies and accounts* in respect of the skills development levy. As previously mentioned, the budget was reduced to zero in 2018/19 due to the implementation of the turnaround strategy to manage *Compensation of*

employees pressures and address other inefficiencies within the Vote. The decrease over the 2019/20 MTEF is due to the carry-through of the reprioritisation that was undertaken. This is still being negotiated with the SETA, as mentioned.

- o *Non-profit institutions* previously made provision for the HIV and AIDS (Life-Skills Education) grant for transfer to schools in respect of the purchase of school uniforms for orphans, etc. This transfer is discontinued from 2017/18 in line with revisions to the grant framework.
- o *Households* caters for staff exit costs.

8. Programme description

The services rendered by the department are categorised under seven programmes for the 2019/20 MTEF, which conform to the revised uniform budget and programme structure for the Education sector. The payments and estimates for each programme are summarised in terms of sub-programmes and economic classification, and detailed in the *Annexure – Vote 5: Education*.

8.1 Programme 1: Administration

Programme 1 has five sub-programmes that are responsible for the functioning of the Office of the MEC for Education, overall management of the education system, education management services for the education system, human resource development for office-based staff and the EMIS. Tables 5.11 and 5.12 reflect payments and budgeted estimates relating to this programme for the period 2015/16 to 2021/22.

Table 5.11 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Office of the MEC	13 486	14 071	8 131	40 464	17 188	11 421	17 509	18 468	19 514
2. Corporate Services	926 955	1 066 668	1 094 852	1 072 660	970 979	1 021 935	1 052 696	1 081 420	1 140 898
3. Education Management	645 901	771 558	708 434	797 834	690 791	675 477	714 658	734 373	774 763
4. Human Resource Development	38 702	10 433	1 366	14 784	6 784	2 516	5 612	6 471	6 827
5. Education Management Information System (EMIS)	29 767	25 837	30 619	59 084	59 084	33 477	62 392	65 823	69 443
Total	1 654 811	1 888 567	1 843 402	1 984 826	1 744 826	1 744 826	1 852 867	1 906 555	2 011 445
Unauth. Exp. (1st charge) not available for spending	(31 892)	(31 893)	(31 892)	-	-	-	-	-	-
Baseline available for spending after 1st charge	1 622 919	1 856 674	1 811 510	1 984 826	1 744 826	1 744 826	1 852 867	1 906 555	2 011 445

Table 5.12 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	1 508 794	1 804 058	1 782 892	1 947 309	1 700 309	1 700 765	1 823 701	1 875 185	1 978 349
Compensation of employees	1 052 419	1 124 805	1 151 332	1 508 404	1 258 404	1 168 760	1 342 230	1 373 798	1 449 384
Goods and services	454 688	678 830	630 334	438 905	439 905	529 924	481 471	501 387	528 965
Interest and rent on land	1 687	423	1 226	-	2 000	2 081	-	-	-
Transfers and subsidies to:	16 976	20 433	22 611	36 185	37 185	37 366	23 211	25 313	26 705
Provinces and municipalities	1 702	1 331	2 561	1 287	2 287	2 287	1 359	1 434	1 513
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	15 274	19 102	20 050	34 898	34 898	35 079	21 852	23 879	25 192
Payments for capital assets	97 149	32 183	6 007	1 332	7 332	6 695	5 955	6 057	6 391
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	97 149	32 128	5 869	1 332	7 332	6 695	5 955	6 057	6 391
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	55	138	-	-	-	-	-	-
Payments for financial assets	31 892	31 893	31 892	-	-	-	-	-	-
Total	1 654 811	1 888 567	1 843 402	1 984 826	1 744 826	1 744 826	1 852 867	1 906 555	2 011 445
Unauth. Exp. (1st charge) not available for spending	(31 892)	(31 893)	(31 892)	-	-	-	-	-	-
Baseline available for spending after 1st charge	1 622 919	1 856 674	1 811 510	1 984 826	1 744 826	1 744 826	1 852 867	1 906 555	2 011 445

As mentioned, the department is liable for the repayment of the previous year's over-expenditure, resulting in a first charge against the budget. The first charge is allocated under the sub-programme: Education Management against *Payments for financial assets* and the last instalment was paid in 2017/18.

The sub-programme: Office of the MEC reflects a fluctuating trend and a reduction in the 2018/19 Adjusted Appropriation was to correct the location of the bursary provision to Corporate Services. The historic figures were restated for comparative purposes. The steady growth over the 2019/20 MTEF provides for various activities including communication through radio and television for broadcasting departmental programmes such as the reports from the unannounced school functionality monitoring visits, as well as community engagements.

The sub-programme: Corporate Services reflects steady growth from 2016/17 to 2018/19, which also takes into account the provision for bursaries, as indicated above. Furthermore, the growth relates to the movement of operating leases from Programme 6 as the management of office buildings and leases is against this programme. The historic figures were adjusted for comparative purposes. The fluctuations against the Main Appropriation, Adjusted Appropriation and Revised Estimate relate to budget adjustments that were undertaken against *Compensation of employees* to offset pressures against Programme 2, while *Goods and services* was higher than anticipated against property payments and outsourced services for management of incapacity leave cases. The 2019/20 MTEF provides for computer services for SITA data lines in all districts, property payments including security and cleaning services, domestic accounts for all district offices, maintenance costs of office buildings, operating leases for office buildings and *Machinery and equipment*, printing and publication such as annual reports and annual performance plans, as well as communication costs in respect of telephones and faxes for all districts.

The sub-programme: Education Management is inclusive of all costs related to education delivery requirements, such as district monitoring of school functionality, teaching and learning, as well as monitoring of the payment of Office-Based Educator salaries. The reduction in the Adjusted Appropriation was due to the non-filling of posts, as a result savings were used to offset pressures within the Vote. The 2019/20 MTEF reflects a steady increase due to the anticipated appointment of critical staff in districts. In addition, the budget caters for travel and subsistence for school functionality monitoring in various district offices, communication costs such as telephone and fax in various district offices, as well as training and guidance of educators in respect of curriculum changes. Furthermore, the budget in the two outer years provides for the replacement of tools of trade such as computers and office furniture.

The Human Resource Development sub-programme provides for the training of administration support personnel on good governance and other policy developments. The low 2018/19 Adjusted Appropriation was due to enforced savings against training and development in line with the turnaround strategy. The steady growth over the 2019/20 MTEF is in line with the turnaround strategy.

The EMIS sub-programme provides for the roll-out of the SA-SAMS together with the LURITS to enable the department to have up-to-date learner data. The programme has a strong EMIS focus to assist schools in the completion of the Annual School Survey which informs the indicative budget allocations to schools based on learner numbers. The 2019/20 MTEF provides for the maintenance of these systems in order to ensure that accurate school information is provided by the schools.

Compensation of employees shows significant growth above inflation in 2019/20 mainly ascribed to delays in filling critical vacant posts in 2018/19 accounting for the reduction in the Adjusted Appropriation. It should be noted that the department requested to fill 238 posts which relate to public service employees and Office-Based Educators in district offices and at head office. The approval to fill these posts was granted in August 2018 by the OTP. The department reported that only 18 senior management posts, including Deputy Director-General: Corporate Management, Deputy Director-General: Curriculum Management, District Directors, Chief Director: Operations Management, Director: Inclusive Education, etc. were advertised in September 2018 and these are at interview stages, hence these posts are anticipated to only be filled in the third and fourth quarters of 2019. Also, the 26 Deputy Directors: HR and Finance posts, 79 Level 7 – 9 posts (HR and Finance), 82 Circuit Managers and 33 Subject Advisory: Mathematics and Science posts were advertised in October 2018 and shortlisting and interviews are projected before the end of 2018/19. The department will have to review the budget allocations for

2020/21 and 2021/22 and gradually fill posts as savings become available as it is below the growth rate prescribed by National Treasury, and this does not provide for the filling of posts.

Note that additional funding was allocated in the 2011/12 MTEF for improving infrastructure support. As mentioned earlier, this funding was specifically and exclusively appropriated and the department has filled administrative support staff posts who assist the Works Inspectors. The department envisages the filling of vacant Works Inspector posts over the 2019/20 MTEF. Amounts of R12.605 million, R13.298 million and R14.029 million remain ring-fenced for this purpose over the three years of the 2019/20 MTEF.

Goods and services reflects a high 2018/19 Revised Estimate mainly ascribed to pressures in respect of advertising for recruitment, as well as radio broadcasting services, telephone and fax costs for various district offices, fuel and repairs of departmental vehicles and payments for the assessment of PILIR cases. The 2019/20 MTEF reflects a steady inflationary increase in respect of these operational costs.

Transfers and subsidies to: Provinces and municipalities relates to the payment of motor vehicle licences.

Transfers and subsidies to: Households caters for staff exit costs.

Machinery and equipment fluctuates over the period is ascribed to the replacement of redundant vehicles and other tools of trade such as computers and office furniture.

Software and other intangible assets relates to the software upgrades to EMIS.

Payments for financial assets relates to the previously mentioned first charge for the unauthorised expenditure which was not approved by SCOPA with last instalment paid in 2017/18.

Service delivery measures: Administration

Table 5.13 illustrates the main service delivery measures relevant to Programme 1. The department has complied with the service delivery measures as prescribed by the Education sector. It is noted that almost all the targets over the MTEF remain constant.

Table 5.13 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
To bring effective management to all levels of the system	• No. of public schools that use the school administration and management systems to electronically provide data	5 957	5 957	5 957	5 957
	• No. of public schools that can be contacted electronically (e-mail)	5 957	5 957	5 957	5 957
	• % of education expenditure going towards non-personnel items	8.04%	8.05%	8.05%	8.05%
	• % of schools visited at least twice a year by district officials for monitoring and support purposes	100%	100%	100%	100%

8.2 Programme 2: Public Ordinary School Education

This programme houses the core function of the department, and its aim is the provision of public ordinary schools from Grades 1 to 12, in accordance with the SASA. This programme has six sub-programmes, which have the following objectives:

- To provide specific public primary ordinary schools with resources for the Grade 1 to 7 levels.
- To provide specific public secondary ordinary schools with resources for the Grade 8 to 12 levels.
- To provide departmental services for the professional and other development of educators and non-educators in public ordinary schools.
- Human resource development for educators and non-educators.
- To provide additional and departmentally managed sporting and cultural activities in public ordinary schools.
- To provide for various national projects funded through conditional grants, namely NSNP grant, MST grant, Social Sector EPWP Incentive Grant for Provinces, and EPWP Integrated Grant for Provinces.

Tables 5.14 and 5.15 reflect payments and budgeted estimates for the period 2015/16 to 2021/22. This programme includes the budget for educators, i.e. salaries and professional development needs. The largest portion of the budget under this programme is allocated to the sub-programme: Public Primary Schools, in proportion to the number of institutions in this sub-programme, as well as the number of learners attending these schools. The specific conditional grants are reflected as sub-programmes.

Table 5.14 : Summary of payments and estimates by sub-programme: Public Ordinary School Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Public Primary Level	19 906 179	21 096 233	22 602 301	24 613 295	24 554 326	24 173 473	25 839 771	27 825 682	29 356 091
2. Public Secondary Level	14 177 406	15 163 441	16 011 249	16 222 290	16 403 285	16 873 279	17 605 540	19 067 509	20 116 220
3. Human Resource Development	68 369	175 847	87 550	130 917	130 917	63 535	107 888	108 442	114 407
4. School Sport, Culture and Media Services	33 513	50 012	27 559	34 886	41 886	35 759	45 720	49 795	52 534
5. Conditional grants	1 394 927	1 340 653	1 499 380	1 625 085	1 760 570	1 744 938	1 712 771	1 777 541	1 875 201
National School Nutrition Programme (NSNP) grant	1 326 761	1 246 976	1 437 448	1 534 878	1 664 215	1 661 715	1 621 291	1 710 462	1 804 538
EPWP Integrated Grant for Provinces	2 644	2 844	2 123	2 000	2 000	1 897	2 028	-	-
Social Sector EPWP Incentive Grant for Provinces	3 000	27 365	4 297	27 004	27 004	26 475	24 814	-	-
Maths, Science and Technology grant	62 522	63 468	55 512	61 203	67 351	54 851	64 638	67 079	70 663
Total	35 580 394	37 826 186	40 228 039	42 626 473	42 890 984	42 890 984	45 311 690	48 828 969	51 514 453

Table 5.15 : Summary of payments and estimates by economic classification: Public Ordinary School Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	34 007 280	36 240 565	38 704 290	41 028 695	41 418 160	41 417 643	43 597 815	47 022 027	49 609 096
Compensation of employees	31 252 905	33 747 306	35 993 428	38 152 894	38 397 640	38 480 472	40 769 303	44 064 441	46 487 983
Goods and services	2 618 130	2 493 158	2 710 856	2 875 801	3 020 520	2 937 170	2 828 512	2 957 586	3 121 113
Interest and rent on land	136 245	101	6	-	-	1	-	-	-
Transfers and subsidies to:	1 573 083	1 585 607	1 519 093	1 579 596	1 464 824	1 464 920	1 692 293	1 789 360	1 887 775
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	1 426 584	1 446 314	1 375 777	1 528 502	1 339 820	1 339 820	1 616 338	1 707 437	1 801 346
Households	146 499	139 293	143 316	51 094	125 004	125 100	75 955	81 923	86 429
Payments for capital assets	31	14	4 656	18 182	8 000	8 421	21 582	17 582	17 582
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	31	14	4 656	14 182	4 000	4 421	21 082	17 082	17 082
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	4 000	4 000	4 000	500	500	500
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	35 580 394	37 826 186	40 228 039	42 626 473	42 890 984	42 890 984	45 311 690	48 828 969	51 514 453

As previously discussed, the learner transport services function was shifted back to DOT from the department with effect from the 2018/19 Adjustments Estimate. The prior years' and the 2019/20 MTEF budget figures have been adjusted accordingly. However, it should be noted that 2017/18 was not adjusted in the previous MTEF, as the expenditure still resided with DOT for reporting purposes. This function was allocated mainly against the sub-programmes: Primary and Secondary Level and affected mainly *Goods and services*.

This programme comprises the largest share, on average, of at least 84 per cent of the department's allocation. Over the seven-year period, the budget grows steadily due to reprioritisation from other programmes to address pressures against *Compensation of employees*. Spending pressures in respect of *Compensation of employees* are expected to remain over the 2019/20 MTEF due to below National Treasury prescribed budget growth. The department undertook reprioritisation from other programmes and within *Goods and services* towards *Compensation of employees* over the MTEF. Furthermore, the baseline includes additional funds from National Treasury for the filling of posts which became vacant or to employ additional educators to respond to the increase in learner enrolment, as well as to provide for the above-budget wage agreement. These additional funds were allocated only to this programme.

The Public Primary Level and Public Secondary Level sub-programmes increase steadily over the seven-year period, largely influenced by the various wage agreements. The MTEF provides for the following:

- These two sub-programmes provide for the purchase of LTSM (textbooks and stationery) for S21 and Non-S21 schools, as well as transfers to schools to provide for operational costs and inclusive education. Although the transfers show good growth in 2019/20 there is no increase in the per learner subsidy. This is mainly attributed to the reduction in the budget during the 2018/19 Adjustments Estimate, in respect of S21(c) schools who opted to purchase LTSM through the management agent instead of procuring this on their own. It is noted that, in terms of the SASA, S21(c), the HOD can allocate the function to purchase education material to the SGB. The department indicated that the calculation of the subsidies to schools in all quintiles is below the National Norms and Standards for School Funding Regulations which is gazetted annually by the Minister of DBE. This is due to the rurality of the province and prevailing socio-economic environment as more schools are declared as no-fee schools. According to the poverty list distribution table, 65 per cent of schools in the province should be within the bracket of no-fee schools. However, 75 per cent of the schools have been declared as no-fee schools. The department took a decision to cap the per learner subsidy within the available budget.
- Processes for the procurement of textbooks and stationery start early in the previous school year to ensure that schools receive their learner materials before the commencement of the new school year. Additional resources will also be provided to schools through curriculum delivery. These will include, among others, kits for learners who are enrolled in Mathematics and Science, as well as consumables for practical work. The department received an additional amount of R27.031 million in 2019/20 for the sanitary dignity project. The department will participate in the national transversal contract to purchase the sanitary towels.
- Given the current pressure on the fiscus, the department will continue to ensure that the implementation of the PPN responds adequately and effectively to the teaching needs of every school. The approval process for the appointment of temporary educator posts has been centralised under the Office of the Head of Department to minimise the risk of over-staffing, and to ensure that the PPN is maintained in schools.

The Human Resource Development sub-programme largely provides for the Skills Development Act in respect of the training of Circuit Managers, SMTs and educators on good governance, curriculum and ethics. The 2019/20 allocation is in line with enforced savings implemented in the 2018/19 Adjustments Estimate in respect of the turnaround strategy.

The School Sport, Culture and Media Services sub-programme shows strong growth over the 2019/20 MTEF. Reprioritisation was undertaken within the programme to provide for various activities to ensure that the department delivers on its social cohesion goal through the promotion of sports, arts and culture. This includes travelling costs, purchases of sports kits and personnel costs. The department indicated that co-curricular programmes will be intensified in schools through programmes like youth development which teaches learners to be responsible, responsive and creative through role-playing which teaches the English language and Mathematical problem-solving.

The NSNP grant reflects strong growth over the seven-year period, in order to allow for inclusion of quintiles 4 – 5 schools as dictated by the conditions of the grant. The growth over the 2019/20 MTEF is largely to accommodate inflationary costs, with additional funding provided in 2019/20 and the outer year of the MTEF with regard to food price inflation.

The EPWP Integrated Grant for Provinces is aimed at utilising community members to work on projects, where appropriate, thus assisting with job creation and poverty alleviation. The department has spent the full grant allocation since its inception. The 2019/20 allocation provides for the implementation of the programme which targets the cleaning of school gardens, grounds and ablution facilities through labour intensive methods utilising unemployed youth and indigent women.

The Social Sector EPWP Incentive Grant for Provinces reflects a slight decrease in 2019/20 compared to 2018/19. This grant is utilised for the appointment of food handlers and data capturers for the NSNP grant,

as well as utilising community members in social projects such as gardening in schools or crèches, thus assisting in job creation and poverty alleviation. In 2019/20, this grant will be utilised towards social projects such as the payment of community members or ECD practitioners to work in crèches and facilitate programmes for young children, while receiving training on an ECD NQF Level 4 qualification towards being qualified ECD practitioners.

The MST grant has shown slow progress in respect of spending, mainly related to SCM challenges. The 2019/20 MTEF allocation grows steadily and will be utilised to assist schools focussing on Mathematics, Science and Technology, training and development of educators on teaching methodologies, as well as the purchase of workshop tools in technical schools.

Compensation of employees reflects below inflationary growth in 2019/20 influenced largely by the carry-through of the budget cuts implemented from 2017/18. The strong growth in 2020/21 is attributed to additional funding in respect of the above-budget wage agreement. It is imperative that the department continues to implement the turnaround strategy to manage its personnel costs. The year-on-year budget growth over the 2019/20 MTEF is below the rates prescribed by National Treasury which were set at 7.8 per cent in 2019/20, while both 2020/21 and 2021/22 are at 8 per cent. This programme's *Compensation of employees* budget grows by 5.9 per cent, 8.1 per cent and 5.5 per cent over the 2019/20 MTEF. It should be noted that, although additional funding from National Treasury in respect of the above-budget wage agreement was allocated against this programme, the growth remains below the prescribed wage adjustment projections in the first and outer years of the MTEF.

Goods and services reflects negative growth in 2019/20 ascribed to conditional grant roll-overs included in the 2018/19 Adjusted Appropriation. In 2019/20, the budget provides mainly for conditional grant related activities, as well as the sanitary dignity project in public secondary schools. The department will also utilise the *Goods and services* budget for purchasing LTSM for schools, training circuit managers, SMTs and educators on good governance, curriculum and ethics, school feeding through the NSNP grant, funding the management fee for LTSM purchased on behalf of schools through the management agent, property payments for payment of overdue domestic accounts for some S20 schools, MST toolkits such as laboratory apparatus and consumables, Mathematics and technical subject consumables, supporting learners attending Technical Mathematics and Technical Science camps, as well as training of educators in MST content and methodologies, etc.

Transfers and subsidies to: Non-profit institutions mainly reflects payments in respect of norms and standards to all public ordinary schools. The national norms for school funding recommend that a learner in a no-fee school is funded at R1 316 per learner. However, due to budgetary constraints, the department took a decision to fund quintiles 1 – 3 at R955 per learner. The low 2018/19 Revised Estimate relates to S21 schools who opted to purchase LTSM through the management agent. The largest share of the MTEF provides for transfers to S21 schools for norms and standards in order for schools to purchase LTSM through the transversal contract and operational costs such as domestic accounts, cleaning detergents, etc.

Transfers and subsidies to: Households relates to staff exit costs.

Machinery and equipment provides for procurement relating to the various conditional grants (MST and NSNP), such as computer hardware, woodwork equipment, workshop equipment and laboratory equipment in respect of the MST grant, as well as vehicles for monitoring school feeding in respect of the NSNP grant. The significant growth in the 2019/20 MTEF relates to the reprioritisation that was undertaken within the MST grant to correctly align the budget with planned activities. This relates to the anticipated purchase of laboratories and workshop equipment and tools.

Software and other intangible assets reflects a decrease from 2019/20 and remains at the same level over the MTEF. This provides for the acquisition of ICT and connectivity in schools *via* the MST grant.

Service delivery measures: Public Ordinary School Education

Table 5.16 illustrates the main service delivery measures relevant to Programme 2. The performance indicators provided comply fully with the customised measures for the Education sector.

Table 5.16 : Service delivery measures: Public Ordinary School Education

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
To provide access in the public ordinary schooling system in accordance with policy	• No. of full service schools servicing learners with learning barriers	101	101	101	101
	• % of children who turned 9 in the previous year and who are currently enrolled in Grade 4 (or a higher grade)	69%	69%	69%	69%
	• % of children who turned 12 in the preceding year and who are currently enrolled in Grade 7 (or higher grade)	62.5%	62.4%	62.4%	62.4%
	• No. of schools provided with multi-media resources	700	750	800	800
	• Learner absenteeism rate	1.2%	1.2%	1.2%	1.2%
	• Teacher absenteeism rate	0.2%	0.2%	0.2%	0.2%
	• No. of learners in public ordinary schools benefitting from the "No Fee Schools" policy	1 990 795	2 010 132	2 010 132	2 010 132
	• No. of educators trained in Literacy/Language content and methodology	39 228	24 701	24 701	24 701
	• No. of educators trained in Numeracy/Mathematics content and methodology	27 478	19 174	19 174	19 174

8.3 Programme 3: Independent School Subsidies

The purpose of this programme is to support independent schools, in accordance with the SASA. One of the main aims of this programme is to ensure timeous and orderly registration of independent schools in terms of the SASA, as well as other legislative frameworks. These schools are evaluated and monitored by the department, and their capacity is developed to ensure the effective functioning of these schools and their governing bodies.

Tables 5.17 and 5.18 reflect the summary of payments and estimates relating to this programme. Independent schools provide education and training to learners in the same way as public schools do, but are not governed by the same legislation as public schools. For quality purposes, independent schools are registered with the Association for Independent Schools, and have an Independent Examination Board.

Table 5.17 : Summary of payments and estimates by sub-programme: Independent School Subsidies

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Primary Level	47 795	52 153	50 787	55 861	53 761	53 761	58 989	62 233	65 656
2. Secondary Level	29 483	28 747	32 193	35 167	30 267	30 267	37 136	39 178	41 333
Total	77 278	80 900	82 980	91 028	84 028	84 028	96 125	101 411	106 989

Table 5.18 : Summary of payments and estimates by economic classification: Independent School Subsidies

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	77 278	80 900	82 980	91 028	84 028	84 028	96 125	101 411	106 989
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	77 278	80 900	82 980	91 028	84 028	84 028	96 125	101 411	106 989
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	77 278	80 900	82 980	91 028	84 028	84 028	96 125	101 411	106 989

Overall the growth from 2015/16 to 2021/22 is reflective of the inflationary increases allocated to this programme. The reduction in the Adjusted Appropriation relates to the unallocated amount that was due to be surrendered, as mentioned. The allocation over the 2019/20 MTEF provides for subsidies to learners in independent schools.

Service delivery measures: Independent School Subsidies

Table 5.19 illustrates the main sector specific service delivery measures relevant to Programme 3.

It is noted that most of the targets over the MTEF remain at the same level as 2019/20 and are in line with the sector specific measures.

Table 5.19 : Service delivery measures: Independent School Subsidies

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
To ensure that quality education occurs in independent schools	• % of registered independent schools receiving subsidies	53%	53%	53%	53%
	• No. of subsidised learners at subsidised registered independent schools	29 314	32 000	32 350	32 400
	• % of registered independent schools visited for monitoring and support	100%	100%	100%	100%

8.4 Programme 4: Public Special School Education

The purpose of programme 4 is to provide compulsory public education in special schools in accordance with the SASA and White Paper 6 on Inclusive Education. The sub-programmes are aimed at providing:

- Specific public special schools with resources.
- Educators and learners in public special schools with departmentally managed support services.
- Departmental services for the professional and other development of educators and non-educators in public special schools.
- Additional and departmentally managed sporting and cultural activities in public special schools.

This programme administers one grant i.e. LPID grant over the 2019/20 MTEF. Tables 5.20 and 5.21 reflect payments and budgeted estimates for the period under review.

To date, the department has 72 registered special schools, but more than 60 per cent of these are in urban areas. Furthermore, special schools are not inclusive and only admit learners according to the disability category that the school is registered for, thus excluding a number of learners who do not meet the requirement in terms of the admission policies. The programme reflects healthy growth over the seven-year period, indicative of the focus on granting access to education for learners with special needs.

Table 5.20 : Summary of payments and estimates by sub-programme: Public Special School Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Schools	929 248	1 047 901	1 121 070	1 132 330	1 182 330	1 182 997	1 231 132	1 300 304	1 371 821
2. Human Resource Development	-	42	730	8 391	3 391	3 316	3 861	4 348	4 587
3. Conditional grants	13 079	-	2 696	27 230	28 330	27 738	32 279	34 586	36 488
OSD for Education Sector Therapists grant	13 079	-	-	-	-	-	-	-	-
Learners with Profound Intellectual Disabilities grant	-	-	2 696	27 230	28 330	27 738	32 279	34 586	36 488
Total	942 327	1 047 943	1 124 496	1 167 951	1 214 051	1 214 051	1 267 272	1 339 238	1 412 896

Table 5.21 : Summary of payments and estimates by economic classification: Public Special School Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	815 011	898 518	988 010	1 009 403	1 068 119	1 067 453	1 099 183	1 161 903	1 227 415
Compensation of employees	813 764	897 252	980 791	996 044	1 053 092	1 055 992	1 089 300	1 151 202	1 216 475
Goods and services	1 247	1 266	7 219	13 359	15 027	11 461	9 883	10 701	10 940
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	127 316	134 830	135 946	153 986	139 670	140 331	152 609	161 553	170 439
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	123 927	130 964	133 488	152 161	137 845	137 845	150 682	159 520	168 294
Households	3 389	3 866	2 458	1 825	1 825	2 486	1 927	2 033	2 145
Payments for capital assets	-	14 595	540	4 562	6 262	6 267	15 480	15 782	15 042
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	14 595	540	4 562	6 262	6 267	15 480	15 782	15 042
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	942 327	1 047 943	1 124 496	1 167 951	1 214 051	1 214 051	1 267 272	1 339 238	1 412 896

The sub-programme: Schools shows an upward trend over the period. The MTEF budget growth for *Compensation of employees* is below the prescribed inflationary annual salary increment. This indicates that the budget pressures projected in 2018/19 will continue over the MTEF. The transfers to special schools provide for operational costs, including the purchase of LTSM. There was reprioritisation within the sub-programme over the 2019/20 MTEF which resulted in the decrease in the allocation for transfers to provide for purchases of buses for 72 schools. Furthermore, the department indicated that a policy with regard to the transportation of learners from special schools through the learner transport function has not yet been finalised, and the department has thus provided for the purchase of the buses. The MTEF provides for *Compensation of employees* for educators and Therapists in these special schools.

The Human Resource Development sub-programme grows steadily over the MTEF in line with the personnel budget. The budget provides for the training of Education Specialists in special schools in areas such as Screening Identification Assessment and Support. This training will assist educators to identify and assist learners with disabilities. There was low spending in this sub-programme from 2015/16 to 2017/18 mainly due to enforced savings to offset budget pressures within the Vote. This trend is also apparent over the MTEF in line with the reprioritisation undertaken in respect of the turnaround strategy.

The OSD for Education Sector Therapists grant is phased into the equitable share with effect from 2016/17, hence, there is no further allocation over this period against the conditional grant sub-programme, with this grant included against the sub-programme: Schools from 2016/17 onward.

The LPID grant was introduced in 2017/18. As explained, this allocation is utilised to employ Therapists, Chief Psychologists, as well as Deputy Chief Education Specialists. The 2019/20 MTEF provides for travelling and accommodation by the outreach teams (Therapists and Psychologists) in the province to monitor the DSD care centres for children with profound disabilities, purchase of LTSM toolkits for the development of fine motor skills (puzzles, crayons, beads, etc.) and gross motor skills (skipping rope, jungle gyms, tennis rackets, etc.) for learners, including training and development for various specialists. Also, the allocation provides for the purchase of tools of trade such as computer laptops and office furniture, as well as vehicles.

Compensation of employees reflects an upward trend, influenced by the various wage agreements and OSD for educators over the years. The high 2018/19 Revised Estimate relates to below inflationary cost of living adjustment budget growth while preparing the 2018/19 MTEF budget. The 2019/20 MTEF reflects below prescribed inflationary annual salary increments at 2.9, 5.7 and 5.5 per cent over the MTEF. It is noted that the department advertised 92 posts in respect of support staff for Learners with Special Education Needs. The low growth indicates that the department cannot afford to fill any posts, though, as insufficient provision has been made for existing staff. Reprioritisation will be undertaken in-year.

Goods and services reflects a steady increase from 2015/16 to 2021/22. The high 2018/19 Adjusted Appropriation is mainly due to the roll-over in respect of the LPID grant. The gradual increase from 2019/20 to 2021/22 is due to the LPID grant allocation within this category, providing for travelling and accommodation by the outreach teams (Therapists and Psychologists) in the province to monitor the DSD care centres for children with profound disabilities, purchase of LTSM toolkits for the development of fine motor skills (puzzles, crayons, beads, etc.) and gross motor skills (skipping rope, jungle gyms, tennis rackets, etc.) for learners, including training and development for various specialists.

Transfers and subsidies to: Non-profit institutions reflects an upward trend over the period. The 2018/19 Revised Estimate relates to schools which opted to purchase LTSM *via* the management agent. The MTEF allocations relate to transfers to special schools for the purchase of LTSM and operational costs.

Transfers and subsidies to: Households relates to staff exit costs.

Machinery and equipment caters for the purchase of buses for special schools over the 2019/20 MTEF. The department indicated that a policy with regard to the transportation of learners from special schools through the learner transport function has not yet been finalised. In addition, the allocation provides for purchases of tools of trade and other types of vehicles.

Service delivery measures: Public Special School Education

Table 5.22 illustrates the main sector specific service delivery measures relevant to Programme 4.

Table 5.22 : Service delivery measures: Public Special School Education

Outputs	Performance indicators	Estimated performance			
		2018/19	2019/20	2020/21	2021/22
To provide access to mainstream schools, full service schools and special schools in accordance with policy and the principles of inclusive education	• No. of therapists/specialist staff in public special schools	198	172	172	172
	• No. of learners in public special schools	20 192	21 000	22 000	23 000
	• % of special schools serving as Resource Centres	37%	38%	38%	39%

8.5 Programme 5: Early Childhood Development

The objective of this programme is to provide ECD at the Grade R and earlier levels in accordance with White Paper 5 on ECD. The main services are:

- To provide specific public ordinary schools with resources required for Grade R.
- To support particular community centres at the Grade R level.
- To provide particular sites with resources required for pre-Grade R.
- To provide educators and learners in ECD sites with departmentally managed support services.
- To provide departmental services for the professional and other development of educators and non-educators in ECD sites.

Tables 5.23 and 5.24 reflect payments and budgeted estimates for the period. The budget for this programme has grown substantially from 2015/16 to 2021/22. This growth reflects the focus of the sector toward universal access to Grade R. The sub-programmes within this programme fluctuate over the seven-year period, as explained below the table.

Table 5.23 : Summary of payments and estimates by sub-programme: Early Childhood Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Grade R in Public Schools	478 286	858 448	908 751	1 185 324	1 130 578	1 068 383	1 184 215	1 279 493	1 349 864
2. Grade R in Early Childhood Development Centres	74 531	70 612	46 588	23 907	23 907	140 488	85 246	26 634	28 099
3. Pre-Grade R Training	50 854	44 463	15 912	64 745	64 745	10 359	58 122	71 869	75 822
4. Human Resource Development	-	-	-	6 442	1 442	1 442	1 803	2 177	2 297
Total	603 671	973 523	971 251	1 280 418	1 220 672	1 220 672	1 329 386	1 380 173	1 456 082

Table 5.24 : Summary of payments and estimates by economic classification: Early Childhood Development

R thousand	Audit Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	586 196	954 521	941 579	1 246 959	1 191 959	1 191 595	1 292 933	1 341 715	1 415 509
Compensation of employees	508 269	874 192	934 359	1 120 137	1 070 137	1 050 283	1 165 129	1 206 607	1 272 971
Goods and services	77 927	80 329	7 220	126 822	121 822	141 312	127 804	135 108	142 538
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	17 475	19 002	29 672	33 459	28 713	29 077	36 453	38 458	40 573
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	17 022	18 851	29 404	33 459	28 713	28 722	36 453	38 458	40 573
Households	453	151	268	-	-	355	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	603 671	973 523	971 251	1 280 418	1 220 672	1 220 672	1 329 386	1 380 173	1 456 082

The sub-programme: Grade R in Public Schools shows a significant increase from 2016/17 to 2021/22 largely due to the various wage agreements and the implementation of the progressively increasing payments to ECD practitioners. The MTEF caters for the stipends for ECD practitioners, the purchase of LTSM *via* the management agent to ensure consistency in the material procured, and transfers to schools.

The Grade R in Early Childhood Development Centres sub-programme fluctuates over the seven-year period. The policy (White Paper 5 on ECD) allows for a maximum of 15 per cent of the budget to be allocated toward Grade R in community-based centres, and the department is within this threshold. The allocation for these centres includes provision for the stipends payable to the practitioners. In September 2018, salary adjustments were implemented for 2 927 ECD practitioners from R6 500 to R7 250, while 2 088 ECD practitioners increased to R7 750. The increase given depends on the NQF level and experience. It should be noted that these were backdated to April 2018. This resulted in higher than anticipated spending as shown in the Revised Estimate. Provision has been made over the MTEF for training requirements of these practitioners, as well as the fact that some of the crèches were developed as model crèches, and hence will be supplied with the required equipment and materials.

The responsibility of the department, as far as the Pre-Grade R sub-programme is concerned, is to offer training (skills training to ECD management staff, and other personnel such as care-givers and support staff working in the crèches) and, as such, the budget that is provided in this regard is for that purpose. The allocations over the 2019/20 MTEF are in line with the objectives of this sub-programme in terms of purchasing toolkits (teachers' guides, lesson plans, etc.) for training.

The Human Resource Development sub-programme's budget is allocated to priorities such as encouraging the uptake of bursaries with regard to employees that wish to focus on ECD, and thus counter the shortage of qualified educators in this area. The MTEF allocations are in line with the Skills Development Act, as well as reprioritisation undertaken in line with the turnaround strategy.

The increase against *Compensation of employees* in 2019/20 caters for increases that were made to the monthly stipends of ECD practitioners. As previously explained, in 2018/19, salary adjustments were implemented for 2 927 ECD practitioners from R6 500 to R7 250, while 2 088 increased to R7 750. The increase in the stipends for ECD practitioners depends on the qualification level and experience. It should be noted that these were backdated to April 2018. It is noted that the budget growth in the two outer years is below National Treasury's prescribed annual salary increments at 3.8 per cent in 2020/21 and 5.5 per cent in 2021/22, and will have to be reviewed in the next budget process.

Goods and services fluctuates over the period. The MTEF provides for various training needs and for the procurement of the necessary toolkits for all sub-programmes in this programme, the purchase of furniture such as classroom chairs, tables and combination desks, as well as LTSM needs for Grade R classes.

Transfers and subsidies to: Non-profit institutions provides for transfers to schools for the purchase of LTSM and other operational costs.

Transfers and subsidies to: Households relates to staff exit costs.

Service delivery measures: Early Childhood Development

Table 5.25 illustrates the main sector specific service delivery measures relevant to Programme 5.

Table 5.25 : Service delivery measures: Early Childhood Development

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
To provide publicly funded Grade R in accordance with policy	• No. of public schools that offer Grade R	3 996	4 010	4 010	4 010
	• % of Grade 1 learners who have received formal Grade R education in public ordinary and/or special schools and registered independent schools/ECD sites	97.2%	97.4%	97.5%	97.6%
	• No. of Grade R practitioners with NQF level 6 and above qualification each year	1 651	1 662	1 700	1 710

8.6 Programme 6: Infrastructure Development

The aim of this programme is to provide and maintain infrastructure facilities for the administration and schools. It thus reflects the implementation of infrastructure across all affected programmes. Tables 5.26 and 5.27 reflect the summary of payments and estimates relating to this programme.

The allocation grows steadily over the period, due to the EIG grant allocation. This grant supplements the existing infrastructure equitable share budgets and functions. The EIG accounts for an average of 86 per cent of while the PES accounts for an average of 14 per cent of this programme's budget over the MTEF.

Table 5.26 : Summary of payments and estimates by sub-programme: Infrastructure Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	60 546	234 447	85 726	85 519	85 519	73 386	90 831	134 189	121 698
2. Public Ordinary Schools	2 219 400	2 109 678	2 241 285	1 923 386	2 073 386	2 085 519	2 282 630	2 026 899	2 223 854
3. Special Schools	161 126	64 879	115 334	128 908	128 908	128 908	109 949	207 616	196 803
4. Early Childhood Development	169 628	120 196	49 210	48 794	48 794	48 794	62 962	26 197	29 176
Total	2 610 700	2 529 200	2 491 555	2 186 607	2 336 607	2 336 607	2 546 372	2 394 901	2 571 531

Table 5.27 : Summary of payments and estimates by economic classification: Infrastructure Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	267 296	358 511	545 231	449 916	572 449	572 449	521 722	545 050	568 779
Compensation of employees	11 505	19 351	22 582	29 916	29 916	29 129	31 591	34 118	36 847
Goods and services	255 791	339 160	522 649	420 000	542 533	543 320	490 131	510 932	531 932
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	62	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	62	-	-	-	-	-	-
Payments for capital assets	2 343 404	2 170 689	1 946 262	1 736 691	1 764 158	1 764 158	2 024 650	1 849 851	2 002 752
Buildings and other fixed structures	2 343 404	2 170 374	1 946 262	1 736 691	1 764 158	1 764 158	2 024 650	1 849 851	2 002 752
Machinery and equipment	-	123	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	192	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 610 700	2 529 200	2 491 555	2 186 607	2 336 607	2 336 607	2 546 372	2 394 901	2 571 531

The sub-programme: Administration reflects a fluctuating trend from 2015/16 to 2021/22, largely due to the re-direction of the budget to Public Ordinary Schools, to address spending pressures caused by the high demand for the rehabilitation of schools. The decrease in 2018/19 was due to the movement of operating leases to Programme 1 for effective reporting, as management of office leases and accommodation is managed in that programme. The previous years were also restated for comparative figures. The budget for the 2019/20 MTEF provides for *Compensation of employees* for officials appointed through DORA. Out of 76 posts which were advertised, the department has filled 69 posts, and six posts are awaiting approval for appointment and one candidate will commence in February 2019. The vacant posts include Architect and Electrical Engineer, Chief Director – IDMS Technical Advisor, GIS Technician and Chief Works Inspector.

The Public Ordinary Schools sub-programme fluctuates over the seven-year period, due to the following:

- Additional funding of R50 million was provided in 2017/18 for the improvement of water and sanitation in schools, as well as the incentive portion provided from the EIG. The decrease in the 2018/19 Main Appropriation is due to fiscal consolidation cuts against the EIG. The 2018/19 Adjusted Appropriation relates to additional funds for the flood disaster that occurred, mainly affecting the uMlazi, Pinetown and Ugu districts, in October 2017. This additional funding from National Treasury was received *via* the EIG and supplements the R63.800 million allocated from the provincial fiscus.
- The 2019/20 MTEF largely makes provision for *Upgrades and additions: Capital, Refurbishment and rehabilitation: Capital*, as well as the construction of new schools. This includes major upgrades and additions of schools in various districts, such as Shayina secondary school in uMkhanyakude, James Nxumalo Agricultural secondary school in Zululand, Lubelo secondary school in uMkhanyakude, Sibutha secondary school in Ugu and Velangaye secondary school in King Cetshwayo, among others. This includes addressing deteriorating infrastructure conditions and addressing over-crowding in schools, as well as hiring of chemical toilets for schools which have inadequate sanitation facilities.
- As previously explained, the EIG includes an additional allocation of R200.319 million in 2019/20 which is provided in order to finalise projects relating to the flood disaster that damaged schools in 2017. Furthermore, the department received an incentive allocation of R188 million which was allocated against this sub-programme. It should be noted that the expenditure in respect of leases was restated for previous years for comparative figures, as this was moved to Programme 1.
- The department will continue work at 37 schools which are at construction stage in respect of the eradication of existing pit toilets with this project funded from the EIG. The districts with the highest number of schools with pit toilets, are Zululand, uMkhanyakude and uMzinyathi. As previously mentioned, there are 778 schools which require sanitation improvements. These have been assessed and are planned for implementation in 2019/20, with the department now needing to access these funds *via* the DBE as these funds are held in the Schools Infrastructure Backlogs grant. All nine provinces will apply for funding *via* a mechanism still to be communicated by DBE. The department indicated that the scope of work includes construction of boys' urinals and girls' toilet seats, as well as staff and disabled toilet blocks.

The Special Schools sub-programme reflects positive growth in 2018/19 and the significant growth in 2021/22 relates to the focus on special schools for which the feasibility and design phases, as well as the tender processes have already been completed. This includes projects such as Inanda special school in Pinetown district, Pholela special school in Harry Gwala district, Open Gate special school in uMgungundlovu district, YMCA special school in Amajuba district, among others. The department indicated that the high growth in 2021/22 relates to commissioning costs, including provision of school furniture and electrification and IT connectivity.

The Early Childhood Development sub-programme reflects a fluctuating trend relating to the reprioritisation undertaken from this sub-programme to the Public Ordinary Schools sub-programme, mainly from projects which were in the feasibility and design phase. The department is planning to complete the upgrade of 20 ECD schools in 2019/20. These projects include major upgrades in various districts such as Dayiswayo primary school in uMzinyathi district, Buhlebelanga primary school in Zululand district, Ifafa primary school in Ugu district, among others.

Compensation of employees growth is within the prescribed National Treasury guidelines at 8.5 per cent in 2019/20 and 8 per cent in the two outer years. As mentioned, there is equitable share funding in Programme 1 which is specifically and exclusively allocated for improving infrastructure support, amounting to R12.605 million, R13.298 million and R14.029 million over the 2019/20 MTEF. Out of 76 posts which were advertised, the department has filled 69 posts, and six posts are awaiting approval for appointment and one candidate will commence in February 2019. The recruitment process is at an advanced stage, as the selection and interview for seven posts has commenced. Anticipated appointments include Chief Director – IDMS Technical Advisor, among others.

Goods and services includes the maintenance and repairs allocation, such as provision for the hiring of chemical toilets and desludging of pit toilets in public ordinary schools, as well as professional services for projects that are managed internally. The negative growth in 2018/19 from the high 2017/18 amount relates to the payment of previous year invoices for implementing agents for various maintenance and repair projects, such as maintenance of toilet facilities and the de-sludging of pit toilets. Also, in the 2018/19 Main Appropriation the department moved the operating leases to Programme 1, as management of office leases and accommodation is managed in that programme. The previous years were restated for comparative figures. The EIG framework provides that 20 per cent should be allocated for maintenance, and hence the reprioritisation undertaken. The department would like to limit major rehabilitation costs by ensuring that schools are maintained on a continuous basis. As such, a total of 370 schools will be undergoing scheduled maintenance in 2019/20.

Buildings and other fixed structures fluctuates over the period, largely due to funding in respect of the EIG and the baseline reduction, as previously mentioned. The 2019/20 MTEF amounts are largely based on the grant allocation, as well as additional funding related to disaster relief for wind and flood damaged schools. The high growth in 2019/20 relates to the additional allocation of R200.319 million in 2019/20 which is provided in order to finalise projects relating to the flood disaster that damaged schools in 2017. Furthermore, the department received an incentive allocation of R188 million due to compliance to DORA requirements. The department is planning to complete 10 new schools in 2019/20 as part of implementing norms and standards. New schools to be completed in 2019/20 include Goodhome secondary school in uThukela district, Mbongeleni primary school in uMzinyathi district, Siphumelele secondary school in King Cetshwayo district, etc. The infrastructure section of this chapter provides details of the infrastructure projects to be undertaken, as does the *2019/20 ECE*.

Machinery and equipment caters mainly for office furniture and equipment. In 2016/17, the department purchased office furniture and equipment for employees appointed in terms of DORA. However, there is no further allocation over the MTEF due to budget constraints.

Service delivery measures: Infrastructure Development

Table 5.28 shows the main sector specific service delivery measures relevant to Programme 6.

Table 5.28 : Service delivery measures: Infrastructure Development

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
To put in place basic infrastructure for schooling in accordance with policy	• No. of public ordinary schools provided with water supply	150	200	180	150
	• No. of public ordinary schools provided with electricity supply	100	20	20	100
	• No. of public ordinary schools supplied with sanitation facilities	150	170	180	150
	• No. of additional classrooms built in public ordinary schools	350	300	420	200
	• No. of additional specialist rooms built in public ordinary schools (incl. replacement schools)	100	120	125	100
	• No. of new schools completed and ready for occupation (incl. replacement schools)	10	10	10	10
	• No. of new schools under construction (incl. replacement schools)	15	16	18	15
	• No. of new or additional Grade R classrooms built (incl. replacement schools)	50	50	50	20
	• No. of hostels built	2	2	2	-
	• No. of schools in which scheduled maintenance was completed	320	370	385	300

8.7 Programme 7: Examination and Education Related Services

The purpose of Programme 7 is to provide examination support services to learners in the relevant grades, and ensure quality in the provision of education, through quality assurance.

The objectives for this programme are to provide the education institutions as a whole with training and professional support, employee human resource development in accordance with the Skills Development Act, special departmentally managed intervention projects in the education system and manage examination services. Tables 5.29 and 5.30 reflect payments and estimates relating to this programme.

The Payments to SETA sub-programme reflects a steady increase from 2015/16 to 2018/19 Main Appropriation, as it is linked to the department's personnel budget. Payments to the ETDP SETA are provided for against *Transfers and subsidies to: Departmental agencies and accounts* in respect of the skills development levy. As previously mentioned, the budget was reduced to zero in 2018/19 due to the implementation of the turnaround strategy. The decrease over the 2019/20 MTEF is due to the carry-through of this reprioritisation. The department indicated that the budget was not reduced to the level of 2018/19 due to current negotiations between the department and the SETA on the minimum budget required for training still undertaken by this institution.

Table 5.29 : Summary of payments and estimates by sub-programme: Examination and Education Related Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Payments to SETA	78 139	83 257	89 497	93 910	-	679	34 169	38 623	40 747
2. Professional Services	585 913	621 394	638 474	661 589	661 589	652 593	703 638	743 063	783 931
3. External Examinations	699 302	556 513	782 529	751 958	771 958	782 936	817 841	856 772	903 896
4. Conditional Grants	55 376	55 074	64 262	58 922	58 922	56 261	62 155	65 450	69 050
<i>HIV and AIDS (Life-Skills Education) grant</i>	55 376	55 074	64 262	58 922	58 922	56 261	62 155	65 450	69 050
Total	1 418 730	1 316 238	1 574 762	1 566 379	1 492 469	1 492 469	1 617 803	1 703 908	1 797 624

Table 5.30 : Summary of payments and estimates by economic classification: Examination and Education Related Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	1 322 381	1 211 158	1 480 183	1 472 469	1 492 469	1 492 333	1 578 634	1 659 285	1 750 547
Compensation of employees	888 218	945 489	978 723	1 083 548	1 083 548	1 026 289	1 145 861	1 207 039	1 273 426
Goods and services	434 163	265 665	501 456	388 921	408 921	466 044	432 773	452 246	477 121
Interest and rent on land	-	4	4	-	-	-	-	-	-
Transfers and subsidies to:	96 024	104 752	94 549	93 910	-	23	39 169	44 623	47 077
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	78 139	83 257	89 497	93 910	-	-	34 169	38 623	40 747
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	12 030	15 680	-	-	-	-	-	-	-
Households	5 855	5 815	5 052	-	-	23	5 000	6 000	6 330
Payments for capital assets	325	328	30	-	-	113	-	-	-
Buildings and other fixed structures	208	-	-	-	-	-	-	-	-
Machinery and equipment	117	328	30	-	-	113	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 418 730	1 316 238	1 574 762	1 566 379	1 492 469	1 492 469	1 617 803	1 703 908	1 797 624

The Professional Services sub-programme fluctuates, largely influenced by *Compensation of employees*. The 2018/19 Revised Estimate is lower than the Adjusted Appropriation mainly due to non-filling of posts. The MTEF allocations grow steadily, and provide for professional or advisory services and visits to schools for support and monitoring in areas such as enhancement of curriculum delivery.

The External Examinations sub-programme fluctuates, indicative of the number of exams, due to the expansion in the range of courses offered to learners. This sub-programme also provides the budget for the marking arrangements for the Annual National Assessments, NSC and NCS examinations, including the payments for markers, the marking centres, as well as security arrangements, accommodation and catering

linked thereto. The 2019/20 MTEF provides for operating payments due to printing for June and September supplementary exams, answer books for NSC, printing of memos for AET and NSC, printing of Grades 10 and 11 common tests, mark sheets, travel and subsistence costs for monitoring of examinations and additional lessons during school holidays.

The HIV and AIDS (Life-Skills Education) grant fluctuates over the period. As previously mentioned, the 2019/20 MTEF makes provision for activities relating to this grant, including the payment of stipends to learner support agents to undertake on-site peer education and care support programmes in schools on a day-to-day basis, in order to monitor social ills programmes. These include focussing on keeping girls in school, training of educators and peer education, among others.

Compensation of employees grows steadily over the seven-year period. The growth from the 2018/19 Revised Estimate to 2019/20 is higher than the National Treasury prescribed inflationary wage adjustment of 7.8 per cent, at 10.5 per cent, and provides for the filling of posts for examination markers in-year for the May/ June supplementary exams and November/ December final exams, as well as due to the low baseline as a result of vacant posts. The programme shows growth at 5.3 per cent in 2020/21 and 5.5 per cent in 2021/22 and this will need to be reviewed in the next budget process.

Goods and services was high in the 2018/19 Revised Estimate mainly due to high travel and subsistence costs relating to the monitoring of the implementation of the provincial academic improvement plan for improving matric results, operating payments as a result of the increase in the rates for security and cleaning services for examination centres during the marking period, additional printing and publication costs for the printing of examination papers for NSC and Grades 10 to 11, property payments, etc. The growth over the 2019/20 MTEF provides for examination services, travelling to schools for professional or advisory services, as well as teacher assistants and examination marking.

Transfers and subsidies to: Departmental agencies and accounts reflects an increase from 2015/16 to the 2018/19 Main Appropriation and then a decrease in the 2019/20 MTEF in line with the turnaround strategy. The department indicated that the budget was not reduced to the level of 2018/19 is due to current negotiations between the department and the SETA on the minimum budget required for training still undertaken by this institution, as previously explained.

Transfers and subsidies to: Non-profit institutions caters for transfers to schools through the HIV and AIDS (Life-Skills Education) grant and was utilised to purchase school uniforms for orphans. The allocation has been reprioritised to other activities such as advocacy campaigns, travel and subsistence for psycho-social bootcamps for learners and educators, etc. within the grant from 2017/18 onward. This was done to fall in line with the revised grant framework.

Machinery and equipment shows low amounts in 2017/18 and 2018/19 mainly due to enforced savings against new office equipment and furniture. The 2019/20 MTEF reflects no budget due to the reprioritisation of funds undertaken by the department toward *Compensation of employees*.

Service delivery measures: Examination and Education Related Services

Table 5.31 illustrates the main sector specific service delivery measures relevant to Programme 7.

Table 5.31 : Service delivery measures: Examination and Education Related Services

Outputs	Performance indicators	Medium-term targets			
		Estimated performance	2018/19	2019/20	2020/21
To attain the highest possible educational outcomes among learners in public ordinary schools	• % of learners who passed NSC	80%	85%	86%	86%
	• % of Grade 12 learners passing at bachelor level	30%	31%	32%	32%
	• % of Grade 12 learners achieving 50% or more in Mathematics	22%	23%	24%	24%
	• % of Grade 12 learners achieving 50% or more in Physical Science	24%	25%	26%	26%
	• No. of secondary schools with NSC pass rate of 60% and above	1 655	1 675	1 675	1 675

9. Other programme information

9.1 Personnel numbers and costs

Table 5.32 reflects personnel information per programme for Education, and includes both educator and non-educator salaries and post numbers.

In line with cost-cutting and efforts to reduce the projected pressures against *Compensation of employees*, the department has developed a turnaround strategy to manage the personnel budget. This turnaround strategy mainly addresses the various areas that have recently shown spending pressures. The department is endeavouring to curtail spending pressures on various items, as well as address the PPN in schools where there are excess educators based on the school enrolment. The department reported that there were 2 500 surplus educators at the beginning of 2018. This figure reduced to 536 by December 2018. The turnaround plan assisted the department to find savings within the Vote in order to fill 358 critical posts for Office-Based Educators and public service employees for various districts and head office. This includes educators who have moved from one school to another but this movement has not been captured on the new establishment, as well as those who are surplus and have not yet been matched to appropriate vacant posts.

According to the department, there are 107 433 permanent posts on the approved establishment, with 115 635 posts or 99 per cent being filled as at the end of December 2018. This included substitute educators and examination markers whose contracts were terminated at the end of December. As previously mentioned, the department was granted approval to fill 330 critical vacant posts in district offices based on the turnaround strategy. It should be noted that the number of filled posts fluctuates throughout the year. The increase to 115 965 over the MTEF includes filled posts from the fixed establishment, as well as provisions for temporary appointments. The department indicates that the number of posts fluctuates in-year based on the appointment of temporary educators and substitute educators attributed to provisions for May/June exams as well as November/December final exams.

Table 5.32 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF		
	2015/16		2016/17		2017/18		2018/19				2019/20		2020/21		2021/22		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Addit. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs			
R thousands																			
Salary level																			
1 – 6	26 520	4 980 336	26 511	4 942 017	23 771	4 808 574	21 224	-	21 224	4 534 593	21 257	4 936 648	21 257	5 247 504	21 257	5 577 938	0.1%	7.1%	10.7%
7 – 10	75 056	26 125 030	78 122	29 590 124	79 872	32 114 748	83 730	-	83 730	35 104 141	83 901	37 232 353	83 901	40 297 779	83 901	42 477 738	0.1%	6.6%	82.1%
11 – 12	2 722	1 858 290	2 739	1 968 069	2 604	2 015 653	2 428	-	2 428	1 967 248	2 536	2 112 446	2 536	2 245 529	2 536	2 386 999	1.5%	6.3%	4.6%
13 – 16	63	62 542	61	60 188	61	63 431	51	-	51	56 659	69	60 229	69	64 022	69	68 057	10.6%	6.3%	0.1%
Other	8 201	1 500 882	8 202	1 047 997	7 281	1 058 809	8 202	-	8 202	1 128 284	8 202	1 201 738	8 202	1 182 371	8 202	1 226 354	0.0%	2.8%	2.5%
Total	112 562	34 527 080	115 635	37 608 395	113 589	40 061 215	115 635	-	115 635	42 810 925	115 965	45 543 414	115 965	49 037 205	115 965	51 737 086	0.1%	6.5%	100.0%
Programme																			
1. Administration	2 992	1 052 419	4 715	1 124 805	3 292	1 151 332	4 894	-	4 894	1 168 760	5 132	1 342 230	5 132	1 373 798	5 132	1 449 384	1.6%	7.4%	2.8%
2. Public Ordinary Sch. Ed.	96 488	31 252 905	99 499	33 747 306	97 303	35 993 428	98 742	-	98 742	38 480 472	98 742	40 769 303	98 742	44 064 441	98 742	46 487 983	0.0%	6.5%	89.9%
3. Independent Sch. Subs.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%
4. Public Special Sch. Edu.	3 142	813 764	3 228	897 252	3 238	980 791	3 136	-	3 136	1 055 992	3 228	1 089 300	3 228	1 151 202	3 228	1 216 475	(1.0%)	4.8%	2.4%
5. Early Childhood Dev.	5 378	508 269	4 084	874 192	5 406	934 359	5 919	-	5 919	1 050 283	5 919	1 165 129	5 919	1 206 607	5 919	1 272 971	0.0%	6.6%	2.5%
6. Infrastructure Dev.	-	11 505	189	19 351	238	22 682	223	-	223	29 129	223	31 591	223	34 118	223	36 847	0.0%	8.1%	0.1%
7. Exam. and Ed. Rel. Serv.	4 562	888 218	3 920	945 489	4 112	978 723	2 721	-	2 721	1 026 289	2 721	1 145 861	2 721	1 207 039	2 721	1 273 426	0.0%	7.5%	2.4%
Total	112 562	34 527 080	115 635	37 608 395	113 589	40 061 215	115 635	-	115 635	42 810 925	115 965	45 543 414	115 965	49 037 205	115 965	51 737 086	0.1%	6.5%	100.0%
Employee dispensation classification																			
PSA app. not covered by OSDs	13 898	2 340 025	14 087	2 476 287	13 615	2 738 267	14 833	-	14 833	2 717 945	15 048	3 080 892	15 048	3 249 066	15 048	3 429 545	0.5%	8.1%	6.5%
PSA app. still to be covered by OSDs	-	-	1 399	250 016	1 128	249 046	1 092	-	1 092	230 100	1 092	279 753	1 092	296 139	1 092	312 372	0.0%	10.7%	0.6%
Prof. nurses, staff nurses, nursing ass.	32	10 781	28	10 525	27	13 026	26	-	26	11 895	26	14 632	26	16 437	26	16 286	0.0%	11.0%	0.0%
Legal professionals	4	2 928	4	3 150	4	3 377	4	-	4	3 727	4	3 793	4	4 002	4	4 222	0.0%	4.2%	0.0%
Social services professions	14	2 541	18	2 947	3	3 067	4	-	4	2 955	4	3 445	4	3 635	4	3 835	0.0%	9.1%	0.0%
Engineering prof. and related occ.	36	11 409	10	6 249	9	16 728	9	-	9	8 030	9	18 791	9	19 824	9	21 914	0.0%	39.7%	0.0%
Medical and related prof.	1 761	219 886	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%
Therapeutic, diagnostic health prof.	161	61 654	166	68 393	174	75 913	172	-	172	82 778	172	85 273	172	89 963	172	94 911	0.0%	4.7%	0.2%
Educators and related prof.	88 454	30 376 974	91 721	33 742 831	91 185	35 902 982	91 293	-	91 293	38 625 211	91 408	40 855 097	91 408	44 175 768	91 408	46 627 647	0.0%	6.5%	90.1%
Others (interns, EPWP, etc.)	8 201	1 500 882	8 202	1 047 997	7 281	1 058 809	8 202	-	8 202	1 128 284	8 202	1 201 738	8 202	1 182 371	8 202	1 226 354	0.0%	2.8%	2.5%
Total	112 561	34 527 080	115 635	37 608 395	113 426	40 061 215	115 635	-	115 635	42 810 925	115 965	45 543 414	115 965	49 037 205	115 965	51 737 086	0.1%	6.5%	100.0%

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

The following comments are made with regard to personnel trends:

- The budget was supposed to increase by 7.8 in 2019/20, and 8 per cent in 2020/21 and 2021/22, respectively, including the 1.5 per cent pay progression. The budget growth over the 2019/20 MTEF is below the prescribed guidelines at 6.4 and 5.5 per cent in 2019/20 and in 2021/22, respectively, however, 2020/21 is within the growth at 8 per cent. As previously mentioned, the pay progression for educators was increased to 1.3 per cent with effect from 1 July 2018, and in July 2019 this will further increase to 1.5 per cent. This is an unfunded mandate which will exert more pressure on the over-

stretched budget. This is an indication that the department will have to implement a strategy to gradually fill the advertised posts in order to accommodate the annual salary increments and remain within the budget.

- It is noted that the personnel numbers for Programme 1 increased from 3 292 in 2017/18 to 4 894 in 2018/19 and over the 2019/20 MTEF. This increase is in line with advertised posts. As previously discussed, the department will have to implement a strategy to fill these posts in line with the available budget, as well as accommodate carry-through costs in respect of wage adjustments.
- In terms of the *Employee dispensation* classification, the category Educators and related professionals makes up the largest percentage share of the total budget, at 89.3 per cent. This includes costs for Office-Based Educators, as well as School-Based Educators. This also correlates to the 90.2 percentage share per programme for Public Ordinary School Education.

9.2 Training

Table 5.33 reflects departmental expenditure on training per programme. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. The total training budget comprises the allocations for training and development, as well as employees' bursaries in respect of Programmes 1 and 2.

The trend fluctuates due to the continued implementation of cost-cutting measures. The training budget includes the bursaries for employees portion and is set to increase steadily over the 2019/20 MTEF, in order to address the educators' skills gaps and improve the quality of education. The fluctuating trend is mainly due to continuous reprioritisation and enforced savings implemented against training and development.

Table 5.33 : Information on training: Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Number of staff	112 562	115 635	113 589	115 635	115 635	115 635	115 965	115 965	115 965
Number of personnel trained	35 000	36 000	38 000	40 204	40 204	40 204	42 456	44 791	44 791
of which									
Male	18 500	19 500	20 500	21 689	21 689	21 689	22 904	24 164	24 164
Female	16 500	16 500	17 500	18 515	18 515	18 515	19 552	20 627	20 627
Number of training opportunities	52 785	52 785	55 423	58 639	58 639	58 639	61 923	65 328	65 328
of which									
Tertiary	4 687	4 687	4 921	5 207	5 207	5 207	5 499	5 801	5 801
Workshops	1 309	1 309	1 374	1 454	1 454	1 454	1 535	1 619	1 619
Seminars	-	-	-	-	-	-	-	-	-
Other	46 789	46 789	49 128	51 978	51 978	51 978	54 889	57 908	57 908
Number of bursaries offered	6 000	7 000	8 000	8 464	8 464	8 464	8 938	9 430	9 430
Number of interns appointed	400	400	420	444	444	444	469	495	495
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	5	5	5	6	6	6	6	6	6
Payments on training by programme									
1. Administration	77 646	68 548	49 817	28 060	19 060	1 614	25 291	26 952	28 435
2. Public Ordinary School Education	60 273	7 397	13 920	153 062	130 021	45 804	77 733	117 242	121 647
3. Independent School Subsidies	-	-	-	-	-	-	-	-	-
4. Public Special School Education	-	40	8	8 691	5 954	3 323	4 221	4 728	4 967
5. Early Childhood Development	-	-	5 615	27 072	22 072	4 185	23 274	24 829	26 195
6. Infrastructure Development	-	-	-	-	-	-	-	-	-
7. Examination and Education Related Services	3 484	1 364	1 506	3 123	3 123	5 259	3 410	2 070	2 156
Total	141 403	77 349	70 866	220 008	180 230	60 185	133 929	175 821	183 400

ANNEXURE – VOTE 5: EDUCATION

Table 5.A : Details of departmental receipts: Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	48 807	56 377	62 193	61 961	61 961	61 961	65 430	69 028	72 824
Sale of goods and services produced by department (excluding capital assets)	48 772	56 377	62 192	61 961	61 961	61 961	65 430	69 028	72 824
Sale by market establishments	2 094	2 004	1 909	2 488	2 488	2 488	2 627	2 771	2 923
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	46 678	54 373	60 283	59 473	59 473	59 473	62 803	66 257	69 901
Of which									
Commission	44 781	45 783	47 638	45 600	45 600	45 600	48 154	50 802	53 596
Exam certificate	750	1 950	4 426	2 000	2 000	2 000	2 110	2 226	2 348
Marking of exam papers	700	1 146	3 961	1 100	1 100	1 100	1 200	1 266	1 336
Tender documents	104	5 426	4 180	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	35	-	1	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 618	592	1 264	379	379	379	400	422	445
Interest	1 618	592	1 264	379	379	379	400	422	445
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	5 489	11 556	4 253	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	5 489	11 556	4 253	-	-	-	-	-	-
Transactions in financial assets and liabilities	37 604	55 114	40 254	35 411	35 411	35 411	37 394	39 451	41 621
Total	93 518	123 639	107 964	97 751	97 751	97 751	103 224	108 901	114 890

Estimates of Provincial Revenue and Expenditure

Table 5.B : Payments and estimates by economic classification: Education

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	38 506 958	41 467 331	44 442 185	47 154 751	47 443 465	47 442 238	49 913 988	53 605 165	56 549 695
Compensation of employees	34 527 080	37 608 395	40 061 215	42 890 943	42 892 737	42 810 925	45 543 414	49 037 205	51 737 086
Salaries and wages	29 656 492	32 393 937	34 477 123	36 076 183	36 473 902	36 642 596	39 074 190	42 299 825	44 629 151
Social contributions	4 870 588	5 214 458	5 584 092	6 814 760	6 418 835	6 168 329	6 469 224	6 737 380	7 107 935
Goods and services	3 841 946	3 858 408	4 379 734	4 263 808	4 548 728	4 629 231	4 370 574	4 567 960	4 812 609
Administrative fees	6 105	12 585	15 647	5 753	9 266	7 631	14 358	7 265	7 514
Advertising	6 783	5 283	5 757	4 021	4 021	9 059	5 246	4 480	4 726
Minor assets	3 633	1 772	1 514	99	199	999	-	111	117
Audit cost: External	9 923	12 099	11 831	10 468	9 484	8 654	10 015	11 662	12 303
Bursaries: Employees	88 642	67 898	62 120	72 598	63 598	43 526	66 663	80 879	85 327
Catering: Departmental activities	54 315	68 537	69 310	36 338	35 833	33 252	59 223	59 638	62 745
Communication (G&S)	26 390	37 272	38 536	12 181	10 165	30 853	27 978	17 794	18 607
Computer services	31 382	84 619	65 729	75 726	73 123	57 165	69 852	69 392	73 210
Cons & prof serv: Business and advisory services	107 335	103 125	141 649	92 290	182 784	89 125	97 459	102 820	108 475
Infrastructure and planning	-	95	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	120 266	12 820	30 883	21 625	22 125	20 365	22 836	24 092	25 417
Contractors	10 467	6 053	6 214	800	14 800	4 204	15 280	15 928	16 804
Agency and support / outsourced services	1 350 847	1 255 940	1 446 481	1 377 254	1 573 938	1 570 776	1 563 556	1 652 806	1 747 042
Entertainment	15	6	13	-	-	7	-	-	-
Fleet services (including govt motor transport)	38 190	39 403	46 658	43 962	32 052	38 466	33 856	36 283	38 278
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	3 264	156	249	-	-	369	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	31	23	39	-	-	101	-	-	-
Inventory: Fuel, oil and gas	367	393	125	353	78 517	75 829	366	393	414
Inventory: Learner and teacher support material	611 674	625 286	705 106	611 799	682 508	804 080	681 835	715 882	755 185
Inventory: Materials and supplies	4 273	769	-	9 044	9 347	2 368	1 500	1 600	1 688
Inventory: Medical supplies	164	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	207 266	242 251	155 849	212 295	276 213	133 566	235 389	246 028	258 579
Consumable supplies	8 652	19 490	108 458	114 197	64 869	49 243	81 266	106 327	109 985
Consumable: Stationery, printing and office supplies	134 951	25 402	52 879	39 565	40 838	65 322	50 982	44 730	47 072
Operating leases	21 283	80 837	104 191	91 329	92 029	105 501	103 441	103 655	109 341
Property payments	457 009	493 443	680 271	484 142	641 958	707 191	611 722	631 294	659 777
Transport provided: Departmental activity	8 294	10 047	5 935	208 056	1 946	157 448	3 242	2 357	2 487
Travel and subsistence	300 288	380 242	347 221	305 749	301 578	302 773	300 091	324 199	345 666
Training and development	52 761	9 451	8 746	147 410	116 632	16 659	67 266	94 942	98 073
Operating payments	128 174	238 755	245 494	275 811	178 676	262 127	222 586	189 358	198 644
Venues and facilities	18 700	23 155	21 162	10 943	32 091	29 872	23 766	23 195	24 236
Rental and hiring	30 142	1 201	1 677	-	138	2 700	800	850	897
Interest and rent on land	137 932	528	1 236	-	2 000	2 082	-	-	-
Interest	137 932	528	1 236	-	2 000	2 082	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 908 152	1 945 524	1 884 913	1 988 164	1 754 420	1 755 745	2 039 860	2 160 718	2 279 558
Provinces and municipalities	1 702	1 331	2 561	1 287	2 287	2 287	1 359	1 434	1 513
Provinces	1 702	1 331	2 561	1 287	2 287	2 287	1 359	1 434	1 513
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 702	1 331	2 561	1 287	2 287	2 287	1 359	1 434	1 513
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	78 139	83 257	89 497	93 910	-	-	34 169	38 623	40 747
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	78 139	83 257	89 497	93 910	-	-	34 169	38 623	40 747
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	1 656 841	1 692 709	1 621 649	1 805 150	1 590 406	1 590 415	1 899 598	2 006 826	2 117 202
Households	171 470	168 227	171 206	87 817	161 727	163 043	104 734	113 835	120 096
Social benefits	171 470	168 227	171 206	87 817	158 327	160 903	104 734	113 835	120 096
Other transfers to households	-	-	-	-	3 400	2 140	-	-	-
Payments for capital assets	2 440 909	2 217 809	1 957 495	1 760 767	1 785 752	1 785 654	2 067 667	1 889 272	2 041 767
Buildings and other fixed structures	2 343 612	2 170 374	1 946 262	1 736 691	1 764 158	1 764 158	2 024 650	1 849 851	2 002 752
Buildings	2 343 612	2 170 374	1 946 262	1 736 691	1 764 158	1 764 158	2 024 650	1 849 851	2 002 752
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	97 297	47 188	11 095	20 076	17 594	17 496	42 517	38 921	38 515
Transport equipment	62 809	33 140	9 659	3 750	7 750	8 524	18 500	14 748	14 008
Other machinery and equipment	34 488	14 048	1 436	16 326	9 844	8 972	24 017	24 173	24 507
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	247	138	4 000	4 000	4 000	500	500	500
Payments for financial assets	31 892	31 893	31 892	-	-	-	-	-	-
Total	42 887 911	45 662 557	48 316 485	50 903 682	50 983 637	50 983 637	54 021 515	57 655 155	60 871 020
Unauth. Exp. (1st charge) not available for spending	(31 892)	(31 893)	(31 892)	-	-	-	-	-	-
Baseline available for spending after 1st charge	42 856 019	45 630 664	48 284 593	50 903 682	50 983 637	50 983 637	54 021 515	57 655 155	60 871 020

Table 5.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	1 508 794	1 804 058	1 782 892	1 947 309	1 700 309	1 700 765	1 823 701	1 875 185	1 978 349
Compensation of employees	1 052 419	1 124 805	1 151 332	1 508 404	1 258 404	1 168 760	1 342 230	1 373 798	1 449 384
Salaries and wages	899 956	966 077	987 241	1 316 532	1 066 532	1 000 702	1 149 124	1 169 131	1 233 461
Social contributions	152 463	158 728	164 091	191 872	191 872	168 058	193 106	204 667	215 923
Goods and services	454 688	678 830	630 334	438 905	439 905	529 924	481 471	501 387	528 965
Administrative fees	1 332	3 172	3 707	2 644	2 885	1 835	3 817	3 250	3 428
Advertising	6 783	5 183	5 757	4 021	4 021	9 059	4 246	4 480	4 726
Minor assets	3 464	1 408	1 423	-	-	287	-	-	-
Audit cost: External	9 712	11 835	11 523	10 468	9 484	8 398	10 015	11 662	12 303
Bursaries: Employees	65 197	67 898	49 630	23 276	14 276	1 571	24 579	25 931	27 357
Catering: Departmental activities	2 704	2 981	1 608	4 073	4 023	3 596	1 825	3 536	3 731
Communication (G&S)	25 024	36 287	37 338	7 981	8 965	29 264	15 426	14 792	15 605
Computer services	28 186	79 567	59 999	69 326	55 603	41 971	63 068	62 235	65 659
Cons & prof serv: Business and advisory services	32	2 655	634	-	-	4 782	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	8 934	7 420	30 883	21 625	21 625	19 865	22 836	24 092	25 417
Contractors	7 846	3 629	1 850	-	14 000	2 258	14 700	15 000	15 825
Agency and support / outsourced services	15 204	13 367	15 832	5 524	3 034	14 866	2 587	2 656	2 802
Entertainment	15	6	13	-	-	7	-	-	-
Fleet services (including govt motor transport)	38 027	39 366	46 658	42 971	31 061	37 852	33 468	35 874	37 847
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	252	33	232	-	-	369	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	23	23	39	-	-	27	-	-	-
Inventory: Fuel, oil and gas	58	101	81	155	155	10	157	172	181
Inventory: Learner and teacher support material	502	560	170	-	-	-	-	-	-
Inventory: Materials and supplies	54	57	-	-	-	-	-	-	-
Inventory: Medical supplies	5	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	47	51	900	557	176	5 076	508	620	654
Consumable supplies	1 683	3 383	2 513	2 681	3 103	1 847	2 999	4 240	4 473
Consumable: Stationery, printing and office supplies	18 629	13 678	13 640	10 805	10 805	25 831	10 301	12 936	13 648
Operating leases	13 797	73 930	96 099	80 989	80 989	96 175	92 946	92 055	97 117
Property payments	81 288	87 921	110 904	33 224	68 457	99 508	73 745	73 165	77 190
Transport provided: Departmental activity	436	1 561	285	203	203	20 038	231	265	280
Travel and subsistence	100 936	126 504	123 227	107 711	96 554	97 916	95 331	105 736	111 552
Training and development	12 449	650	187	4 784	4 784	43	712	1 021	1 078
Operating payments	5 800	90 718	13 173	5 887	5 702	3 538	6 474	6 169	6 509
Venues and facilities	4 903	4 241	1 383	-	-	2 218	1 000	1 000	1 055
Rental and hiring	1 366	645	646	-	-	1 717	500	500	528
Interest and rent on land	1 687	423	1 226	-	2 000	2 081	-	-	-
Interest	1 687	423	1 226	-	2 000	2 081	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	16 976	20 433	22 611	36 185	37 185	37 366	23 211	25 313	26 705
Provinces and municipalities	1 702	1 331	2 561	1 287	2 287	2 287	1 359	1 434	1 513
Provinces	1 702	1 331	2 561	1 287	2 287	2 287	1 359	1 434	1 513
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 702	1 331	2 561	1 287	2 287	2 287	1 359	1 434	1 513
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	15 274	19 102	20 050	34 898	34 898	35 079	21 852	23 879	25 192
Social benefits	15 274	19 102	20 050	34 898	31 498	33 035	21 852	23 879	25 192
Other transfers to households	-	-	-	-	3 400	2 044	-	-	-
Payments for capital assets	97 149	32 183	6 007	1 332	7 332	6 695	5 955	6 057	6 391
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	97 149	32 128	5 869	1 332	7 332	6 695	5 955	6 057	6 391
Transport equipment	62 809	18 545	4 657	-	-	1 274	-	-	-
Other machinery and equipment	34 340	13 583	1 212	1 332	7 332	5 421	5 955	6 057	6 391
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	55	138	-	-	-	-	-	-
Payments for financial assets	31 892	31 893	31 892	-	-	-	-	-	-
Total	1 654 811	1 888 567	1 843 402	1 984 826	1 744 826	1 744 826	1 852 867	1 906 555	2 011 445
Unauth. Exp. (1st charge) not available for spending	(31 892)	(31 893)	(31 892)	-	-	-	-	-	-
Baseline available for spending after 1st charge	1 622 919	1 856 674	1 811 510	1 984 826	1 744 826	1 744 826	1 852 867	1 906 555	2 011 445

Table 5.D : Payments and estimates by economic classification: Public Ordinary School Education

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	34 007 280	36 240 565	38 704 290	41 028 695	41 418 160	41 417 643	43 597 815	47 022 027	49 609 096
Compensation of employees	31 252 905	33 747 306	35 993 428	38 152 894	38 397 640	38 480 472	40 769 303	44 064 441	46 487 983
Salaries and wages	26 761 748	28 936 624	30 841 870	31 969 746	32 610 417	32 826 625	34 877 512	38 031 293	40 123 012
Social contributions	4 491 157	4 810 682	5 151 558	6 183 148	5 787 223	5 653 847	5 891 791	6 033 148	6 364 971
Goods and services	2 618 130	2 493 158	2 710 856	2 875 801	3 020 520	2 937 170	2 828 512	2 957 586	3 121 113
Administrative fees	3 596	7 532	6 953	850	1 212	2 636	7 150	1 560	1 599
Advertising	-	-	-	-	-	-	1 000	-	-
Minor assets	14	-	-	-	100	376	-	-	-
Audit cost: External	205	259	308	-	-	256	-	-	-
Bursaries: Employees	23 445	-	12 490	49 322	49 322	41 955	42 084	54 948	57 970
Catering: Departmental activities	12 114	18 557	24 662	3 133	2 678	16 586	26 677	23 818	25 084
Communication (G&S)	114	98	190	3 000	-	450	12 000	3 000	3 000
Computer services	4	-	-	-	11 120	10 519	-	-	-
Cons & prof serv: Business and advisory services	107 303	100 470	141 015	89 316	179 810	84 143	94 318	99 506	104 979
Infrastructure and planning	-	95	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	111 692	5 400	-	-	500	500	-	-	-
Contractors	1 691	286	397	-	-	50	-	-	-
Agency and support / outsourced services	1 334 929	1 242 216	1 430 172	1 370 684	1 569 858	1 555 583	1 559 941	1 649 115	1 743 197
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	-	29	-	614	614	614	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	55	64	6	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	8	-	-	-	-	74	-	-	-
Inventory: Fuel, oil and gas	-	-	-	153	78 317	75 819	162	171	180
Inventory: Learner and teacher support material	537 108	547 098	703 115	525 085	594 694	670 573	590 661	620 199	654 309
Inventory: Materials and supplies	3 960	482	-	9 044	8 347	1 783	1 000	1 600	1 688
Inventory: Medical supplies	9	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	205 723	219 897	130 657	186 738	251 037	102 087	208 881	220 935	232 969
Consumable supplies	4 462	14 055	105 511	108 173	59 413	44 959	76 041	98 382	101 620
Consumable: Stationery, printing and office supplies	21 157	5 134	15 876	2 135	3 308	21 750	14 567	2 135	2 135
Operating leases	3 938	3 955	4 311	3 356	4 056	4 676	5 519	3 713	3 917
Property payments	105 171	49 762	30 550	27 200	27 250	47 507	39 854	39 649	41 829
Transport provided: Departmental activity	4 948	6 842	2 723	206 630	520	130 555	1 620	730	770
Travel and subsistence	59 494	112 582	56 398	73 241	79 942	69 126	63 311	65 953	72 844
Training and development	36 828	7 397	1 430	103 740	80 699	3 849	35 649	62 294	63 677
Operating payments	38 961	140 171	41 567	111 887	14 937	43 473	44 677	7 378	6 791
Venues and facilities	1 039	10 660	2 254	1 500	2 648	6 914	3 100	2 150	2 186
Rental and hiring	162	117	271	-	138	357	300	350	369
Interest and rent on land	136 245	101	6	-	-	1	-	-	-
Interest	136 245	101	6	-	-	1	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 573 083	1 585 607	1 519 093	1 579 596	1 464 824	1 464 920	1 692 293	1 789 360	1 887 775
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	1 426 584	1 446 314	1 375 777	1 528 502	1 339 820	1 339 820	1 616 338	1 707 437	1 801 346
Households	146 499	139 293	143 316	51 094	125 004	125 004	75 955	81 923	86 429
Social benefits	146 499	139 293	143 316	51 094	125 004	125 004	75 955	81 923	86 429
Other transfers to households	-	-	-	-	-	96	-	-	-
Payments for capital assets	31	14	4 656	18 182	8 000	8 421	21 582	17 582	17 582
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	31	14	4 656	14 182	4 000	4 421	21 082	17 082	17 082
Transport equipment	-	-	4 462	-	4 000	4 000	4 000	-	-
Other machinery and equipment	31	14	194	14 182	-	421	17 082	17 082	17 082
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	4 000	4 000	4 000	500	500	500
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	35 580 394	37 826 186	40 228 039	42 626 473	42 890 984	42 890 984	45 311 690	48 828 969	51 514 453

Table 5.E : Payments and estimates by economic classification: Independent School Subsidies

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	77 278	80 900	82 980	91 028	84 028	84 028	96 125	101 411	106 989
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	77 278	80 900	82 980	91 028	84 028	84 028	96 125	101 411	106 989
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	77 278	80 900	82 980	91 028	84 028	84 028	96 125	101 411	106 989

Table 5.F : Payments and estimates by economic classification: Public Special School Education

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	815 011	898 518	988 010	1 009 403	1 068 119	1 067 453	1 099 183	1 161 903	1 227 415
Compensation of employees	813 764	897 252	980 791	996 044	1 053 092	1 055 992	1 089 300	1 151 202	1 216 475
Salaries and wages	686 122	758 613	828 964	841 096	898 144	891 876	921 675	971 978	1 027 394
Social contributions	127 642	138 639	151 827	154 948	154 948	164 116	167 625	179 224	189 081
Goods and services	1 247	1 266	7 219	13 359	15 027	11 461	9 883	10 701	10 940
Administrative fees	1	10	415	500	3 410	427	600	633	633
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	40	245	50	50	50	60	63	63
Communication (G&S)	5	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	853	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	191	-	1 000	2 100	1 775	1 700	1 266	1 266
Inventory: Materials and supplies	1	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	943	603	2 315	-	-	41	-	-	-
Consumable supplies	12	11	5	18	28	501	22	23	23
Consumable: Stationery, printing and office supplies	13	30	-	-	100	452	-	-	-
Operating leases	29	-	-	150	150	64	240	253	253
Property payments	139	-	33	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	98	341	4 198	2 450	2 735	3 806	2 440	3 102	3 102
Training and development	-	40	8	8 691	5 954	3 323	4 221	4 728	4 967
Operating payments	6	-	-	500	500	116	600	633	633
Venues and facilities	-	-	-	-	-	53	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	127 316	134 830	135 946	153 986	139 670	140 331	152 609	161 553	170 439
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	123 927	130 964	133 488	152 161	137 845	137 845	150 682	159 520	168 294
Households	3 389	3 866	2 458	1 825	1 825	2 486	1 927	2 033	2 145
Social benefits	3 389	3 866	2 458	1 825	1 825	2 486	1 927	2 033	2 145
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	14 595	540	4 562	6 262	6 267	15 480	15 782	15 042
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	14 595	540	4 562	6 262	6 267	15 480	15 782	15 042
Transport equipment	-	14 595	540	3 750	3 750	3 250	14 500	14 748	14 008
Other machinery and equipment	-	-	-	812	2 512	3 017	980	1 034	1 034
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	942 327	1 047 943	1 124 496	1 167 951	1 214 051	1 214 051	1 267 272	1 339 238	1 412 896

Table 5.G : Payments and estimates by economic classification: Early Childhood Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	586 196	954 521	941 579	1 246 959	1 191 959	1 191 595	1 292 933	1 341 715	1 415 509
Compensation of employees	508 269	874 192	934 359	1 120 137	1 070 137	1 050 283	1 165 129	1 206 607	1 272 971
Salaries and wages	491 631	855 474	907 906	962 703	912 703	961 877	1 050 829	1 031 213	1 087 930
Social contributions	16 638	18 718	26 453	157 434	157 434	88 406	114 300	175 394	185 041
Goods and services	77 927	80 329	7 220	126 822	121 822	141 312	127 804	135 108	142 538
Administrative fees	16	68	1	-	-	6	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	110	272	98	1 111	1 111	580	1 173	1 238	1 306
Communication (G&S)	1	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	2 974	2 974	200	3 141	3 314	3 496
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	1	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	70	70	-	36	38	40
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	-	-	-	377	377	-	388	409	431
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	53	11	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	73 203	76 382	-	85 714	85 714	131 348	89 474	94 417	99 610
Inventory: Materials and supplies	253	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medgas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	21	-	-	-	-	-	-	-	-
Consumable supplies	584	113	-	1 405	1 405	335	1 484	1 566	1 652
Consumable: Stationery, printing and office supplies	2 249	1 195	293	2 221	2 221	1 858	2 345	2 474	2 610
Operating leases	20	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	133	-	85	1 223	1 223	1 029	1 291	1 362	1 437
Travel and subsistence	1 284	2 257	1 049	4 272	4 272	1 524	4 818	5 061	5 339
Training and development	-	-	5 615	27 072	22 072	4 185	23 274	24 829	26 195
Operating payments	-	-	72	383	383	247	380	400	422
Venues and facilities	-	10	-	-	-	-	-	-	-
Rental and hiring	-	21	6	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	17 475	19 002	29 672	33 459	28 713	29 077	36 453	38 458	40 573
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	17 022	18 851	29 404	33 459	28 713	28 722	36 453	38 458	40 573
Households	453	151	268	-	-	355	-	-	-
Social benefits	453	151	268	-	-	355	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	603 671	973 523	971 251	1 280 418	1 220 672	1 220 672	1 329 386	1 380 173	1 456 082

Table 5.H : Payments and estimates by economic classification: Infrastructure Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	267 296	358 511	545 231	449 916	572 449	572 449	521 722	545 050	568 779
Compensation of employees	11 505	19 351	22 582	29 916	29 916	29 129	31 591	34 118	36 847
Salaries and wages	11 505	17 401	20 876	29 916	29 916	26 096	31 591	34 118	36 847
Social contributions	-	1 950	1 706	-	-	3 033	-	-	-
Goods and services	255 791	339 160	522 649	420 000	542 533	543 320	490 131	510 932	531 932
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	100	-	-	-	-	-	-	-
Minor assets	-	2	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	2 051	3 472	-	-	281	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	532	21 700	21 114	25 000	25 000	25 000	26 000	24 473	24 956
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	56	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	227 693	313 588	496 176	395 000	517 533	515 667	464 131	486 459	506 976
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	1 613	1 868	-	-	2 372	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	50	19	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	27 566	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	62	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	62	-	-	-	-	-	-
Social benefits	-	-	62	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	2 343 404	2 170 689	1 946 262	1 736 691	1 764 158	1 764 158	2 024 650	1 849 851	2 002 752
Buildings and other fixed structures	2 343 404	2 170 374	1 946 262	1 736 691	1 764 158	1 764 158	2 024 650	1 849 851	2 002 752
Buildings	2 343 404	2 170 374	1 946 262	1 736 691	1 764 158	1 764 158	2 024 650	1 849 851	2 002 752
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	123	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	123	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	192	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 610 700	2 529 200	2 491 555	2 186 607	2 336 607	2 336 607	2 546 372	2 394 901	2 571 531

Table 5.1 : Payments and estimates by economic classification: Examination and Education Related Services

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	1 322 381	1 211 158	1 480 183	1 472 469	1 492 469	1 492 333	1 578 634	1 659 285	1 750 547
Compensation of employees	888 218	945 489	978 723	1 083 548	1 083 548	1 026 289	1 145 861	1 207 039	1 273 426
Salaries and wages	805 530	859 748	890 266	956 190	956 190	935 420	1 043 459	1 062 092	1 120 507
Social contributions	82 688	85 741	88 457	127 358	127 358	90 869	102 402	144 947	152 919
Goods and services	434 163	265 665	501 456	388 921	408 921	466 044	432 773	452 246	477 121
Administrative fees	1 160	1 803	4 571	1 759	1 759	2 727	2 791	1 822	1 854
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	155	362	91	99	99	336	-	111	117
Audit cost: External	6	5	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	39 387	46 687	42 697	27 971	27 971	12 440	29 488	30 983	32 561
Communication (G&S)	1 246	887	1 008	1 200	1 200	1 139	552	2	2
Computer services	3 192	5 052	5 730	6 400	6 400	4 675	6 784	7 157	7 551
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	930	87	494	800	800	762	580	928	979
Agency and support / outsourced services	714	357	477	976	976	327	992	997	1 003
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	163	8	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	2 904	48	11	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	309	292	44	45	45	-	47	50	53
Inventory: Learner and teacher support material	861	1 055	1 821	-	-	384	-	-	-
Inventory: Materials and supplies	5	230	-	-	1 000	585	500	-	-
Inventory: Medical supplies	150	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	863	-	-	1 362	-	-	-
Consumable supplies	1 911	1 928	429	1 920	920	1 601	720	2 116	2 217
Consumable: Stationery, printing and office supplies	92 903	5 309	23 070	24 404	24 404	15 431	23 769	27 185	28 679
Operating leases	3 499	2 952	3 781	6 834	6 834	4 586	4 736	7 634	8 054
Property payments	42 718	42 172	42 608	28 718	28 718	44 509	33 992	32 021	33 782
Transport provided: Departmental activity	2 777	1 644	2 842	-	-	5 826	100	-	-
Travel and subsistence	138 476	136 945	160 481	118 075	118 075	128 029	134 191	144 347	152 829
Training and development	3 484	1 364	1 506	3 123	3 123	5 259	3 410	2 070	2 156
Operating payments	83 407	7 816	190 653	157 154	157 154	214 753	170 455	174 778	184 289
Venues and facilities	12 758	8 244	17 525	9 443	29 443	20 687	19 666	20 045	20 995
Rental and hiring	1 048	418	754	-	-	626	-	-	-
Interest and rent on land	-	4	4	-	-	-	-	-	-
Interest	-	4	4	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	96 024	104 752	94 549	93 910	-	23	39 169	44 623	47 077
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	78 139	83 257	89 497	93 910	-	-	34 169	38 623	40 747
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	78 139	83 257	89 497	93 910	-	-	34 169	38 623	40 747
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	12 030	15 680	-	-	-	-	-	-	-
Households	5 855	5 815	5 052	-	-	23	5 000	6 000	6 330
Social benefits	5 855	5 815	5 052	-	-	23	5 000	6 000	6 330
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	325	328	30	-	-	113	-	-	-
Buildings and other fixed structures	208	-	-	-	-	-	-	-	-
Buildings	208	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	117	328	30	-	-	113	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	117	328	30	-	-	113	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 418 730	1 316 238	1 574 762	1 566 379	1 492 469	1 492 469	1 617 803	1 703 908	1 797 624

Table 5.J : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	1 415 639	1 418 425	2 047 749	1 902 037	2 169 637	2 150 747	2 048 705	2 129 649	2 294 974
Compensation of employees	41 026	69 097	53 887	120 515	103 552	101 112	126 430	103 789	112 308
Salaries and wages	40 840	66 836	50 983	120 300	103 337	99 614	126 107	103 574	112 081
Social contributions	186	2 261	2 904	215	215	1 498	323	215	227
Goods and services	1 374 569	1 349 328	1 993 862	1 781 522	2 066 085	2 049 635	1 922 275	2 025 860	2 182 666
Administrative fees	1 961	1 262	4 389	2 584	5 346	3 794	2 684	2 717	2 717
Advertising	-	-	-	-	-	-	1 000	-	-
Minor assets	14	-	-	-	100	100	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 640	1 574	2 098	3 151	2 351	3 281	3 161	3 164	3 164
Communication (G&S)	-	-	-	3 000	-	365	12 000	3 000	3 000
Computer services	-	-	-	-	11 120	10 517	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	189	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	492	4 194	-	-	500	500	-	-	-
Contractors	285	-	3 359	-	-	853	-	-	-
Agency and support / outsourced services	1 288 984	1 242 558	1 430 488	1 368 028	1 567 102	1 554 144	1 560 741	1 649 912	1 743 988
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	2 662	20	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	78 164	75 818	-	-	-
Inventory: Learner and teacher support material	4 780	10 611	10 807	1 000	16 521	7 908	5 700	1 266	1 266
Inventory: Materials and supplies	665	156	-	-	-	-	-	-	-
Inventory: Medicine	150	-	-	280	-	-	280	280	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	21 078	53 005	27 771	27 060	46 359	32 640	38 130	26 603	27 086
Consumable supplies	279	116	78	39 518	1 448	14 889	34 522	39 523	39 803
Consumable: Stationery, printing and office supplies	2 723	832	799	2 165	3 438	2 485	2 165	2 165	2 165
Operating leases	132	86	6 941	150	850	448	240	253	253
Property payments	1 591	195	453 584	158 628	281 161	281 161	210 971	216 845	274 506
Transport provided: Departmental activity	2 668	1 755	3 250	2 450	2 450	4 642	2 440	3 102	3 102
Travel and subsistence	23 856	19 750	42 526	22 728	27 238	37 243	24 940	28 255	33 595
Training and development	7 709	8 420	2 602	33 823	10 782	6 123	12 811	38 285	38 285
Operating payments	10 776	3 193	2 352	112 514	6 064	6 016	6 214	6 214	5 460
Venues and facilities	1 582	1 222	2 120	4 443	5 091	5 897	4 276	4 276	4 276
Rental and hiring	542	379	698	-	-	622	-	-	-
Interest and rent on land	44	-	-	-	-	-	-	-	-
Interest	44	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	12 178	15 680	20 062	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	12 178	15 680	20 000	-	-	-	-	-	-
Households	-	-	62	-	-	-	-	-	-
Social benefits	-	-	62	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 967 209	2 006 833	1 831 669	1 675 635	1 694 620	1 694 625	1 945 662	1 761 332	1 854 815
Buildings and other fixed structures	1 967 178	2 006 568	1 826 473	1 652 891	1 680 358	1 680 358	1 918 600	1 737 968	1 832 741
Buildings	1 967 178	2 006 568	1 826 473	1 652 891	1 680 358	1 680 358	1 918 600	1 737 968	1 832 741
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	31	265	5 196	18 744	10 262	10 267	26 562	22 864	21 574
Transport equipment	-	-	5 002	3 750	7 750	7 250	8 500	4 748	3 458
Other machinery and equipment	31	265	194	14 994	2 512	3 017	18 062	18 116	18 116
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	4 000	4 000	4 000	500	500	500
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 395 026	3 440 938	3 899 480	3 577 672	3 864 257	3 845 372	3 994 367	3 890 981	4 149 789

Table 5.K : Payments and estimates by economic classification: Education Infrastructure grant (Prog 6: Infr. Dev.)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	11 505	38 462	506 607	213 544	336 077	336 077	268 562	275 436	336 309
Compensation of employees	11 505	19 351	22 561	29 916	29 916	29 916	31 591	34 118	36 847
Salaries and wages	11 505	17 401	20 049	29 916	29 916	29 916	31 591	34 118	36 847
Social contributions	-	1 950	2 512	-	-	-	-	-	-
Goods and services	-	19 111	484 046	183 628	306 161	306 161	236 971	241 318	299 462
Catering: Departmental activities	-	5	-	-	-	-	-	-	-
Contractors	-	-	3 239	-	-	-	-	-	-
Inventory: Other supplies	-	17 443	18 452	25 000	25 000	25 000	26 000	24 473	24 956
Operating leases	-	-	6 899	-	-	-	-	-	-
Property payments	-	-	453 572	158 628	281 161	281 161	210 971	216 845	274 506
Travel and subsistence	-	1 613	1 868	-	-	-	-	-	-
Operating payments	-	50	16	-	-	-	-	-	-
Transfers and subsidies	-	-	62	-	-	-	-	-	-
Households	-	-	62	-	-	-	-	-	-
Social benefits	-	-	62	-	-	-	-	-	-
Payments for capital assets	1 967 178	2 006 749	1 826 473	1 652 891	1 680 358	1 680 358	1 918 600	1 737 968	1 832 741
Buildings and other fixed structures	1 967 178	2 006 568	1 826 473	1 652 891	1 680 358	1 680 358	1 918 600	1 737 968	1 832 741
Buildings	1 967 178	2 006 568	1 826 473	1 652 891	1 680 358	1 680 358	1 918 600	1 737 968	1 832 741
Machinery and equipment	-	181	-	-	-	-	-	-	-
Other machinery and equipment	-	181	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 978 683	2 045 211	2 333 142	1 866 435	2 016 435	2 016 435	2 187 162	2 013 404	2 169 050

Table 5.L : Payments and estimates by economic classification: HIV and AIDS (Life-Skills Education) grant (Prog 7: Exam. and Educ. Rel. Serv.)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	38 558	39 324	64 262	58 922	58 922	56 261	62 155	65 450	69 050
Compensation of employees	12 141	19 733	23 622	30 195	30 195	27 396	33 520	33 520	35 364
Salaries and wages	12 020	19 496	23 370	29 980	29 980	27 090	33 305	33 305	35 137
Social contributions	121	237	252	215	215	306	215	215	227
Goods and services	26 417	19 591	40 640	28 727	28 727	28 865	28 635	31 930	33 686
Administrative fees	650	798	2 936	1 234	1 234	2 052	1 234	1 234	1 234
Catering: Departmental activities	1 471	1 422	1 102	2 301	2 301	1 659	2 301	2 301	2 301
Contractors	285	-	-	-	-	-	-	-	-
Agency and support / outsourced services	690	356	414	900	900	247	900	900	900
Inventory: Clothing material and accessories	2 662	20	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	861	941	1 821	-	-	88	-	-	-
Inventory: Material and supplies	5	156	-	-	-	-	-	-	-
Inventory: Medicine	150	-	-	280	-	-	280	280	-
Consumable supplies	279	116	78	-	280	96	-	-	280
Consumable: Stationery, printing & office supplies	966	292	566	30	30	30	30	30	30
Property payments	-	-	12	-	-	-	-	-	-
Transport provided: Departmental activity	2 517	1 584	1 840	-	-	936	-	-	-
Travel and subsistence	5 971	10 602	26 875	18 675	18 675	18 225	18 750	22 045	23 801
Training and development	3 321	1 082	1 506	500	500	2 417	500	500	500
Operating payments	4 884	651	1 549	1 864	1 864	1 383	1 864	1 864	1 864
Venues and facilities	1 163	1 192	1 243	2 943	2 943	1 110	2 776	2 776	2 776
Rental and hiring	542	379	698	-	-	622	-	-	-
Transfers and subsidies	12 030	15 680	-	-	-	-	-	-	-
Non-profit institutions	12 030	15 680	-	-	-	-	-	-	-
Payments for capital assets	-	70	-	-	-	-	-	-	-
Machinery and equipment	-	70	-	-	-	-	-	-	-
Other machinery and equipment	-	70	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	50 588	55 074	64 262	58 922	58 922	56 261	62 155	65 450	69 050

Table 5.M : Payments and estimates by economic classification: National School Nutrition Programme (NSNP) grant (Prog 2: Public. Ord. Sch. Ed.)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	1 287 003	1 246 976	1 432 986	1 534 878	1 660 215	1 657 715	1 617 291	1 710 462	1 804 538
Compensation of employees	-	-	-	13 700	3 700	2 100	13 700	13 700	14 454
Salaries and wages	-	-	-	13 700	3 700	2 100	13 700	13 700	14 454
Goods and services	1 286 959	1 246 976	1 432 986	1 521 178	1 656 515	1 655 615	1 603 591	1 696 762	1 790 084
Administrative fees	7	25	248	-	100	150	-	-	-
Advertising	-	-	-	-	-	-	1 000	-	-
Minor assets	14	-	-	-	100	100	-	-	-
Catering: Departmental activities	-	43	-	-	-	3	-	-	-
Legal costs	492	4 194	-	-	500	500	-	-	-
Agency and support / outsourced services	1 285 785	1 242 202	1 429 874	1 367 128	1 566 202	1 553 897	1 559 841	1 649 012	1 743 088
Inventory: Fuel, oil and gas	-	-	-	-	78 164	75 818	-	-	-
Inventory: Learner and teacher support material	97	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	1 517	-	-	-
Consumable supplies	-	-	-	39 500	1 150	14 302	34 500	39 500	39 500
Consumable: Stationery, printing & office supplies	300	147	73	2 000	3 308	2 005	2 000	2 000	2 000
Operating leases	132	86	42	-	700	384	-	-	-
Property payments	33	-	-	-	-	-	-	-	-
Travel and subsistence	87	243	1 845	1 050	1 000	1 745	1 050	1 050	1 050
Training and development	-	-	-	1 000	1 091	853	1 000	1 000	1 000
Operating payments	12	6	781	110 500	4 200	4 322	4 200	4 200	3 446
Venues and facilities	-	30	123	-	-	19	-	-	-
Interest and rent on land	44	-	-	-	-	-	-	-	-
Interest	44	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	31	-	4 462	-	4 000	4 000	4 000	-	-
Machinery and equipment	31	-	4 462	-	4 000	4 000	4 000	-	-
Transport equipment	-	-	4 462	-	4 000	4 000	4 000	-	-
Other machinery and equipment	31	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 287 034	1 246 976	1 437 448	1 534 878	1 664 215	1 661 715	1 621 291	1 710 462	1 804 538

Table 5.N : Payments and estimates by economic classification: Maths, Science and Technology grant (Prog 2: Public. Ord. School Ed.)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	59 850	63 454	35 512	43 021	63 351	50 851	47 056	49 497	53 081
Goods and services	59 850	63 454	35 512	43 021	63 351	50 851	47 056	49 497	53 081
Administrative fees	1 304	439	1 146	850	612	1 206	850	850	850
Catering: Departmental activities	169	104	996	800	-	1 499	800	800	800
Communication (G&S)	-	-	-	3 000	-	365	12 000	3 000	3 000
Computer services	-	-	-	-	11 120	10 517	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	189	-	-	-
Contractors	-	-	120	-	-	-	-	-	-
Agency and support / outsourced services	2 509	-	200	-	-	-	-	-	-
Inventory: Learner and teacher support material	3 822	9 670	8 986	-	14 421	6 045	4 000	-	-
Inventory: Material and supplies	660	-	-	-	-	-	-	-	-
Inventory: Other supplies	21 078	35 562	9 160	2 060	21 359	6 082	12 130	2 130	2 130
Consumable: Stationery, printing & office supplies	1 457	393	160	135	-	(2)	135	135	135
Property payments	217	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	151	171	977	-	-	475	-	-	-
Travel and subsistence	17 796	7 291	11 930	2 703	5 000	16 958	4 780	4 780	8 364
Training and development	4 388	7 338	1 077	31 823	8 691	2 491	10 711	36 152	36 152
Operating payments	5 880	2 486	6	150	-	258	150	150	150
Venues and facilities	419	-	754	1 500	2 148	4 768	1 500	1 500	1 500
Transfers and subsidies	148	-	20 000	-	-	-	-	-	-
Non-profit institutions	148	-	20 000	-	-	-	-	-	-
Payments for capital assets	-	14	-	18 182	4 000	4 000	17 582	17 582	17 582
Machinery and equipment	-	14	-	14 182	-	-	17 082	17 082	17 082
Other machinery and equipment	-	14	-	14 182	-	-	17 082	17 082	17 082
Software and other intangible assets	-	-	-	4 000	4 000	4 000	500	500	500
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	59 998	63 468	55 512	61 203	67 351	54 851	64 638	67 079	70 663

Table 5.O : Payments and estimates by economic classification: Social Sector EPWP Incentive Grant for Provinces (Prog 2: Public. Ord. Sch. Ed.)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	3 000	27 365	4 297	27 004	27 004	26 475	24 814	-	-
Compensation of employees	3 000	27 364	4 297	27 004	27 004	26 159	24 814	-	-
Salaries and wages	2 965	27 296	4 276	27 004	27 004	26 046	24 714	-	-
Social contributions	35	68	21	-	-	113	100	-	-
Goods and services	-	1	-	-	-	316	-	-	-
<i>Catering: Departmental activities</i>	-	-	-	-	-	70	-	-	-
<i>Travel and subsistence</i>	-	1	-	-	-	-	-	-	-
<i>Training and development</i>	-	-	-	-	-	246	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 000	27 365	4 297	27 004	27 004	26 475	24 814	-	-

Table 5.P : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces (Prog 2: Public. Ord. School Ed.)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	2 644	2 844	1 929	2 000	2 000	1 897	2 028	-	-
Compensation of employees	1 301	2 649	1 910	2 000	2 000	1 896	2 028	-	-
Salaries and wages	1 271	2 643	1 904	2 000	2 000	1 885	2 020	-	-
Social contributions	30	6	6	-	-	11	8	-	-
Goods and services	1 343	195	19	-	-	1	-	-	-
<i>Property payments</i>	1 341	195	-	-	-	-	-	-	-
<i>Travel and subsistence</i>	2	-	-	-	-	1	-	-	-
<i>Training and development</i>	-	-	19	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	194	-	-	-	-	-	-
Machinery and equipment	-	-	194	-	-	-	-	-	-
Other machinery and equipment	-	-	194	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 644	2 844	2 123	2 000	2 000	1 897	2 028	-	-

Table 5.Q : Payments and estimates by economic classification: Learners with Prof. Intel. Disabilities Grant (Prog 4: Public. Spec. Sch. Edu.)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	2 156	22 668	22 068	21 471	26 799	28 804	31 996
Compensation of employees	-	-	1 497	17 700	10 737	13 645	20 777	22 451	25 643
Salaries and wages	-	-	1 384	17 700	10 737	12 577	20 777	22 451	25 643
Social contributions	-	-	113	-	-	1 068	-	-	-
Goods and services	-	-	659	4 968	11 331	7 826	6 022	6 353	6 353
<i>Administrative fees</i>	-	-	59	500	3 400	386	600	633	633
<i>Catering: Departmental activities</i>	-	-	-	50	50	50	60	63	63
<i>Contractors</i>	-	-	-	-	-	853	-	-	-
<i>Inventory: Learner and teacher support material</i>	-	-	-	1 000	2 100	1 775	1 700	1 266	1 266
<i>Inventory: Other supplies</i>	-	-	159	-	-	41	-	-	-
<i>Consumable supplies</i>	-	-	-	18	18	491	22	23	23
<i>Consumable: Stationery, printing and office supplies</i>	-	-	-	-	100	452	-	-	-
<i>Operating leases</i>	-	-	-	150	150	64	240	253	253
<i>Transport provided: Departmental activity</i>	-	-	433	2 450	2 450	3 231	2 440	3 102	3 102
<i>Travel and subsistence</i>	-	-	8	300	2 563	314	360	380	380
<i>Training and development</i>	-	-	-	500	500	116	600	633	633
<i>Operating payments</i>	-	-	-	-	-	53	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	540	4 562	6 262	6 267	5 480	5 782	4 492
Machinery and equipment	-	-	540	4 562	6 262	6 267	5 480	5 782	4 492
Transport equipment	-	-	540	3 750	3 750	3 250	4 500	4 748	3 458
Other machinery and equipment	-	-	-	812	2 512	3 017	980	1 034	1 034
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	2 696	27 230	28 330	27 738	32 279	34 586	36 488

Table 5.R : Payments and estimates by economic classification: OSD for Education Sector Therapists grant (Prog 4: Public. Spec. Sch. Edu.)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	13 079	-	-	-	-	-	-	-	-
Compensation of employees	13 079	-	-	-	-	-	-	-	-
Salaries and wages	13 079	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	13 079	-	-	-	-	-	-	-	-

VOTE 6

Provincial Treasury

Operational budget	R719 651 205
Remuneration of the MEC	R 1 977 795
Total amount to be appropriated	R721 629 000
Responsible Executive Authority	MEC for Finance
Administering department	Provincial Treasury
Accounting officer	Accountant-General

1. Overview

Vision

The vision of the department is: *Be the centre of excellence in financial and fiscal management in the country.*

Mission statement

The department's mission is: *To enhance the KZN Provincial Government's service delivery by responding to the expectations of all stakeholders in the value chain as a key driver through:*

- Optimum and transparent allocation of financial resources while enhancing revenue generation and financial management practices in compliance with applicable legislation and corporate governance principles.
- Competent and dedicated employees who are at the centre of ensuring best value to their stakeholders.

Strategic objectives

Strategic policy direction: The Provincial Treasury will ensure a credible distribution of available funds between departments taking cognisance of the demands for social services and the need to stimulate economic development and growth, and will commit to provide ongoing, effective and efficient support services to internal and external clients. The department will analyse and monitor government revenue and expenditure in the provincial and local spheres, including public entities, undertake robust public policy research and instill prudent financial management and good governance.

The department has set the following goals and strategic objectives:

- To promote sound financial management practices and fiscal management through good governance.
- To ensure targeted financial resources allocation and utilisation that contributes to improved service delivery.
- To enhance the capacity and capability of SCM in departments, municipalities and public entities to eliminate irregular expenditure.
- To focus on the enhancement of BBBEE through effective SCM policies.
- To monitor and facilitate infrastructure delivery in the province and thereby contribute towards job creation.
- To co-ordinate and enhance revenue collection for sustainable service delivery to the citizens.
- To promote sound cash management practices and improve liquidity in the province.

Core functions

The core functions of the department include the following:

- Mobilisation of funds for the provincial government.
- Allocation of fiscal resources to provincial departments.
- Preparation of annual and MTEF budgets.
- Province-wide cash management.
- Internal audit.
- Provincial financial management in terms of the PFMA and MFMA through:
 - Budget monitoring and reporting.
 - Financial accounting.
 - Financial systems maintenance.
- Provision of advice on procurement policies and procedures in provincial government.

Legislative mandate

The department is governed by the following pieces of legislation and policy directives, among others:

- Annual Division of Revenue Act
- Borrowing Powers of Provincial Governments Act (Act No. 48 of 1996)
- Government Immovable Asset Management Act (Act No. 19 of 2007)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)
- Municipal Finance Management Act (MFMA) (Act No. 56 of 2003)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000) (PPPFA)
- Provincial Internal Audit Act (Act No. 2 of 2001)
- Provincial Tax Regulation Process Act (Act No. 53 of 2001)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- Public Audit Act (Act No. 25 of 2004)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Provincial Appropriation Acts
- The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
- KwaZulu-Natal Direct Charges Act, 2002 (Act No. 4 of 2002)

2. Review of the 2018/19 financial year

Section 2 provides a review of 2018/19, outlining the main achievements and progress made by the department, as well as providing a brief discussion on challenges and new developments.

Sustainable Resource Management

Infrastructure: In line with National Treasury guidelines for planning, budgeting and delivery of infrastructure, the unit published the 2018/19 *ECE*, provides a list of all infrastructure projects that the provincial departments are planning to deliver over the MTEF. Support was provided on infrastructure reporting using the Infrastructure Reporting Model (IRM), Infrastructure Delivery Management System (IDMS), and the KZN Infrastructure Master Plan (KZN-IMP). The deployment of the Infrastructure Crack Team continued to be a priority, with projects including the storm disaster repairs relating to DOH.

Economic Analysis: The unit continued to produce economic and public policy research, participated in various academic conferences and workshops, undertook district municipality profiling and delivered economic presentations throughout the province. It also provided informative analysis of the provincial Socio-economic Review and Outlook (*SERO*) and contributed to municipalities' Integrated Development Plans (IDPs).

Public Finance: The 2018/19 main budget was finalised and tabled on time as stipulated by the PFMA. The main budget was accompanied by the tabling of the 2018/19 EPRE. This publication provides provincial spending plans for the next three years. Monitoring and reporting on the performance of the budget and service delivery achievements for all 14 departments, the Provincial Legislature and 16 public entities to National Treasury continued, as well as updating the Provincial Executive Council and the Finance Portfolio Committee (FPC) in this regard. These were also briefed on the mid-year and close-out budget performance of the province. The unit also continued to oversee the implementation of cost-cutting measures by provincial departments and public entities.

Financial Governance

Asset and Liabilities Management: Funds were made available to provincial departments as required, in line with their cash flow forecasts and as per the equitable share and conditional grants received from National Treasury. The cash blocking system continued to ensure effective cash management by the departments, as they are unable to disburse payments to suppliers unless they have cash available. These controls ensured that the province continued to remain cash positive.

Public Private Partnerships (PPP): The unit continued to provide technical and legal advice in support of all provincial PPPs as regulated by National Treasury guidelines. This was achieved through PPP workshops and seminars.

Supply Chain Management: Support was provided to departments, municipalities and public entities with regard to SCM policies and procedures, compliance assessments were conducted to determine the necessary support interventions, and training was provided. The roll-out of the Contract Management Project (CMP) continued in municipalities, which included the deployment of Provincial Treasury resources to various municipalities. Moreover, support was given to DOH in respect of the Treasury/Health assistance plan, as well as to DARD.

The unit continued with the I-Develop project, the Provincial Bid Appeals Tribunal matters and Municipal Bids Appeal Tribunal (MBAT) training in municipalities, including the provision of active support in the hearing and facilitation of MBAT matters.

Accounting Services: The unit continued to provide financial management support to provincial departments, public entities and municipalities in sustaining and improving 2018/19 audit outcomes. Provincial Treasury once again obtained a clean audit report for the Provincial Revenue Fund for 2017/18, and this is the tenth consecutive clean audit report.

The department runs a five-year SAICA programme, funded through the Thuthuka Bursary Fund, with the aim of producing professional Chartered Accountants. The programme consists of three years of articles and two years whereby the trainees enter into the Management Development Programme (MDP). Since its inception, the programme benefited 11 trainees as follows: three intake in 2016, two of which have now qualified and were retained on the MDP, two intake in 2017 who are currently at third-year level, three intake in 2018 who are at second-year level, and three intake in 2019 who are currently at first-year level.

Norms and Standards: The unit provided policy assistance to municipalities, departments and public entities by focusing on the review and development of critical finance related policies and the review of instruction notes and standard operating procedures for departments. A review was undertaken of departments' financial delegations of authority, and recommendations were provided to ensure accountability and acceptance of responsibility as required by the PFMA. The unit conducted compliance monitoring in all departments to assess revenue and expenditure management and assessed compliance regarding the development and implementation of critical finance-related policies at eight public entities. The unit also provided assistance to National Treasury in the continued development of the Financial Management Capability Maturity Model (FMCMM).

Support and Interlinked Financial Systems: The new Public Key Infrastructure (PKI), which is a system/technology used in the biometrics system, was completed during March 2018. The upgrade of biometrics smartcards (biometric scanners for systems such as BAS) linked to the new PKI environment is expected to be finalised by 31 March 2019. The contract for transversal travel systems was extended until the end of February 2019.

Internal Audit

Assurance Services: A shared internal audit service was provided to all provincial departments. Audits were conducted to review the adequacy and effectiveness of internal controls to enhance overall good governance. Risk-based audits were conducted with additional focus on general accounting controls to assist with the enhancement of financial processes, audits on governance processes such as risk management, as well as reviews of contract management. IT audits focused on network vulnerability, IT spend and software licences.

Risk and Advisory Services: The review and updating of the Provincial Risk Management Framework was finalised and will be rolled-out before the end of 2018/19. The unit continued to monitor departments' compliance to the minimum risk management standards, as well as follow up on the departments' implementation of recommendations emanating from various risk reports such as risk maturity, business continuity management (BCM), fraud prevention plans and occupational health and safety (OHS).

Forensic Audit Services: A total of 33 investigations were completed, and 57 follow-ups were conducted to track the status of implementation of recommendations arising from forensic investigation reports. Forensic cases were updated on the database and a report was issued to the MEC for each quarter of 2018/19 containing all allegations investigated from 2009 to 2018.

Municipal Finance Management

Municipal Budget: Technical support was provided to delegated municipalities and the preparation of both the tabled and approved budgets were monitored, as well as the performance of municipal budgets, which included evaluating mid-year budget and performance assessment reports. The monitoring aspect included compliance with the Municipal Finance Management Act (MFMA) and the Municipal Budget and Reporting Regulations (MBRR). The key activities included monitoring of the implementation of the budgeting framework by municipalities, providing guidance on budget planning and implementation, monitoring, evaluating and reporting on budget implementation, as well as the monitoring and reporting on compliance by municipalities.

Municipal Support Programme: The Municipal Support Programme (MSP) supported its clients by identifying methods to improve service delivery, as well as ensuring compliance with the MFMA and other relevant legislation. The programme also placed emphasis on capacity building in respect of projects undertaken. Municipalities were assisted with VAT reviews, PAYE reviews and grant management.

3. Outlook for the 2019/20 financial year

Section 3 looks at the key focus areas of 2019/20, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments.

The bulk of the department's budget allocation over the 2019/20 MTEF is for financial governance (for general oversight of all departments, municipalities' and public entities' budget processes), internal audit, SCM, as well as support for transversal and interlinked financial systems.

Sustainable Resource Management

Economic Analysis: Economic and public policy research will be undertaken and there will be participation in various academic conferences and workshops. District municipality profiling will be undertaken and the *SERO* for 2020/21 will be prepared.

Infrastructure: Infrastructure planning and delivery performance will continue to be monitored. The IRM will be used to track infrastructure progress and expenditure, while institutionalising the IDMS and the Standard for Infrastructure Procurement and Delivery Management (SIPDM) will continue to be focus areas for all provincial departments to institutionalise. The unit will also focus on preparing the 2020/21 *ECE* that provides project lists that complement the *EPRE* for tabling in the Legislature. The unit will also continue to provide technical support in the development of the KZN-IMP, planned to be issued in February 2019 by DOPW, which will be responsible for managing and updating the KZN-IMP thereafter. The catalytic projects that are endorsed by PGDP will also be captured in the KZN-IMP and will be contextualised to contribute to the KZN PGDS goals and objectives.

Public Finance: Monitoring the spending of departments and public entities will continue in 2019/20, with the aim of keeping provincial spending within budget. The Provincial Executive Council will continue to be kept informed of the province's budget performance, as will the FPC. The 2020/21 budget will be prepared for tabling in the Legislature.

Financial Governance

Asset and Liabilities Management: A support service will continue to be offered to departments in respect of payroll tax and banking functions. Current practices of monitoring all departmental bank balances on a daily basis will be maintained to ensure effective cash flow management. Excess funds will be invested with the South African Reserve Bank (SARB) to ensure maximum interest is earned.

Public Private Partnerships: The unit will continue to oversee and provide support at a provincial and municipal level in line with the PPP project cycle. This will be achieved by ensuring that transaction support is provided to departments, public entities, municipalities and their municipal entities to ensure compliance with the PPP legislative processes.

Supply Chain Management: Compliance with all SCM prescripts in provincial departments, municipalities and public entities will continue to be enforced and a strategic link between financial management reforms and procurement processes will be established and maintained. Important SCM reforms will be implemented in the outer years of the MTEF, such as SCM training sessions and contract management reviews. Operational support will be provided, SCM policies will be reviewed and training to departments, municipalities and public entities will be provided. Administration of the Central Supplier Database (CSD), support on the e-Tender portal and comprehensive compliance assessments will be undertaken to ensure that incidents of irregular expenditure relating to SCM processes are reduced. The I-Develop project, Provincial Bid Appeals Tribunal matters and MBAT training in municipalities will continue, including the provision of active support in the hearing and facilitation of MBAT matters.

Accounting Services: Continued focus will be on hands-on engagement and support to departments and public entities to enhance their financial accounting and reporting performance, as well as continued staff development and training programmes to develop and retain the requisite financial management skills and expertise. Focus will further be given to supporting municipalities on Municipal Standard Chart of Account (mSCOA) implementation, particularly in the provision of guidance and review support to municipalities in the preparation of AFS.

Norms and Standards: Continued focus will be on compliance monitoring and evaluation within departments, municipalities and entities to assess financial management compliance and provide the necessary remedial assistance to address identified deviations to ensure improved financial management.

Support and Interlinked Financial Systems: The unit will source an asset management system that integrates with BAS and HARDCAT. There will be continued focus on smartcard (biometric scanners for systems such as BAS) changes and additions, and support will continue to be provided to all departments on functional and technical aspects of transversal systems.

Internal Audit

Assurance Services: Risk-based audits with specific focus on overall good governance will be performed. The unit will also embark on identifying areas that require internal audit process enhancements. The unit will assist departments in redesigning these processes to ensure all risks are well controlled. There will be continued focus on IT audit reviews and specialised performance audits.

Risk and Advisory Services: Departments will continue to be assisted on specialised risk assessment projects, and this will be expanded to also focus on strategic risk assessments, IT project risk assessments and financial statement (reporting) risk assessments. More focus will be directed at assisting selected departments with evaluating and improving key controls.

Forensic Audit Services: More detailed follow-up audits will be conducted to assess the extent to which investigated entities are implementing forensic investigation recommendations. The case management system tool will be implemented in departments and public entities and it is envisaged that this tool will also be used to assess whether the recommendations contained in the forensic reports were implemented.

Municipal Finance Management

Municipal Budget: There will be continued focus on improving technical support to delegated municipalities on the preparation of multi-year budgets, as well as the monthly outcomes of those budgets. More focus will be placed on in-year monitoring including statutory returns, as well as the preparation of monthly, quarterly, mid-year and annual consolidated reports on the state of financial performance.

Municipal Accounting and Reporting: This is a new sub-programme which will be implemented from 2019/20 and as the sub-programme is phased in, the focus will be on assisting, supporting and monitoring municipalities with financial management and compliance with the annual reporting framework. This will be achieved by promoting an understanding of GRAP, monitoring compliance with reporting requirements, providing accounting services and support, implementing systems and processes to improve sound financial management and audit outcomes, reviewing the quality of AFS as well as monitoring, evaluating and reporting on compliance with the Municipal Asset Management Regulations.

Municipal Support Programme: The unit will continue to support its clients by identifying methods to improve service delivery, as well as ensuring compliance with the MFMA and other relevant legislation. Continued focus will be placed on capacity building in respect of projects undertaken.

4. Reprioritisation

In 2019/20, the department undertook reprioritisation totalling R16.500 million from Programme 1: Administration, Programme 2: Sustainable Resource Management, and Programme 5: Municipal Finance Management. The funds were reprioritised from *Goods and services* across the three programmes due to reduced reliance on consultants, and allocated to Programme 3: Financial Governance to cater for projects such as preparation of consolidated AFS, training on financial management provided to departments and municipalities and training municipalities for compliance with mSCOA, and to Programme 4, mainly against *Compensation of employees* to cater for the filling of vacant posts.

In 2020/21, the department undertook reprioritisation totalling R9.011 million from Programme 1, Programme 2 and Programme 3, mainly against *Goods and services* due to reduced reliance on consultants. These funds were allocated to Programme 4 and Programme 5 to cater for the filling of vacant posts. Note that reprioritisation to Programme 5 provides for the implementation of the Municipal Accounting and Reporting and the Municipal Revenue and Debt Management sub-programmes.

5. Procurement

The department will continue to maintain a fair, equitable, transparent, competitive and cost effective procurement system that will enable economic transformation. The department implemented a rotation policy that ensures equal opportunities for the participants.

The department will further strengthen the wider participation by all targeted groups in the various categories of procurement. This will be attained through the implementation of effective and efficient procurement and demand plans that will create an enabling environment for better planning and spend analysis, thus ensuring value for money objectives and client satisfaction.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 6.1 shows the sources of funding for Vote 6 over the seven-year period from 2015/16 to 2021/22. The table also compares actual and budgeted receipts against actual and budgeted payments.

Table 6.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Equitable share	611 038	586 154	606 344	635 400	635 400	635 400	681 629	725 726	765 393
Conditional grants	-	-	-	-	-	-	-	-	-
Total receipts	611 038	586 154	606 344	635 400	635 400	635 400	681 629	725 726	765 393
Total payments	604 650	596 115	588 876	650 900	681 900	659 667	721 629	725 726	765 393
Surplus/(Deficit) before financing	6 388	(9 961)	17 468	(15 500)	(46 500)	(24 267)	(40 000)	-	-
Financing									
of which									
Provincial roll-overs	218	-	10 525	-	11 000	11 000	-	-	-
Provincial cash resources	69 062	42 000	14 500	15 500	35 500	35 500	40 000	-	-
Surplus/(Deficit) after financing	75 668	32 039	42 493	-	-	22 233	-	-	-

In 2015/16, the provincial cash resources of R69.062 million comprise suspensions from the previous financial year relating to additional funding for the Infrastructure Delivery Improvement Programme (IDIP), Operation Pay-on-Time, Operation Clean Audit, e-Procurement Tool, special audits, forensic investigations, Shayamoya eco-complex, the Bhongweni light industrial park and the Inkosi Albert Luthuli Central Hospital (IALCH) floor repairs. An amount of R218 000 was rolled over in respect of the payment of invoices from 2014/15 for the Msunduzi electricity-related development projects.

The under-spending of R75.668 million in 2015/16 was mainly due to non-filling of vacant posts, invoices being withheld as a result of unsatisfactory service delivery from service providers, and cost-cutting.

The amount of R42 million against provincial cash resources in 2016/17 comprises once-off additional funding for IDIP Technical Advisors (TAs), Operation Pay-on-Time, e-Procurement tool, Operation Clean Audit, CMP, as well as funding for the replacement of biometric scanners and the IALCH floor repairs.

The 2016/17 budget was under-spent by R32.039 million mainly in respect of the non-filling of various vacant posts, such as that of Directors: SCM (Asset Management and Loss Control) and Financial Management, as well as two Deputy Directors in IT Management and various Budget Analyst posts.

In 2017/18, approval was granted for a roll-over of R10.525 million from 2016/17, mainly relating to performance audits and forensic investigations taking longer than anticipated, as well as some service providers submitting invoices too late for payment in 2016/17. Several adjustments were made to the department's budget, as summarised below:

- Additional funding of R14.500 million was allocated in 2017/18 for the Treasury/Health assistance plan, with a further R15.500 million allocated in 2018/19, from provincial cash resources.
- Offsetting this was a suspension of R1.500 million in both 2017/18 and 2018/19 from Vote 6 to Vote 11: COGTA toward the Mandela Day Marathon. This is reflected against the equitable share.

The 2017/18 budget was under-spent by R42.493 million mainly in respect of the non-filling of vacant posts, due to lengthy internal recruitment processes, as well as delays in receiving invoices.

In 2018/19, the department received R15.500 million in respect of the Treasury/Health assistance plan. In the 2018/19 Adjusted Appropriation, the department received approval for a roll-over of R11 million from 2017/18, mainly relating to the Treasury/Health assistance plan due to the project taking longer than anticipated. The department also received a top-up of R20 million for the Treasury/Health assistance plan, in line with project requirements.

The 2018/19 Revised Estimate shows that the department is anticipating to under-spend by R22.233 million, due to internal delays in the filling of critical vacant posts because of lengthy recruitment processes, difficulty in finding suitably qualified candidates and non-submission of invoices.

In 2019/20, a once-off additional amount of R40 million is allocated for the Treasury/Health assistance plan, in line with project requirements. The departmental budget shows steady growth over the MTEF.

6.2 Departmental receipts collection

Table 6.2 gives a summary of the departmental receipts for Vote 6. The details are presented in the *Annexure – Vote 6: Provincial Treasury*.

Table 6.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	345	352	446	227	227	277	228	235	247
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	1	-	-	-	-	-	-	-
Interest, dividends and rent on land	391 253	284 822	338 296	295 219	295 219	444 491	365 000	387 995	413 345
Sale of capital assets	790	119	356	203	203	-	204	210	222
Transactions in financial assets and liabilities	4 027	3 594	715	407	407	698	410	422	445
Total	396 415	288 888	339 813	296 056	296 056	445 466	365 842	388 862	414 259

Sale of goods and services other than capital assets is derived from parking fees, game licences, commission on PERSAL deductions such as insurance premiums and garnishees, tender fees, etc. The revenue growth is conservative over the MTEF due to its unpredictable nature.

Interest, dividends and rent on land mainly relates to interest earned on the Paymaster General (PMG) and inter-governmental cash co-ordination (IGCC) accounts. The significant revenue collection against this category in prior years is due to the collective implementation of cost-cutting measures by provincial departments and stringent cash management by Provincial Treasury. Such measures contributed to the significantly higher amount projected in the 2018/19 Revised Estimate. The revenue was increased by R50 million per annum over the MTEF due to the projected over-collection in the 2018/19 Revised Estimate and because it is expected that the province will remain cash positive.

Sale of capital assets relates to the disposal of redundant assets, such as vehicles, office equipment, etc. The department anticipates disposing of motor vehicles and office equipment over the 2019/20 MTEF, in line with its asset disposal policy.

Transactions in financial assets and liabilities comprises recoveries from staff debts such as breached bursary contracts. The high collection in 2015/16 and 2016/17 was mainly due to reversed salary over-payments and inter-departmental claims in respect of consultants deployed to prepare Interim Financial Statements, as well as movable and immovable asset registers for other departments. The revenue growth is conservative over the MTEF due to the unpredictable nature of this revenue source. For instance, it is difficult to project with certainty the volume of salary over-payments or breached bursary contracts.

6.3 Donor and agency funding

Table 6.3 and 6.4 provides information on donor funding received and expenditure by the department from 2015/16 to 2018/19.

Table 6.3 : Details of donor and agency funding receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Donor funding	7 073	57 227	116 185	155 383	344 821	344 821	-	-	-
Development of KwaZulu-Natal Science Parks	7 073	34 527	78 633	-	-	-	-	-	-
EU Global Fund: Fight against HIV/AIDS, TB & Malaria	-	22 700	37 552	155 383	344 821	344 821	-	-	-
Agency receipt	-	131	240	-	-	-	-	-	-
PSETA	-	131	240	-	-	-	-	-	-
Total	7 073	57 358	116 425	155 383	344 821	344 821	-	-	-

Table 6.4 : Details of donor funding and agency funding payment and estimates

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Donor funding	7 073	45 685	116 185	155 383	344 821	344 821	-	-	-
Development of KwaZulu-Natal Science Parks	7 073	34 291	78 633	-	-	-	-	-	-
EU Global Fund: Fight against HIV/AIDS, TB & Malaria	-	11 394	37 552	155 383	344 821	344 821	-	-	-
Agency receipt	-	131	240	-	-	-	-	-	-
PSETA	-	131	240	-	-	-	-	-	-
Total	7 073	45 816	116 425	155 383	344 821	344 821	-	-	-

In total, KZN received a R120.233 million grant from the EU related to the development of KZN Science Parks and the project was supposed to run from 2014/15 to 2016/17, however, the three-year term was extended to 2017/18, and the funding was spent in full as at 31 March 2018. Three Technology Hubs (Newcastle, Port Shepstone and Richards Bay) reached the practical completion phase by 28 March 2018 and have been commissioned and occupied. The Richards Bay Technology Hub entered into a three-year contract with an FET college to occupy the facility. The Pietermaritzburg Hub experienced delays with the Environmental Impact Assessment (EIA) application. Note that the Msunduzi Municipality is exploring alternative funding options in order to continue with the construction of the Pietermaritzburg Hub. The three hubs that were completed have been handed over to their respective municipalities and EDTEA will monitor the utilisation of these hubs.

Provincial Treasury is one of the eight recipients of the EU Global Fund programme for the period 1 April 2016 to 31 March 2019 (three years). The main objective of the grant is to address the social and structural drivers of HIV and TB prevention, care and impact, preventing new HIV, STI and TB infections, sustaining health and wellness, as well as ensuring protection of human rights and improving access to justice. There is a significant increase in the allocation from the Main to Adjusted Appropriation, due to more funds being made available by the donor. The allocation for this project is R405.073 million over the three years (2016/17 to 2018/19).

In respect of the Public Sector Education and Training Authority (PSETA), the department was allocated R240 000 in 2017/18 for work integrated learning, with the aim of supporting 20 students from TVET colleges with a stipend of R2 000 per student per month for a period of 18 months, which ended in June 2017. This allocation gave learners the opportunity to do in-service training in the department in their area of study. Note that no allocation is made from 2018/19 onwards.

7. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 8 below, as well as in the *Annexure – Vote 6: Provincial Treasury*.

7.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- All inflation related increases are based on CPI projections.
- In terms of the National Treasury's guidelines, the cost of living adjustment is 7.8 per cent in 2019/20, 8 per cent in 2020/21 and 8 per cent in 2021/22, including the 1.5 per cent pay progression. However, the department provided for a growth in *Compensation of employees* of 20 per cent in 2019/20, 10.2 per cent in 2020/21 and 3.8 per cent in 2021/22. The substantial growth in 2019/20 caters for the filling of 133 vacant critical posts. The growth in 2021/22, which is below National Treasury's guidelines, will be reviewed by the department in the next budget process.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2018/19, will continue to be adhered to over the 2019/20 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 6.5 shows additional provincial and equitable share funding received by the department over the 2017/18, 2018/19 and 2019/20 MTEF periods, and excludes conditional grant funding.

The carry-through allocations for the outer year (i.e. 2021/22) are based on the incremental percentage used in the 2019/20 MTEF.

Table 6.5 : Summary of additional provincial and equitable share allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	(3 559)	(3 982)	501	529	558
PES and Provincial Own Revenue reductions	(2 583)	(2 953)	(5 237)	(5 525)	(5 829)
Budget cuts to fund remuneration of <i>Izinduna</i>	(976)	(1 029)	(1 086)	(1 146)	(1 209)
Additional funding from National Treasury	-	-	6 824	7 199	7 595
2018/19 MTEF period		14 000	88 714	15 522	15 881
Suspension of Mandela Day Marathon to Vote 11		(1 500)	-	-	-
Treasury/Health assistance plan		15 500	-	-	-
Above-budget wage agreement		-	-	6 886	7 265
2019/20 MTEF period			44 357	4 318	4 308
Treasury/Health assistance plan			40 000	-	-
Infrastructure development improvement shift			5 000	5 000	5 000
Budget cuts for remuneration of public office bearers			(643)	(682)	(692)
Total	(3 559)	10 018	133 572	20 369	20 746

With regard to the 2017/18 MTEF, the department's budget was reduced due to the following:

- In 2017/18, there was a reduction of the PES allocation due to data updates of the PES formula, fiscal framework reductions, as well as a downward revision of the Provincial Own Revenue. The department's budget cut amounted to R2.583 million with carry-through and was effected proportionately across all programmes and economic classifications.
- As determined by the Provincial Executive Council on 2 November 2016, the province commenced the process of the remuneration of *Izinduna* in compliance with previously issued Presidential proclamations. The *Izinduna's* remuneration budget was partly funded (50 per cent) through an internal reprioritisation by COGTA and the balance of 50 per cent funded through a proportional cut against all the remaining Votes. As a result, the department's budget was reduced by R976 000 with carry-through. This was proportionately effected against *Goods and services* in all programmes.
- Offsetting these cuts to some extent was additional funding of R6.824 million provided by National Treasury in the outer year.

With regard to the 2018/19 MTEF:

- R1.500 million was removed from the department's budget in 2018/19 due to the suspension of funds for the Mandela Day Marathon to COGTA, in line with a commitment made by the MEC for Finance.
- Offsetting this suspension was an allocation of R15.500 million for the Treasury/Health assistance plan. The Executive Statement presented by the MEC for Finance in the Provincial Legislature on 22 June 2017 indicated that Provincial Treasury would provide support to DOH. Part of this assistance required the allocation of resources in areas such as Internal Control and Accounting Services. This is additional to an amount of R14.500 million that was allocated in the 2017/18 Adjustments Estimate.
- There was an additional amount of R6.886 million with carry-through allocated by National Treasury in the outer year (2020/21) to cater for the above-budget wage agreement.

With regard to the 2019/20 MTEF:

- An additional R40 million is allocated for the Treasury/Health assistance plan, in line with project requirements.
- National Treasury allocated R5 million per annum in support of ongoing efforts to increase technical capacity within Provincial Treasuries' infrastructure units to assist in making infrastructure delivery more effective in provinces.
- In 2019/20, the department's budget was cut by R643 000 with carry-through, in respect of the remuneration of public office bearers in line with a determination made by the Honourable President. In this regard, the President announced that there would be minimal or no annual salary increases in 2018/19 for public office bearers. In the case of provincial executives, Premiers, MECs and Speakers did not receive salary increases, while MPLs received a 2.5 per cent increase. The savings realised from this announcement were cut from provinces in line with fiscal consolidation efforts.

In 2012/13, additional funds were allocated for improving infrastructure support. Although no longer visible in Table 6.5, this funding was specifically and exclusively appropriated and the department utilises this funding for the Infrastructure Crack Team, which provides infrastructure support in the province. Thus amounts of R9.072 million, R10.060 million and R10.613 million remain ring-fenced for this purpose over the 2019/20 MTEF.

7.3 Summary by programme and economic classification

The services rendered by the department are categorised under five programmes and the department is now largely aligned to the generic programme structure of the sector. Tables 6.6 and 6.7 provide a summary of the Vote's payments and budgeted estimates over the seven-year period, by programme and by economic classification, respectively.

Table 6.6 : Summary of payments and estimates by programme: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	145 589	159 101	162 962	192 377	230 669	227 528	220 209	206 593	217 715
2. Sustainable Resource Management	38 257	43 866	39 099	40 657	41 157	39 338	47 641	49 984	52 732
3. Financial Governance	240 163	207 210	199 954	209 602	196 102	187 588	223 541	227 687	240 208
4. Internal Audit	134 604	132 745	133 643	144 555	150 263	142 146	166 345	164 732	173 792
5. Municipal Finance Management	46 037	53 193	53 218	63 709	63 709	63 067	63 893	76 730	80 946
Total	604 650	596 115	588 876	650 900	681 900	659 667	721 629	725 726	765 393

Table 6.7 : Summary of payments and estimates by economic classification: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	569 228	583 277	571 510	628 832	655 812	631 052	700 363	703 559	742 015
Compensation of employees	227 845	252 383	270 780	308 148	314 333	300 056	360 012	396 594	411 815
Goods and services	341 383	330 300	300 730	317 184	341 473	330 982	338 851	305 365	328 512
Interest and rent on land	-	594	-	3 500	6	14	1 500	1 600	1 688
Transfers and subsidies to:	21 041	8 077	5 419	3 095	6 077	5 959	2 201	2 140	2 256
Provinces and municipalities	10 301	24	26	23	23	31	26	27	28
Departmental agencies and accounts	2	-	1 025	3	3	3	3	3	3
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	4	7	-	-	-	-	-	-	-
Non-profit institutions	4 340	3 857	3 264	896	694	705	213	279	294
Households	6 394	4 189	1 104	2 173	5 357	5 220	1 959	1 831	1 931
Payments for capital assets	14 037	4 740	11 941	18 973	20 011	22 656	19 065	20 027	21 122
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	14 037	4 740	11 941	18 823	19 861	22 656	18 807	19 755	20 835
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	150	150	-	258	272	287
Payments for financial assets	344	21	6	-	-	-	-	-	-
Total	604 650	596 115	588 876	650 900	681 900	659 667	721 629	725 726	765 393

Programme 1 shows an increase from 2015/16 to 2016/17 due to the function shift of IT Management from Programme 3 to this programme. The increase from 2016/17 to 2017/18 was mainly due to the filling of posts. The increase from the 2018/19 Main to Adjusted Appropriation is mainly as a result of the approved roll-over and the additional allocation for the Treasury/Health assistance plan for providing financial management services in DOH, and these funds are held under the HOD's budget, as well as provision for special interventions. In addition, the increase relates to a transfer to the Thuthuka Bursary Fund that could not be processed in 2017/18 as a result of tax certificate related challenges. The decrease from the 2018/19 Adjusted Appropriation to 2019/20 is mainly due to the reprioritisation of funds from *Goods and services* because of reduced reliance on consultants, to cater for filling of posts in Programme 4. The decrease in 2020/21 is due to the Treasury/Health assistance plan that is only allocated up to 2019/20. The growth in the outer year is inflationary.

Programme 2 shows a decrease from 2016/17 to 2017/18 due to a once-off payment of a salary backpay in 2016/17. The increase from the 2018/19 Main to Adjusted Appropriation was to cater for personnel costs

that were higher than budgeted for, because of the above-budget wage adjustment. The increase from 2018/19 to 2019/20 and over the MTEF is largely due to the allocation made by National Treasury to enhance the technical capacity to assist in infrastructure delivery within the province. The MTEF allocations also cater for inflationary growth for the Infrastructure Crack Team, the IDIP TAs, as well as Public Finance, Infrastructure and Economic Analysis units.

Programme 3 reflects a decrease from 2015/16 to 2016/17 due to the function shift of IT Management from this sub-programme to Programme 1, as well as the relocation of the PERSAL Mainframe time server from Pietermaritzburg SITA to Centurion. The decrease from the 2018/19 Main to Adjusted Appropriation was mainly as a result of delays in the receipt of invoices from consultants for projects such as financial management training to organisations, revised project scopes for SCM support interventions at departments and municipalities, as well as the positive bank balance as it is expected that the province will not go into overdraft and will therefore not incur any interest charges. The high growth in 2019/20 relates to a once-off reprioritisation from *Goods and services* in Programme 5 to the same category in this programme, in order to address a shortfall in 2019/20, regarding a decision taken by the Minister of Finance on 22 April 2014 which requires that all municipalities and related municipal entities transact in compliance with the mSCOA regulations. Note that this initiative is already being undertaken by the Accounting Services sub-programme and the funds are allocated against consultants. The increase from 2020/21 to 2021/22 is inflationary and provides mainly for CMP, MBAT, support to departments in respect of consolidating and reviewing of the AFS, preparation of the AFS for the Provincial Revenue Fund, Operation Clean Audit, as well as training of and support to departments and municipalities.

Programme 4: Internal Audit shows an increase from the 2018/19 Main to Adjusted Appropriation to cater for outstanding commitments in respect of performance audits and staff exit costs. The increase from 2018/19 to 2019/20 is to cater for performance audit costs, as well as the filling of critical posts. The decrease in 2020/21 is due to the Treasury/Health assistance plan which is allocated up to 2019/20, and the increase in 2021/22 is inflationary.

Programme 5: Municipal Finance Management shows low growth from 2018/19 to 2019/20 as a result of the once-off reprioritisation from this programme to Programme 3, as mentioned. The increase from 2020/21 to 2021/22 mainly relates to the filling of contract posts in line with programme requirements, as well as the reprioritisation of funds from Programme 1 to this programme to cater for the implementation of the Municipal Accounting Reporting and Municipal Revenue and Debt Management sub-programmes.

The increase against *Compensation of employees* from 2015/16 to 2016/17 was due to the filling of vacant posts, as well as annual wage adjustments. The increase from the 2018/19 Main to the Adjusted Appropriation can be ascribed to spending pressures related to the above-budget wage adjustment. The low Revised Estimate is as a result of non-filling of vacant posts. The department plans to fill 133 posts in 2019/20, such as the Chief Director: Corporate Services, Chief Director: IGR, IDMS TA, Provincial Budget Co-ordinator, Director: Financial Reporting, Cash Management Specialist, Systems Controllers, Chief Director: Supply Chain Management, Director: Policy and Contract Management (SCM), and various contract posts. The department continues with the drive to use contract employees at the DPSA salary levels and scales instead of using consultants, with the aim of realising savings from this approach in the next few years, as the proposed organisational structure is not yet approved. *Compensation of employees* grows by 20 per cent in 2019/20, 10.2 per cent in 2020/21 and 3.8 per cent in 2021/22. National Treasury recommended wage adjustment rates are 7.8 per cent in 2019/20, 8 per cent in 2020/21 and 8 per cent in 2021/22, including the 1.5 pay progression, which implies the affordability of filling vacant posts in the first year of the MTEF. Provision has not been adequately made for the carry-through costs of the inflationary wage adjustment in the outer year of the 2019/20 MTEF, as well as the 1.5 per cent pay progression, and this will be reviewed in-year. Note that this also depends on whether all the 133 posts are filled in 2019/20, which seems highly unlikely.

The substantial allocation against *Goods and services* in 2015/16 was mainly due to the additional funding for MBAT, CMP, the Infrastructure Crack Team, Operation Clean Audit initiatives, an increase in forensic investigations, as well as increased demand for performance audits from client departments. The decrease from 2016/17 to 2017/18 was mainly due to additional funding in 2016/17 for consultants in the Internal Audit unit. The increase from 2017/18 to 2018/19 is due to the additional funding in respect of the

Treasury/Health assistance plan. The substantial increase from the 2018/19 Main to Adjusted Appropriation relates to the roll-over and additional funding for the Treasury/Health assistance plan, in line with project requirements. The low Revised Estimate can be ascribed to reduced reliance on consultants. The increase from 2018/19 to 2019/20 is due to the funding of R40 million in respect of the Treasury/Health assistance plan. The decrease in 2020/21 with carry-through relates to the implementation of the Municipal Accounting and Reporting and Municipal Revenue and Debt Management sub-programmes, which resulted in funds being reprioritised from *Goods and services* to cover personnel costs, especially contract employees. Also impacting is the fact that funding for the Treasury/Health assistance plan ends in 2019/20.

There was no spending against *Interest and rent on land* in 2015/16 and 2017/18. This resulted in a lower interest provision, hence the decrease from the 2018/19 Main to Adjusted Appropriation. The 2019/20 MTEF makes provision for this item in the event that the province starts incurring interest charges.

The expenditure reflected against *Transfers and subsidies to: Provinces and municipalities* in 2015/16 is in respect of the payment of motor vehicle licences, as well as provision for once-off special infrastructure projects which included Msunduzi electricity-related development projects, the Bhongweni light industrial park, and the Shayamoya eco-complex. The allocations in 2018/19 and over the MTEF are for motor vehicle licences.

Transfers and subsidies to: Departmental agencies and accounts in 2017/18 relates to a transfer made to the KZNGBB in respect of the legal fees that were withheld after the function was moved to Vote 1. The allocations from 2018/19 and over the MTEF cater for the payment of TV licences.

Transfers and subsidies to: Public corporations and private enterprises relates to payments to third parties in respect of claims made against the state as a result of car accidents involving officials.

The amounts against *Transfers and subsidies to: Non-profit institutions* from 2015/16 to 2017/18 catered for the transfer payments made to NPOs such as the Coastal Horse Care Unit and the Financial Literacy Association (FLA). The decrease from the 2018/19 Main to the Adjusted Appropriation and over the 2019/20 MTEF is mainly due to the reclassification of non-cash donations from this category to *Goods and services*, in line with the SCOA reclassification. The allocations over the MTEF include provision for cash donations that will be made as and when required.

Transfers and subsidies to: Households caters for staff exit costs, injury on duty, as well as bursaries for non-employees. The decrease from 2016/17 to 2017/18 was due to the fact that the transfer to the Thuthuka Bursary Fund could not be processed as a result of tax certificate related challenges. The increase from the 2018/19 Main to Adjusted Appropriation is mainly because the payment to the Thuthuka Bursary Fund was in line with a prior year commitment. The substantial decrease over the 2019/20 MTEF is mainly due to a decrease in the Thuthuka Bursary Fund as a result of the reprioritisation from this fund to accommodate salaries and other related costs to take into account the intake of the SAICA trainees within the organisation.

Spending against *Machinery and equipment* occurs on a cyclical basis, hence the fluctuating trend against this category. The high spending in 2015/16 was mainly due to the installation of biometric servers, the configuration of offices in Treasury House, purchase of departmental vehicles, as well as the replacement of boardroom furniture at Nomalanga Building. The amount in 2017/18 was for the purchase of departmental vehicles, as well as the replacement of computers and furniture in line with the replacement policy. The increase from the 2018/19 Adjusted Appropriation to Revised Estimate is due to payment of the biometric system procured which was not anticipated in the Adjustments Estimate. The increase from the 2018/19 Main to Adjusted Appropriation mainly relates to the reclassification of finance leases (cellphones and leases of printing machines) from *Goods and services* to this category, in line with a SCOA reclassification. The increase over the MTEF is inflationary.

Software and other intangible assets relates to purchase of computer software and the MTEF makes inflationary provision for this.

Payments for financial assets relates to the write-off of staff debts, such as breached bursary contracts and lost and stolen computers.

7.4 Summary of conditional grant payments and estimates – Nil

7.5 Summary of infrastructure payments and estimates

Table 6.8 summarises the infrastructure payments and estimates relating to the department. The infrastructure budget of the department is placed solely against *Infrastructure transfers: Capital*.

Table 6.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Maintenance and repair: Current	-	-	-	-	-	-	-	-	-
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
New infrastructure assets: Capital	-	-	-	-	-	-	-	-	-
Infrastructure transfers	10 280	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	10 280	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure Leases	-	-	-	-	-	-	-	-	-
Non infrastructure¹	-	-	-	-	-	-	-	-	-
Total	10 280	-	-	-	-	-	-	-	-
<i>Capital infrastructure</i>	10 280	-	-	-	-	-	-	-	-
<i>Current infrastructure</i>	-	-	-	-	-	-	-	-	-

1. Non infrastructure is a stand alone-item, and is therefore excluded from *Capital infrastructure* and *Current infrastructure*, but it is included in the overall total

The amount of R10.280 million in 2015/16 comprises R2.062 million for the Shayamoya eco-complex, R8 million for the Bhongweni light industrial park, and R218 000 for Msunduzi electricity-related development projects. Provincial Treasury is not currently undertaking any infrastructure projects, nor are any planned over the MTEF period.

7.6 Summary of Public Private Partnerships – Nil

7.7 Transfers to public entities (listed i.t.o Schedule 3 of the PFMA) and other entities

Table 6.9 gives a summary of departmental transfers to other entities, details of which are given below.

Table 6.9 : Summary of departmental transfers to public entities (listed i.t.o Schedule 3 of the PFMA) and other transfers

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Transfers to public entities		-	-	1 025	-	-	-	-	-	-
	KZN Gaming and Betting Board	-	-	1 025	-	-	-	-	-	-
Transfers to other entities		8 437	7 190	3 264	896	2 894	2 905	880	918	967
	Coastal Horse Care Unit	860	269	-	-	-	-	-	-	-
	Donations	398	438	114	896	165	162	213	279	294
	Donations	-	-	-	-	-	14	-	-	-
	Donations	-	-	-	-	17	17	-	-	-
	Financial Literacy Association	3 082	3 150	3 150	-	512	512	-	-	-
	Thuthuka Bursary Fund	4 097	3 333	-	-	2 200	2 200	667	639	673
Total		8 437	7 190	4 289	896	2 894	2 905	880	918	967

The amount of R1.025 million in 2017/18 relates to a transfer made to KZNGBB in respect of the legal fees that were withheld after the Gaming and Betting function was moved to Vote 1, as mentioned. A donation of R860 000 in 2015/16 was made towards the Coastal Horse Care Unit to cater for the education and rehabilitation relating to horses, and a further donation of R269 000 was made in 2016/17. There is no provision made over the MTEF for further donations in this regard.

As a result of a change in the MEC's approach to community outreach, from 2014/15 onward, donations are made to co-operatives, old age homes, schools and NPOs. It is noted that donations include those made by the HOD in line with his OSS responsibilities. These donations are categorised into two types i.e. cash donations and tangible inventory items. Non-cash donations (tangible inventory items) are classified under *Goods and services*. The donation of R14 000 in the 2018/19 Revised Estimate related to an annual gala dinner for the recognition of SAICA students, and R17 000 related to an unexpected donation made in respect of the burial of an Internal Audit trainee.

From 2015/16 to 2017/18, funds were allocated by the department for transfer to the FLA. This project was initiated by the MEC for Finance with the aim of educating the citizens of KZN about using their money wisely and also on various aspects such as encouraging savings and financial discipline. There was no budget in 2018/19 as the MOU was for three years, starting from 2015/16 and ending in 2017/18. The increase from the 2018/19 Main to Adjusted Appropriation is in relation to a donation made to the FLA due to financial challenges faced by the institution because of the inability to attract sponsors, and the funds were requested to pay creditors and employees. There are no provisions over the MTEF as there are no donations planned to be made from 2019/20 onward.

Transfers to the Thuthuka Bursary Fund amounted to R4.097 million in 2015/16 and R3.333 million in 2016/17. The decrease from 2016/17 to 2017/18 was due to the fact that the transfers to the Thuthuka Bursary Fund could not be processed as a result of tax certificate related challenges. The increase from the 2018/19 Main to Adjusted Appropriation is mainly due to the payment to the Thuthuka Bursary Fund in line with a prior year commitment. The decrease in the transfer to the Thuthuka Bursary Fund is as a result of reprioritisation undertaken to accommodate salaries and other related costs due to the intake of the SAICA trainees within the organisation, as explained in Section 7.3.

7.8 Transfers to local government

Table 6.10 provides a summary of transfers to local government. It is noted that *Transfers to local government* includes funds in respect of motor vehicle licences. However, these funds will not be transferred to any municipality and, hence, the amounts are not reflected in Tables 6.10 and 6.11. The details are presented in the *Annexure – Vote 6: Provincial Treasury*.

Table 6.10 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Category A	-	-	-	-	-	-	-	-	-
Category B	10 280	-	-	-	-	-	-	-	-
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	10 280	-	-	-	-	-	-	-	-

Table 6.11 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Shayamoya eco-complex	1.2. Office of the HOD	8 000	-	-	-	-	-	-	-	-
Bhongweni light industrial park	1.2. Office of the HOD	2 062	-	-	-	-	-	-	-	-
Msunduzi electricity-related dev.	1.2. Office of the HOD	218	-	-	-	-	-	-	-	-
Total		10 280	-	-	-	-	-	-	-	-

Category B transfers provide for the development of the Shayamoya eco-complex, the Bhongweni light industrial park, as well as Msunduzi electricity-related development projects. There are no transfers to municipalities planned over the 2019/20 MTEF.

7.9 Transfers and subsidies

Table 6.12 is a summary of spending on *Transfers and subsidies* by programme and main category. *Transfers and subsidies* fluctuates and reduces significantly over the MTEF as explained below.

- *Provinces and municipalities* in Programme 1 relates to motor vehicle licence fees, as well as transfers to municipalities for different projects which ended in 2015/16, as explained in Section 7.8.
- *Departmental agencies and accounts* against Programme 1 relates to the payment of TV licences. The amount reflected against Programme 3 in 2017/18 relates to a transfer to the KZNGBB in respect of the legal fees that were withheld after the Gaming and Betting function was moved to Vote 1.
- Transfers to *Non-profit institutions* in respect of both Programme 1 and Programme 3 have been explained in Section 7.7 above. The amount reflected in Programme 4 in 2018/19 relates to an unexpected donation made in relation to the burial of a trainee.

Table 6:12 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	19 304	7 484	3 940	2 050	4 066	3 907	1 891	1 774	1 870
Provinces and municipalities	10 301	24	26	23	23	31	26	27	28
Motor vehicle licences	21	24	26	23	23	31	26	27	28
Shayamoya eco-complex	8 000	-	-	-	-	-	-	-	-
Development of light industrial park	2 062	-	-	-	-	-	-	-	-
Msunduzi electricity-related development	218	-	-	-	-	-	-	-	-
Departmental agencies and accounts	2	-	-	3	3	3	3	3	3
SABC TV Licences	2	-	-	3	3	3	3	3	3
Public corporations and private enterprises	-	7	-	-	-	-	-	-	-
Claims against the state	-	7	-	-	-	-	-	-	-
Non-profit institutions	4 340	3 857	3 264	896	677	674	213	279	294
Financial Literacy Association	3 082	3 150	3 150	-	512	512	-	-	-
Donations	398	438	114	896	165	162	213	279	294
Coastal Horse Care Unit	860	269	-	-	-	-	-	-	-
Households	4 661	3 596	650	1 128	3 363	3 199	1 649	1 465	1 545
Staff exit costs	564	263	277	100	135	64	106	112	118
Thuthuka Bursary Fund	4 097	3 333	-	-	2 200	2 200	667	639	673
External bursary	-	-	373	1 028	1 028	935	876	714	754
2. Sustainable Resource Management	50	-	67	-	-	-	-	-	-
Households	50	-	67	-	-	-	-	-	-
Staff exit costs	50	-	67	-	-	-	-	-	-
3. Financial Governance	975	492	1 204	939	974	1 008	198	248	262
Departmental agencies and accounts	-	-	1 025	-	-	-	-	-	-
KZN Gaming and Betting Board	-	-	1 025	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	14	-	-	-
Donations: SAICA	-	-	-	-	-	14	-	-	-
Households	975	492	179	939	974	994	198	248	262
Staff exit costs	975	492	179	939	970	990	198	248	262
Injury on duty	-	-	-	-	4	4	-	-	-
4. Internal Audit	684	101	180	106	1 037	1 044	112	118	124
Public corporations and private enterprises	4	-	-	-	-	-	-	-	-
Third party claim (excess)	4	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	17	17	-	-	-
Donations	-	-	-	-	17	17	-	-	-
Households	680	101	180	106	1 020	1 027	112	118	124
Staff exit costs	680	101	180	106	1 020	1 027	112	118	124
5. Municipal Finance Management	28	-	28	-	-	-	-	-	-
Households	28	-	28	-	-	-	-	-	-
Staff exit costs	28	-	28	-	-	-	-	-	-
Total	21 041	8 077	5 419	3 095	6 077	5 959	2 201	2 140	2 256

- *Public corporations and private enterprises* against Programme 1 and Programme 4 in 2015/16 and 2016/17 relates to a third party claiming excess against the state for a motor vehicle accident.
- *Households* across all programmes caters for staff exit costs, and the external bursaries amount against *Households* under Programme 1 in 2015/16 and 2016/17 is an allocation toward the Thuthuka Bursary Fund, as mentioned. The decrease from 2016/17 to 2017/18 was due to the fact that the transfer to the Thuthuka Bursary Fund could not be processed as a result of tax certificate related challenges, as mentioned. The increase from the 2018/19 Main to Adjusted Appropriation is mainly due to the payment to the Thuthuka Bursary Fund in line with a prior year commitment. The department will continue to provide external bursaries to needy and deserving students. The decrease in the Thuthuka Bursary Fund is as a result of reprioritisation undertaken to provide for salaries and other related costs of the SAICA trainees currently working at Provincial Treasury, as explained in Section 7.3. Also contributing to the decrease is staff exit costs, which are difficult to predict.

8. Programme description

The services rendered by the department are categorised under five programmes, which are discussed below. The expenditure and budgeted estimates for each programme are summarised in terms of sub-programmes and economic classification. Details are given in *Annexure – Vote 6: Provincial Treasury*.

8.1 Programme 1: Administration

The purpose of this programme is to provide strategic support services in terms of financial management, human resources, auxiliary services, information communication and technology, and legal services. The programme is largely in line with the generic structure apart from the exclusion of the Internal Audit sub-programme which is a stand-alone programme in this province. The main services are as follows:

- To support the Executive Authority in providing strategic and political direction to provincial departments, public entities, as well as municipalities.
- To provide the MEC with technical support on the appropriation of revenue, to ensure equitable distribution among provincial departments.
- To render financial and supply chain management functions to the department.
- To provide human resource management functions to the department.
- To render legal professional guidance in operational matters of the department.
- To deliver auxiliary services to the department, such as the telecom system, transport fleet management and control of registry.
- To provide IT services to Provincial Treasury.
- To provide funding for special projects and interventions.

Tables 6.13 and 6.14 provide a summary of payments and budgeted estimates pertaining to the programme over the seven-year period from 2015/16 to 2021/22.

Table 6.13 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Office of the MEC	26 491	29 124	32 823	28 506	33 506	34 487	30 951	32 651	34 475
2. Management Services (HOD)	39 105	27 580	10 542	46 263	62 355	62 355	51 963	28 980	30 309
3. Financial Management (CFO)	19 117	21 830	32 832	30 894	30 894	28 567	34 337	36 226	38 217
4. Corporate Services	60 876	80 567	86 765	86 714	103 914	102 119	102 958	108 736	114 714
Total	145 589	159 101	162 962	192 377	230 669	227 528	220 209	206 593	217 715

Table 6.14 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	124 094	148 999	150 022	178 049	213 935	208 685	202 456	187 673	197 717
Compensation of employees	59 586	67 170	74 943	87 152	89 152	86 033	96 062	101 454	107 022
Goods and services	64 508	81 829	75 079	90 897	124 777	122 638	106 394	86 219	90 695
Interest and rent on land	-	-	-	-	6	14	-	-	-
Transfers and subsidies to:	19 304	7 484	3 940	2 050	4 066	3 907	1 891	1 774	1 870
Provinces and municipalities	10 301	24	26	23	23	31	26	27	28
Departmental agencies and accounts	2	-	-	3	3	3	3	3	3
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	7	-	-	-	-	-	-	-
Non-profit institutions	4 340	3 857	3 264	896	677	674	213	279	294
Households	4 661	3 596	650	1 128	3 363	3 199	1 649	1 465	1 545
Payments for capital assets	2 113	2 598	8 997	12 278	12 668	14 936	15 862	17 146	18 128
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 113	2 598	8 997	12 128	12 518	14 936	15 604	16 874	17 841
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	150	150	-	258	272	287
Payments for financial assets	78	20	3	-	-	-	-	-	-
Total economic classification	145 589	159 101	162 962	192 377	230 669	227 528	220 209	206 593	217 715

The sub-programme: Office of the MEC, which includes security and communications, as well as parliamentary liaison, shows a steady increase throughout the seven-year period except in 2018/19 due to the fact that the transfer of funds to the FLA ended in 2017/18. The increase from the 2018/19 Main to Adjusted Appropriation provides for increased personnel costs related to the notch adjustments for an employee in the Office of the MEC, as well as higher than budgeted property payments relating to security services. The growth over the MTEF provides for MEC's outreach programmes and security services.

The sub-programme: Management Services (HOD) shows a significant decrease from 2015/16 to 2017/18 due to posts that were filled later than anticipated and under-spending on special projects, including departmental interventions. In 2017/18, there was under-spending on special projects, including

departmental interventions, as well as funds set aside for the tender process/ procurement for the PPP Government Precinct and Legislature Complex. The increase from 2017/18 to the 2018/19 Main Appropriation relates to an additional allocation for the Treasury/Health assistance plan. The increase from the 2018/19 Main to Adjusted Appropriation is mainly due to the roll-over of R11 million for the Treasury/Health assistance plan, as well as an additional allocation of R35.500 million, in line with the project requirements of the Treasury/Health assistance plan. The increase from 2018/19 to 2019/20 can be ascribed to a once-off allocation of R40 million in respect of the Treasury/Health assistance plan, as well as provision made for special projects such as financial management assistance to departments. The two outer years of the 2019/20 MTEF reflect inflationary increases and provide for *Compensation of employees*, operational costs of running the HOD's office, replacement of machinery and equipment, as well as donations by the HOD in terms of his OSS responsibilities.

The sub-programme: Financial Management (CFO), which is responsible for various functions such as budget control, internal SCM, asset management, loss control, etc., reflects a steady increase from 2016/17 to 2017/18, due to the filling of posts. The growth over the MTEF is inflationary and provides for *Compensation of employees*, operational costs for the running of the Office of the CFO, and audit fees.

The sub-programme: Corporate Services reflects an increase from 2015/16 to 2021/22, and the significant increase in 2016/17 was mainly due to the function shift of IT Management from Programme 3 to this sub-programme. The increase from the 2018/19 Main to Adjusted Appropriation is mainly to cater for centralised costs such as operating leases for office accommodation, as a result of these items being under-budgeted for. In addition, the increase was due to a transfer to the Thuthuka Bursary Fund that could not be processed in 2017/18, as mentioned, as well as higher than anticipated spending on staff exit costs. The allocations over the MTEF are inflationary and provide for HR, legal services, strategic management and auxiliary services. This includes provision for centralised costs such as operating leases for office accommodation, fleet services, fuel price escalations, bursaries for employees and non-employees, legal fees, etc., as well as salaries for the SAICA students.

Compensation of employees shows an increasing trend over the seven-year period. This category increases by 11.7 per cent in 2019/20, 5.6 per cent in 2020/21 and 5.5 per cent in 2021/22. The increase in 2019/20 is higher than the National Treasury's wage adjustment rate, but falls short of the recommended rates in 2020/21 and 2021/22. National Treasury recommended wage adjustment rates are 7.8 per cent in 2019/20, 8 per cent in 2020/21 and 8 per cent in 2021/22, including the 1.5 per cent pay progression. The low growth in 2020/21 and 2021/22 is not sufficient to provide for filling of critical vacant posts, as well as the carry-through of previous wage agreements, contract employees, interns, learners, and in-service trainees. There are 30 vacant posts budgeted to be filled within Programme 1 over the 2019/20 MTEF, such as Chief Director: Corporate Services, Registry Clerk, Deputy Director: IT Governance, Specialist: Legal Services, Contract Administration Officer, Chief Director: IGR, Deputy Director: Security and Risk Management, and OHS Specialists, among others. The department will review its *Compensation of employees*' budget in the next budget process, taking into account progress with the filling of the vacant posts.

The category *Goods and services* fluctuates throughout the seven-year period. The increase from 2015/16 to 2019/20 is attributed to the function shift of IT Management from Programme 3 to this programme, as mentioned. The increase from the 2018/19 Main to Adjusted Appropriation relates to the provision towards the Treasury/Health assistance plan, as well as special interventions, as mentioned. In addition, there is a further allocation for the Treasury/Health assistance plan in 2019/20, hence the decrease in 2020/21. The increase from 2020/21 to 2021/22 is inflationary and includes provision for special interventions, such as assisting departments in terms of financial management.

Transfers and subsidies to: Provinces and municipalities in 2015/16 includes the transfer in respect of the Shayamoya eco-complex in 2015/16, development of a light industrial park, and the Msunduzi electricity-related development project. The allocation over the MTEF provides for motor vehicle licences.

Departmental agencies and accounts provides for the payment of SABC TV licences.

Transfers and subsidies to: Non-profit institutions mainly relates to transfers to the FLA and the Coastal Horse Care Unit, as well as donations for the OSS outreach programme, as mentioned. The increase from

the 2018/19 Main to the Adjusted Appropriation is in relation to a donation made to the FLA due to the financial challenges faced by the institution because of its inability to attract sponsors, as mentioned. Note that the decrease over the MTEF is due to the reclassification of non-cash donations from this category to *Goods and services*, in line with the SCOA reclassification, as mentioned. The amounts remaining under this category are for cash donations, as explained.

Transfers and subsidies to: Households caters for staff exit costs, and external bursaries. Note that no transfer was made to the Thuthuka Bursary Fund in 2017/18 as a result of tax certificate related challenges affecting this entity, as mentioned. The increase from the 2018/19 Main to Adjusted Appropriation is mainly due to the payment to the Thuthuka Bursary Fund in line with prior year's commitment. The increase over the MTEF is inflationary and provides for bursaries awarded to non-employees. Note that the decrease in the Thuthuka Bursary Fund is as a result of reprioritisation undertaken to provide for the salaries and other related costs of the current SAICA trainees, as explained.

Machinery and equipment shows an increase from the 2018/19 Main to Adjusted Appropriation and over the MTEF, mainly due to the reclassification of finance leases (cellphones and leases of printing machines), which were previously allocated under *Goods and services*, in terms of the SCOA reclassification, as mentioned. The increase over the MTEF is inflationary.

Software and other intangible assets relates to the purchase of computer software and the MTEF makes inflationary provision.

Payments for financial assets was in respect of the write-off of staff debts.

8.2 Programme 2: Sustainable Resource Management

The programme is largely in line with the generic structure with the exception that the Fiscal Policy sub-programme is not being utilised in this province.

The main purpose of the programme is to effectively manage and monitor the provincial and fiscal resources. The objectives and services of this programme are as follows:

- To ensure targeted financial resource allocation and utilisation that contributes to improved service delivery.
- To ensure efficient budget and expenditure management and accurate financial reporting by provincial departments and public entities.
- To co-ordinate and enhance revenue collection for sustainable service delivery to the citizens.
- To provide a platform to enhance regional economic growth and development through quality research.
- To ensure efficient planning and management of infrastructure in the province.

Tables 6.15 and 6.16 provide a summary of payments and budgeted estimates pertaining to this programme for the period 2015/16 to 2021/22.

Table 6.15 : Summary of payments and estimates by sub-programme: Sustainable Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Programme Support	2 721	7 824	4 361	3 650	3 850	3 748	3 413	3 598	3 795
2. Economic Analysis	21 848	22 244	20 214	20 760	20 760	18 817	26 685	27 878	29 412
3. Public Finance	13 688	13 798	14 524	16 247	16 547	16 773	17 543	18 508	19 525
Total	38 257	43 866	39 099	40 657	41 157	39 338	47 641	49 984	52 732

Table 6.16 : Summary of payments and estimates by economic classification: Sustainable Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	37 997	43 567	38 794	40 499	40 938	38 997	47 325	49 784	52 522
Compensation of employees	27 951	34 957	32 667	34 259	34 759	34 814	41 022	43 440	45 829
Goods and services	10 046	8 016	6 127	6 240	6 179	4 183	6 303	6 344	6 693
Interest and rent on land	-	594	-	-	-	-	-	-	-
Transfers and subsidies to:	50	-	67	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	50	-	67	-	-	-	-	-	-
Payments for capital assets	208	299	238	158	219	341	316	200	210
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	208	299	238	158	219	341	316	200	210
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	2	-	-	-	-	-	-	-	-
Total	38 257	43 866	39 099	40 657	41 157	39 338	47 641	49 984	52 732

The sub-programme: Programme Support reflects a fluctuating trend. The substantial increase in 2016/17 relates to backpay paid to an ex-employee. The increase from the 2018/19 Main to Adjusted Appropriation was to cater for personnel costs that were higher than budgeted for, due to the above-budget wage adjustment. The growth over the MTEF is inflationary and provides for the operational costs for the office of the DDG: Sustainable Resource Management, as well as the office support team who provide administration and financial support to the programme as a whole.

The sub-programme: Economic Analysis includes funding for the Infrastructure Crack Team to assist departments, public entities and municipalities in the delivery of infrastructure projects, as well as additional funding for IDIP TAs. The increase from 2018/19 to 2019/20 and over the MTEF is due to an allocation made by National Treasury in support of ongoing efforts to increase technical capacity within the Provincial Treasury infrastructure units, as well as to assist in making infrastructure delivery more effective in the province. These funds are specifically and exclusively allocated and may therefore not be used for any other purpose. The budget over the MTEF also provides for infrastructure site visits, as well as the continued development of the KZN-IMP, which will be issued by the end of February 2019 by DOPW, and DOPW will be responsible for managing the plan thereafter. In addition to this, the Economic Analysis team compiles the *SERO*, assists municipalities with IDPs, provides and facilitate a platform for economic information sharing, dialogues, debates and stakeholder participation, etc. The sub-programme is also responsible for the publication of the *ECE*.

The sub-programme: Public Finance shows an increase from the 2018/19 Main to Adjusted Appropriation due to personnel costs which were higher than budgeted for. The budget over the MTEF provides for costs relating to the preparation of the *EPRE* and the *AEPRE*, as well as oversight over the provincial budget.

Compensation of employees shows steady growth from 2015/16 onward, except for the decrease in 2017/18 as a result of vacant posts due to lengthy internal recruitment processes. In 2019/20, this category grows by 17.8 per cent, which is higher than the National Treasury recommended rate of 7.8 per cent. The growth in 2019/20 is due to the allocation made by National Treasury to increase the technical capacity to assist in infrastructure delivery within the province, as explained. National Treasury allocated R5 million in each year of the MTEF, of which R4.208 million is allocated against *Compensation of employees* in 2019/20 to increase infrastructure capacity, as mentioned. The growth rate in 2020/21 (5.9 per cent) and 2021/22 (5.5 per cent) is not sufficient to provide for the filling of vacant posts and will be reviewed in the next budget process. There is one post to be filled under this programme, namely the Provincial Budget Co-ordinator. Note that that the Infrastructure unit is not planning to fill posts at this stage, as the revised organisational structure is not yet approved. The number of posts to be filled will thus be reviewed once the revised organisational structure is approved.

Goods and services shows a decrease from 2015/16 to 2017/18 due to under-spending in respect of the Infrastructure Crack Team. The allocation over the MTEF includes funding for IDIP TAs, the Infrastructure Crack Team, as well as provision for the printing of the *EPRE*, *AEPRE*, *ECE* and *SERO*, etc. The increase over the MTEF is due to the additional allocation made by National Treasury to assist in infrastructure delivery within the province, as mentioned. In this regard, an additional R642 000 is allocated in 2019/20, R579 000 in 2020/21 and R611 000 in 2021/22 for infrastructure site visits, being part of the R5 million allocated, as mentioned.

Transfers and subsidies to: Households caters for staff exit costs. There is no provision made over the MTEF, but this will be reviewed in-year.

The fluctuating trend against *Machinery and equipment* results from the fact that machinery and equipment are purchased on a cyclical basis. The budget over the 2019/20 MTEF provides mainly for the replacement of computers and laptops, as well as the reclassification of finance leases (cellphones and leases of printing machines), which were previously allocated under *Goods and services*, in terms of the SCOA reclassification. The increase over the MTEF is also due to a portion of the additional allocation made by National Treasury to assist in infrastructure delivery within the province, as mentioned. In this regard, additional funding of R150 000, with carry-through over the MTEF, was allocated in 2019/20 for the purchase of laptops and desktops.

Payments for financial assets in 2015/16 was in respect of the write-off of staff debts.

Service delivery measures: Sustainable Resource Management

Table 6.17 below illustrates the service delivery measures pertaining to Programme 2. The department is largely following the measures used in previous years, with some of the outputs and performance indicator descriptions having been changed to ensure alignment with the department's 2019/20 APP.

Table 6.17 : Service delivery measures: Sustainable Resource Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
1.1 Economic Analysis					
1.1.1 To determine and evaluate economic parameters and socio-economic imperatives to inform provincial and local resource allocation	<ul style="list-style-type: none"> No. of economic analysis reports for the province 	Produce 4 provincial dept. economic reports Produce 1 <i>SERO</i> Produce 9 districts socio-economic reports	Produce 4 provincial dept. economic reports Produce 1 <i>SERO</i> Produce 9 districts socio-economic reports	Produce 4 provincial dept. economic reports Produce 1 <i>SERO</i> Produce 9 districts socio-economic reports	Produce 4 provincial dept. economic reports Produce 1 <i>SERO</i> Produce 9 districts socio-economic reports
	<ul style="list-style-type: none"> Timeous Economic Analysis inputs to the <i>Estimates of Provincial Revenue and Expenditure (EPRE)</i> 	February 2019	February 2020	February 2021	February 2022
1.1.2 To provide a platform to enhancing regional economic growth and development	<ul style="list-style-type: none"> No. of quality research for regional policy analysis 	Produce 4 economic research projects	Produce 4 economic research projects	Produce 4 economic research projects	Produce 4 economic research projects
1.2 Infrastructure					
1.2.1 Efficient infrastructure management in KZN that contributes to effective economic and social infrastructure	<ul style="list-style-type: none"> No. of assessment reports on the User Asset Management Plans (U-AMPs) 	Compile a consolidated assessment report on U-AMPs	Compile a consolidated assessment report on U-AMPs	Compile a consolidated assessment report on U-AMPs	Compile a consolidated assessment report on U-AMPs
1.2.2 To facilitate implementation and institutionalisation of the IDMS in all KZN provincial depts and municipalities	<ul style="list-style-type: none"> No. of reports on the implementation of IDMS in KZN No. of reports on the infrastructure site visits conducted No. of progress reports on infrastructure budgets and delivery plans using IRM data Timeous Infrastructure input for <i>EPRE</i> 	Produce 4 reports on the implementation of IDMS in KZN Submit 4 reports on the site visits conducted Submit 4 reports on the infrastructure expenditure in KZN February 2019	Produce 4 reports on the implementation of IDMS in KZN Submit 4 reports on the site visits conducted Submit 4 reports on the infrastructure expenditure in KZN February 2020	Produce 4 reports on the implementation of IDMS in KZN Submit 4 reports on the site visits conducted Submit 4 reports on the infrastructure expenditure in KZN February 2021	Produce 4 reports on the implementation of IDMS in KZN Submit 4 reports on the site visits conducted Submit 4 reports on the infrastructure expenditure in KZN February 2022

Table 6.17 : Service delivery measures: Sustainable Resource Management

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2018/19	2019/20	2020/21	2021/22	
1.2.3	To assist and provide technical support to the development of the KZN Provincial Infrastructure Master Plan	<ul style="list-style-type: none"> No. of <i>Estimates for Capital Expenditure (ECE)</i> developed and published No. of assessment reports on the Infrastructure Programme Management Plan (IPMP) compiled No. of reports on infrastructure funding mechanisms and opportunities to support the provincial fiscal framework 	Develop and publish the <i>ECE</i> on time for tabling with the annual provincial budget Compile an assessment report on Infrastructure Programme Management Plans Produced 4 reports on the infrastructure mechanisms in the province	Develop and publish the <i>ECE</i> on time for tabling with the annual provincial budget Compile an assessment report on Infrastructure Programme Management Plans Produce 4 reports on the infrastructure mechanisms in the province	Develop and publish the <i>ECE</i> on time for tabling with the annual provincial budget Compile an assessment report on Infrastructure Programme Management Plans Produce 4 reports on the infrastructure mechanisms in the province	Develop and publish the <i>ECE</i> on time for tabling with the annual provincial budget Compile an assessment report on Infrastructure Programme Management Plans Produce 4 reports on the infrastructure mechanisms in the province
2. Public Finance						
2.1 Provincial Budget Management						
2.1.1	Promote effective and optimal financial resource allocation for provincial govt.	<ul style="list-style-type: none"> No. of chapters in MTEC report Timeous tabling of <i>EPRE</i> Timeous tabling of <i>Adjusted Estimates of Provincial Revenue and Expenditure (AEPRE)</i> 	1 report with 15 chapters completed 1 working day before MTEC as per budget process timetable March 2019 November 2018	1 report with 15 chapters completed 1 working day before MTEC as per budget process timetable March 2020 November 2019	1 report with 15 chapters completed 1 working day before MTEC as per budget process timetable March 2021 November 2020	1 report with 15 chapters completed 1 working day before MTEC as per budget process timetable March 2022 November 2021
2.1.2	Ensure efficient budget and expenditure management and accurate financial reporting for provincial govt. (incl. public entities)	<ul style="list-style-type: none"> No. of section 32 report (Monthly provincial IYM report) No. of quarterly performance reports for provincial depts 	12 IYM reports p/a (submitted to NT by 22 nd monthly) 3 quarterly performance reports	12 IYM reports p/a (submitted to NT by 22 nd monthly) 4 quarterly performance reports	12 IYM reports p/a (submitted to NT by 22 nd monthly) 4 quarterly performance reports	12 IYM reports p/a (submitted to NT by 22 nd monthly) 4 quarterly performance reports
2.2 Provincial Own Revenue						
2.2.1	Promote optimal and sustainable revenue generation and collection by provincial depts and public entities	<ul style="list-style-type: none"> No. of revenue quarterly performance report Timeous revenue input into <i>Overview of Provincial Revenue and Expenditure (OPRE)</i> and <i>EPRE</i> 	3 revenue quarterly performance reports March 2019	4 revenue performance reports per annum March 2020	4 revenue performance reports per annum March 2021	4 revenue performance reports per annum March 2022
2.3 Special Advisory Support Services						
2.3.1	Promote effective and optimal financial resource allocation for provincial govt. (including public entities)	<ul style="list-style-type: none"> Timeous input into the revision and maintenance of Division Of Revenue Act (DORA) No. of reports on institutionalising framework for the monitoring of provincial public entities No. of MTEC reports completed 	November 2018 2 1 report with 16 chapters completed 1 day before MTEC	November 2019 2 1 report completed 1 day before MTEC	November 2020 2 1 report completed 1 day before MTEC	November 2021 2 1 report completed 1 day before MTEC

8.3 Programme 3: Financial Governance

This programme consists of seven sub-programmes, namely Programme Support, Asset and Liabilities Management, Support and Interlinked Financial Systems, Supply Chain Management, Public, Private Partnerships, Accounting Services and Norms and Standards. The purpose of this programme is to ensure effective and efficient management of physical and financial assets for provincial and local government. The main services undertaken by this programme are:

- To ensure the effective and efficient management of assets and implementation of PPP projects.
- To realise the effective and efficient acquisition of goods and services for provincial government and to secure sound SCM for local government.

- To optimise liquidity requirements and maximise returns within acceptable levels of risk for provincial government and to secure sound cash management for local government.
- To ensure that financial reporting provides a full and true reflection of the financial position of the province and municipalities as prescribed, inclusive of the accounting responsibilities related to the PMG and IGCC account.
- To develop and implement financial and associated governance norms and standards, in order to enhance performance orientated financial results and accountability in provincial departments and municipalities as prescribed.
- To implement and support transversal financial systems across the province.

Tables 6.18 and 6.19 provide a summary of payments and budgeted estimates pertaining to Programme 3. The programme as a whole reflects a steady trend over the period, as explained in detail below.

Table 6.18 : Summary of payments and estimates by sub-programme: Financial Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Programme Support	-	-	-	3 892	3 892	5 607	4 235	4 468	4 712
2. Asset and Liabilities Management	13 931	14 101	16 325	19 219	16 219	15 632	14 969	15 809	16 678
3. Support and Interlinked Financial Systems	122 056	107 833	97 313	94 182	94 182	90 314	100 198	105 875	111 698
4. Supply Chain Management	52 062	39 769	39 930	44 731	37 231	34 864	45 735	48 360	51 019
5. Public, Private Partnerships	4 916	5 493	6 336	8 288	8 288	6 599	8 785	9 268	9 779
6. Accounting Services	42 626	35 087	34 441	32 668	29 668	28 253	42 497	36 382	38 384
7. Norms and Standards	4 572	4 927	5 609	6 622	6 622	6 319	7 122	7 525	7 938
Total	240 163	207 210	199 954	209 602	196 102	187 588	223 541	227 687	240 208

Table 6.19 : Summary of payments and estimates by economic classification: Financial Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	227 890	206 011	198 008	203 156	189 441	180 644	222 493	226 737	239 206
Compensation of employees	55 409	56 955	60 455	74 456	74 425	65 934	84 792	88 413	93 276
Goods and services	172 481	149 056	137 553	125 200	115 016	114 710	136 201	136 724	144 242
Interest and rent on land	-	-	-	3 500	-	-	1 500	1 600	1 688
Transfers and subsidies to:	975	492	1 204	939	974	1 008	198	248	262
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	1 025	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	14	-	-	-
Households	975	492	179	939	974	994	198	248	262
Payments for capital assets	11 237	707	742	5 507	5 687	5 936	850	702	740
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 237	707	742	5 507	5 687	5 936	850	702	740
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	61	-	-	-	-	-	-	-	-
Total	240 163	207 210	199 954	209 602	196 102	187 588	223 541	227 687	240 208

The sub-programme: Programme Support is a newly created sub-programme in 2018/19 hence there is no historical information. This sub-programme is responsible for providing strategic leadership support to the Financial Governance programme. The historic figures of this sub-programme were not restated because this sub-programme was not included in the previous financial year's structure and thus financial records were not kept at this level. The increase from the 2018/19 Adjusted Appropriation to the Revised Estimate is due to pressure in respect of personnel costs that were under-budgeted for, and the low allocation in 2020/21 will be reviewed in-year. The increase in 2021/22 is inflationary and provides for the operational costs for the office of the Accountant-General, as well as the office support team who provide administration and financial support to the programme as a whole.

The sub-programme: Asset and Liabilities Management shows a steady increase from 2015/16 to 2018/19 mainly due to the increased number of speed point machines supplied to municipalities for payments of

motor vehicle licences which resulted in an increase in bank charges. Note that the rollout of the speed point machines to municipalities is an ongoing process as the department continues to roll out these machines to different municipalities in the province. The sub-programme shows a decrease from the 2018/19 Main to the Adjusted Appropriation and to the Revised Estimate, mainly due to the positive bank balance as it is expected that the province will not go into overdraft and will therefore not incur any interest charges in this regard, as mentioned. The 2019/20 MTEF provides for various operational costs of the unit, provision for interest should the IGCC account go into overdraft, conducting an annual tax information seminar with all departments and entities, as well as ensuring compliance to tax legislation.

The sub-programme: Support and Interlinked Financial Systems shows a decrease from 2015/16 to 2016/17 due to the function shift of IT Management from this sub-programme to Programme 1, as well as the relocation of the PERSAL Mainframe time server from Pietermaritzburg SITA to Centurion, as mentioned. The low Revised Estimate relates to non-filling of vacant posts due to lengthy internal recruitment processes. The growth over the MTEF includes costs relating to all transversal systems, such as BAS, PERSAL and HARDCAT, for the entire province, SITA charges, software licences, asset management systems development related costs, as well as the biometric access control system, etc.

The sub-programme: Supply Chain Management shows a decrease in 2016/17 due to the suspension of some projects within this unit. The decrease from the 2018/19 Main to Adjusted Appropriation and the further decrease in the Revised Estimate relates to delays in the receipt of invoices from consultants, as well as revised project scopes for SCM support interventions at departments and municipalities. The increase over the MTEF is inflationary and provides mainly for CMP, MBAT, and SCM support interventions in departments such as DOH and DARD and municipalities, and the unit's operational costs.

The sub-programme: Public, Private Partnerships shows inflationary growth over the 2019/20 MTEF, and provides for support to departments, municipalities and public entities.

The sub-programme: Accounting Services reflects a decrease from 2015/16 to 2017/18 as a result of cost-cutting. The decrease from the 2018/19 Main to Adjusted Appropriation is due to reduced reliance on consultants, relating to preparing the consolidated AFS, as this was done internally through hired contract staff. The significant increase in 2019/20 is due to the once-off reprioritisation of R8 million from Programme 5, as mentioned. The MTEF provides for the unit's operational costs, support to departments in the preparation and consolidating and reviewing of their AFS, preparing consolidated AFS, training of departments and municipalities, financial management assistance, etc.

The sub-programme: Norms and Standards shows an inflationary increase over the MTEF and mainly provides for personnel costs, various operational costs of the unit, as well as preparation of instruction notes and standard operating procedures for departments, public entities and municipalities, among others.

Compensation of employees shows a steady increase to 2017/18. The category grows by 28.6 per cent in 2019/20, 4.3 per cent in 2020/21 and 5.5 per cent in 2021/22. The growth in 2019/20 is higher than the National Treasury recommended rate of 7.8 per cent, and is therefore adequate for the filling of 13 posts, but the growth rate in 2020/21 and 2021/22 falls short of the recommended rates of 8 per cent for both the outer years. Examples of posts to be filled include Director: Financial Reporting, Cash Management Specialist, Office Administrator, Specialist: Project Technical Advisory Services, Systems Controllers, Secretary, Chief Director: Supply Chain Management, Director: Policy and Contract Management (SCM), Analyst: Contract Management (SCM), Inter-governmental Debt Recovery Specialist, Assistant Director: BAS, and Biometric System Supporter, among others. The low growth in *Compensation of employees* in the two outer years will be reviewed in the next budget process.

Goods and services reflects a fluctuating trend. The decrease from 2015/16 to 2018/19 is due to the function shift of IT Management from this sub-programme to Programme 1, as well as the relocation of the PERSAL Mainframe time server from Pietermaritzburg SITA to Centurion, as mentioned. The decrease from the 2018/19 Main to Adjusted Appropriation relates to delays in the receipt of invoices from consultants, as well as the revised project scope for SCM support interventions at departments and municipalities, such as Msinga Municipality. The high growth in 2019/20 can be ascribed to a once-off reprioritisation from *Good and services* in Programme 5, in order to address a shortfall in 2019/20, regarding a decision taken by the Minister of Finance on 22 April 2014 which requires that all municipalities and related municipal entities transact in compliance with the mSCOA regulations, as

mentioned. The increase from 2020/21 to 2021/22 provides for CMP, MBAT, support to departments in respect of consolidating and reviewing of AFS, preparation of the AFS for the Provincial Revenue Fund, Operation Clean Audit, as well as training of and support to departments and municipalities.

Interest and rent on land reflects a decrease from the 2018/19 Main to Adjusted Appropriation mainly as a result of the positive bank balance as it is expected that the province will not go into overdraft and will therefore not incur any interest charges, as mentioned. Provision is, however, made over the MTEF in the event the province goes into overdraft.

Departmental agencies and accounts reflected in 2017/18 is in respect of the transfer to the KZNGBB that relates to legal fees that were held back by the department in 2016/17 pending the outcome of the discussions in respect of the movement of the KZNGBB to OTP.

Transfers and subsidies to: Non-profit institutions reflects an amount of R14 000 in the 2018/19 Revised Estimate which was made as a donation to SAICA for an annual gala dinner.

Transfers and subsidies to: Households provides for staff exit costs and pension payouts relating to former development board members who took early retirement in 2015/16 when the development boards were amalgamated with the Provincial Administration. The increase from the 2018/19 Main to Adjusted Appropriation largely relates to staff exit costs that were higher than budgeted for. The increase from the 2018/19 Adjusted Appropriation to the Revised Estimate is due to staff exit costs in respect of staff in the SCM unit. The substantial decrease over the 2019/20 MTEF is mainly due to a decrease in staff exit costs.

Machinery and equipment is purchased on a cyclical basis, hence the fluctuating trend against this category. The decrease from 2018/19 and over the 2019/20 MTEF can be ascribed to the upgrade of the biometric servers, the hardware refresher server, as well as the biometric access control system, as these were procured in 2018/19. The MTEF allocations provide for an asset management system, as mentioned.

Payments for financial assets in 2015/16 provides for the write-off of irrecoverable debts.

Service delivery measures: Financial Governance

Table 6.20 show the main service delivery measures for Programme 3. Note that there are no sector measures for this sector. The department is largely following the measures used in previous years, and some of the outputs and performance indicators have changed to ensure alignment with the 2019/20 APP.

Table 6.20 : Service delivery measures: Financial Governance

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
1. Asset and Liabilities Management					
1.1. To assist depts. in improving cash management	<ul style="list-style-type: none"> No. of tax information seminars conducted annually No. of risk analysis reports per dept. to ensure compliance to tax legislation No. of quarterly assessment reports to depts. on status of bank related suspense accounts No. of monthly bank reconciliations per dept. No. of quarterly reports on withdrawals from municipal bank accounts 	1 session 56 reports 56 assessment reports 168 reconciled bank reconciliation 4 reports on withdrawals from municipal bank accounts	1 session 56 reports 56 assessment reports 168 reconciled bank reconciliation 4 reports on withdrawals from municipal bank accounts	1 session 56 reports 56 assessment reports 168 reconciled bank reconciliation 4 reports on withdrawals from municipal bank accounts	1 session 56 reports 56 assessment reports 168 reconciled bank reconciliation 4 reports on withdrawals from municipal bank accounts
2. Public, Private Partnerships (PPP)					
2.1. To provide technical, financial and legal advice in support of all provincial PPP projects in line with PPP project cycle as regulated by National Treasury guidelines	<ul style="list-style-type: none"> Seminars/workshops conducted for provincial depts, public entities, municipalities, municipal entities and the private sector No. of reports for Provincial Treasury management and National Treasury PPP unit No. of contract management reports on closed deals 	2 12 12	2 12 12	2 12 12	2 12 12

Table 6.20 : Service delivery measures: Financial Governance

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
3. Provincial Supply Chain Management					
3.1. Support and monitor adherence of state institutions to SCM prescripts	<ul style="list-style-type: none"> No. of SCM training sessions and information sessions conducted No. of SCM compliance assessments conducted No. of policies reviewed and updated No. of contract management analysis conducted 	<p>Conduct 12 SCM training, information sessions, workshops and forums for state institutions</p> <p>Conduct 84 SCM assessments in depts, munic. and public entities and investigate complaints</p> <p>Review and update 4 policies</p> <p>Conduct 130 contract management reviews for state institutions</p>	<p>Conduct 24 SCM training, information sessions, workshops and forums for state institutions</p> <p>Conduct 168 SCM assessments in depts, munic. and public entities and investigate complaints</p> <p>Review and update 12 policies</p> <p>Conduct 106 contract management reviews for state institutions</p>	<p>Conduct 24 SCM training, information sessions, workshops and forums for state institutions</p> <p>Conduct 168 SCM assessments in depts, munic. and public entities and investigate complaints</p> <p>Review and update 12 policies</p> <p>Conduct 106 contract management reviews for state institutions</p>	<p>Conduct 24 SCM training, information sessions, workshops and forums for state institutions</p> <p>Conduct 168 SCM assessments in depts, munic. and public entities and investigate complaints</p> <p>Review and update 12 policies</p> <p>Conduct 106 contract management reviews for state institutions</p>
4. Accounting Services					
4.1. To assist depts and public entities in the attainment of a clean audit outcome for the province	<ul style="list-style-type: none"> Consolidated AFS for provincial depts to the Auditor General Consolidated AFS for public entities to the Auditor General Timeous submission of consolidated AFS for Revenue Fund to the Auditor General No. of trainings conducted to provincial depts and public entities to strengthen financial management No. of progress reports on financial management support based on identified needs/audit findings Annual pre-audit review conducted on depts preparing AFS on Modified Cash Standard (MCS) basis Annual pre-audit review conducted on public entities 	<p>Audited Consolidated AFS for FY 2017/18 by 31 December 2018 to the Legislature</p> <p>Audited Consolidated AFS for FY 2017/18 by 31 December 2018</p> <p>Audited Revenue Fund to A-G for FY 2017/18 by 31 December 2018</p> <p>1 training workshop by 30 April 2019</p> <p>3 progress reports on financial management support based on specific requests received from depts</p> <p>Pre-audit review of AFS at depts preparing AFS on the MCS basis</p> <p>Pre-audit review of AFS at 7 public entities</p>	<p>Audited Consolidated AFS for FY 2018/19 tabled by 30 September 2019 to the A-G</p> <p>Audited Consolidated AFS for FY 2018/19 tabled by 30 September 2019 to the A-G</p> <p>Audited Consolidated AFS for FY 2018/19 submitted by 30 September 2019 to the A-G</p> <p>1 training workshop by 30 April 2020</p> <p>3 progress reports on financial management support based on specific requests received from depts</p> <p>Pre-audit review of AFS at depts preparing AFS on the MCS basis</p> <p>Pre-audit review of AFS at 7 public entities</p>	<p>Audited Consolidated AFS for FY 2019/20 tabled by 30 September 2020 to the A-G</p> <p>Audited Consolidated AFS for FY 2019/20 tabled by 30 September 2020 to the A-G</p> <p>Audited Consolidated AFS for FY 2019/20 submitted by 30 September 2020 to the A-G</p> <p>1 training workshop by 30 April 2021</p> <p>3 progress reports on financial management support based on specific requests received from depts</p> <p>Pre-audit review of AFS at depts preparing AFS on the MCS basis</p> <p>Pre-audit review of AFS at 7 public entities</p>	<p>Audited Consolidated AFS AG for FY 2020/21 tabled by 30 September 2021 to the A-G</p> <p>Audited Consolidated AFS AG for FY 2020/21 tabled by 30 September 2021 to the A-G</p> <p>Audited Consolidated AFS AG for FY 2020/21 submitted by 30 September 2021 to the A-G</p> <p>1 training workshop by 30 April 2022</p> <p>3 progress reports on financial management support based on specific requests received from depts</p> <p>Pre-audit review of AFS at depts preparing AFS on the MCS basis</p> <p>Pre-audit review of AFS at 7 public entities</p>
5. Norms and Standards					
5.1. To develop, facilitate implementation and monitor compliance with financial norms and standards in provincial depts, municipalities and public entities	<ul style="list-style-type: none"> No. of instruction notes/standard operating procedures/policies developed and reviewed for depts, municipalities and their respective entities No. of depts/public entities assessed and monitored 	<p>8 standard operating procedures reviewed for departments</p> <p>20 policies reviewed for 4 entities</p> <p>8 financial norms & standards reviewed for departments</p> <p>All depts and 2 public entities assessed and monitored</p> <p>8 entities assessed</p>	<p>8 standard operating procedures reviewed for departments</p> <p>20 policies reviewed / developed for 4 entities as required in terms of an assessment</p> <p>8 financial norms & standards reviewed for departments</p> <p>14 depts assessed and monitored</p> <p>8 entities assessed</p>	<p>8 standard operating procedures reviewed for departments</p> <p>20 policies reviewed / developed for 4 entities as required in terms of an assessment</p> <p>8 financial norms & standards reviewed for departments</p> <p>14 depts assessed and monitored</p> <p>8 entities assessed</p>	<p>8 standard operating procedures reviewed for departments</p> <p>20 policies reviewed / developed for 4 entities as required in terms of an assessment</p> <p>8 financial norms & standards reviewed for departments</p> <p>14 depts assessed and monitored</p> <p>8 entities assessed</p>
6. Support and Interlinked Financial Systems					
6.1. To provide technical and functional support to supporting and interlinked financial systems	<ul style="list-style-type: none"> Mean Time To Resolve (MTTR) (transversal systems) 	8-16 hr MTTR	4-8hr MTTR	4-8hr MTTR	4-8hr MTTR

8.4 Programme 4: Internal Audit

The main purpose of the programme is to develop effective risk management strategies and governance, to build and maintain successful client relationships, to develop knowledge by creating a learning culture, and to build foundations for excellence to support the provincial government in achieving its objectives. This programme is not as per sector structure as it is a sub-programme of Programme 1 in the generic structure of Treasuries. The following services are rendered by the unit:

- To conduct risk assessments on behalf of the Accounting Officers and Chief Executive Officers of provincial departments and public entities, develop comprehensive risk profiles and recommend improvements on significant risk exposures for each client.
- To review accounting and management processes and systems of internal control for efficiency and effectiveness in terms of their design and operation and provide recommendations for improvement.
- To develop, facilitate implementation and monitor integrated risk management strategies and fraud prevention strategies.
- To conduct forensic investigations and facilitate prosecution, perform misconduct enquiries and recovery in liaison with other state law enforcement agencies.
- To provide training and development programmes in areas such as risk management, strategy development and management, project management, design and improvement of systems of internal control, financial management and reporting, leadership, forensic investigations, governance, etc.
- To provide a consulting function as per requests by relevant MECs and Heads of Departments.
- To prepare special reviews on computerised systems and performance.

Tables 6.21 and 6.22 provide a summary of payments and budgeted estimates pertaining to Programme 4.

Table 6.21 : Summary of payments and estimates by sub-programme: Internal Audit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Programme Support	-	-	-	3 575	3 575	2 576	3 729	3 934	4 150
2. Assurance Services	78 647	78 037	72 920	78 993	85 841	86 878	94 583	89 217	94 123
3. Risk Management	55 957	24 441	27 486	25 055	25 555	22 473	28 555	29 933	31 580
4. Forensic Services	-	30 267	33 237	36 932	35 292	30 219	39 478	41 648	43 939
Total	134 604	132 745	133 643	144 555	150 263	142 146	166 345	164 732	173 792

Table 6.22 : Summary of payments and estimates by economic classification: Internal Audit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	133 455	131 683	131 826	143 564	148 319	140 212	164 915	163 229	172 207
Compensation of employees	59 441	67 544	73 099	79 104	81 004	78 744	93 841	100 398	105 920
Goods and services	74 014	64 139	58 727	64 460	67 315	61 468	71 074	62 831	66 287
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	684	101	180	106	1 037	1 044	112	118	124
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	4	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	17	17	-	-	-
Households	680	101	180	106	1 020	1 027	112	118	124
Payments for capital assets	262	960	1 637	885	907	890	1 318	1 385	1 461
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	262	960	1 637	885	907	890	1 318	1 385	1 461
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	203	1	-	-	-	-	-	-	-
Total	134 604	132 745	133 643	144 555	150 263	142 146	166 345	164 732	173 792

The sub-programme: Programme Support is responsible for providing strategic leadership support to the Internal Audit unit. The steady increase over the 2019/20 MTEF provides for the running costs of the office of the DDG: Internal Audit, Secretary and the Office Manager.

The sub-programme: Assurance Services runs a learnership programme for the Certified Internal Auditors (CIA) learners for a period of three years, per intake. The decrease in 2017/18 was mainly due to late filling of vacant posts. The increase from the 2018/19 Main to Adjusted Appropriation is attributed to pressure arising from the previous year's commitments in relation to performance audits, as well as an increased demand from client departments. The increase from 2018/19 to 2019/20 relates to the once-off allocation of R10 million in respect of finalising performance audits, which is funded through reprioritisation. The growth in 2020/21 and 2021/22 is inflationary and provides for various operational costs of the unit, provision for learners towards the CIA qualification, ongoing audits such as IT, financial and governance audits, provision for the Cluster Audit and Risk Committee (CARC) members, as well as the audit of predetermined objectives of departments and some municipalities.

The sub-programme: Risk Management is responsible for promoting good governance in departments and municipalities, with assessments, workshops and training on risk management and internal audit capacity building. The decrease from 2015/16 to 2016/17 was mainly due to the separation of Forensic Services from the Risk Management sub-programme from 2016/17 onwards and historic figures were not restated. The allocations over the 2019/20 MTEF mainly provide for consultants for various activities such as reviews on risk management maturity, OHS, fraud prevention plans, development of governance frameworks for client departments, training on risk/governance awareness, as well as operational costs including travelling and subsistence.

The sub-programme: Forensic Services has been a stand-alone sub-programme since 2016/17, after being separated from the Risk Management functions. The decrease from the 2018/19 Main to Adjusted Appropriation and the further decrease in the Revised Estimate is largely due to delays in finalising forensic investigations. The 2019/20 MTEF provides for various operational costs, as well as forensic audits and investigations. It must be noted that this function is demand-driven, either through requests from clients or through referrals from Assurance Services.

The significant increase against *Compensation of employees* of 19.2 per cent in 2019/20 relates to the planned filling of 58 critical vacant posts, such as Chief Corporate Investigators, Director: Information Management, Financial and Performance Auditors, Audit Specialists, Risk Management Specialist, as well as the appointment of learners studying towards the CIA qualification. This rate is sufficient to provide for the filling of these posts, and fully caters for existing staff increments. In 2020/21 and 2021/22, though, the growth is 7 per cent and 5.5 per cent, respectively, which is not sufficient in comparison with the National Treasury's guidelines of 8 per cent, including the 1.5 per cent pay progression. Also, the budget increase in the two outer years of the MTEF is not adequate to ensure that all 58 vacant posts in the unit are filled, and will thus have to be reviewed in the next budget process.

Goods and services over the seven-year period relates to performance audits, fraud risk assessments, municipal financial capability assessments, capacity building workshops/ training on risk management and internal control, training and development programmes including learnerships, forensic investigations, IT risk assessments on the BAS application system and the development of general forensic guidelines. The increase from the 2018/19 Main to Adjusted Appropriation is due to pressure arising from the previous year's commitments in relation to performance audits, as explained. The increase in 2019/20 is also to cater for performance audits. The decrease in 2020/21 relates to reprioritisation to *Compensation of employees* to cover personnel costs. The increase in 2021/22 is inflationary only.

Transfers and subsidies to: Non-profit institutions reflected in the 2018/19 Adjusted Appropriation was due to an unexpected cash donation made for the burial of a trainee.

Transfers and subsidies to: Households caters for staff exit costs. The substantial decrease over the MTEF is mainly due to an expected decrease in staff exit costs, but this will be reviewed in-year if necessary.

Machinery and equipment is for the purchase of equipment and the replacement and upgrading of equipment. The increase over the 2019/20 MTEF is mainly due to new staff appointments, as well as the reclassification of finance leases, as explained previously.

Payments for financial assets pertains to the write-off of irrecoverable staff debts.

Service delivery measures: Internal Audit

Table 6.23 illustrates the main service delivery measures for Programme 4. The department is largely following the measures used in previous years, with some of the outputs and performance indicator descriptions having been changed to ensure alignment with the department's 2019/20 APP.

Table 6.23 : Service delivery measures: Internal Audit

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2018/19	2019/20	2020/21	2021/22	
1. Assurance Services						
1.1.	To provide an efficient, effective and economical assurance service	<ul style="list-style-type: none"> No. of IA annual operational plans and a rolling three-year strategic plan developed and approved No. of annual MEC Audit and Risk Committee report on clients' areas of risk management, governance and internal control No. of risk-based audit reports including follow up audit reports and reports on financial, IT, performance and governance audits No. of Audit Committee reports issued to Accounting Officers 	14 1 148 28	14 1 155 28	14 1 160 28	14 1 165 28
1.2.	To build and maintain client relationships	<ul style="list-style-type: none"> No. of meetings held between clients and the CARC 	56	56	56	56
1.3.	To enhance capacity within and outside the unit	<ul style="list-style-type: none"> No. of training and development programmes attended 	8	8	8	8
2. Risk Management						
2.1.	Promote good governance through effective risk management	<ul style="list-style-type: none"> No. of risk assessments conducted for depts No. of reviews on risks management maturity depts No. of reviews of Occupational Health and Safety practices for depts and municipalities No. of reviews of business continuity practices for depts No. of risk-related/forums conferences held for provincial depts No. of reviews of the fraud prevention plans for depts and municipalities No. of risk/governance-related training conducted to depts 	50 30 30 30 4 30 20	50 28 30 28 4 28 25	50 28 30 28 4 28 20	50 28 30 28 4 28 20
3. Forensic Services						
3.1	To promote a culture of zero tolerance for fraud and corruption	<ul style="list-style-type: none"> No. of approved IA Annual operational plans and a rolling No. of annual MEC Audit and Risk Committee report on clients' areas of risk management, governance and internal control No. of risk based audit conducted No. of meetings held between clients and CARC No. of Audit Committee reports issued to Accounting Officer No. of training and development programmes attended 	14 1 148 56 28 8	14 1 155 56 28 8	14 1 160 56 28 8	14 1 165 56 28 8

8.5 Programme 5: Municipal Finance Management

Programme 5 was established in 2018/19 in line with the new generic structure for all Treasuries, as mentioned, which makes provision for an integrated structure in respect of the Municipal Finance Management unit.

The Municipal Accounting and Reporting sub-programme is phased in from 2019/20 to assist, support and monitor municipalities with financial management and compliance with the annual reporting framework. The sub-programme also monitors and supports effective fixed asset management, efficient financial assets and liabilities management, as well as compliance with relevant legislation. Note that new sector measures are introduced in respect of this unit in 2019/20.

The generic structure includes the Municipal Revenue and Debt Management sub-programme, which will be phased in from 2020/21 onwards. The overall purpose of this sub-programme is to establish and formulate support strategies to address weaknesses within the revenue and debt management processes of delegated municipalities.

Tables 6.24 and 6.25 illustrate the payments and budgeted estimates pertaining to Programme 5.

Table 6.24 : Summary of payments and estimates by sub-programme: Municipal Finance Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Programme Support	-	-	-	3 351	2 400	2 356	3 287	3 411	3 603
2. Municipal Budget	46 037	53 193	53 218	27 813	26 900	25 331	27 714	29 185	30 480
3. Municipal Accounting and Reporting	-	-	-	-	-	-	14 919	19 051	18 373
4. Municipal Support Programme	-	-	-	32 545	34 409	35 380	17 973	14 896	14 284
5. Municipal Revenue and Debt Management	-	-	-	-	-	-	-	10 187	14 206
Total	46 037	53 193	53 218	63 709	63 709	63 067	63 893	76 730	80 946

Table 6.25 : Summary of payments and estimates by economic classification: Municipal Finance Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	45 792	53 017	52 860	63 564	63 179	62 514	63 174	76 136	80 363
Compensation of employees	25 458	25 757	29 616	33 177	34 993	34 531	44 295	62 889	59 768
Goods and services	20 334	27 260	23 244	30 387	28 186	27 983	18 879	13 247	20 595
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	28	-	28	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	28	-	28	-	-	-	-	-	-
Payments for capital assets	217	176	327	145	530	553	719	594	583
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	217	176	327	145	530	553	719	594	583
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	3	-	-	-	-	-	-
Total	46 037	53 193	53 218	63 709	63 709	63 067	63 893	76 730	80 946

The low growth of the budget for the programme as a whole in 2019/20 is due to the once-off reprioritisation from this programme to address a shortfall in Programme 3, to assist municipalities and municipal entities to transact in compliance with the mSCOA regulations, as mentioned. This initiative is undertaken by the Accounting Services sub-programme. As a result, a once-off reprioritisation of R8 million was effected from Programme 5 to the Accounting Services sub-programme in Programme 3 in 2019/20 for the appointment of consultants.

The sub-programme: Programme Support is responsible for providing strategic leadership support to the Municipal Finance Management unit. The Programme Manager, the Secretary and the Office Manager are provided for under this sub-programme, as well as their running costs. The sub-programme shows a decrease from the 2018/19 Main to the Adjusted Appropriation as a result of savings on personnel costs which were higher than budgeted for. The increase from 2018/19 to the 2019/20 MTEF is inflationary.

The sub-programme: Municipal Budget reflects a decrease from the 2018/19 Main to Adjusted Appropriation due to savings on *Compensation of employees* as a result of the late filling of vacant posts, as well as delays in the appointment of consultants on projects such as municipal expenditure reviews and quarterly reporting, among others. The low growth in the two outer years of the MTEF is due to part of the budget moved to the Municipal Revenue and Debt Management sub-programme.

The sub-programme: Municipal Accounting and Reporting will be fully functional from the 2019/20 MTEF onwards. The allocation makes provision for assisting, supporting and monitoring municipalities with financial management and compliance with the annual reporting framework. This will be achieved by promoting an understanding of accounting standards, monitoring compliance with reporting requirements, providing accounting services and support, implementing systems and processes to improve sound financial management and audit outcomes, reviewing the quality of AFS, as well as monitoring, evaluating and reporting on compliance with the municipal asset management regulations. The growth in 2020/21 is inflationary and the decrease in 2021/22 relates to the anticipated expiry of some of the contract employees' contracts.

The sub-programme: Municipal Support Programme increased from the 2018/19 Main to Adjusted Appropriation due to pressure in respect of *Compensation of employees* as a result of the above-budget wage adjustment. This sub-programme will continue to assist and provide technical support to delegated municipalities. The MTEF shows a decrease due to the reprioritisation to the Municipal Accounting and Reporting sub-programme. The MTEF caters for VAT and PAYE projects, as well as operational costs.

The sub-programme: Municipal Revenue and Debt Management is a new sub-programme, which will be phased in over the MTEF from 2020/21 onwards, as mentioned. The overall purpose is to establish and formulate support strategies to address weaknesses within the revenue and debt management processes of delegated municipalities. The growth from 2020/21 to 2021/2 is inflationary.

Compensation of employees reflects an increase from the 2018/19 Main to the Adjusted Appropriation to cater for personnel costs, due to the above-budget wage adjustment. This category grows by 28.3 per cent in 2019/20, 42 per cent in 2020/21 and decreases by 5 per cent in 2021/22. Sufficient provision was made for the inflationary wage adjustment of 7.8, 8 and 8 per cent over the 2019/20 MTEF, including the 1.5 per cent pay progression, with the exception of the outer year which shows negative growth. Due to the uncertainty regarding the approval and implementation of the revised organisational structure, the programme plans to utilise contract employees to supplement capacity in order to meet its objectives. The increase in the *Compensation of employees* costs from 2018/19 to 2019/20 is a result of the appointment of nine contract employees, six of which are to be appointed within the Municipal Accounting and Reporting sub-programme. The budget increases further in 2020/21, due to the implementation of the Municipal Revenue and Debt Management sub-programme, which will result in nine additional contract employees being hired. These posts are part of the 40 posts planned to be filled over the MTEF. Note that the high growth in 2019/20 is despite the reprioritisation of R8 million from this category to Programme 3, as explained above. The reduction in respect of *Compensation of employees* in 2021/22 is a result of the reduction in the use of five contract employees due to their contracts expiring in the middle of 2021/22.

Goods and services reflects a decrease from the 2018/19 Main to Adjusted Appropriation as a result of delays in the appointment of service providers on some of the projects, such as delays in conducting technical visits to municipalities and conducting close-out meetings with delegated municipalities, as well as savings on running costs such as stationery, among others. The decrease over the MTEF is due to the budget reprioritisation from consultants to cater for the appointment of contract staff under the Municipal Accounting and Reporting and Municipal Revenue and Debt Management sub-programmes, with the aim of reducing reliance on consultants.

Transfers and subsidies to: Households relates to staff exits costs.

Machinery and equipment is for the purchase of equipment to provide for the filling of posts and the replacement and upgrading of equipment. The fluctuating trend is due to its cyclical nature and provides for filling posts and the associated equipment requirements.

Service delivery measures: Municipal Finance Management

Table 6.26 reflects the main service delivery measures pertaining to Programme 5. The department is largely following the measures used in previous years, with some of the outputs and performance indicator descriptions having been changed to ensure alignment with the department's 2019/20 APP. Note that there are new measures under the Municipal Accounting and Reporting sub-programme and this is labelled "New" in the 2018/19 Estimated performance column.

Table 6.26 : Service delivery measures: Municipal Finance Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
5.1	Municipal Budget				
5.1.1	To ensure optimal and sustainable municipal budgets	<ul style="list-style-type: none"> No. of tabled budgets evaluated and feedback provided to delegated municipalities No. of approved budgets evaluated and feedback provided to delegated municipalities 	51 municipal tabled budgets evaluated 51 municipal approved budgets evaluated	51 municipal tabled budgets evaluated 51 municipal approved budgets evaluated	51 municipal tabled budgets evaluated 51 municipal approved budgets evaluated

Table 6.26 : Service delivery measures: Municipal Finance Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
5.1.2 To ensure optimal implementation of budgets by municipalities and reporting on related compliance	• No. of budget workshops	1 budget related workshop	1 budget related workshop	1 budget related workshop	1 budget related workshop
	• No. of Section 71(6) reports (monthly municipal IYM report) within the prescribed time frame	12 Section 71(6) reports	12 Section 71(6) reports	12 Section 71(6) reports	12 Section 71(6) reports
	• No. of Section 71(7) quarterly budget performance reports	4 Section 71(7) quarterly budget performance reports	4 Section 71(7) quarterly budget performance reports	4 Section 71(7) quarterly budget performance reports	4 Section 71(7) quarterly budget performance reports
	• No. of Section 72 reports evaluated and feedback provided to delegated municipalities	51 Section 72 municipal reports evaluated	51 Section 72 municipal reports evaluated	51 Section 72 municipal reports evaluated	51 Section 72 municipal reports evaluated
	• No. of reports on the compliance with the applicable MFMA reporting requirements	2 reports on the compliance with the applicable MFMA reporting requirements	2 reports on the compliance with the applicable MFMA reporting requirements	2 reports on the compliance with the applicable MFMA reporting requirements	2 reports on the compliance with the applicable MFMA reporting requirements
	• No. of Municipal Finance circulars issued	5 Municipal Finance circulars	5 Municipal Finance circulars	5 Municipal Finance circulars	5 Municipal Finance circulars
5.2. Municipal Support Programme					
5.2.1 To assist and provide technical support to delegated municipalities to ensure sound financial management and sustainability	• No. of municipalities supported by the MSP	10 municipalities to be supported through the MSP	Reported as no. of projects from 2018/19 (as below)	Reported as no. of projects from 2018/19 (as below)	Reported as no. of projects from 2018/19 (as below)
	• No. of MSP projects implemented at target municipalities	Previously reported as no. of municipalities supported	10 projects to be implemented	10 projects to be implemented	10 projects to be implemented
	• No. of municipal support steering committee meetings conducted	4 quarterly meetings to monitor progress on MSP	4 quarterly meetings to monitor progress on MSP	4 quarterly meetings to monitor progress on MSP	4 quarterly meetings to monitor progress on MSP
	• No. of CFO Forums conducted	4 quarterly CFO Forums	4 quarterly CFO Forums	4 quarterly CFO Forums	4 quarterly CFO Forums
	• No. of circulars on the grant roll-over process	1 circular by 31 August 2018 on the grant roll over process	1 circular by 31 August 2018 on the grant roll over process	1 circular by 31 August 2019 on the grant roll over process	1 circular by 31 August 2020 on the grant roll over process
5.3 Municipal Accounting and Reporting					
5.3.1 To assist, support and monitor municipalities with financial management and compliance with the annual reporting framework.	• No of AFS reviews performed	New	1 Pre-audit assessment report in 4 municipalities by 31 August 2019	1 Pre-audit assessment report in 4 municipalities by 31 August 2020	1 Pre-audit assessment report in 4 municipalities by 31 August 2021
	• No. of Financial Management Support projects implemented	New	Progress reports on intensive on-site financial management support to 6 municipalities within 10 days of every quarter end	Progress reports on intensive on-site financial management support to 6 municipalities within 10 days of every quarter end	Progress reports on intensive on-site financial management support to 6 municipalities within 10 days of every quarter end
	• No. of municipalities supported with implementation of mSCOA	New	Monitor implementation of MSCOA by municipalities and provide progress reports within 30 days of every quarter end ²	Monitor implementation of MSCOA by municipalities and provide progress reports within 30 days of every quarter end ²	N/A

9. Other programme information

9.1 Personnel numbers and costs

Table 6.27 provides detail of the department's approved establishment and personnel numbers, per level and programme. The table also gives a breakdown of employee's dispensation classification. The total personnel number for the department is 538 employees in 2018/19, and the total personnel increases to 675 in 2020/21 and increases minimally to 680 in 2021/22. The increase in personnel numbers from 2018/19 over the 2019/20 MTEF relates to a reduction in the use of consultants and an increase in the number of general contract employees. The allocations include provision for salaries for contract personnel that will be working on certain departmental projects, such as TAs working on IDIP, CMP, etc.

Table 6.27 : Summary of departmental personnel numbers and costs by component

R thousands	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2018/19 - 2021/22		
	2015/16		2016/17		2017/18		2018/19				2019/20		2020/21		2021/22		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Addit. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs			
Salary level																			
1 – 6	166	18 774	165	22 895	136	24 308	5	133	138	26 277	151	27 444	171	39 981	176	42 483	8.4%	17.4%	9.8%
7 – 10	192	51 994	199	63 095	155	67 274	178	7	185	82 717	280	120 773	265	124 111	265	132 176	12.7%	16.9%	30.6%
11 – 12	128	90 363	138	90 343	132	98 179	135	9	144	113 039	152	111 859	154	129 808	154	128 118	2.3%	4.3%	33.5%
13 – 16	73	65 696	73	74 981	70	79 897	60	10	70	76 794	87	98 424	84	101 099	84	107 355	6.3%	11.8%	25.7%
Other	1	1 018	1	1 069	1	1 122	1	-	1	1 229	1	1 512	1	1 595	1	1 683	0.0%	11.0%	0.4%
Total	560	227 845	576	252 383	494	270 780	379	159	538	300 056	671	360 012	675	396 594	680	411 815	8.1%	11.1%	100.0%
Programme																			
1. Administration	159	59 586	179	67 170	166	74 943	119	55	174	86 033	204	96 062	199	101 454	204	107 022	5.4%	7.5%	26.6%
2. Sustainable Resource Management	47	27 951	47	34 957	38	32 667	28	11	39	34 814	40	41 022	40	43 440	40	45 829	0.8%	9.6%	11.2%
3. Financial Governance	179	55 409	142	56 955	118	60 455	100	35	135	65 934	148	84 792	148	88 413	148	93 276	3.1%	12.3%	22.3%
4. Internal Audit	135	59 441	163	67 544	130	73 099	88	58	146	78 744	204	93 841	204	100 398	204	105 920	11.8%	10.4%	25.7%
5. Municipal Finance Management	40	25 458	45	25 757	42	29 616	44	-	44	34 531	75	44 295	84	62 889	84	59 768	24.1%	20.1%	14.2%
Total	560	227 845	576	252 383	494	270 780	379	159	538	300 056	671	360 012	675	396 594	680	411 815	8.1%	11.1%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	559	226 827	575	251 314	493	269 658	378	159	537	298 893	670	358 500	674	394 999	679	410 132	8.1%	11.1%	99.6%
Legal Professionals	1	1 018	1	1 069	1	1 122	1	-	1	1 163	1	1 512	1	1 595	1	1 683	0.0%	13.1%	0.4%
Total	560	227 845	576	252 383	494	270 780	379	159	538	300 056	671	360 012	675	396 594	680	411 815	8.1%	11.1%	100.0%

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

The employees reflected as contract workers are interns employed by the department and are provided for under Programme 1. The number of personnel reflects a steady increase, and the budget shows a steady growth from 2015/16 to 2021/22. The year-on-year growth of 20 per cent in 2019/20, 10.2 per cent in 2020/21 and 3.8 per cent in 2021/22 is largely in line with National Treasury's guidelines only for the first two years of the 2019/20 MTEF. Provision has not been adequately made for the carry-through costs of the above-budget 2018 wage agreement and the inflationary wage adjustment over the 2019/20 MTEF, as well as the 1.5 per cent pay progression. This will be reviewed by the department in the next budget process, and is dependent on whether or not the 133 vacant posts are filled in 2019/20 as anticipated.

9.2 Training

Table 6.28 shows the department's actual spending and estimates on training per programme. The department complies largely with the Skills Development Act – i.e. it budgets for approximately 1 per cent of its salary expense going toward staff training. The allocation toward training aligns with the allocation under *Training and development* item under *Goods and services*.

Table 6.28 : Information on training: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
	Number of staff	560	576	494	538	538	538	671	675
Number of personnel trained	373	373	385	385	385	385	385	406	406
of which									
Male	150	150	160	160	160	160	160	169	169
Female	223	223	225	225	225	225	225	237	237
Number of training opportunities	600	615	621	621	621	621	621	655	655
of which									
Tertiary	3	5	6	6	6	6	6	6	6
Workshops	197	160	165	165	165	165	165	174	174
Seminars	100	100	100	100	100	100	100	106	106
Other	300	350	350	350	350	350	350	369	369
Number of bursaries offered	11	11	30	12	12	12	12	30	30
Number of interns appointed	14	14	25	14	14	14	14	30	30
Number of learnerships appointed	30	-	20	-	-	-	-	20	20
Number of days spent on training	115	120	120	120	120	120	120	127	127
Payments on training by programme									
1. Administration	606	642	534	985	985	741	1 007	1 075	1 134
2. Sustainable Resource Management	115	55	96	178	78	157	308	318	335
3. Financial Governance	395	362	517	459	879	1 104	669	581	613
4. Internal Audit	816	815	903	1 022	1 047	1 005	1 079	1 136	1 199
5. Municipal Finance Management	133	150	112	110	91	123	143	173	191
Total	2 065	2 024	2 162	2 754	3 080	3 130	3 206	3 283	3 472

ANNEXURE – VOTE 6: PROVINCIAL TREASURY

Table 6.A : Details of departmental receipts: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	345	352	446	227	227	277	228	235	247
Sale of goods and services produced by department (excluding capital assets)	340	352	427	224	224	274	223	230	242
Sale by market establishments	102	106	105	108	108	108	109	112	118
Administrative fees	90	41	34	21	21	71	23	24	25
Other sales	148	205	288	95	95	95	91	94	99
<i>Of which</i>									
<i>Commission</i>	63	69	68	48	48	48	48	51	54
<i>Tender documents</i>	80	134	198	39	39	39	39	41	43
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	5	-	19	3	3	3	5	5	5
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	1	-	-	-	-	-	-	-
Interest, dividends and rent on land	391 253	284 822	338 296	295 219	295 219	444 491	365 000	387 995	413 345
Interest	391 253	284 822	338 296	295 219	295 219	444 491	365 000	387 995	413 345
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	790	119	356	203	203	-	204	210	222
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	790	119	356	203	203	-	204	210	222
Transactions in financial assets and liabilities	4 027	3 594	715	407	407	698	410	422	445
Total	396 415	288 888	339 813	296 056	296 056	445 466	365 842	388 862	414 259

Table 6.B: Payments and estimates by economic classification: Provincial Treasury

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	569 228	583 277	571 510	628 832	655 812	631 052	700 363	703 559	742 015
Compensation of employees	227 845	252 383	270 780	308 148	314 333	300 056	360 012	396 594	411 815
Salaries and wages	205 107	227 157	242 945	276 774	281 676	269 557	322 422	357 075	370 132
Social contributions	22 738	25 226	27 835	31 374	32 657	30 499	37 590	39 519	41 683
Goods and services	341 383	330 300	300 730	317 184	341 473	330 982	338 851	305 365	328 512
Administrative fees	9 325	10 175	11 964	9 843	10 516	10 879	8 075	8 766	9 250
Advertising	1 764	3 186	4 273	2 869	3 095	3 489	3 593	4 270	4 505
Minor assets	9 430	7 511	241	541	607	477	738	711	797
Audit cost: External	3 813	4 448	5 225	3 926	3 926	3 565	5 826	6 147	6 485
Bursaries: Employees	320	582	839	500	750	341	614	629	664
Catering: Departmental activities	455	1 690	1 763	1 445	2 234	2 542	1 451	1 560	1 645
Communication (G&S)	3 056	2 791	2 046	3 145	2 497	2 100	2 859	3 358	3 547
Computer services	110 604	115 405	108 611	87 981	87 981	87 416	98 238	103 733	109 439
Cons & prof serv: Business and advisory services	132 588	124 868	22 485	44 223	11 777	16 655	50 273	23 575	24 606
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	2 305	3 150	2 166	2 147	2 993	4 216	2 603	2 268	2 393
Contractors	20 421	10 123	940	1 661	1 541	1 884	1 178	3 389	3 568
Agency and support / outsourced services	182	81	89 142	109 827	147 957	137 059	101 540	80 577	90 655
Entertainment	-	-	-	4	4	-	5	5	5
Fleet services (including government motor transport)	1 416	1 632	1 740	1 166	2 282	2 142	2 027	2 094	2 209
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	3	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	165	-	618	95	10	10	11
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	3	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	85	67	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	581	-	1 386	1 124	1 338	1 526	1 610
Consumable supplies	427	524	612	682	1 010	2 471	2 540	610	642
Consumable: Stationery, printing and office supplies	2 255	1 830	1 812	2 536	2 197	1 975	2 845	3 189	3 420
Operating leases	17 366	14 170	16 570	15 072	21 858	17 344	17 223	18 725	19 755
Property payments	7 815	8 852	9 335	6 530	12 316	12 530	10 123	10 567	11 148
Transport provided: Departmental activity	26	115	199	165	440	479	166	209	220
Travel and subsistence	13 405	13 707	14 065	16 814	16 784	15 397	18 519	22 303	24 378
Training and development	2 065	2 024	2 162	2 754	3 080	3 130	3 206	3 283	3 472
Operating payments	2 101	2 579	3 163	2 558	2 734	2 594	3 129	3 088	3 273
Venues and facilities	184	85	628	795	805	1 000	729	773	815
Rental and hiring	60	772	-	-	-	11	-	-	-
Interest and rent on land	-	594	-	3 500	6	14	1 500	1 600	1 688
Interest	-	594	-	3 500	6	14	1 500	1 600	1 688
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	21 041	8 077	5 419	3 095	6 077	5 959	2 201	2 140	2 256
Provinces and municipalities	10 301	24	26	23	23	31	26	27	28
Provinces	21	24	26	23	23	31	26	27	28
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	21	24	26	23	23	31	26	27	28
Municipalities	10 280	-	-	-	-	-	-	-	-
Municipalities	10 280	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	2	-	1 025	3	3	3	3	3	3
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	2	-	1 025	3	3	3	3	3	3
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	4	7	-	-	-	-	-	-	-
Public corporations	4	7	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	4	7	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	4 340	3 857	3 264	896	694	705	213	279	294
Households	6 394	4 189	1 104	2 173	5 357	5 220	1 959	1 831	1 931
Social benefits	2 297	856	731	1 145	2 125	2 081	416	478	504
Other transfers to households	4 097	3 333	373	1 028	3 232	3 139	1 543	1 353	1 427
Payments for capital assets	14 037	4 740	11 941	18 973	20 011	22 656	19 065	20 027	21 122
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	14 037	4 740	11 941	18 823	19 861	22 656	18 807	19 755	20 835
Transport equipment	1 393	1 379	4 642	7 223	7 073	7 073	7 262	7 782	8 211
Other machinery and equipment	12 644	3 361	7 299	11 600	12 788	15 583	11 545	11 973	12 624
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	150	150	-	258	272	287
Payments for financial assets	344	21	6	-	-	-	-	-	-
Total	604 650	596 115	588 876	650 900	681 900	659 667	721 629	725 726	765 393

Table 6.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19	2018/19	208 685	2019/20	2020/21	2021/22
Current payments	124 094	148 999	150 022	178 049	213 935	208 685	202 456	187 673	197 717
Compensation of employees	59 586	67 170	74 943	87 152	89 152	86 033	96 062	101 454	107 022
Salaries and wages	52 713	59 506	66 352	76 550	78 150	76 359	85 030	89 814	94 742
Social contributions	6 873	7 664	8 591	10 602	11 002	9 674	11 032	11 640	12 280
Goods and services	64 508	81 829	75 079	90 897	124 777	122 638	106 394	86 219	90 695
Administrative fees	215	427	369	311	391	318	498	447	472
Advertising	1 501	2 002	2 276	2 204	3 000	3 168	2 753	2 858	3 015
Minor assets	79	326	144	371	361	226	328	358	378
Audit cost: External	3 813	4 448	5 225	3 926	3 926	3 542	5 826	6 147	6 485
Bursaries: Employees	320	582	839	500	750	341	614	629	664
Catering: Departmental activities	204	1 235	1 220	1 177	1 907	2 216	1 003	1 123	1 184
Communication (G&S)	1 759	1 392	1 165	1 586	1 431	1 569	1 536	1 669	1 761
Computer services	54	16 228	15 067	10 054	10 054	9 473	9 913	10 459	11 034
Cons & prof serv: Business and advisory services	2 027	10 300	7 889	35 143	208	3 263	40 242	14 290	14 810
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	2 305	3 150	2 025	1 946	2 646	3 785	2 403	1 983	2 092
Contractors	20 321	10 036	778	1 635	1 479	1 732	1 122	3 328	3 511
Agency and support / outsourced services	182	81	2 009	327	50 829	49 246	-	-	-
Entertainment	-	-	-	4	4	-	5	5	5
Fleet services (including government motor transport)	1 416	1 632	1 740	1 166	2 282	2 142	2 027	2 094	2 209
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	3	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	165	-	618	95	10	10	11
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	3	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	85	67	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	581	-	1 386	1 124	1 338	1 526	1 610
Consumable supplies	332	364	435	478	809	2 326	341	406	429
Consumable: Stationery, printing and office supplies	687	936	958	1 453	1 002	876	1 531	1 638	1 728
Operating leases	17 322	14 151	16 518	15 058	21 788	17 275	17 207	18 708	19 737
Property payments	7 815	8 852	9 332	6 530	12 316	12 530	10 123	10 567	11 148
Transport provided: Departmental activity	26	115	199	165	440	451	166	209	220
Travel and subsistence	2 928	3 459	3 946	4 369	4 311	4 394	4 637	4 842	5 109
Training and development	606	642	534	985	985	741	1 007	1 075	1 134
Operating payments	509	683	1 038	795	1 055	766	1 053	1 097	1 157
Venues and facilities	27	16	624	714	714	961	708	751	792
Rental and hiring	60	772	-	-	-	11	-	-	-
Interest and rent on land	-	-	-	-	6	14	-	-	-
Interest	-	-	-	-	6	14	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	19 304	7 484	3 940	2 050	4 066	3 907	1 891	1 774	1 870
Provinces and municipalities	10 301	24	26	23	23	31	26	27	28
Provinces	21	24	26	23	23	31	26	27	28
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	21	24	26	23	23	31	26	27	28
Municipalities	10 280	-	-	-	-	-	-	-	-
Municipalities	10 280	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	2	-	-	3	3	3	3	3	3
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	2	-	-	3	3	3	3	3	3
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	7	-	-	-	-	-	-	-
Public corporations	-	7	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	7	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	4 340	3 857	3 264	896	677	674	213	279	294
Households	4 661	3 596	650	1 128	3 363	3 199	1 649	1 465	1 545
Social benefits	564	263	277	100	135	64	106	112	118
Other transfers to households	4 097	3 333	373	1 028	3 228	3 135	1 543	1 353	1 427
Payments for capital assets	2 113	2 598	8 997	12 278	12 668	14 936	15 862	17 146	18 128
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 113	2 598	8 997	12 128	12 518	14 936	15 604	16 874	17 841
Transport equipment	1 393	1 379	4 642	7 223	7 073	7 073	7 262	7 782	8 211
Other machinery and equipment	720	1 219	4 355	4 905	5 445	7 863	8 342	9 092	9 630
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	150	150	-	258	272	287
Payments for financial assets	78	20	3	-	-	-	-	-	-
Total	145 589	159 101	162 962	192 377	230 669	227 528	220 209	206 593	217 715

Estimates of Provincial Revenue and Expenditure

Table 6.D : Payments and estimates by economic classification: Sustainable Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	37 997	43 567	38 794	40 499	40 938	38 997	47 325	49 784	52 522
Compensation of employees	27 951	34 957	32 667	34 259	34 759	34 814	41 022	43 440	45 829
Salaries and wages	25 553	32 232	29 744	31 386	31 816	31 733	37 967	40 176	42 386
Social contributions	2 398	2 725	2 923	2 873	2 943	3 081	3 055	3 264	3 443
Goods and services	10 046	8 016	6 127	6 240	6 179	4 183	6 303	6 344	6 693
Administrative fees	48	67	49	56	76	54	58	61	64
Advertising	168	-	11	90	70	42	98	103	109
Minor assets	49	59	9	22	27	19	73	24	25
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	81	84	50	80	107	95	114	88	93
Communication (G&S)	224	214	99	186	125	71	195	206	217
Computer services	-	98	181	100	100	100	100	106	112
Cons & prof serv: Business and advisory services	6 537	5 191	3 422	500	3 623	1 536	10	11	12
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	45	17	26	11	11	13	5	5	5
Agency and support / outsourced services	-	-	-	3 123	-	-	2 933	3 093	3 263
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	7	15	28	13	15	15	34	15	16
Consumable: Stationery, printing and office supplies	232	133	141	200	171	101	212	225	237
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 253	1 303	1 341	944	1 239	1 341	1 361	1 452	1 532
Training and development	115	55	96	178	78	157	308	318	335
Operating payments	1 131	780	674	737	537	639	802	637	673
Venues and facilities	156	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	594	-	-	-	-	-	-	-
Interest	-	594	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	50	-	67	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	50	-	67	-	-	-	-	-	-
Social benefits	50	-	67	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	208	299	238	158	219	341	316	200	210
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	208	299	238	158	219	341	316	200	210
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	208	299	238	158	219	341	316	200	210
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	2	-	-	-	-	-	-	-	-
Total	38 257	43 866	39 099	40 657	41 157	39 338	47 641	49 984	52 732

Table 6.E : Payments and estimates by economic classification: Financial Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	227 890	206 011	198 008	203 156	189 441	180 644	222 493	226 737	239 206
Compensation of employees	55 409	56 955	60 455	74 456	74 425	65 934	84 792	88 413	93 276
Salaries and wages	50 051	51 053	54 108	66 926	66 895	58 871	75 537	78 956	83 299
Social contributions	5 358	5 902	6 347	7 530	7 530	7 063	9 255	9 457	9 977
Goods and services	172 481	149 056	137 553	125 200	115 016	114 710	136 201	136 724	144 242
Administrative fees	8 864	9 436	11 306	9 210	9 719	10 275	7 236	7 950	8 388
Advertising	60	1 145	1 986	525	25	277	742	1 309	1 381
Minor assets	9 272	7 009	60	103	107	94	173	147	154
Audit cost: External	-	-	-	-	-	23	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	101	281	372	83	73	96	137	146	154
Communication (G&S)	589	722	435	735	355	209	597	799	843
Computer services	110 057	98 324	92 446	77 467	77 467	77 465	86 993	91 897	96 951
Cons & prof serv: Business and advisory services	37 257	26 748	8 603	2 265	4 575	7 411	2 226	1 945	2 052
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	141	201	347	431	200	285	301
Contractors	48	50	105	9	15	93	20	21	23
Agency and support / outsourced services	-	-	16 832	27 675	16 415	12 838	31 672	24 720	26 079
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	73	124	97	124	134	89	123	146	154
Consumable: Stationery, printing and office supplies	503	297	324	409	319	456	419	499	525
Operating leases	44	9	52	14	70	69	16	17	18
Property payments	-	-	3	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	28	-	-	-
Travel and subsistence	5 115	4 225	3 941	5 599	4 181	3 456	4 633	5 924	6 249
Training and development	395	362	517	459	879	1 104	669	581	613
Operating payments	103	255	329	302	305	286	324	316	334
Venues and facilities	-	69	4	20	30	10	21	22	23
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	3 500	-	-	1 500	1 600	1 688
Interest	-	-	-	3 500	-	-	1 500	1 600	1 688
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	975	492	1 204	939	974	1 008	198	248	262
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	1 025	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	1 025	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	14	-	-	-
Households	975	492	179	939	974	994	198	248	262
Social benefits	975	492	179	939	970	990	198	248	262
Other transfers to households	-	-	-	-	4	4	-	-	-
Payments for capital assets	11 237	707	742	5 507	5 687	5 936	850	702	740
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 237	707	742	5 507	5 687	5 936	850	702	740
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	11 237	707	742	5 507	5 687	5 936	850	702	740
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	61	-	-	-	-	-	-	-	-
Total	240 163	207 210	199 954	209 602	196 102	187 588	223 541	227 687	240 208

Table 6.F : Payments and estimates by economic classification: Internal Audit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	133 455	131 683	131 826	143 564	148 319	140 212	164 915	163 229	172 207
Compensation of employees	59 441	67 544	73 099	79 104	81 004	78 744	93 841	100 398	105 920
Salaries and wages	53 711	61 020	65 921	71 785	72 720	71 061	83 070	90 296	95 261
Social contributions	5 730	6 524	7 178	7 319	8 284	7 683	10 771	10 102	10 659
Goods and services	74 014	64 139	58 727	64 460	67 315	61 468	71 074	62 831	66 287
Administrative fees	161	217	214	231	281	186	233	247	261
Advertising	9	-	-	-	-	-	-	-	-
Minor assets	14	77	8	40	48	82	84	86	91
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	67	64	71	30	57	62	91	91	95
Communication (G&S)	389	373	240	527	505	179	435	549	579
Computer services	493	755	917	360	360	300	1 150	1 184	1 250
Cons & prof serv: Business and advisory services	68 318	57 089	2 571	6 315	3 371	4 445	7 795	7 329	7 732
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	8	-	-	-	5	-	-	-
Agency and support / outsourced services	-	-	49 056	50 405	55 518	49 780	53 896	45 535	48 038
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	7	18	45	35	40	33	31	34	36
Consumable: Stationery, printing and office supplies	600	265	212	313	343	297	268	299	317
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 028	3 903	3 947	4 693	5 156	4 492	5 454	5 739	6 054
Training and development	816	815	903	1 022	1 047	1 005	1 079	1 136	1 199
Operating payments	111	555	543	428	528	602	558	602	635
Venues and facilities	1	-	-	61	61	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	684	101	180	106	1 037	1 044	112	118	124
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	4	-	-	-	-	-	-	-	-
Public corporations	4	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	4	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	17	17	-	-	-
Households	680	101	180	106	1 020	1 027	112	118	124
Social benefits	680	101	180	106	1 020	1 027	112	118	124
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	262	960	1 637	885	907	890	1 318	1 385	1 461
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	262	960	1 637	885	907	890	1 318	1 385	1 461
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	262	960	1 637	885	907	890	1 318	1 385	1 461
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	203	1	-	-	-	-	-	-	-
Total	134 604	132 745	133 643	144 555	150 263	142 146	166 345	164 732	173 792

Table 6.G : Payments and estimates by economic classification: Municipal Finance Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	45 792	53 017	52 860	63 564	63 179	62 514	63 174	76 136	80 363
Compensation of employees	25 458	25 757	29 616	33 177	34 993	34 531	44 295	62 889	59 768
Salaries and wages	23 079	23 346	26 820	30 127	32 095	31 533	40 818	57 833	54 444
Social contributions	2 379	2 411	2 796	3 050	2 898	2 998	3 477	5 056	5 324
Goods and services	20 334	27 260	23 244	30 387	28 186	27 983	18 879	13 247	20 595
Administrative fees	37	28	26	35	49	46	50	61	65
Advertising	26	39	-	50	-	2	-	-	-
Minor assets	16	40	20	5	64	56	80	96	149
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	2	26	50	75	90	73	106	112	119
Communication (G&S)	95	90	107	111	81	72	96	135	147
Computer services	-	-	-	-	-	78	82	87	92
Cons & prof serv: Business and advisory services	18 449	25 540	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	7	12	31	6	36	41	31	35	29
Agency and support / outsourced services	-	-	21 245	28 297	25 195	25 195	13 039	7 229	13 275
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	8	3	7	32	12	8	2 011	9	7
Consumable: Stationery, printing and office supplies	233	199	177	161	362	245	415	528	613
Operating leases	-	10	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 081	817	890	1 209	1 897	1 714	2 434	4 346	5 434
Training and development	133	150	112	110	91	123	143	173	191
Operating payments	247	306	579	296	309	301	392	436	474
Venues and facilities	-	-	-	-	-	29	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	28	-	28	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	28	-	28	-	-	-	-	-	-
Social benefits	28	-	28	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	217	176	327	145	530	553	719	594	583
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	217	176	327	145	530	553	719	594	583
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	217	176	327	145	530	553	719	594	583
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	3	-	-	-	-	-	-
Total	46 037	53 193	53 218	63 709	63 709	63 067	63 893	76 730	80 946

Table 6.H : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2021/22	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
B KZN212 uMdoni	-	-	-	-	-	-	-	-	-
B KZN213 uMzumbe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	218	-	-	-	-	-	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 iMpendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	218	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	-	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	-	-	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
B KZN241 eNdumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nquthu	-	-	-	-	-	-	-	-	-
B KZN244 uMsinga	-	-	-	-	-	-	-	-	-
B KZN245 uMvoti	-	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
B KZN252 Newcastle	-	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 AbaQulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
B KZN271 uMhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
B KZN281 uMfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	10 062	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	10 062	-	-	-	-	-	-	-	-
B KZN434 uBuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	-	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	10 280	-	-	-	-	-	-	-	-

VOTE 7

Health

Operational budget	R45 035 000 205
MEC remuneration	R 1 977 795
Total amount to be appropriated	R45 036 978 000
Responsible MEC	MEC for Health
Administering department	Health
Accounting officer	Head: Health

1. Overview

Vision

The vision of the Department of Health is: *Optimal health for all persons in KZN.*

Mission Statement

The department's mission statement is: *To develop and implement a sustainable, co-ordinated, integrated and comprehensive health system at all levels, based on the primary health care approach through the district health system, to ensure universal access to health care.*

Strategic objectives

Strategic policy direction: Directly linked with the NDP 2030 with the main focus on improving the health and well-being of the population and strengthening the health system effectiveness.

The department's strategic goals, each comprising a number of strategic objectives and sub-outcomes, have been aligned with the NDP 2030, the MTSF 2014-2019, the PGDP 2035 and National Health sector priorities. The overarching goal remains "Increasing the life expectancy of all South Africans". The strategic goals for 2015 to 2019 are:

- Strengthen health system effectiveness.
- Reduce and manage the burden of disease.
- Universal health coverage.
- Strengthen human resources for health.
- Improved quality of health care.

Core functions

The main purpose of the department is to develop and implement a sustainable, co-ordinated, integrated and comprehensive health system based on the primary health care approach, which encompasses promotive, curative, rehabilitative, supportive and palliative care. This is guided by the principles of accessibility, equity, quality and efficiency, sustainability, community participation, appropriate technology, and inter-governmental and inter-sectoral collaboration.

The department provides health services primarily to the uninsured population of KZN. According to the 2017 General Household Survey, 12.6 per cent of the KZN population are members of medical aid schemes. This translates to 1 434 475 people who are members of medical aid schemes and 9 950 248 (87.4 per cent) who are not members of medical aid schemes. In addition, the department provides central health services to people beyond provincial boundaries. The main categories of health services provided by the department are as follows:

Primary health care services

Primary health care services are rendered at community/household level by community outreach teams and mobile clinics and in fixed clinics and community health centres. Services include health promotion and prevention, screening and early detection of health conditions or risk factors, referral and curative and rehabilitative services.

Hospital services

District hospitals render hospital services at a general practitioner level, while provincial hospitals render hospital services at a specialist level. District hospitals provide clinical outreach services to primary health care (PHC) clinics. Specialised hospitals render specialised hospital services for patients with TB, psychiatric illnesses and those patients requiring long-term or chronic step-down/rehabilitative care. Tertiary and central hospitals render tertiary, central and quaternary hospital services at specialist level. Tertiary and central hospitals also provide clinical outreach services to provincial and district hospitals and participate in research to improve evidence-based practice.

Forensic pathology services

This category renders specialised forensic and medico-legal services including establishing the circumstances and causes surrounding unnatural death, ensuring the integrity of forensic evidence and providing Inspector of Anatomy Services.

Emergency medical services

This category renders emergency care for trauma patients including patients from road traffic accidents, and provides emergency transport for emergency medical and obstetric patients. Planned patient transport is provided for inter-hospital transfer, while indigent patients are transported between clinics and hospitals.

Legislative mandate

In carrying out its functions, the department is governed mainly by the following Acts and regulations:

- The Constitution of the Republic of South Africa (Act No. 108 of 1996)
- KwaZulu-Natal Health Act (Act No. 1 of 2009) and Regulations
- National Health Act (Act No. 61 of 2003, as amended)
- Mental Health Care Act (Act No. 17 of 2002)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and the Treasury Regulations
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Annual Division of Revenue Act
- Public Service Act (Act No. 103 of 1994) and the Public Service Regulations
- Medicines and Related Substances Act (Act No. 101 of 1965, as amended)
- Pharmacy Act (Act No. 53 of 1974, as amended)
- Nursing Act (Act No. 33 of 2005)
- Choice of Termination of Pregnancy Act (Act No. 92 of 1996, as amended)
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Skills Development Act (Act No. 97 of 1998)
- National Health Laboratory Service Act (Act No. 37 of 2000)
- Occupational Health and Safety Act (Act No. 85 of 1993)
- Traditional Health Practitioners Act (Act No. 35 of 2004)
- Health Professions Act (Act No. 56 of 1974)
- Human Tissue Act (Act No. 65 of 1983)
- Allied Health Professions Act (Act No. 63 of 1982)

- Child Care Act (Act No. 74 of 1983)
- Dental Technicians Act (Act No. 19 of 1979)
- Chiropractors, Homeopaths and Allied Health Service Professions Act (Act No. 63 of 1982)

2. Review of the 2018/19 financial year

Section 2 provides a review of 2018/19 outlining the main achievements and progress made by the department, as well as providing a brief discussion on the challenges and new developments.

Prevent and reduce the burden of disease with the main focus on maternal, neonatal, child and women's health, nutrition, TB, HIV and AIDS, and non-communicable conditions, as follows:

- Reduced the mother to child transmission rate of HIV to 0.7 per cent against the 2018/19 target of 0.8 per cent by March 2019.
- The facility maternal mortality ratio decreased to 57.9 maternal deaths per 100 000 live births at the end of the third quarter, against a target of 100 maternal deaths per 100 000 live births.
- Decreased the Child under 5-years severe acute malnutrition incidence to 1.8 per 1 000 against the target of 4.3 per 1 000.
- Recorded a TB client treatment success rate of 74.4 per cent against the target of 87.6 per cent, which is an under-achievement.
- A total of 1 330 587 clients remained on anti-retroviral (ARV) treatment at the end of the third quarter against a target of 1 313 804.
- Increased the number of HIV tests done by 948 168 at the end of the third quarter, against a target of 745 692.
- Increased the number of male medical circumcisions (MMC) by 31 556 at the end of the third quarter, against a target of 30 809.

Scale up PHC re-engineering with the main focus on implementing the Ideal Clinic programme:

- Achieved 92 per cent of fixed health care facilities scoring above 70 per cent on the Ideal Clinic Dashboard, against a target of 87 per cent.

Strengthen and improve hospital efficiencies with the main focus on implementing an approved hospital rationalisation plan over the next 5 to 10 years:

- In terms of the hospital rationalisation process (efficiency assessments conducted by the Epidemiology and Health Research units), an in-depth assessment and review were completed for St Margaret's, Richmond, Don McKenzie and Doris Goodwin Hospitals and recommendations were tabled at the Health Operations Cluster, a committee of departmental Deputy Director-Generals. Further consultations are underway prior to final recommendations being tabled at the Management Committee (MANCO).
- The construction of the Dr. Pixley ka Isaka Seme Memorial Hospital (PKISMH) was 85 per cent complete at the end of the third quarter, and is on track to be completed in time for the planned commissioning in the third quarter of 2019/20.

Improving human resources for health with the main focus on the finalisation of a costed long-term human resources plan, which will be included in the department's 10-year long-term plan (2017-2027):

- The development of the Long-term Human Resource (HR) plan and the Service Rationalisation plan commenced, with finalisation expected by March 2019.
- The Minimum Staff Establishment (MSE) for institutions was finalised and approved by MANCO. The process of implementing the MSE while keeping within the budget has commenced and will be completed in 2019/20.
- Implementation of the Registrar Model was planned for 2018/19 to make provision for Registrars in training to circulate between their institution and training institutions. The model was approved by

June 2018 and presented to the provincial Registrar Steering committee in July 2018. The implementation of the model will be monitored through the 2019/20 APP reporting process.

Improving financial management with focus on the following:

- The electronic asset management system aimed at improving audit outcomes is on track with HARDCAT currently functional at head office, with roll-out to institutions hampered by IT infrastructure challenges. Roll-out is now planned for 2019/20, depending on the available budget.
- The department decided to utilise the LOGIS inventory management system and a submission in this regard was forwarded to Provincial Treasury in the third quarter, with roll-out expected in 2019/20. The electronic billing system has not progressed due to budget constraints, with only Northdale Hospital currently implemented.
- The department continued to address the current year's National Health Laboratory Service (NHLS) pressures, with the long-term NHLS debt still not addressed. In an attempt to mitigate costs, the department is limiting NHLS tests to essential tests only (gate-keeping).
- In addressing medico-legal claims, the department collaborated with the joint Treasury/Health assistance team to clean up the medico-legal register in an effort to improve the accuracy of records. The department also began strengthening clinical governance at facilities. A number of matters were finalised including the Adoption of Mediation as an Alternative Dispute Resolution strategy, which was approved by the department. The department commenced with medico-legal roadshows to institutions, as well as the granting of approval for the use of private medical experts for a period of six months which ended in September 2018, and for which an extension for a further six months was requested and received from the Treasury/Health assistance team. Finally, a National Department of Health (NDOH) tender was advertised and is in its final stages of adjudication. The tender will provide provinces with medical and legal experts, forensic investigators and IT systems, with provinces able to access a centralised contract, funded from provincial funds.

Improving quality of care with focus on implementation and annual self-assessment of the National Core Standards (NCS) and development and implementation of Quality Improvement Plans to address identified gaps:

- The department continued to implement the NCS in all facilities. Approximately 60 per cent of facilities achieved higher than 75 per cent on the NCS elements. More than 95 per cent of hospitals conducted self-assessments during 2018/19. Within the 40 per cent of facilities that under-achieved, the main area of concern was not meeting infrastructure norms and standards.

Improve universal health coverage by implementing the NHI pilot in the 3 identified districts, as follows:

- Implementation of NHI initiatives moved beyond the NHI districts to all districts in the province. Initiatives include patients registered on the Health Patient Registration System (HPRS), which increased to 7 858 149 (78 per cent of the KZN uninsured population).
- The number of clients registered on the Centralised Chronic Medicines Dispensing and Distribution (CCMDD) increased from 1 034 621 in 2017/18 to 1 706 141.
- Best practice in the HPRS was institutionalised, with 579 out of 608 PHC facilities active on the HPRS. The remaining 29 facilities will be institutionalised once broadband access is available. This means facilities are registering client headcounts to assist in determining fund allocations to each facility. Hospital health patient registration started in seven hospitals on a phased-in approach, and is fully active in the three hospitals in Ugu, with the remaining four hospitals in uMgungundlovu in various stages of the implementation of IT systems, including the training of users.

3. Outlook for the 2019/20 financial year

Section 3 looks at the key focus areas of 2019/20, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments. The bulk of the department's budget allocation is for the delivery of PHC services to the approximately 87.4 per cent uninsured population of KZN. The main services rendered at this level include preventive, promotive,

screening and referral services for communicable and non-communicable services at community level, and preventive, promotive, screening, referral, rehabilitative, curative and emergency medical services delivered through fixed clinics, community health centres and district hospitals. In 2019/20, the department will focus on the following priorities to further improve service delivery and health outcomes:

Programme 1: Administration

- Improve Information Communication Technology with broadband connectivity established in 92.9 per cent of hospitals and 50.2 per cent of PHC facilities by 31 March 2020.

Programme 2: District Health Services

- Re-engineering of PHC – achieve an Ideal Clinic status rate of 80 per cent by March 2020, to be achieved through the activities of self-assessment teams. Note that NDOH has amended the indicator requirements from 2019/20, hence a lower target is set than was mentioned as achieved in 2018/19 in the Review section.
- Reduce HIV and AIDS incidence and improve TB outcomes, as follows:
 - Increase the TB client treatment success rate from 74.4 per cent to over 87 per cent by March 2020.
 - Increase the total number of clients on ARV therapy to at least 1 578 737 by March 2020.
 - Conduct 3 074 435 HIV tests by March 2020.
 - Perform at least 148 209 MMCs per annum by March 2020.
- Reduce maternal, neonatal and child morbidity and mortality and improve women's health:
 - Reduce the mother to child transmission rate of HIV to 0.6 per cent by March 2020.
 - Reduce the diarrhoea case fatality under 5-years rate from 2.6 per cent in 2018/19 to 2 per cent by March 2020.
 - Reduce the pneumonia case fatality under 5 years rate from 2.8 per cent in 2018/19 to 2.4 per cent by March 2020.
- Reduce the malaria case fatality rate from 0.8 per cent to 0.54 per cent by March 2020.
- Perform 9 700 cataract surgeries by March 2020 compared to 7 717 achieved by the end of the third quarter of 2018/19.
- Achieve a mental disorders screening rate of 35 per cent by March 2020 compared to a current achievement of 34.6 per cent.

Programme 3: Emergency Medical Services (EMS)

- Increase the average number of daily operational ambulances from 179 to 200 by 31 March 2020.
- Approval of the draft EMS turnaround strategy by March 2020, with implementation in 2020/21. This strategy seeks to address staffing and equipment capacity constraints, within budget.

Programme 4: Provincial Hospital Services (regional and specialised)

- Maintain a bed utilisation rate of 75 per cent by 31 March 2020.
- Commission the new PKISMH by March 2020.

Programme 5: Central Hospital Services

- Maintain a bed utilisation rate of 75 per cent by March 2020.

Programme 6: Health Sciences and Training

- Accreditation of the KZN College of Nursing as an institution of higher education by March 2020. Historically, the college received accreditation from the SA Nursing Council. However, the Nursing Act (2005) requires nursing colleges to be accredited through SAQA/higher education processes.

Programme 7: Health Care Support Services

- Improve the management of laundry services by decreasing the incidence of clean linen stock-outs from 5.5 per cent to zero in facilities by March 2020.

- Improve Pharmaceutical Services management by decreasing the incidence of medicine stock-out rates from 13.8 per cent to less than 5 per cent in the Provincial Pharmaceutical Supply Depot (PPSD) and at all health facilities by March 2020.
- Increase the number of clients on CCMDD from 1 706 141 to 2 250 000 by March 2020.

Programme 8: Health Facilities Management

- Create 3 000 jobs through the Expanded Public Works Programme (EPWP) by March 2020.
- Complete 26 upgrade and addition projects by March 2020 including the construction of out-patient, emergency, and pharmacy facilities at Hlabisa Hospital, undertaking major maintenance to various buildings and electrical installations at Newcastle Hospital, renovating staff accommodation, as well as constructing additional parking and recreational areas at King Dinuzulu Hospital.

4. Reprioritisation

The department undertook comprehensive reprioritisation in the preparation of the 2019/20 MTEF budget, with the main movements being the following:

Conditional grants:

- Within the HIV, TB, Malaria and Community Outreach grant, funds of R845 million were moved in 2019/20, with carry-through, from *Goods and services* under medicines to *Compensation of employees* to sustain the current staffing levels. The department notes that donor drugs will be available to address any pressures in this area.
- Under the Health Facility Revitalisation grant, funds amounting to R203 million were moved in 2019/20, with carry-through, from *Goods and services* to *Buildings and other fixed structures* (R194 million) and *Compensation of employees* (R9 million) to align with the 2019/20 business plan, which includes approximately seven additional staff, in line with the Infrastructure Development Management System (IDMS). In addition, funding is reprioritised for projects at King Edward VIII Hospital (renovations to nursery, psychiatric and physiotherapy areas and relocation of the psychology department) and Hlabisa Hospital (construction of out-patient, emergency, and pharmacy facilities).

Equitable share:

- Funding of R378 million was moved from *Compensation of employees* to *Goods and services* to cater for the appointment of a transactional advisor to conduct the final work survey and exit strategy for the public/private partnership (PPP) at Inkosi Albert Luthuli Central Hospital (IALCH), the PPP agreement carry-over expenditure, the strengthening of oncology services at IALCH, the anticipated carry-over expenditure incurred under the maintenance contracts of medical equipment, the expected higher expenditure for the maintenance and repairs of ambulances and planned patient transport vehicles, as well as to address medical equipment accruals from the 2018/19 medical equipment plan.
- Funding of R235 million, with carry-through, was moved from *Transfers and subsidies to: Households* to *Goods and services* to cover the NHLS anticipated carry-over expenditure, as well as the NHLS funding shortfall arising from the inability to realise savings from electronic gate-keeping, as initially anticipated.
- Some funding was reprioritised from *Buildings and other fixed structures* towards the maintenance and repairs of existing infrastructure assets within *Goods and services*.
- Note that the department has reclassified the Mahatma Gandhi Memorial Hospital from a regional hospital in Programme 4 to a district hospital in Programme 2. Historical figures have been restated but 2018/19 figures cannot be restated. It is also noted that this is not strictly reprioritisation, but rather a reclassification, which does impact on the trends in both programmes.
- Note that the department has not made any provision as yet for the commissioning of PKISMH, expected to take place in the third quarter of 2019/20. This will be addressed in-year.
- Note also that the department will be able to draw on an indirect grant at NDOH to assist in funding the appointment of additional staff.

5. Procurement

The department made provision in its procurement plan for a number of major purchases to take place during 2019/20, including:

- Medicines, NHLS, medical supplies and property payments.
- An ongoing item of procurement is for capital infrastructure (including medical equipment) with the continuation of the building of the PKISMH, planned for commissioning in 2019/20.
- The department has planned to procure *Machinery and equipment* in the form of replacement vehicles which includes provision for ambulances, specialised clinic maintenance vehicles (fully equipped with tools and spares to maintain a small health facility), laundry vehicles, as well as medical equipment, including ventilators, anaesthetic machines, X-ray machines and CT scanners. The department has also budgeted to procure non-medical equipment such as trolleys, patient beds, etc.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 7.1 gives the source of funding for Vote 7 over the seven-year period 2015/16 to 2021/22.

Table 7.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Equitable share	26 017 310	29 275 163	31 462 955	33 154 853	33 154 853	33 204 853	35 375 718	37 941 663	40 236 454
Conditional grants	6 903 596	7 306 804	8 085 518	9 103 605	9 303 113	9 253 113	9 661 260	10 276 673	11 345 899
<i>Health Professions Training and Development grant</i>	299 513	312 377	331 944	351 197	351 197	351 197	370 863	391 260	412 779
<i>Health Facility Revitalisation grant</i>	1 229 775	1 114 693	1 149 355	1 202 480	1 401 988	1 401 988	1 353 497	1 212 653	1 307 702
<i>National Tertiary Services grant</i>	1 530 246	1 596 286	1 696 266	1 794 649	1 794 649	1 744 649	1 895 149	2 022 124	2 133 341
<i>HIV, TB, Malaria and Community Outreach grant</i>	3 812 972	4 244 243	4 852 495	5 677 225	5 677 225	5 677 225	5 840 629	6 470 140	7 300 479
<i>Social Sector EPWP Incentive Grant for Provinces</i>	13 000	13 000	47 058	24 182	24 182	24 182	20 998	-	-
<i>EPWP Integrated Grant for Provinces</i>	3 682	7 122	8 400	8 896	8 896	8 896	10 313	-	-
<i>National Health Insurance grant</i>	14 408	19 083	-	-	-	-	-	-	-
<i>Human Resources Capacitation grant</i>	-	-	-	-	-	-	122 316	130 388	138 734
<i>Human Papillomavirus Vaccine grant</i>	-	-	-	44 976	44 976	44 976	47 495	50 108	52 864
Total receipts	32 920 906	36 581 967	39 548 473	42 258 458	42 457 966	42 457 966	45 036 978	48 218 336	51 582 353
Total payments	34 110 724	37 026 397	39 911 321	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353
Surplus/(Deficit) before financing	(1 189 818)	(444 430)	(362 848)	(89 206)	(89 206)	(446 707)	-	-	-
Financing									
of which									
Provincial roll-overs	1 449	6 363	311	-	-	-	-	-	-
Provincial cash resources	1 047 637	450 670	381 694	89 206	89 206	89 206	-	-	-
Surplus/(Deficit) after financing	(140 732)	12 603	19 157	-	-	(357 501)	-	-	-

The table also compares actual and budgeted receipts against actual and budgeted payments, and these are discussed below. Note that the Comprehensive HIV, AIDS and TB grant has been re-named and is now called the HIV, TB, Malaria and Community Outreach grant, and is referred to as such, hereafter.

In 2015/16, a roll-over of R1.449 million was approved in respect of the NHI grant, to pay for the procurement of four mobile caravan clinics. Also in 2015/16, the department was allocated additional funding of R1.048 billion from provincial cash resources for the following:

- R60 million for the purchase of St. Aidan's Hospital.
- R880 000 for trade creditors and VAT at McCord Hospital.
- R617.778 million for the above-budget 2015 wage agreement.
- R30.479 million for higher than budgeted collection of patient fees, reallocated to the department to fund the Revenue Enhancement Strategy.
- R270.500 million for NHLS to assist in pressures as a result of moving from a flat-fee payment mechanism to a fee-for-service mechanism.
- R68 million to address pressures arising from medico-legal claims.

The department over-spent its 2015/16 budget by R140.732 million mainly due to an under-estimation of the costs of the housing allowance adjustment, which formed part of the 2015 wage agreement, as well as the higher allowance resulting in an increased uptake of the allowance by staff. Also contributing were NHLS costs due to the move to a fee-for-service payment mechanism.

In 2016/17, a provincial roll-over of R6.363 million was approved in respect of the NHI grant, to pay for an electronic queuing system and internet connectivity for all clinics in NHI districts. The department also received an additional R4 million for the NHI grant, to help strengthen Health Information Systems. Also in 2016/17, the department was allocated additional funding of R450.670 million from provincial cash resources for the following:

- R670 000 for the carry-through costs for trade creditors and VAT at McCord Hospital.
- R350 million to address pressures on imported medicines, medical supplies and equipment resulting from the deterioration of the Rand/Dollar exchange rate.
- R100 million to fully fund the shortfall from the above-budget 2016 wage adjustment.

Despite in-year spending pressures, the department under-spent in 2016/17 by R12.603 million mainly due to a reduction in the levy required by the Medicine Trading Account. This levy is based on the volume of medicines processed *via* the account, however, running costs were substantially less than the levied amount due to vacant posts, as well as cheaper delivery mechanisms. The surplus was thus returned to the books of the department.

In 2017/18, the department received a roll-over of R311 000 from 2016/17 in respect of under-spending against the NHI grant, to be used mainly to pay for the impact assessment on the effectiveness of the implemented digital pen system in the NHI districts. Also in 2017/18, the department was allocated additional funding of R381.694 million from provincial cash resources for the following:

- R331.244 million for the Treasury/Health assistance plan outlined in the Executive Statement presented by the MEC for Finance in the Provincial Legislature on 22 June 2017, which indicated that Provincial Treasury would provide support to the Department of Health.
- R50.450 million for repairs at hospitals and clinics damaged in the storms that mainly affected eThekweni on 10 October 2017.

The department under-spent its 2017/18 budget by R19.157 million mainly due to under-spending against *Machinery and equipment* as a result of challenges including lengthy SCM processes, difficulties related to medical equipment specifications, as well as delays in receiving equipment ordered. This was mitigated to some extent by over-spending related to medico-legal claims.

In 2018/19, the department received additional funding of R89.206 million from provincial cash resources, with R38.757 million allocated for the carry-through costs of the Treasury/Health assistance plan, as well as R50.450 million being carry-through costs for the storm damage repairs at hospitals and clinics. The department also received an additional R199.508 million in the 2018/19 Adjustments Estimate for the storm damage repairs, being funding from the National Disaster Relief Fund and allocated to the Health Facility Revitalisation grant.

The department is projecting to over-spend its 2018/19 budget by R357.501 million as per the December IYM, mainly due to pressures in NHLS fee-for-service payments due to poor savings from gate-keeping. There is also pressure on agency and support/outsourced services related to the higher than expected costs of the PPP at the IALCH due to under-budgeting for VAT. In addition, property payment costs are projected to over-spend as a result of new contracts for security and cleaning services being more expensive than initially expected. There are also pressures from medico-legal claims. The department was instructed to prepare a turnaround plan to manage and reduce this projected over-spending.

The department receives additional funding in 2019/20 in the form of three conditional grants, as follows:

- The Social Sector EPWP Incentive Grant for Provinces receives an allocation of R20.998 million for 2019/20 only, at this stage.
- The EPWP Integrated Grant for Provinces receives an allocation of R10.313 million for 2019/20 only, at this stage.

- A new grant is allocated to the department, namely the Human Resources Capacitation grant, with R122.316 million allocated in 2019/20, with carry-through over the MTEF.

The department received additional equitable share funding of R207.972 million from National Treasury in 2021/22, for the costs of absorbing Cuban Doctors' programme graduates.

6.2 Departmental receipts collection

A summary of revenue collected by the Department of Health over the seven-year period under review is reflected in Table 7.2. Details of these departmental receipts are given in *Annexure – Vote 7: Health*.

Table 7.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	213 371	256 922	268 988	247 718	247 718	268 777	276 510	289 664	313 458
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	54	36	70	65	65	52	68	72	76
Interest, dividends and rent on land	51	3 316	145	149	149	496	157	166	175
Sale of capital assets	-	970	6 897	13 343	13 343	10 188	6 000	8 000	9 000
Transactions in financial assets and liabilities	30 118	36 860	21 672	16 634	16 634	18 000	17 565	18 531	19 550
Total	243 594	298 104	297 772	277 909	277 909	297 513	300 301	316 433	342 259

Sale of goods and services other than capital assets is derived mainly from patient fees, boarding fees, rentals, parking fees, commission charged on PERSAL deductions such as insurance premiums and garnishees, etc. The high collection in 2016/17 and 2017/18 was due to higher than anticipated receipts from patient fees. The department continues to implement the Revenue Enhancement Strategy with the assistance of Provincial Treasury and this has assisted in improving revenue collections. The use of an agent to submit and follow-up on Road Accident Fund (RAF) claims has also yielded positive results. The 2019/20 MTEF shows a positive trend which is largely against patient fees.

Fines, penalties and forfeits shows revenue collected from parking transgressions. The trend fluctuates over the seven-year period, because it is difficult to predict accurately the number of contraventions.

Interest, dividends and rent on land reflects interest collected on staff debts. The fluctuations over the seven-year period are due to the volatility in respect of staff debts, coupled with interest rate changes.

Sale of capital assets relates to the sale of redundant assets such as motor vehicles and equipment. The amounts collected in 2016/17 and 2017/18 are from motor vehicles sold by auction. The budget over the 2019/20 MTEF is conservative due to the difficulty in budgeting for this revenue source as it relies on the asset disposal policy of the department.

Transactions in financial assets and liabilities relates to the recovery of staff debts, which emanate mainly from salary over-payments from previous financial years, breached bursary contracts, refunds of previous years' expenditure, etc. It is difficult to predict salary over-payments, amounts to be paid back to the department, etc. hence the fluctuating trend over the seven-year period.

6.3 Donor and agency funding

Donor and agency funding received by the department, which falls outside its voted fund allocation, is summarised in Tables 7.3 and 7.4. It is noted that spending on donor funds in Table 7.4 exceeds receipts in Table 7.3 in 2015/16 and 2017/18. This is due to the roll-over of unspent receipts from previous financial years, offsetting expenditure incurred in future years. These roll-overs related mainly to the learnerships received from the HWSETA programme. In addition, the Atlantic Philanthropies was also unspent due to delays experienced with the tender process. Hence, an amount of R6.164 million was part of the roll-over to 2017/18. This donation was received to strengthen the capacity of nursing education institutions in KZN. The department anticipates spending the balance by the end of 2018/19.

The department received new agency funding in 2018/19 from various HWSETA sources amounting to R671 000. These funds are for learnership programmes in various hospitals and will be spent in 2018/19.

Table 7.3 : Details of donor and agency funding receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Donor funding	60	-	-	-	-	-	-	-	-
MASEA Awards	60	-	-	-	-	-	-	-	-
Agency funding	1 857	5 311	2 370	-	-	671	-	-	-
HWSETA	960	1 597	1 717	-	-	671	-	-	-
HWSETA Learnership: Dental/Oral Hygiene	-	1 900	-	-	-	-	-	-	-
HWSETA Learnership: Sign Language Training	-	387	-	-	-	-	-	-	-
HWSETA Learnership: Social Environmental Health	-	280	-	-	-	-	-	-	-
HWSETA Learnership: Tradesman RPL	897	-	-	-	-	-	-	-	-
HWSETA Learnership: TVET Graduates	-	450	-	-	-	-	-	-	-
PSETA	-	697	653	-	-	-	-	-	-
Total	1 917	5 311	2 370	-	-	671	-	-	-

Table 7.4 : Details of donor and agency funding payments and estimates

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Donor funding	171	1 293	3 856	2 462	2 462	2 654	-	-	-
Astra Zeneca	-	-	3	26	26	29	-	-	-
Atlantic Philanthropies	110	1 283	3 791	2 373	2 373	2 500	-	-	-
COGTA	-	-	-	3	3	3	-	-	-
Conforth Investments	-	-	-	32	32	32	-	-	-
Impumelelo Trust Innovation	-	-	-	24	24	24	-	-	-
SA Breweries	-	-	-	2	2	2	-	-	-
MASEA Awards	61	10	62	2	2	64	-	-	-
Agency funding	3 909	931	3 219	4 634	4 634	8 307	-	-	-
HWSETA Learnership - Bethesda Sub-Campus	-	-	-	20	20	20	-	-	-
HWSETA Learnership - Edendale Campus	-	-	65	61	61	61	-	-	-
HWSETA Learnership - Head Office	137	-	-	(59)	(59)	-	-	-	-
HWSETA Learnership - HIV and AIDS Support	-	-	-	45	45	45	-	-	-
HWSETA Learnership - King Edward Sub-Campus	-	-	199	(132)	(132)	-	-	-	-
HWSETA Learnership - Mosvold	188	-	-	-	-	-	-	-	-
HWSETA Learnership - Mseleni	-	-	-	-	-	-	-	-	-
HWSETA Learnership - Ngwelezane	-	-	-	261	261	261	-	-	-
HWSETA Learnership - Nkandla	-	-	-	26	26	26	-	-	-
HWSETA Learnership - Pharmacy	-	-	-	28	28	28	-	-	-
HWSETA Learnership - Prince Mshiyeni Hospital	-	4	5	115	115	115	-	-	-
HWSETA Learnership - Social and Auxilliary	35	-	-	-	-	-	-	-	-
HWSETA Learnership - St Aidan's Hospital	1	84	-	1	1	1	-	-	-
HWSETA Learnership - Dental/Oral Hygiene	2 610	405	-	1 085	1 085	1 085	-	-	-
HWSETA Learnership - Sign Language Training	-	757	659	(725)	(725)	-	-	-	-
HWSETA Learnership - Social Environmental Health	300	230	-	50	50	50	-	-	-
HWSETA Learnership - Tradesman RPL	-	709	-	188	188	188	-	-	-
HWSETA Learnership - TVET Graduates	-	590	540	2 835	2 835	2 835	-	-	-
HWSETA	329	-	-	3 574	3 574	3 574	-	-	-
PSETA	309	(1 848)	827	(1 978)	(1 978)	-	-	-	-
HWSETA - Bridging for enrolled nurse training	-	-	145	18	18	18	-	-	-
HWSETA - isiZulu training	-	-	779	(779)	(779)	-	-	-	-
Total	4 080	2 224	7 075	7 096	7 096	10 961	-	-	-

7. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 8, as well as in the *Annexure – Vote 7: Health*.

7.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- The department was required to make provision for an inflationary wage adjustment of 6.3 per cent in 2019/20, 6.5 per cent in 2020/21 and 6.5 per cent for 2021/22, as well as 1.5 per cent per year for pay progression, in the first two years of the 2019/20 MTEF. The department has provided for a 9 per cent increase in 2019/20, 9.3 per cent in 2020/21, but a low 6.2 per cent provision in the outer year of the MTEF. The situation in 2021/22 will be reviewed in the next budget process, as it means the department cannot afford its existing staff complement.

- The department plans to fill 929 medical and non-medical posts deemed to be critical, to be funded from the new Human Resources Capacitation grant, as well as an indirect grant at NDOH. These posts will include 300 nurses, 320 general assistants and porters, 97 registrars, 112 medical interns and 50 pharmacy assistants, among others.
- Where feasible, CPI projections were used to calculate inflation related items. Note that, for medical related items, inflation is at least 2 per cent higher than CPI.
- The running costs for the PKISMH following the expected commissioning in the third quarter of 2019/20 will be identified in-year *via* reprioritisation.
- Funding for the salaries of staff at eThekweni Metro municipal clinics will continue to be provided *via* transfer payments over the 2019/20 MTEF. Additional allocations are made for non-negotiable items like ARV medicine, HIV test kits, medicine, vaccines, contraceptives, etc.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2018/19, will continue to be adhered to over the 2019/20 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.
- In late 2017/18, the department began a process of preparing a turnaround plan in conjunction with an assisting team from Provincial Treasury to address persistent over-spending over the past few years. Again in 2018/19, the department was instructed to prepare a turnaround plan to address the level of projected over-spending. The plan aims to identify areas of cost-cutting/efficiency to reduce accruals and over-spending, and redirect any savings to areas of pressure including NHLS, property payments and medico-legal claims. This will be an ongoing process and reprioritisation will take place in-year.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 7.5 shows additional provincial and equitable share funding received over the 2017/18, 2018/19 and 2019/20 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2021/22) are based on the incremental percentage used in the 2019/20 MTEF.

Table 7.5 : Summary of additional provincial and equitable share allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	(64 599)	(129 417)	228 172	240 722	253 962
Susp. of balance of funds from V4: Small Business Growth Enterprise for exchange rate pressures	51 000	-	-	-	-
PES and Provincial Own Revenue reductions	(84 370)	(96 452)	(171 079)	(180 488)	(190 415)
Budget cuts to fund remuneration of <i>Izinduna</i>	(31 870)	(33 623)	(35 473)	(37 424)	(39 482)
Additions for exchange rate pressures	-	-	211 111	222 722	234 972
Additional funding from National Treasury	-	-	222 922	235 183	248 118
Baseline adjustment	641	658	691	729	769
2018/19 MTEF period		89 206	-	620 284	654 400
Treasury/Health assistance plan		38 756	-	-	-
Above-budget wage agreement		-	-	620 284	654 400
Disaster relief - flooding of 10 October 2017		50 450	-	-	-
2019/20 MTEF period			(643)	(682)	207 280
Funding for Cuban Doctors			-	-	207 972
Budget cut for remuneration of public office bearers			(643)	(682)	(692)
Total	(64 599)	(40 211)	227 529	860 324	1 115 641

In the 2017/18 MTEF, the following changes were made to the department's baseline:

- Funds were suspended from Vote 4: EDTEA, and allocated to the department in 2017/18 only, specifically toward the exchange rate pressures in procuring medicines and medical supplies.
- The department's budget was reduced as a result of a reduction of the PES allocation due to data updates of the PES formula, fiscal framework reductions, as well as a downward revision of the Provincial Own Revenue numbers.
- The budget was further reduced in line with a Provincial Executive Council decision that the *Izinduna* in KZN must be remunerated, as per a Presidential Proclamation in this regard. As this is an unfunded mandate, the funding required for this payment was financed by Vote 11: COGTA providing 50 per cent of the required amount through reprioritisation of their budget, while the remaining 50 per cent was sourced by proportionately cutting all remaining Votes' budgets.

- The budget was increased in 2019/20 through funding from National Treasury with carry-through to assist with the exchange rate pressures relating to the procurement of medicines and medical supplies.
- National Treasury allocated additional funding to provinces in 2019/20, with carry-through, and this was proportionately allocated to all 15 Votes to ensure that the budget cuts were offset.
- The department also received a minor baseline adjustment over the MTEF.

In the 2018/19 MTEF, the following changes were made to the department's baseline:

- Funds were allocated in 2018/19 only for the Treasury/Health assistance plan. This funding is for carry-through costs related to funding allocated in the 2017/18 Adjustments Estimate.
- National Treasury allocated additional funding in 2020/21, with this proportionately allocated to all 15 Votes to assist with the spending pressures from the above-budget wage agreement.
- There is also some funding allocated for repairing infrastructure that was damaged by floods on 10 October 2017. While funding was provided in the 2017/18 Adjustments Estimate, a further amount was allocated in 2018/19 via the Health Facility Revitalisation grant and is not shown in this table.

In the 2019/20 MTEF, the following changes were made to the department's baseline:

- An allocation is made in 2021/22 by National Treasury to assist provinces with the medical students returning from Cuba and the costs to be incurred during their internship. These funds are specifically and exclusively allocated and may therefore not be used for any other purpose.
- The budget was cut by R643 000 in 2019/20, with carry-through. In this regard, the President announced that there would be minimal or no annual salary increases in 2018/19 for public office bearers. In the case of provincial executives, Premiers, MECs and Speakers did not receive salary increases, while MPLs received a 2.5 per cent increase. The savings realised were cut from provinces in line with fiscal consolidation efforts.

7.3 Summary by programme and economic classification

The department has eight budget programmes in total, with four of them directly linked to the core functions, and they fully adhere to the generic Health sector structure. Tables 7.6 and 7.7 provide a summary of payments and estimates of these programmes, as well as economic classification.

The department is liable for the repayment of over-expenditure in 2013/14, resulting in a first charge against the budget from 2015/16 to 2017/18, and this is reflected under Programme 1: Administration and against *Payments for financial assets*. This is shown as a footnote in Tables 7.6 and 7.7.

Most programmes show sustained growth from 2015/16 to 2021/22, with conditional grants accounting for a significant portion of this increase, along with the additional funding by the province for exchange rate and NHLS pressures. Note that the Mahatma Gandhi Memorial Hospital has been reclassified in 2019/20 from a regional hospital in Programme 4 to a district hospital in Programme 2. Historical figures have been restated for comparative purposes, but the figures in 2018/19 remain unchanged.

Table 7.6 : Summary of payments and estimates by programme: Health

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
					2018/19				
1. Administration	846 622	845 674	836 655	811 207	811 207	811 207	933 361	985 906	1 041 277
2. District Health Services	16 412 693	18 147 911	19 732 316	20 825 714	20 919 499	21 009 060	22 436 939	24 296 020	26 104 025
3. Emergency Medical Services	1 174 406	1 209 263	1 377 577	1 415 686	1 474 686	1 474 686	1 631 158	1 706 554	1 800 411
4. Provincial Hospital Services	8 809 567	9 398 975	10 133 671	11 232 418	11 111 547	11 185 321	11 330 404	12 117 358	12 783 818
5. Central Hospital Services	4 124 929	4 534 157	4 864 123	4 955 993	4 955 993	5 150 159	5 279 898	5 725 021	6 039 894
6. Health Sciences and Training	1 058 794	1 201 074	1 246 050	1 264 350	1 242 436	1 242 436	1 281 885	1 312 749	1 592 921
7. Health Care Support Services	166 095	268 768	198 202	313 640	303 640	303 640	332 359	354 290	373 776
8. Health Facilities Management	1 517 618	1 420 575	1 522 727	1 528 656	1 728 164	1 728 164	1 810 974	1 720 438	1 846 231
Total	34 110 724	37 026 397	39 911 321	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 607)	(107 608)	-	-	-	-	-	-
Baseline available for spending after 1st charge	34 003 117	36 918 790	39 803 713	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353

Table 7.7 : Summary of provincial payments and estimates by economic classification: Health

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	31 899 939	34 739 862	36 961 386	39 695 959	39 652 711	39 994 896	42 316 279	45 685 396	48 836 621
Compensation of employees	21 793 160	23 354 896	24 614 793	26 178 626	26 666 629	26 561 817	28 942 177	31 622 939	33 571 330
Goods and services	10 105 233	11 382 844	12 343 292	13 516 936	12 981 940	13 428 030	13 373 683	14 062 015	15 264 825
Interest and rent on land	1 546	2 122	3 301	397	4 142	5 049	419	442	466
Transfers and subsidies to:	843 093	1 035 657	1 248 707	982 961	976 399	1 181 269	750 139	701 843	740 445
Provinces and municipalities	133 330	159 755	225 674	219 734	219 236	218 719	232 091	244 857	258 324
Departmental agencies and accounts	19 009	20 131	19 280	21 067	21 067	21 140	22 246	23 469	24 759
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	10	-	-	-	-	-	-	-	-
Non-profit institutions	213 402	203 929	141 396	54 870	65 226	64 017	56 513	58 508	61 726
Households	477 342	651 842	862 357	687 290	670 870	877 393	439 289	375 009	395 636
Payments for capital assets	1 257 629	1 106 314	1 592 882	1 668 744	1 918 017	1 728 463	1 970 560	1 831 097	2 005 287
Buildings and other fixed structures	1 052 053	910 917	1 069 333	963 192	1 262 399	1 187 420	786 945	1 077 735	1 218 024
Machinery and equipment	205 576	195 397	523 549	705 552	655 618	541 043	1 183 615	753 362	787 263
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	110 063	144 564	108 346	-	45	45	-	-	-
Total	34 110 724	37 026 397	39 911 321	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 607)	(107 608)	-	-	-	-	-	-
Baseline available for spending after 1st charge	34 003 117	36 918 790	39 803 713	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353

The negative growth in Programme 1: Administration in 2016/17 relates to a decision to use internal capacity to conduct disciplinary inquiries, with only complex cases referred to consultants. The negative growth in 2018/19 is due to the first charge being fully paid in 2017/18. Mitigating the negative growth in 2018/19 to some degree is additional funding for the Treasury/Health assistance plan. These funds are being used to put in place maintenance contracts for SLAs for medical equipment, provide urgent oncology services and carry out maintenance at the PPSD. The high growth in 2019/20 is due to the commencement of the new Human Resources Capacitation grant, allocated to this programme until it is determined in which programmes the posts to be filled will be placed. Growth in the outer two years of the MTEF is for inflationary purposes only.

The increase in Programme 2: District Health Services over the seven years relates mainly to the restructuring of the department to improve service delivery at the PHC level. In addition, expenditure included the various wage agreements and increases in the HIV, TB, Malaria and Community Outreach grant. The increase in 2016/17 was due to the carry-through cost of the above-budget 2015 wage agreement, an increase in NHLS payments as a result of the fee-for-service payment method that was introduced, the municipal clinics carry-over expenditure from 2015/16 and extreme pressure in respect of non-negotiable items such as medicines, medical supplies, laboratory services, patient catering, security and cleaning services. This group of items was under pressure due to increases in the contract prices of security and cleaning services and increased medicine costs due to the weakening of the Rand, hence a further increase in 2016/17, with the procurement of an additional four MMC vehicles, resuscitation equipment for CHCs, ideal clinic major medical equipment, the deferment of medical equipment procurement processes from 2015/16, as well as increased medico-legal claims costs. The increase in 2017/18 was as a result of the previously mentioned change from the NHLS flat-fee regime to the fee-for-service payment method, the ARV medicine pressures brought about by the implementation of the Universal Test-and-Treat (UTT) programme, as well as the withdrawal of the supply of donor medicines. The increase in the 2018/19 Revised Estimate relates to higher than expected costs of new security services contracts. The growth in 2019/20 includes the movement of the Mahatma Gandhi Memorial Hospital to Programme 2, as mentioned, with 2018/19 figures unable to be restated. The 2019/20 MTEF includes strong growth in the HIV, TB, Malaria and Community Outreach grant, particularly in 2020/21 and 2021/22, despite budget cuts from the 2018/19 and 2019/20 MTEF processes.

In Programme 3: Emergency Medical Services, the overall growth is due to the continued drive to improve emergency medical services. The low growth in 2016/17 relates to the once-off purchase of additional ambulances to continue the expansion of services to under-served areas in 2015/16, emergency vehicles and aeromedical services carry-over expenditure from 2014/15, as well as the deferment of ambulance

payments to 2017/18 due to cash blocking. The high growth in 2017/18 and the 2018/19 Revised Estimate relates to unbudgeted overtime payments to paramedic staff, as well as higher than expected EMS vehicle maintenance and repair costs. The growth in 2019/20 is high due to planned new appointments of emergency services staff, to address critical shortages of paramedic staff.

Programme 4: Provincial Hospital Services grows consistently over the period. The increase in 2016/17 was due to the previously mentioned NHLS fee-for-service payments, increased costs of non-negotiable items, water, electricity, claims against the state, as well as the additional pressure from the settlement of outstanding Joint Medical Establishment (JME) payments from 2015/16 (an arrangement with UKZN for registrar and specialist medical training). The low growth in 2019/20 is largely due to the movement of the Mahatma Gandhi Memorial Hospital to Programme 2, as mentioned, with 2018/19 figures unable to be restated. Also impacting on the low growth is a reduced NHLS budget, in line with anticipated savings from electronic gate-keeping, the under-funded increase in security services contracts, which will be reviewed in-year, as well as the reduced medicine budget, as more patients on chronic medication are to be enrolled under the CCMD program. The growth in the outer years is inflationary only. As mentioned, the commissioning of PKISMH has not been provided for, and this will be addressed in-year.

The sustained growth in Programme 5: Central Hospital Services from 2015/16 to 2021/22 mainly relates to provision for the development and improvement of tertiary services. The impact of the introduction of the various OSDs for medical personnel, higher medical inflation and the Rand/Dollar exchange rate is also reflected in the trends. The increase from 2015/16 to 2016/17 was mainly due to higher than expected costs for the PPP at IALCH. These costs were subject to exchange rate fluctuations. In addition, there was some over-spending against medical supplies, also influenced by the exchange rate and medical inflation. The high growth in 2016/17, mainly against medicines, laboratory services and medical supplies, related to the low base in 2015/16, which resulted from the reversal of the medicine levy, the NHLS fee-for-service payment method, as well as the accrual of some medical supply and NHLS payments to 2016/17. The growth in 2017/18 relates to the pressures against NHLS due to the migration from the flat-fee to a fee-for-service payment method, medical supplies due to outstanding payments from previous years and provision for urgent oncology services, as well as medical equipment as a result of the decentralisation of the procurement process for the Health Technology Services (HTS) related medical equipment from Programme 8 to the relevant programmes, in line with the level of care. The slow growth in 2018/19 is due to the anticipated savings from the NHLS electronic gate-keeping, as well as high spending in 2017/18 for the PPP payment carry-over expenditure from 2016/17. The low growth in 2019/20 is due to anticipated savings from the new PPP contract, savings from the optimisation of medical supplies stock levels, as well as a reduced allocation for medico-legal claims as the department is unable to reprioritise sufficient funds to cover these costs because of competing service delivery needs. Growth in 2020/21 is high due to the planned filling of specialist posts (oncologists, obstetricians, urologists, etc.), funded through reprioritisation, as well as the indirect grant at NDOH. The growth in the outer year is inflationary only.

Programme 6: Health Sciences and Training shows consistent but low growth. The increase in 2016/17 was due to the carry-through costs of the increase in the number of students (15) in the Cuban Doctors' programme intake in 2015/16, the accrual of some bursary payments to 2016/17, as well as the increased cost of the programme due to the weakening Rand/Dollar exchange rate. The low growth in 2017/18 was due to the accrued expenditure from 2015/16 to 2016/17. The MTEF trend is low due to students completing their studies and returning to South Africa for the 18-month internships. It is projected that 261 students will return from Cuba in 2018/19 and, based on the current pass rate, approximately 283, 93, 10 and 10 students will return from 2019/20 to 2022/23, respectively, to serve an 18-month internship before absorption into the department, accounting for the low growth in 2019/20 and 2020/21. The significant increase in 2021/22 is due to the specific funding from National Treasury, with carry-through, to assist with the internship costs of medical students returning from the Cuban Doctors' programme. This funding is adequate at this stage, but will need to grow strongly as more students graduate.

Programme 7: Health Care Support Services shows significant growth over the entire period, mainly attributable to the growth under laundry services. Funding for 2015/16 and 2016/17 provided for the commissioning of the KwaZulu Provincial Laundry. Once-off additional linen and laundry trucks were procured during this period, explaining the increase in 2016/17. In addition, there were delays in the

commissioning of the KwaZulu Provincial Laundry in 2015/16, hence there were further costs in 2015/16 related to outsourcing laundry services. The high growth in 2018/19 relates to the planned re-incorporation of the PPSD into the department's budget structure as a sub-programme in this programme. This is in response to audit queries that were raised by the A-G. However, the planned re-incorporation was delayed by the late receipt of the approval letter from National Treasury, hence the reduction in the 2018/19 Adjusted Appropriation and Revised Estimate. The budget in 2019/20 increases at an inflationary rate compared to the 2018/19 Main Appropriation, and growth over the MTEF is inflationary only.

Programme 8: Health Facilities Management is mainly financed through conditional grant funding and the programme's performance is directly linked to the Health Facility Revitalisation grant. The variances in this programme also account for the variances against *Buildings and other fixed structures*. The decrease in 2016/17 was due to a decrease in the allocation for the Health Facility Revitalisation grant in that year. The allocation for the grant peaks in 2018/19 due to the incentive nature of this grant, as well as the additional funding received for repairs to hospitals and clinics damaged by storms in October 2017. The funding in 2019/20 and over the MTEF is in line with various project requirements, including PKISMH in 2019/20 only. The 2019/20 grant allocation was increased by R200.448 million as part of the incentive for good planning. The negative growth in 2020/21 relates to the once-off procurement of medical equipment in 2019/20, prior to the commissioning of PKISMH, planned for the third quarter of 2019/20.

Compensation of employees shows growth in 2016/17, mainly due to the carry-through costs of the various OSDs for medical personnel and other staff categories, and above-budget wage agreements. The slow growth in 2017/18 was due to slow recruitment processes for the filling of non-OSD vacant posts, the deferment of filling district management posts, as well as the difficulty in attracting suitable applicants for psychiatry, oncology, neurology, obstetrics, orthopaedics and laundry services, etc., at prioritised facilities. The increase in the 2018/19 Adjusted Appropriation and Revised Estimate is due to compliance with an instruction from NDOH during the annual benchmark exercise to address under-funding of filled posts within the HIV, TB, Malaria and Community Outreach grant, as well as pressures resulting from the implementation of the stipend increase agreement to comply with minimum wage requirements for community care-givers (CCG) under the grant. This funding was moved from *Goods and services* (medicines), with carry-through over the 2019/20 MTEF. The growth over the 2019/20 MTEF includes the addition of the new Human Resources Capacitation grant, and provides for inflationary adjustments and the filling of the previously mentioned posts. Note that, as mentioned, the department will have access to the indirect grant at NDOH to assist in funding the filling of posts. Note also that growth in the outer year of the MTEF is insufficient for the current staff, and this will be addressed in the next budget process.

Goods and services grows strongly in 2016/17. As mentioned, the department now provides for the payment of NHLS costs *via* a fee-for-service mechanism which is significantly higher than the previous flat-fee rate. The growth is also related to the increase in demand for health services, the high rate of inflation on medical supplies and services, as well as increased catering and fuel costs. Other contributing factors are the increasing demand for Anti-retroviral Therapy (ART), treatment of MDR/XDR TB, the introduction of specific projects such as the reduction of infant and child mortality through immunisation, increased costs of non-negotiables, increased costs of water and electricity, as well as a substantial increase in the HIV, TB, Malaria and Community Outreach grant. The growth in 2016/17 includes additional funding for NHLS pressures, ARV treatment, the carry-through costs of national priority initiatives, acceleration in the day-to-day maintenance of existing facilities, as well as inflationary adjustments. The growth in 2017/18 relates to the change to the UTT programme for patients diagnosed with HIV and AIDS, the withdrawal of support by donors for the supply of ARVs, NHLS fee-for-service payment pressures due to commitments from 2016/17, as well as pressures on legal fees as a result of the increase in the amount of litigation being defended. Also contributing is funding provided as part of the Treasury/Health assistance plan to assist with NHLS pressures, as well as outstanding medical supplies accounts, among others. The decrease in the 2018/19 Adjusted Appropriation and Revised Estimate is due to the previously mentioned movement within the HIV, TB, Malaria and Community Outreach grant to fund under-budgeted posts linked to the grant, as well as pressures resulting from the implementation of the stipend increase agreement to comply with minimum wage requirements for CCGs under the grant. The negative growth in 2019/20 is due to the anticipated savings from the NHLS electronic gate-keeping whereby the ordering of laboratory tests will be closely monitored, the under-funded increase in the new

security services contract, which will be reviewed in-year, anticipated savings from the new PPP contract at IALCH, as well as savings from the optimisation of medical supplies stock levels. The high growth in 2021/22 is due to additional funding for the HIV, TB, Malaria and Community Outreach grant.

The 2015/16 to 2016/17 spending on *Interest and rent on land* largely relates to interest costs on medico-legal claims and interest on overdue accounts. The increase in the 2018/19 Adjusted Appropriation and Revised Estimate relates to the unanticipated payment of interest on a labour dispute, as well as interest charged on all overdue accounts, such as municipal services accounts and Telkom accounts.

The strong growth in 2016/17 and 2017/18 against *Transfers and subsidies to: Provinces and municipalities* relates mainly to the commitment to strengthen the treatment of HIV and AIDS by municipal clinics in the eThekweni Metro and ensure that the levels of care provided meet provincial standards. There were delays in the signing of SLAs with the eThekweni Metro in 2016/17 which resulted in expenditure being carried over to 2017/18, hence the high growth in 2017/18, followed by negative growth in 2018/19. The growth over the MTEF is inflationary only.

The increase against *Transfers and subsidies to: Departmental agencies and accounts* in 2016/17 provides for the HWSETA levy, in line with the growth in *Compensation of employees*. The negative growth in 2017/18 relates to delays in filling posts. The growth over the 2019/20 MTEF matches that of *Compensation of employees* and is inflationary only.

The negative growth in *Transfers and subsidies to: Non-profit institutions* in 2016/17 was due to provision for the phased-in contribution to the KZN Children's Hospital infrastructure and renovations up to 2015/16, with no provision thereafter. The decline in 2017/18 and the negative growth in 2018/19 is due to the provincialisation of St Mary's and Siloah Hospitals to become departmental facilities. The increase in the 2018/19 Adjusted Appropriation and Revised Estimate is due to delays in the provincialisation of the Siloah Hospital. The 2019/20 MTEF does not provide for the full inflationary adjustment of transfers to NGOs due to the impact of the provincialisation of the Siloah Hospital, with negative growth in 2019/20, and inflationary growth thereafter.

The fluctuating trend against *Transfers and subsidies to: Households* relates to staff exit costs and medico-legal claims. The increasing trend from 2015/16 to 2017/18 related to high medico-legal claims and pressures in the Cuban Doctors' programme. Although, as mentioned, NDOH has given instructions that no further recruitment of students is to take place, the costs for those students already in Cuba are influenced by the fluctuating exchange rate. An estimated 261 are returning in 2018/19. It is projected, based on the current pass rate, that approximately 283, 93, 10 and 10 students will return from 2019/20 to 2022/23, respectively, to serve an 18-month internship before graduating, to be funded *via* reprioritisation within Programme 6, as well as additional funding from National Treasury in 2021/22, as mentioned. There is some provision for medico-legal claims in the 2019/20 MTEF, but this is not sufficient based on current trends, hence the negative growth in 2019/20 and relatively flat growth in the two outer years. The department cannot reprioritise all the funds required towards medico-legal claims at this stage, due to other competing service delivery needs, and this will need to be addressed in-year. The Treasury/Health assistance plan will assist in identifying areas of savings and efficiency, and there is an expectation of reduced costs over the MTEF due to new strategies being developed by the medico-legal unit.

As mentioned under Programme 8, the *Buildings and other fixed structures* trend is largely related to the trend in the Health Facility Revitalisation grant. From 2015/16, the trend fluctuates in line with the availability of grant funds, and the reprioritisation of some equitable share funding from new projects to accelerate the day-to-day maintenance of existing infrastructure. The decrease in 2019/20 is mainly affected by the project plan for PKISMH, due for completion in 2019/20. A significant portion of the grant funding in 2019/20 is allocated to *Machinery and equipment* for the equipping of PKISMH prior to commissioning, hence the negative growth against *Buildings and other fixed structures* in 2019/20, and accounting for the high growth in 2020/21.

The negative growth in *Machinery and equipment* in 2016/17 relates to committed and contracted capital projects against *Buildings and other fixed structures* which were in construction phase and could not be stopped, resulting in the department having to reprioritise funding to other non-negotiable service delivery imperatives, hence the decrease. The high growth in 2017/18 is attributable to funding reprioritised to

clear the backlog in the procurement of medical equipment caused by the previously mentioned budget cuts. The budget remains at this higher level in 2018/19. The peak in 2019/20 is due to the previously mentioned once-off funding for the equipping of PKISMH prior to commissioning, accounting for the negative growth in 2020/21. Growth in the outer year is inflationary only.

Payments for financial assets reflect debts that were written-off over the period, as well as payments for the unauthorised expenditure first charge, which was paid off in 2017/18.

7.4 Summary of conditional grant payments and estimates

Tables 7.8 and 7.9 illustrate conditional grant payments and estimates from 2015/16 to 2021/22. Details of all conditional grants are listed below, with further detail given in *Annexure – Vote 7: Health*. Note that the historical figures set out in Table 7.1 for the period 2015/16 to 2017/18, indicate the actual receipts for each grant, as well as other technical adjustments, and therefore should not be compared to the figures reflected in Table 7.8, which shows expenditure against the grants.

Table 7.8 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
				2018/19					
HIV, TB, Malaria and Community Outreach grant	3 813 455	4 247 525	4 852 495	5 677 225	5 677 225	5 677 225	5 840 629	6 470 140	7 300 479
Health Facility Revitalisation grant	1 231 997	1 121 993	1 151 564	1 202 480	1 401 988	1 401 988	1 353 497	1 212 653	1 307 702
Health Professions Training and Development grant	299 898	312 377	331 944	351 197	351 197	351 197	370 863	391 260	412 779
National Tertiary Services grant	1 530 223	1 596 286	1 696 266	1 794 649	1 794 649	1 744 649	1 895 149	2 022 124	2 133 341
National Health Insurance grant	9 494	25 045	-	-	-	-	-	-	-
Human Papillomavirus Vaccine grant	-	-	-	44 976	44 976	44 976	47 495	50 108	52 864
EPWP Integrated Grant for Provinces	3 682	7 122	8 400	8 896	8 896	8 896	10 313	-	-
Social Sector EPWP Incentive Grant for Provinces	13 000	13 000	47 058	24 182	24 182	24 182	20 998	-	-
Human Resources Capacitation grant	-	-	-	-	-	-	122 316	130 388	138 734
Total	6 901 749	7 323 348	8 087 727	9 103 605	9 303 113	9 253 113	9 661 260	10 276 673	11 345 899

Table 7.9 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
				2018/19					
Current payments	5 888 705	6 398 715	6 882 898	7 973 992	7 900 014	7 938 966	8 276 176	9 024 118	9 995 524
Compensation of employees	3 202 757	3 483 965	3 199 017	2 886 897	3 591 698	3 591 393	4 059 262	4 278 936	4 515 333
Goods and services	2 685 948	2 914 750	3 683 881	5 087 095	4 308 316	4 347 573	4 216 914	4 745 182	5 480 191
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	83 438	62 591	136 385	137 511	135 119	134 355	142 875	150 556	158 820
Provinces and municipalities	60 000	40 000	116 846	115 000	115 000	115 000	121 492	128 174	135 224
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	13 790	11 454	10 034	11 821	10 881	10 633	12 017	12 678	13 375
Households	9 648	11 137	9 505	10 690	9 238	8 722	9 366	9 704	10 221
Payments for capital assets	929 606	862 042	1 068 444	992 102	1 267 980	1 179 792	1 242 209	1 101 999	1 191 555
Buildings and other fixed structures	908 861	801 938	977 075	831 245	1 113 955	1 090 452	779 962	1 008 311	1 093 143
Machinery and equipment	20 745	60 104	91 369	160 857	154 025	89 340	462 247	93 688	98 412
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	6 901 749	7 323 348	8 087 727	9 103 605	9 303 113	9 253 113	9 661 260	10 276 673	11 345 899

As mentioned, the *Comprehensive HIV, AIDS and TB grant* is renamed to the HIV, TB, Malaria and Community Outreach grant. This grant is provided to enable the sector to develop effective and integrated management of HIV, AIDS and TB, to support the implementation of the National Operational Plan for comprehensive HIV and AIDS treatment and care and to subsidise, in part, funding for the ARV treatment programme. The grant was extended in 2016/17 to also include TB and a sizeable additional allocation was received, particularly in 2018/19. The substantial growth indicates the critical importance placed on managing this pandemic. The grant also provides for the removal of the CD4 count process which was replaced by the UTT mechanism from 2016/17 onward.

The grant has been restructured in the form of four components. HIV and AIDS remains the main focus with R5.424 billion, R6.031 billion and R6.662 billion allocated over the three years of the MTEF. The Malaria component is funded from funds reprioritised within the grant, with R17.242 million, R18.033 million and R16.489 million allocated over the MTEF. The TB portion of this grant forms a separate component in order to improve monitoring of spending in this area, with R106.985 million, R112.869 million and R119.077 million allocated over the MTEF. Finally, the Community Outreach Services component is allocated to fund the minimum wage of CCGs, with R291.947 million allocated in 2019/20, R308.296 million in 2020/21, increasing to R502.635 million in 2021/22. This is to address the increase in stipends from R1 800 per month to the minimum wage of R3 500 per month. Note that this grant's funding has been cut over the 2019/20 MTEF, with a reduction of R273.590 million in 2019/20, R231.533 million in 2020/21, but increased by R598.806 million in 2021/22. Note also that the decrease in 2020/21 follows a significant increase of R589.999 million, allocated in the 2018/19 MTEF.

The **Health Facility Revitalisation grant** has the following aims:

- To accelerate the construction, maintenance, upgrading and rehabilitation of new and existing health infrastructure.
- To enable provinces to plan, manage, modernise, rationalise and transform health infrastructure, health technology, monitoring and evaluation of hospitals and to transform hospital management and improve quality of care, in line with national policy objectives.
- To supplement provincial funding of health infrastructure, to accelerate the provision of health facilities including office furniture and related equipment, as well as to ensure proper maintenance of provincial health infrastructure for nursing colleges and schools.

The grant increased in the 2018/19 Adjusted Appropriation for storm damage repairs, being an allocation from the National Disaster Relief Fund. Note that this grant peaks in 2019/20 due to its incentive nature. The department received an increase of R200.448 million in 2019/20, as the required planning documents were submitted. This grant was cut by R3.814 million in 2020/21 because of fiscal consolidation cuts and grows by R91.235 million in 2021/22.

The **Health Professions Training and Development grant** supports the department in providing funding for operational costs associated with the training and development of health professionals, the development and recruitment of medical specialists in under-served provinces, and for strengthening under-graduate teaching and training processes in health facilities. The trend in this grant over the seven years reflects inflationary increases only. A decision was taken in 2011/12 to use the grant to fund the personnel costs of registrars only. The grant receives an inflation related adjustment of R21.519 million in 2021/22.

The **National Tertiary Services grant** is used to enable provinces to plan, modernise, rationalise and transform the tertiary hospital service delivery platform in line with national policy objectives, including improving access and equity. The increasing trend relates mainly to additional funds for the modernisation of tertiary services. The grant receives an additional R111.217 million in 2021/22 for inflationary growth.

The **National Health Insurance grant** was allocated to provide financial support for the development of projects directed at improving health delivery in line with the requirements of the introduction of the NHI. The grant ceased in 2017/18, to become part of the NHI Indirect grant under NDOH.

The **Human Papillomavirus (HPV) Vaccine grant**, which was scheduled to end in 2015/16, continued as an indirect grant for 2017/18 before changing to a direct grant in 2018/19. The grant receives an additional R2.757 million in 2021/22 for inflationary growth.

The **EPWP Integrated Grant for Provinces** is used to enhance the number of full time equivalent jobs created through labour intensive infrastructure programmes, which utilises local people to maintain grounds and clean buildings. Funding of R10.313 million is provided for 2019/20 only, at this stage.

The **Social Sector EPWP Incentive Grant for Provinces** subsidises non-profit organisations in home community-based care programmes to provide stipends to previously unpaid volunteers to maximise job creation and skills development in line with the EPWP guidelines. The grant receives R20.998 million in 2019/20 only, at this stage, less than in 2018/19 due to both poor reporting and fiscal consolidation.

The *Human Resources Capacitation grant* is a new grant commencing in 2019/20, and provides for the appointment of critical staff in health facilities. The department is allocated R122.316 million in 2019/20, R130.388 million in 2020/21 and R138.734 million in 2021/22. With the support of the indirect grant from NDOH, a total of 929 critical staff are expected to be appointed, including 300 nurses, 320 general assistants and porters, 97 registrars, 112 medical interns and 50 pharmacy assistants.

The increase in 2016/17 in *Compensation of employees* was mainly due to the carry-through costs of the various OSDs for medical personnel and other staff categories, as well as higher than anticipated wage agreements. The decrease in 2017/18 largely relates to vacant posts, particularly within the National Tertiary Services and HIV, TB, Malaria and Community Outreach grants, moved to address pressures in *Goods and services*. The high growth in the 2018/19 Adjusted Appropriation and Revised Estimate relates to funds reprioritised from *Goods and services* within the HIV, TB, Malaria and Community Outreach grant, in compliance with an instruction from NDOH during the annual benchmark exercise to address under-funding of filled posts within the grant, as well as pressures resulting from the implementation of the stipend increase agreement to comply with minimum wage requirements for CCGs under the grant. Although the department has reprioritised funding for the carry-through costs over the 2019/20 MTEF, and the new Human Resources Capacitation grant is included in the baseline, the growth rate of the category is too low for anticipated wage increases, and this will be addressed in-year.

The significant increases in *Goods and services* in 2016/17 and 2017/18 were directly linked to the growth in the HIV, TB, Malaria and Community Outreach grant. This relates to the funding provided for ARVs, the increase in the uptake of additional patients on the ARV programme, the increased cost of the ARV medicines to be covered by the department's budget due to the ceasing of funding by international donors, the increased costs of micro-nutrients, as well as provision for the MMC programme. As previously mentioned, this grant was extended in focus to include TB and therefore the significant growth is for the continued expansion of the ARV programme, HIV prevention and to cater for TB screening and treatment. The decrease in the 2018/19 Adjusted Appropriation relates to the previously mentioned movement of funding to *Compensation of employees* within the HIV, TB, Malaria and Community Outreach grant to address under-funding of filled posts within the grant. The department will receive donor drugs if necessary to address any pressure on medicines that may arise. A total of R273.589 million is cut from the baseline of the HIV, TB, Malaria and Community Outreach grant in 2019/20, resulting in negative growth in this category in 2019/20. Thereafter, the category grows strongly, largely due to growth in the HIV, TB, Malaria and Community Outreach grant, with additional funding provided in the 2018/19 MTEF for 2020/21, and a significant increase provided in the 2019/20 MTEF, specifically in 2021/22.

Transfers and subsidies to: Provinces and municipalities relates to support for municipal clinics in the eThekweni Metro for the treatment of HIV and AIDS. The high spending in 2015/16 was due to the carry-over of expenditure from 2014/15 resulting from delays in finalising the SLAs with the eThekweni Metro for municipal clinics. This accounts for the decrease in 2016/17. The increases from 2017/18 onward relate to the ongoing support for municipal clinics.

The funding against *Transfers and subsidies to: Non-profit institutions* relates to support to NGOs for treatment related to HIV and AIDS.

Transfers and subsidies to: Households relates to staff exit costs of staff paid from the various grants.

The decrease in *Buildings and other fixed structures* in 2016/17 was mainly due to slower than expected progress on the PKISMH project, funded by the Health Facility Revitalisation grant, with funding redirected to maintenance projects. The increase in 2017/18 was due to pressures from the PKISMH project. The 2019/20 MTEF trend is linked to the trends in the Health Facility Revitalisation grant, as well as the PKISMH project, which is anticipated to be completed in 2019/20. Projects funded from the grant over the MTEF include renovations to the nursery, psychiatric and physiotherapy areas and relocation of the psychology department at King Edward VIII Hospital, as well as the construction of out-patient, emergency, and pharmacy facilities at Hlabisa Hospital.

The fluctuating trend in *Machinery and equipment* relates to the variation in the business plans of the grants related to this category, mainly the Health Facility Revitalisation grant and the National Tertiary Services grant. The under-spending projected in the 2018/19 Revised Estimate relates to a delay in the

procurement for a linear accelerator within the National Tertiary Services grant. The 2019/20 MTEF allocations are in accordance with the business plans of the relevant grants, and include costs of essential medical equipment, such as X-ray machines, CT scanners, etc. The peak in 2019/20 is ascribed to once-off procurement of medical equipment prior to the commissioning of the PKISMH.

7.5 Summary of infrastructure payments and estimates

Table 7.10 presents a summary of infrastructure payments and estimates by categories for Vote 7. Detailed information on infrastructure is given in the *2019/20 Estimates of Capital Expenditure*. The infrastructure trend decreases in 2016/17, in line with a decrease in the Health Facility Revitalisation grant. Thereafter, the trend stabilises and is largely in line with the grant, affecting mainly *New infrastructure assets: Capital, Upgrades and additions: Capital*, as well as *Refurbishment and rehabilitation: Capital*. From 2015/16 to 2017/18, the department provided for the building of additional CHCs and clinics, in line with its service delivery plan, as well as the upgrading or replacement of hospitals and clinics in disrepair.

Table 7.10 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Existing infrastructure assets	898 254	558 192	440 028	728 588	769 999	838 702	1 083 738	1 375 562	1 361 298
Maintenance and repairs: Current	245 428	293 595	271 169	339 329	264 022	364 458	414 835	436 418	412 363
Upgrades and additions: Capital	473 899	190 147	67 923	374 451	173 597	241 640	400 797	612 646	692 340
Refurbishment and rehabilitation: Capital	178 927	74 450	100 936	14 808	332 380	232 604	268 106	326 498	256 595
New infrastructure assets: Capital	399 227	646 320	900 474	573 933	756 422	713 176	118 042	138 591	269 089
Infrastructure transfers	20 000	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	20 000	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	87 257	83 109	94 583	98 421	93 766	84 766	82 890	82 890	80 000
Non infrastructure¹	103 698	134 954	422 155	405 829	398 685	342 520	860 503	421 111	426 729
Total	1 508 436	1 422 575	1 857 240	1 806 771	2 018 872	1 979 164	2 145 173	2 018 154	2 137 116
<i>Capital infrastructure</i>	<i>1 072 053</i>	<i>910 917</i>	<i>1 069 333</i>	<i>963 192</i>	<i>1 262 399</i>	<i>1 187 420</i>	<i>786 945</i>	<i>1 077 735</i>	<i>1 218 024</i>
<i>Current infrastructure</i>	<i>332 685</i>	<i>376 704</i>	<i>365 752</i>	<i>437 750</i>	<i>357 788</i>	<i>449 224</i>	<i>497 725</i>	<i>519 308</i>	<i>492 363</i>

1. *Non infrastructure* is a stand-alone item, and is therefore excluded from *Capital infrastructure* and *Current infrastructure*, but it is included in the overall total

Maintenance and repair: Current shows a fluctuating trend. The increase in 2016/17 relates to a more focused application of the DORA requirements for the Health Facility Revitalisation grant, which requires a 25 per cent allocation of the grant to maintenance. In addition, there was a drive to address backlogs in fixed equipment maintenance (lifts, air-conditioners, chillers, boilers, etc.). The decrease in 2017/18 and the 2018/19 Adjusted Appropriation was due to reprioritisation of funding to capital projects, mainly the Addington Hospital core block project. The projected over-spending in the Revised Estimate is due to the acceleration of maintenance projects. As the department is in the final stages of completing the PKISMH project, with commissioning planned for the second half of 2019/20, *Maintenance and repair: Current* shows reasonably strong growth from 2019/20 onward, as funds are able to be reprioritised to existing assets. Projects include day-to-day maintenance at all facilities such as urgent unplanned reactive maintenance, as well as servicing of plant, equipment, air-conditioners and lifts. The outer year decreases in line with project requirements, as well as some reprioritisation to *New infrastructure assets: Capital*.

Upgrades and additions: Capital shows a decrease in 2016/17 related to the decrease in the Health Facility Revitalisation grant, as well as a significant portion of the grant being allocated to new infrastructure projects including PKISMH and the Ngwelezane Hospital, which also accounts for the sustained decrease in 2017/18. This trend is reversed in 2018/19. However, there was a significant decrease in the 2018/19 Adjusted Appropriation related to slow progress on the Hlabisa Hospital out-patient facility upgrades project, with funding reprioritised to *New infrastructure assets: Capital* for the PKISMH and Townhill Hospital office park projects. The projected over-spending in the Revised Estimate is due to faster than expected progress on the new labour and neo-natal ward at Stanger Hospital. The budget for this category grows as these new projects near completion. Major projects being funded over the 2019/20 MTEF include the construction of out-patient, emergency, and pharmacy facilities at Hlabisa Hospital, major maintenance of various buildings and electrical installations at Newcastle Hospital, the renovation of staff accommodation, as well as construction of additional parking and recreational areas (tennis courts, etc.) at King Dinuzulu Hospital.

Refurbishment and rehabilitation: Capital shows a decline in 2016/17 related to the decrease in the Health Facility Revitalisation grant. The budget decreased significantly in the 2018/19 Main Appropriation, largely as a number of projects were reclassified as *Upgrades and additions: Capital*, including the refurbishment of the storm water drains at King Edward VIII Hospital. The significant increase in the 2018/19 Adjusted Appropriation is due to carry-over costs for the Addington Hospital core block project, as well as additional funding allocated from the National Disaster Relief Fund for repairs at hospitals and clinics damaged in storms during 2017. The projected under-spending in the Revised Estimate is attributed to slower than expected progress on storm damaged projects. However, this was an erroneous under-projection and the department reports accelerated spending in January 2019. Projects funded over the MTEF include the renovations to the nursery, psychiatric and physiotherapy areas and relocation of the psychology department at King Edward VIII Hospital, and general renovation at Addington Hospital.

The increasing trend in *New infrastructure assets: Capital* from 2015/16 to 2017/18 relates to the PKISMH project. The increase in the 2018/19 Adjusted Appropriation is attributed to reprioritisation from *Upgrades and additions: Capital* for the PKISMH and Townhill Hospital office park projects. The projected under-spending in the Revised Estimate is due to slower than expected spending on the PKISMH project. The allocation in 2019/20 includes final costs for the PKISMH project, which is expected to be completed in that year. Other projects funded over the 2019/20 MTEF include the construction of 40 units of staff accommodation and a paediatric unit at Mosvold Hospital, as well as new TB and psychiatric complexes at King Dinuzulu hospital.

Infrastructure transfers: Capital in 2015/16 relates to the transfer to the KZN Children's Hospital Trust for the development and refurbishment of the KZN Children's Hospital in eThekweni.

Infrastructure leases provides for the hiring of office accommodation including Capital Towers and Medical Chambers in Pietermaritzburg, as well as various district offices across the province.

The category *Non infrastructure* relates mainly to the procurement of capital medical equipment and is a category introduced from the 2017/18 MTEF onward. The growth in 2017/18 and over the MTEF is due to additional funding allocated for exchange rate related pressures in the costs of essential medical equipment, including X-ray machines, CT scanners, etc. Also included in this category is *Compensation of employees*, being the costs of the various specialists (architects, engineers, etc.) employed specifically in Programme 8. The reduction in the 2018/19 Adjusted Appropriation relates to the slow implementation of the department's procurement plan. The projected under-spending is due to delays in the procurement of a linear accelerator, with delivery expected in 2019/20. The peak in 2019/20 is ascribed to once-off procurement of medical equipment prior to the commissioning of the PKISMH. The amounts in the outer years provide for the procurement of medical equipment, primarily across Programmes 2, 4 and 5.

7.6 Summary of Public-Private Partnerships (PPP)

Table 7.11 provides a summary of PPP projects in the department. In 2002/03, the department entered into a PPP with Impilo Consortium (Pty) Ltd. The agreement covered the provision of equipment, information management and technology and facilities management for the IALCH. This agreement enables the department to focus on the clinical services at the hospital, and to promote the hospital as a central referral hospital, operating at the highest standards in terms of quality, efficiency, effectiveness and patient focused care. The original contract with Impilo Consortium (Pty) Ltd came to an end in 2016/17, and this was renegotiated to continue to 2019/20. The department is currently relooking at the possible further extension of the contract, or a possible new contract, or even absorbing the services within the department.

Table 7.11 : Summary of departmental Public-Private Partnership projects

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Projects signed in terms of Treasury Regulation 16	836 715	905 378	875 914	710 000	710 000	805 394	737 000	691 360	729 385
PPP unitary charge	836 715	905 378	875 914	710 000	710 000	805 394	737 000	691 360	729 385
Total	836 715	905 378	875 914	710 000	710 000	805 394	737 000	691 360	729 385

Payments for services rendered are index-linked and are thus subject to movements in CPI. Payments in 2017/18 were calculated based on current estimates. The fluctuating trend over the period relates mainly to the fluctuations in the Rand/Dollar exchange rate (for equipment procurement). The reduction in 2017/18 was due to PPP payment carry-over expenditure to 2018/19, resulting in projected over-expenditure in the 2018/19 Revised Estimate. In addition, the anticipated savings from the new extended contract from the hedging costs after the ending of the existing PPP contract in 2017 did not materialise as expected. Growth in 2019/20 is negative due to the carry-over costs in 2018/19. The negative growth in the outer two years, compared to 2019/20, reflects anticipated savings from hedging costs.

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Table 7.12 provides a list of entities that receive funding from the department. The amounts in the table correspond to *Transfers and subsidies to: Non-profit institutions* in Table 7.7. The transfers include the provision of general clinic, HIV and AIDS, district hospital, general hospital and TB services. The varying trend across the seven years relates mainly to the inclusion/exclusion of entities, as well as the implementation of OSD for doctors in certain institutions which qualify.

Table 7.12 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Transfers to public entities	-	-	-	-	-	-	-	-	-
Transfers to other entities	213 402	203 929	141 396	54 870	65 226	64 017	56 513	58 508	61 726
Alzheimer Dementia Clinics	-	-	-	959	959	959	-	-	-
Austerville Halfway House	552	569	586	603	603	603	621	640	-
Azalea House	510	525	541	557	557	557	574	591	-
Benedictine Clinic (Thwasana Clinic)	44	-	-	-	-	-	-	-	-
Claremont Day Care Centre	389	401	413	425	425	425	438	451	-
DPSA Community-based Rehabilitation Project	927	955	984	1 013	1 013	1 013	1 044	-	-
DPSA Wheelchair Repair/Maintenance	853	879	903	930	930	930	958	-	-
Duduza Care Centre (NGO)	-	-	400	412	412	412	424	437	-
Durban Coastal - Happy Hours Amaoti	520	536	552	568	568	568	585	603	-
Durban Coastal - Happy Hours Durban North	260	267	483	497	497	497	512	528	-
Durban Coastal - Happy Hours Durban Overport	196	202	-	-	-	-	-	-	-
Durban Coastal - Happy Hours KwaXimba	416	429	441	455	455	455	468	482	-
Durban Coastal - Happy Hours Mpumalanga	416	429	441	455	455	455	468	482	-
Durban Coastal - Happy Hours Ninikhona	260	267	275	284	284	284	292	301	-
Durban Coastal - Happy Hours Nyangwini	273	281	290	298	298	298	307	-	-
Durban Coastal - Happy Hours Phoenix	260	267	275	284	284	284	292	301	-
Durban Coastal - Marianhill	130	-	-	-	-	-	-	-	-
Ekukhanyeni Clinic (AIDS step down centre)	873	1 043	1 020	1 087	1 087	1 087	1 152	1 215	-
Enkumane Clinic	-	278	287	295	295	295	304	-	-
Estcourt Hospice	-	-	558	574	574	574	592	609	-
Ethembeni Care Centre	3 312	3 927	3 369	5 179	5 179	5 179	5 179	5 464	-
Genesis Care Centre	2 860	2 939	2 946	2 946	2 946	2 946	2 946	3 108	-
Hibberdene Care Centre	-	-	331	341	341	341	351	-	-
Highway Hospice	-	-	752	775	775	775	798	-	-
Hlanganani Ngothando	220	227	388	399	399	399	411	424	-
Howick Hospice	-	-	617	636	636	636	655	-	-
Humana People to People	368	-	-	-	-	-	-	-	-
Ikhanzi Care Centre	-	-	134	138	138	138	143	-	-
Ikwezi Cripple Care	1 205	1 242	1 279	1 317	1 317	1 317	1 357	1 397	-
John Peattie House	1 367	1 408	1 293	1 332	1 332	1 332	1 371	1 413	-
Jona Vaughn Centre	2 420	2 493	2 567	2 644	2 644	2 644	2 724	2 805	-
KZN Blind and Deaf Society	824	849	874	900	900	900	927	-	-
KZN Children's Hospital Trust	20 000	-	-	-	-	-	-	-	-
Lynn House	611	629	648	668	668	668	688	-	-
Madeline Manor	892	919	946	975	975	975	1 004	1 034	-
Magaye School for the Blind	515	530	546	563	563	563	580	-	-
Matikwe Oblate Clinic	481	496	511	526	526	526	542	-	-
Mountain View Hospital	9 675	9 965	4 876	5 169	5 169	5 169	5 479	-	-
Philakade TLC (Power of God centre)	1 133	1 167	1 202	1 238	1 238	1 238	1 275	-	-
Philanjalo Hospice (step down centre)	1 891	2 378	2 698	2 610	2 610	2 610	2 740	2 891	-
Rainbow Haven	409	421	433	447	447	447	460	-	-
Scadifa Centre	953	982	1 011	1 041	1 041	1 041	1 073	1 105	-
Siloah Hospital	21 934	22 592	22 592	-	10 356	9 147	-	-	-
Solid Foundation for Rural Development (NGO)	-	-	682	1 405	1 405	1 405	1 448	1 491	-
South Coast Hospice	179	185	190	196	196	196	202	-	-
Sparkes Estate	1 132	1 166	1 201	1 237	1 237	1 237	1 274	1 312	-
St Luke's Home	456	470	484	497	497	497	1 027	1 058	-
St. Mary's Hospital Marianhill	124 756	132 421	69 216	-	-	-	-	-	-
Sunfield Home	269	277	285	294	294	294	303	-	-
Tender Loving Care (NGO)	-	-	234	241	241	241	248	256	-
The Bekimpilo Trust	8 385	8 637	8 896	9 163	9 163	9 163	9 438	-	-
Umlazi Halfway House	276	284	293	302	302	302	311	320	-
Msunduzi Hospice (NGO)	-	-	1 452	1 495	1 495	1 495	1 540	-	-
Earmarked for further negotiations	-	-	-	-	-	-	988	27 790	61 726
Rounding in AFS	-	(3)	1	-	-	-	-	-	-
Total	213 402	203 929	141 396	54 870	65 226	64 017	56 513	58 508	61 726

The effect of the higher than anticipated wage agreements and the OSD for doctors is shown under those institutions which qualify for state salary increases.

The decrease in 2016/17 was due to once-off funding allocated in 2015/16 to the KZN Children's Hospital Trust for the development and refurbishment of the KZN Children's Hospital in eThekweni. The decrease in 2017/18 and the 2018/19 Main Appropriation is due to the ceasing of funding for St Mary's Hospital, as it was taken over as a provincial hospital during 2017/18 and funding is now from other categories, mainly *Compensation of employees* and *Goods and services*. Also contributing to the decrease in the 2018/19 Main Appropriation was the planned provincialisation of Siloah Hospital. However, there were some delays in this process, accounting for the increase in the 2018/19 Adjusted Appropriation and Revised Estimate. The further decrease in 2019/20 relates to the final provincialisation of the hospital.

Over the MTEF, the baseline growth is inflationary only. Note that the funds against *Earmarked for further negotiations* are funds awaiting recommendations upon receipt of requests for additional or new funding from the districts (for NGOs). These funds will be allocated as soon as the figures from the department's Committee for Grant Funding are received. The relatively low growth in 2020/21 relates to the expected provincialisation of the Mountain View TB Hospital in Vryheid. At this stage, no costs have been determined for the purchase of this hospital, and this will be addressed in-year.

7.8 Transfers to local government

Table 7.13 shows transfers to local government, per category of municipality. All transfers are made to a single grant, namely municipal clinics in the sub-programme: Community Health Clinics.

It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to Provinces and municipalities*, these funds are not transferred to any municipality, and hence are excluded from the table. Further details of amounts per grant type and municipality are given in *Annexure – Vote 7: Health*.

Table 7.13 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Category A	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Category B	-	-	-	-	-	-	-	-	-
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872

Although these funds are earmarked for transfer to municipalities, the transfer is dependent upon the provision of satisfactory services in line with SLAs signed by municipalities. The purpose of the transfer is to subsidise primary health care for services provided by local authorities/municipal clinics. Until the negotiations for the take-over of these clinics has been finalised, these funds will remain in this category.

The significant increase from 2015/16 to 2016/17 relates to the department's decision to provide additional funding to meet the health funding requirements of the clinics in the Metro including pressures in the treatment of HIV and AIDS, the extension of hours of services, as well as to cater for an increase in neonatal services. The increase in the 2017/18 relates to expenditure carried over from 2016/17 due to delays in the eThekweni municipal clinics' verification process.

Funding will continue to be provided over the MTEF for the eThekweni Metro only, as mentioned.

7.9 Transfers and subsidies

Table 7.14 gives a summary of spending on *Transfers and subsidies* by programme and main category. The various trends in each programme are explained after the table.

Table 7.14 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	5 689	17 443	5 893	7 705	7 205	7 063	8 137	8 585	9 057
Provinces and municipalities	2 525	2 903	3 167	3 695	3 195	3 077	3 902	4 117	4 343
Motor vehicle licences	2 525	2 903	3 167	3 695	3 195	3 077	3 902	4 117	4 343
Departmental agencies and accounts	-	-	-	1	1	1	1	1	1
SABC - TV licences	-	-	-	1	1	1	1	1	1
Foreign government and international org.	-	-	-	-	-	-	-	-	-
Foreign government gift exchange	-	-	-	-	-	-	-	-	-
Households	3 164	14 540	2 726	4 009	4 009	3 985	4 234	4 467	4 713
Staff exit costs	2 464	2 737	2 673	4 009	4 009	2 579	4 234	4 467	4 713
Other transfers to households	700	11 803	53	-	-	1 406	-	-	-
2. District Health Services	380 997	474 768	618 250	455 387	443 912	499 343	392 529	407 666	430 089
Provinces and municipalities	129 600	154 750	219 658	213 394	213 394	213 394	225 396	237 793	250 872
Motor vehicle licences	-	-	2	-	-	1	-	-	-
Municipal clinics	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Departmental agencies and accounts	48	107	151	45	29	84	47	49	51
SABC - TV licences	48	107	151	45	29	84	47	49	51
Non-profit institutions	165 147	171 372	113 929	49 701	48 762	47 553	51 034	52 865	55 773
Non-profit institutions	165 147	171 372	113 929	49 701	48 762	47 553	51 034	52 865	55 773
Households	86 202	148 539	284 512	192 247	181 727	238 311	116 052	116 959	123 393
Staff exit costs	68 242	58 781	54 915	67 247	56 727	52 784	71 052	74 959	79 083
Other transfers to households	17 960	89 758	229 597	125 000	125 000	185 527	45 000	42 000	44 310
3. Emergency Medical Services	3 465	3 779	4 699	5 311	5 289	4 453	5 609	5 918	6 243
Provinces and municipalities	1 205	2 001	2 834	2 645	2 645	2 245	2 793	2 947	3 109
Motor vehicle licences	1 205	2 001	2 834	2 645	2 645	2 245	2 793	2 947	3 109
Departmental agencies and accounts	2	2	-	2	2	-	2	2	2
SABC - TV licences	2	2	-	2	2	-	2	2	2
Households	2 258	1 776	1 865	2 664	2 642	2 208	2 814	2 969	3 132
Staff exit costs	1 733	1 358	1 566	1 683	1 661	1 662	1 778	1 876	1 979
Other transfers to households	525	418	299	981	981	546	1 036	1 093	1 153
4. Provincial Hospital Services	117 046	176 558	276 587	225 447	232 095	267 660	88 509	83 790	88 398
Provinces and municipalities	-	101	-	-	2	2	-	-	-
Motor vehicle licences	-	101	-	-	2	2	-	-	-
Departmental agencies and accounts	44	127	220	88	120	126	93	98	103
SABC - TV licences	44	127	220	88	120	126	93	98	103
Public corporations and private enterprises	10	-	-	-	-	-	-	-	-
Penalties	10	-	-	-	-	-	-	-	-
Non-profit institutions	28 255	32 557	27 467	5 169	16 464	16 464	5 479	5 643	5 953
Non-profit institutions	28 255	32 557	27 467	5 169	16 464	16 464	5 479	5 643	5 953
Households	88 737	143 773	248 900	220 190	215 509	251 068	82 937	78 049	82 342
Staff exit costs	36 488	31 259	37 492	31 190	26 509	29 291	32 937	34 749	36 660
Other transfers to households	52 249	112 514	211 408	189 000	189 000	221 777	50 000	43 300	45 682
5. Central Hospital Services	30 432	48 533	31 646	27 715	26 791	109 451	39 267	40 877	43 125
Departmental agencies and accounts	52	53	59	63	47	61	67	71	75
SABC - TV licences	52	53	59	63	47	61	67	71	75
Households	30 380	48 480	31 587	27 652	26 744	109 390	39 200	40 806	43 050
Staff exit costs	11 372	11 697	11 026	12 652	10 652	10 113	13 360	14 095	14 870
Other transfers to households	19 008	36 783	20 561	15 000	16 092	99 277	25 840	26 711	28 180
6. Health Sciences and Training	285 220	313 940	310 371	260 659	260 509	292 807	215 310	154 186	162 667
Provinces and municipalities	-	-	15	-	-	-	-	-	-
Motor vehicle licences	-	-	15	-	-	-	-	-	-
Departmental agencies and accounts	18 863	19 842	18 850	20 868	20 868	20 868	22 036	23 248	24 527
HWSETA	18 863	19 842	18 850	20 868	20 868	20 868	22 036	23 248	24 527
Households	266 357	294 098	291 506	239 791	239 641	271 939	193 274	130 938	138 140
Staff exit costs	3 632	2 135	4 972	2 234	2 084	2 951	2 358	2 488	2 625
Other transfers to households	262 725	291 963	286 534	237 557	237 557	268 988	190 916	128 450	135 515
7. Health Support Services	244	636	1 261	737	598	492	778	821	866
Households	244	636	1 261	737	598	492	778	821	866
Staff exit costs	244	636	1 261	737	598	492	778	821	866
8. Health Facilities Management	20 000	-	-	-	-	-	-	-	-
Non-profit institutions	20 000	-	-	-	-	-	-	-	-
KZN Children's Hospital Trust	20 000	-	-	-	-	-	-	-	-
Total	843 093	1 035 657	1 248 707	982 961	976 399	1 181 269	750 139	701 843	740 445

- In Programmes 1 to 5, the transfers against *Departmental agencies and accounts* relate to SABC TV licences.

- In all programmes (apart from Programme 6) the variable trend against *Households* relates largely to staff exit costs. In Programmes 2, 4 and 5, the variable trend is exacerbated by medico-legal claims, which are also erratic in nature. Some provision is made for these claims over the 2019/20 MTEF, but the provision is not adequate due to budget constraints and hence, there is negative growth in 2019/20, particularly against Programmes 2 and 4. The department cannot reprioritise further funds to medico-legal claims at this stage, due to other competing service delivery needs, and this will need to be reviewed in-year, with a possible favourable impact of the medico-legal unit.
- From 2017/18, all motor vehicle licences are centralised within Programmes 1 and 3, and historical data has been restated. The amounts in Programmes 2, 4 and 6 relate to once-off payments for public driving permits for drivers in those programmes.
- In Programme 2, the significant growth in *Provinces and municipalities* from 2015/16 to 2017/18 relates to the eThekweni Metro receiving additional funding to assist the municipal clinics in the treatment of HIV and AIDS. Growth over the MTEF caters for inflation only.
- In Programme 2, the reduction in *Non-profit institutions* in 2017/18 was due to the provincialisation of St. Mary's Hospital during the year, with the full effect of the reduction noted from 2018/19 onward. The growth is inflationary from 2019/20 onward.
- In Programme 4, the decrease against *Non-profit institutions* in the 2018/19 Main Appropriation is due to the provincialisation of St. Mary's and Siloah Hospitals. The increase in the 2018/19 Adjusted Appropriation is due to delays in finalising the provincialisation of the Siloah Hospital, with this full impact noted in the reduction in 2019/20. Growth from 2019/20 caters for inflation only.
- In Programme 6, *Departmental agencies and accounts* shows strong growth in 2016/17, which is ascribed to the HWSETA levy, which is in line with the growth in *Compensation of employees* for the department as a whole. In 2017/18, the low growth is due to the many vacant posts in the department and the growth over the 2019/20 MTEF is inflationary only.
- Also in Programme 6, the significant increase in *Households* in 2016/17 relates to the department's decision to implement intensive training programmes through bursaries to address the shortage of personnel in the health fields, including the Cuban Doctors' programme. The negative growth in 2017/18 is due to once-off payments made in 2016/17, being a carry-over from 2015/16. The budget over the 2019/20 MTEF reduces as students graduate and return to South Africa for their internship programme, and is reprioritised to *Compensation of employees* in the Training Other sub-programme within Programme 6.
- In Programme 8, the department transferred funds in 2015/16 to the KZN Childrens' Hospital Trust for the development and refurbishment of the KZN Children's Hospital in the eThekweni Metro. There is no funding over the MTEF and the contract is finalised.

8. Programme description

The services rendered by this department are categorised under eight programmes, further details of which are discussed below. The department largely conforms to the uniform budget structure for the Health sector. The information for each programme is given in terms of sub-programmes and economic classification, with details of economic classification given in *Annexure – Vote 7: Health*.

8.1 Programme 1: Administration

Programme 1's objectives are the provision of overall strategic leadership, co-ordination and management of activities toward the achievement of optimal health status of all communities in the province, as well as the administration of the department in line with good governance practice. The programme also includes the formulation of policies and strategies in line with national and provincial priorities, and houses the Human Resources Capacitation grant until its correct placement is determined. Tables 7.15 and 7.16 summarise information for the period 2015/16 to 2021/22. It is the department's policy to keep the allocation of this programme to a maximum of two per cent of total budget, which has been achieved over the past four years and will be maintained over the 2019/20 MTEF.

Table 7.15 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Office of the MEC	18 455	18 990	20 732	23 285	22 385	22 385	22 890	24 551	25 873
2. Management	828 167	826 684	815 923	787 922	788 822	788 822	910 471	961 355	1 015 404
Total	846 622	845 674	836 655	811 207	811 207	811 207	933 361	985 906	1 041 277
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 607)	(107 608)	-	-	-	-	-	-
Baseline available for spending after 1st charge	739 015	738 067	729 047	811 207	811 207	811 207	933 361	985 906	1 041 277

Table 7.16 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	722 304	683 440	695 727	764 167	755 086	756 422	904 590	946 790	1 000 010
Compensation of employees	326 812	365 803	379 229	419 446	411 819	415 781	561 999	604 057	638 428
Goods and services	395 388	316 817	316 347	344 721	343 245	340 504	342 591	342 733	361 582
Interest and rent on land	104	820	151	-	22	137	-	-	-
Transfers and subsidies to:	5 689	17 443	5 893	7 705	7 205	7 063	8 137	8 585	9 057
Provinces and municipalities	2 525	2 903	3 167	3 695	3 195	3 077	3 902	4 117	4 343
Departmental agencies and accounts	-	-	-	1	1	1	1	1	1
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 164	14 540	2 726	4 009	4 009	3 985	4 234	4 467	4 713
Payments for capital assets	11 021	257	26 683	39 335	48 916	47 722	20 634	30 531	32 210
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 021	257	26 683	39 335	48 916	47 722	20 634	30 531	32 210
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	107 608	144 534	108 352	-	-	-	-	-	-
Total	846 622	845 674	836 655	811 207	811 207	811 207	933 361	985 906	1 041 277
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 607)	(107 608)	-	-	-	-	-	-
Baseline available for spending after 1st charge	739 015	738 067	729 047	811 207	811 207	811 207	933 361	985 906	1 041 277

The purpose of the sub-programme: Office of the MEC is to render advisory, secretarial and office support services, as well as secretarial support, administrative, public relations/ communication and parliamentary support. The low growth in 2019/20 is due to the previously mentioned budget cut for public office bearers. Growth over the remainder of the 2019/20 MTEF is for inflationary purposes only.

The sub-programme: Management is responsible for policy formulation, overall management and administrative support of the department and the respective regions and institutions in the department and includes human resources, finance, supply chain management, legal services, etc. The instalments of the first charge relating to unauthorised expenditure in terms of the adoption of the resolutions of SCOPA by the Legislature on 9 December 2014 was implemented in 2015/16. A final instalment of R107.608 million was paid in 2017/18, hence the decline in 2018/19. The high growth in 2019/20 is due to the commencement of the new Human Resources Capacitation grant, allocated to this programme until it is determined in which programmes the posts to be filled will be placed. Also contributing to the high growth is once-off funding for the PPP feasibility study, as mentioned. Growth in the outer two years of the MTEF is for inflationary purposes only.

The increase in *Compensation of employees* in 2016/17 relates to the higher than anticipated uptake in the housing allowance (carry-through costs from the 2015 wage agreement) and pay progression. The low growth in 2017/18 was as a result of vacant non-OSD posts, which could not be filled due to no carry-through funding in the outer years. After discounting the new Human Resources Capacitation grant funding, the 2019/20 MTEF growth provides for inflationary adjustments only which implies that no vacancies may be filled at this stage, unless the department undertakes further reprioritisation. The high growth in 2019/20 is due to the commencement of the new Human Resources Capacitation grant, as mentioned. Note that this funding will not be utilised for any appointments in Programme 1, but is earmarked for critical medical staff vacancies.

The high growth in *Goods and services* in the 2018/19 Main Appropriation was due to once-off funding allocated in terms of the Treasury/Health assistance plan, hence the slightly low growth in 2019/20. The department has reprioritised once-off funding in 2019/20 for the PPP feasibility study to determine the way forward once the current contract expires at the end of 2019/20, hence the negative growth in 2020/21. Growth in the outer year is for inflationary purposes only.

The expenditure against *Interest and rent on land* relates to interest paid on over-due accounts.

Transfers and subsidies to: Provinces and municipalities provides for motor vehicle licences for the entire department, excluding Programme 3.

Transfers and subsidies to: Departmental agencies and accounts relates to payments for TV licences.

Transfers and subsidies to: Households is due to staff exit costs.

The reduction in *Machinery and equipment* in 2016/17 pertains to funding originally allocated for equipment related to the development of a video conferencing facility intended to reduce travelling costs, which was delayed due to lengthy SCM processes and these funds were thus moved elsewhere. The increase in the 2018/19 Adjusted Appropriation is to make provision for 2017/18 carry-over costs for IT equipment, (mainly file servers), accounting for the negative growth in 2019/20. The significant increase in 2020/21 relates to planned IT equipment replacement costs across all programmes, including PCs, servers and hubs.

Payments for financial assets provides mainly for the first charge, as well as write-off of thefts and losses.

Service delivery measures: Administration

Table 7.17 illustrates the main service delivery measures relating to Programme 1. The performance indicators provided comply fully with the customised measures for the Health sector. Note that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.17 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
To conduct the strategic management and overall administration of DOH	• Audit opinion from the A-G	Unqualified	Unqualified	Unqualified	Unqualified
	• Percentage of hospitals with broadband access	60.3%	92.9%	92.9%	92.9%
	• Percentage of fixed PHC facilities with broadband access	23.7%	50.2%	50.2%	50.2%

8.2 Programme 2: District Health Services

The purpose of Programme 2: District Health Services is to render primary health care services and district hospital services. This programme comprises nine sub-programmes, which are used to facilitate identification of the different functions. The main aims of these sub-programmes are:

- To render primary health care services with a nurse-driven service at clinic level, including visiting points, mobile and local authority clinics.
- To provide service planning, administration of services, managing personnel and financial administration and the co-ordination and monitoring of district health services.
- To render primary health care services in respect of maternal child and women's health, geriatrics, occupational therapy, physiotherapy, psychiatry, speech therapy, communicable diseases, oral and dental health, mental health, rehabilitation and disability and chronic health.
- To render primary health care services at non-health facilities in respect of home-based care, abuse victims, mental and chronic care, school health.
- To render primary health care services related to the comprehensive management of HIV, AIDS and TB campaigns and special projects.

- To provide services directed at providing nutrition for the malnourished members of the population.
- To render forensic pathology services and medico-legal services.
- To render hospital services at general practitioner level.

Tables 7.18 and 7.19 summarise payments and estimates for Programme 2. The significant allocation in this programme supports the policy of providing access to the less expensive, but most important level of health care. The programme provides for the commissioning of new clinics and community health centres, comprehensive management of HIV and AIDS and related diseases, especially TB, etc.

Table 7.18 : Summary of payments and estimates by sub-programme: District Health Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. District Management	249 161	291 190	302 062	304 880	302 951	295 603	330 183	355 200	374 738
2. Community Health Clinics	3 501 113	3 915 857	4 020 491	4 324 275	4 365 184	4 407 920	4 655 651	4 971 528	5 244 962
3. Community Health Centres	1 365 808	1 500 268	1 625 352	1 784 568	1 788 642	1 768 533	1 920 597	2 052 921	2 165 833
4. Community Based Services	160 420	215 486	306 225	419 637	422 467	411 691	443 901	451 242	473 301
5. Other Community Services	959 940	997 211	1 071 475	1 168 674	1 200 668	1 200 728	1 280 915	1 380 686	1 456 624
6. HIV and AIDS	3 813 719	4 499 037	5 018 680	5 677 225	5 677 225	5 677 225	5 840 628	6 470 140	7 300 479
7. Nutrition	43 820	44 940	41 940	51 569	47 114	44 647	59 739	63 023	66 489
8. Coroner Services	172 140	180 085	221 828	246 794	246 704	227 595	265 208	285 150	300 833
9. District Hospitals	6 146 572	6 503 837	7 124 263	6 848 092	6 868 544	6 975 118	7 640 117	8 266 130	8 720 766
Total	16 412 693	18 147 911	19 732 316	20 825 714	20 919 499	21 009 060	22 436 939	24 296 020	26 104 025

Table 7.19 : Summary of payments and estimates by sub-programme: District Health Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	15 976 484	17 605 153	18 890 919	20 118 237	20 249 892	20 308 259	21 787 483	23 627 399	25 398 627
Compensation of employees	10 761 959	11 533 363	12 229 725	12 396 711	13 113 799	13 036 088	14 499 544	15 725 163	16 590 046
Goods and services	5 213 658	6 070 884	6 660 677	7 721 133	7 133 945	7 269 985	7 287 524	7 901 798	8 808 119
Interest and rent on land	867	906	517	393	2 148	2 186	415	438	462
Transfers and subsidies to:	380 997	474 768	618 250	455 387	443 912	499 343	392 529	407 666	430 089
Provinces and municipalities	129 600	154 750	219 658	213 394	213 394	213 395	225 396	237 793	250 872
Departmental agencies and accounts	48	107	151	45	29	84	47	49	51
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	165 147	171 372	113 929	49 701	48 762	47 553	51 034	52 865	55 773
Households	86 202	148 539	284 512	192 247	181 727	238 311	116 052	116 959	123 393
Payments for capital assets	55 183	67 960	223 128	252 090	225 650	201 413	256 927	260 955	275 309
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	55 183	67 960	223 128	252 090	225 650	201 413	256 927	260 955	275 309
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	29	30	19	-	45	45	-	-	-
Total	16 412 693	18 147 911	19 732 316	20 825 714	20 919 499	21 009 060	22 436 939	24 296 020	26 104 025

The increases over the seven-year period relate to the higher than anticipated wage agreements and carry-through costs of the various OSDs for medical personnel and other categories of staff. Also contributing was additional funding provided for inflationary increases in medical supplies and services, improving infant and child mortality rates, as well as substantial increases in HIV and AIDS funding each year. Note that the trends in this programme are also impacted by the reclassification of the Mahatma Gandhi Memorial Hospital from a regional hospital (Programme 4) to a district hospital. The historical figures have been restated for comparative purposes, but the 2018/19 figures remain unchanged.

The sub-programme: District Management provides for the planning and administration of health services, the management of personnel and financial administration, the co-ordination and management of Day Hospital Organisations and Community Health Services rendered by local authorities and NGOs within the eThekweni Metro, as well as the determining of working methods and procedures and exercising district control. The increase in 2016/17 was attributed to a roll-over from 2015/16 against the NHI grant. The high growth in 2019/20 relates to the planned filling of posts (mainly programme managers and support staff). However, there is insufficient carry-through funding in 2021/22 for these posts, and this will be addressed in the next budget process.

The Community Health Clinics sub-programme renders a nurse-driven primary health care service at clinic level including visiting points, mobile and local authority clinics. The strong growth in 2016/17 relates to the previously mentioned higher than anticipated wage agreements and carry-through costs of the various OSDs for medical personnel and other categories of staff. Also, additional funding was allocated in 2016/17 to address pressures on imported medicines and medical supplies resulting from the deterioration of the Rand/Dollar exchange rate. The lower growth in 2017/18 is attributable to the reversal on the medicine levy over-charged by PPSD on the supply and distribution of medicine to facilities. The lower growth in 2019/20 is because of the anticipated savings from NHLS electronic gate-keeping, once-off replacement of mobile clinics and other critical medical equipment in 2018/19, as well as the increased cost of security services contracts, which is not fully funded at this stage, and this will be reviewed in-year. Growth over the remainder of the 2019/20 MTEF is inflationary only.

The Community Health Centres sub-programme provides primary health services with full-time medical officers in respect of mother and child, health promotion, geriatrics, occupational therapy, physiotherapy, and psychiatry. The high growth from 2016/17 to 2017/18 is due to the NHLS fee-for-service payment method and the progressive commissioning of the Dannhauser and Jozini Community Health Centres. The relatively high growth in 2019/20 is for the commissioning of the Jozini Community Health Centre. Growth over the remainder of the 2019/20 MTEF provides for inflationary adjustments only.

The sub-programme: Community Based Services renders a community-based health service at non-health facilities in respect of home-based care, abuse victims, mental and chronic care, school health, etc. The significant increases from 2016/17 and 2018/19 relate to the chronic medication pilot project that was added to this sub-programme, whereby patients on chronic medication collected their medication at designated community drop-off points. Expenditure for such medicine is thus reflected under this sub-programme going forward. There was acceleration in the enrolment of patients under this programme and the correct linking of PHC outreach teams and School Health Services teams to this sub-programme in line with the nature of services provided by these teams, which also contributes to the increase in 2016/17 and 2017/18. There is significant growth in 2018/19 despite the decrease in the Social Sector EPWP Integrated Grant for Provinces, from R47.058 million in 2017/18 to R24.182 million in 2018/19. This growth is attributable to the introduction of the HPV Vaccine grant as a direct grant to provinces in 2018/19, with R44.976 million allocated for the provision of the HPV vaccine, which was previously funded by NDOH as an indirect grant to provinces. The high growth in 2019/20 is largely ascribed to an increase in courier costs for expanding the CCMDD programme funded *via* reprioritisation within the programme. The growth over the remainder of the MTEF provides for inflationary increases only.

The sub-programme: Other Community Services renders environmental and part-time district surgeon services, etc. The increase in 2018/19 and over the 2019/20 MTEF is largely attributed to the increased intake of community service doctors including the placement of the returning doctors from the Cuban Doctors' programme once they commence the community service aspect of their training. The department has received additional funding in 2021/22 for the costs of absorbing the students returning from Cuba, and this has been placed in Programme 6 at this stage, and will be reviewed in future budget processes.

The HIV and AIDS sub-programme provides a PHC service in respect of HIV and AIDS campaigns and special projects, and growth rates are mainly due to increases in the HIV, TB, Malaria and Community Outreach grant to cater for increased uptake of patients on ARV therapy. The strong growth over the entire period aligns with the growth in the HIV, TB, Malaria and Community Outreach grant to fund the increase in patient numbers and the targets over the period. The increase in 2017/18 was due to pressures brought about by the implementation of the UTT programme, as well as the withdrawal of the supply of donor medicines. The increase in 2018/19 is for the continued expansion of the ARV programme, HIV prevention and to cater for TB screening and treatment in line with the grant's extended TB focus. Growth in 2019/20 is low due to the previously mentioned cuts to the HIV, TB, Malaria and Community Outreach grant, with higher growth in the outer years resulting from additional funding allocated in the 2018/19 MTEF (2020/21) and the 2019/20 MTEF (2021/22) processes.

The sub-programme: Nutrition provides nutrition services aimed at specific target groups such as malnourished children, and combines nutrition specific and nutrition sensitive interventions to address malnutrition. The minimal growth in 2016/17 and the negative growth in 2017/18 was due to enforced

savings reprioritised to other pressures, in an effort to remain within budget. The increase in 2018/19 and 2019/20 is attributed to the need to address the backlogs created by the enforced savings, due to the population's vulnerability to malnutrition, taking into account the recent drought and increasing food prices. Growth in the two outer years of the MTEF is inflationary only.

The sub-programme: Coroner Services provides forensic and medico-legal services to establish the circumstances and causes of unnatural death. Funding is provided in 2017/18 and over the MTEF for the replacement of two specialist posts resulting from the high attrition rate experienced in previous years, as well as the implementation of DPSA dispensation raising overtime limits in 2019/20, which the department has addressed through reprioritisation. Growth in 2019/20 is high due to projected under-spending in the 2018/19 Revised Estimate largely related to vacant posts.

The sub-programme: District Hospitals provides hospital services at general practitioner level. The slightly low growth in 2016/17 was due to accruals of NHLS expenditure to 2017/18 due to cash blocking, resulting in higher growth in 2017/18, exacerbated by higher medico-legal claims and NHLS fee-for-service payments. The projected over-expenditure in the 2018/19 Revised Estimate is attributable to higher than expected costs of new security services contracts, higher than budgeted for laboratory services costs and medico-legal claims. The high growth in 2019/20 is largely ascribed to the reclassification of the Mahatma Gandhi Memorial Hospital from a regional hospital (Programme 4) to a district hospital. The historical figures have been restated for comparative purposes, but the 2018/19 figures remain unchanged. This sub-programme shows steady growth over the 2019/20 MTEF in order to sustain the current services.

The high growth in *Compensation of employees* in the 2018/19 Adjusted Appropriation and Revised Estimate is due to compliance with an instruction from NDOH during the annual benchmark exercise to address under-funding of filled posts within the HIV, TB, Malaria and Community Outreach grant, as well as the pressures resulting from the implementation of the stipend increase agreement to comply with minimum wage requirements for CCGs under the grant. This funding was moved from *Goods and services* (medicines), with carry-through over the 2019/20 MTEF. Growth over the remainder of the 2019/20 MTEF makes provision for inflation only, with growth in 2021/22 insufficient for the existing staff, which will be addressed in the next budget process.

The high growth in *Goods and services* from 2015/16 to 2018/19 is attributable to the change in the NHLS payment method from a flat-fee to a fee-for-service payment method, implementation of the UTT method, as well as the effect of the deterioration of the Rand/Dollar exchange rate on imported medicines and medical supplies. The slow growth in 2019/20 is due to anticipated savings from the NHLS electronic gate-keeping whereby the ordering of laboratory tests will be closely monitored, as well as the under-funded increase in the new security services contract, which will be reviewed in-year. Growth in 2019/20 is also low due to the cuts to the HIV, TB, Malaria and Community Outreach grant, with higher growth in the outer years. As mentioned, any pressures against medicines will be addressed *via* donor drugs.

The growth in *Transfers and subsidies to: Provinces and municipalities* over the entire period is an effort to strengthen PHC services provided by eThekweni municipal clinics, especially the strengthening of the comprehensive HIV, AIDS and TB programme at clinic level.

Transfers and subsidies to: Departmental agencies and accounts relates to payments for TV licences.

Transfers and subsidies to: Non-profit institutions provides subsidies to entities that render PHC services. The negative growth in 2017/18 and 2018/19 is attributable to the provincialisation of St Mary's Hospital to be a departmental facility. The outer years of the 2019/20 MTEF provide for inflationary increases only.

Transfers and subsidies to: Households relates to staff exit costs and medico-legal claims. The negative growth in the 2018/19 Main Appropriation is attributed to the department not being in a position to reprioritise additional funding to these costs due to other competing service delivery needs. This is evident in the projected over-spending in the Revised Estimate. The MTEF allocations provide for staff exit costs, and a reduced amount for medico-legal claims, due to pressures elsewhere in the budget, as well as anticipation that the medico-legal unit will identify strategies to reduce costs, including strengthening clinical governance at facilities and the adoption of mediation as an alternative dispute resolution strategy.

The increase against *Machinery and equipment* in 2016/17 was a result of the decision to defer the procurement process of some machinery and equipment from 2015/16 to 2016/17 in order to reduce over-spending in 2015/16. The significant growth in 2017/18 is based on the decision to decentralise the HTS related medical equipment budget to facilities. The amounts also provide for the replacement of essential non-medical equipment to meet health and safety requirements, such as medical and patient trolleys, hospital beds, etc. The projected under-spending in the 2018/19 Revised Estimate is due to delays in the placement of orders for the acquisition of pool and mobile clinics replacement vehicles, accounting for the strong growth in 2019/20, and lower growth in 2020/21. The outer year shows inflationary growth only. Also contributing to the high growth is an increase in the baseline for *Machinery and equipment* (mainly ventilators, X-ray machines and anaesthetic machines) to address continual under-funding in this regard.

Service delivery measures: District Health Services

Table 7.20 illustrates the main service delivery measures of Programme 2. Note that the table fully aligns to the sector measures and the draft APP for 2018/19. Note also that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.20 : Service delivery measures: District Health Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. District Health Services					
To provide facilities for patients to be treated at PHC level	• Ideal clinic status rate	n/a	80%	80%	80%
	• PHC utilisation rate - total	2.5	2.5	2.5	2.5
	• Complaint resolution within 25 working days rate (PHC)	96%	96%	96.5%	96.5%
2. District Hospitals					
Rendering hospital service at general practitioner level	• Average length of stay – total	5.4 days	5.5 days	5.5 days	5.5 days
	• Inpatient bed utilisation rate – total	60.2%	62.7%	65.3%	65.3%
	• Expenditure per patient day equivalent	R2 636	R2 781	R3 125	R3 200
	• Complaint resolution within 25 working days rate	89.9%	95%	96%	97%
3. HIV and AIDS, TB and STI control					
Rendering primary health care service in respect of HIV and AIDS, TB and STI control	• ART client remain on ART end of month – total	1 321 307	1 578 737	1 657 674	1 740 558
	• TB / HIV co-infected clients on ART rate	87.8%	95%	95%	95%
	• HIV test done – total	3 060 800	3 074 435	3 314 424	3 334 424
	• Male condoms distributed	116 121 250	170 755 053	206 757 450	220 917 212
	• Medical male circumcision – total	140 000	148 209	148 210	156 281
		1 125 126 cum	1 273 335 cum	1 421 545 cum	1 577 826 cum
	• TB client 5-years and older start on treatment rate	90%	92%	94%	94%
	• TB client treatment success rate	74.9%	87%	89%	92%
	• TB client lost to follow up rate	5.7 %	5%	5%	5%
	• TB client death rate	5%	5%	5%	5%
	• TB MDR treatment success rate	60%	60%	65%	65%
	4. Maternal, child and women's health				
Rendering a comprehensive and integrated maternal, child and women health at primary health care level	• Antenatal 1 st visit before 20 weeks rate	73.3%	75%	75%	75%
	• Mother postnatal visit within 6 days rate	77.5%	81%	81%	81%
	• Antenatal client start on ART rate	94.7%	97%	97%	97%
	• Infant 1 st Polymerase Chain Reaction test positive around 10 weeks rate	0.6%	0.6%	0.6%	0.6%
	• Immunisation under 1 year coverage	81%	82%	85%	86%
	• Measles 2 nd dose coverage	78.9%	82%	85%	85%
	• Diarrhoea case fatality under 5 years rate	2%	2%	2%	2%
	• Pneumonia case fatality under 5 years rate	2.7%	2.4%	2.2%	2.1%
	• Severe acute malnutrition case fatality under 5 years rate	6%	6%	5.8%	5.5%
	• School Grade 1 learners screened	58 000	60 147	60 147	60 147
	• School Grade 8 learners screened	29 000	31 473	31 473	31 473
	• Delivery in 10 to 19 years in facility rate	22%	21%	20%	19%
	• Couple year protection rate (international)	50%	56%	56%	75%
	• Cervical cancer screening coverage 30 years and older	80%	84%	85%	85%
	• HPV vaccine 1 st dose	n/a	60 000	60 000	60 000

Table 7.20 : Service delivery measures: District Health Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
	<ul style="list-style-type: none"> HPV vaccine 2nd dose Vitamin A 12-59 months coverage Maternal mortality in facility ratio Neonatal death in facility rate 	n/a	60 000	60 000	60 000
		69%	70%	73%	74%
		100/100 000	95/100 000	90/100 000	90/100 000
		12/1 000	11.3/1 000	11.3/1 000	11.1/1 000
5. Disease prevention and control					
Rendering preventive and promotive health services	<ul style="list-style-type: none"> Cataract surgery performed Malaria case fatality rate 	9 500	9 700	9 900	9 999
		0.86%	0.5%	0.47%	0.3%

8.3 Programme 3: Emergency Medical Services

The purpose of Programme 3: Emergency Medical Services is to render pre-hospital emergency medical services, including inter-hospital transfers and planned patient transport. Poverty and topography are major cost drivers for both the Emergency Transport and Planned Patient Transport sub-programmes. Tables 7.21 and 7.22 summarise payments and budgeted estimates pertaining to Programme 3.

Table 7.21 : Summary of payments and estimates by sub-programme: Emergency Medical Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Emergency Services	1 106 737	1 114 738	1 251 736	1 299 438	1 333 438	1 331 919	1 457 574	1 555 244	1 640 781
2. Planned Patient Transport	67 669	94 525	125 841	116 248	141 248	142 767	173 584	151 310	159 630
Total	1 174 406	1 209 263	1 377 577	1 415 686	1 474 686	1 474 686	1 631 158	1 706 554	1 800 411

Table 7.22 : Summary of payments and estimates by sub-programme: Emergency Medical Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	1 133 984	1 189 528	1 325 342	1 329 375	1 399 397	1 402 065	1 529 356	1 599 152	1 687 103
Compensation of employees	822 311	866 530	950 621	962 392	983 239	977 511	1 157 276	1 248 808	1 317 492
Goods and services	311 638	322 937	374 715	366 983	416 092	424 488	372 080	350 344	369 611
Interest and rent on land	35	61	6	-	66	66	-	-	-
Transfers and subsidies to:	3 465	3 779	4 699	5 311	5 289	4 453	5 609	5 918	6 243
Provinces and municipalities	1 205	2 001	2 834	2 645	2 645	2 245	2 793	2 947	3 109
Departmental agencies and accounts	2	2	-	2	2	-	2	2	2
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 258	1 776	1 865	2 664	2 642	2 208	2 814	2 969	3 132
Payments for capital assets	36 957	15 956	47 536	81 000	70 000	68 168	96 193	101 484	107 065
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	36 957	15 956	47 536	81 000	70 000	68 168	96 193	101 484	107 065
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 174 406	1 209 263	1 377 577	1 415 686	1 474 686	1 474 686	1 631 158	1 706 554	1 800 411

The sub-programme: Emergency Services provides for all emergency medical services including ambulance services, special operations, communication and air ambulance services. The higher growth in 2017/18 relates to higher overtime payments to paramedic staff and the maintenance and repairs of ambulances. This accounts for the lower growth in the 2018/19 Main Appropriation. The increase in the 2018/19 Adjusted Appropriation is due to reprioritisation from Programme 4 to address overtime pressures for EMS staff, as well as higher than expected fleet maintenance costs. The overtime payment system is under review and costs are expected to be lower going forward. The growth in 2019/20 is high due to the planned appointment of approximately 150 emergency services staff, to address critical shortages of paramedic staff. The growth over the remainder of the 2019/20 MTEF is inflationary only.

The Planned Patient Transport sub-programme provides planned patient transport, including Local Outpatient Transport (within the boundaries of a given town or local area) and Inter-City/Town Outpatient Transport (into referral centres). The significant growth in 2016/17 and 2017/18 related to higher overtime costs and fuel and vehicle maintenance costs. The lower growth in the 2018/19 Main Appropriation is attributed to targeted savings to be realised from stringent maintenance and repairs control measures to be implemented. However, the 2018/19 Adjusted Appropriation was increased through reprioritisation from Programme 4 to address higher than expected fleet maintenance costs. All vehicle repairs are now centralised and approved by the acting CFO in an effort to control and reduce expenditure relating to fuel consumption, usage of tyres, maintenance of vehicles, as well as to conduct fleet inspections, especially related to mileage and vehicle utilisation. Growth is high in 2019/20 due to planned replacement of staff. The negative growth in 2020/21 relates to the anticipated decrease in fleet service costs related to the acquisition of new vehicles. The growth in the outer year is for inflationary purposes only.

The increase in the 2018/19 Adjusted Appropriation and projected over-spending in *Compensation of employees* in the Revised Estimate relates to overtime payments to paramedic staff and the correct linking of staff. The high growth in 2019/20 relates to the provision for additional staff, as mentioned. However, the carry-through costs are not fully covered in the outer year of the MTEF, and this will be addressed in the next budget process.

The main cost drivers under *Goods and services* are fuel and repairs to emergency vehicles, the latter being related to the rough terrain in rural areas. The increase in the 2018/19 Adjusted Appropriation and Revised Estimate was due to pressures resulting from higher than expected vehicle repair costs. The negative growth in 2019/20 and 2020/21, with inflationary growth in the outer year, is attributed to targeted savings to be realised from the recapitalisation of ambulance fleet, as well as the stringent maintenance and repair control measures to be implemented.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licences and is driven by the size of the fleet of EMS vehicles in each year, with ambulances being procured and the old fleet being disposed of, and registration and licensing costs thereof thus vary accordingly.

Transfers and subsidies to: Households relates to staff exit costs.

Regarding *Machinery and equipment*, the negative growth in 2016/17 was part of the departmental cost-containment plan to remain within budget, with the procurement of EMS vehicles put on hold in 2016/17, hence the significant increase in 2017/18. The drive to replace redundant ambulances continues in 2018/19 and over the 2019/20 MTEF, hence the steady growth. There was a decrease in the 2018/19 Adjusted Appropriation due to delays in procuring planned patient transport vehicles. This accounts for the increase in 2019/20, when delivery of these vehicles is anticipated, exacerbated by the continued drive to increase the ambulance fleet. The growth in the outer two years is for inflationary purposes only.

The expenditure against *Payments for financial assets* relates to the write-off of various losses.

Service delivery measures: Emergency Medical Services

Table 7.23 illustrates the main service delivery measures pertaining to Programme 3. The performance indicators provided comply fully with the customised measures for the Health sector. Note that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.23 : Service delivery measures: Emergency Medical Services

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
1. Emergency Medical Services					
Rendering emergency medical services including ambulance services, special operations, communications and air ambulance services	• EMS P1 urban response under 15 minutes rate	24%	26%	26%	26%
	• EMS P1 rural response under 40 minutes rate	35%	36%	37%	37%
	• EMS inter-facility transfer rate	39%	39%	42%	45%

8.4 Programme 4: Provincial Hospital Services

The purpose of this programme is the delivery of hospital services which are accessible, appropriate and effective and the provision of general specialist services including a specialised rehabilitation service, and a platform for training health professionals and research. Programme 4 comprises five sub-programmes, with the following main objectives:

- To render regional hospital services at a general specialist level and a platform for training of health workers and research.
- To render hospital services for TB, including multi-drug resistant TB.
- To render specialist psychiatric hospital services for people with mental illness and intellectual disability and providing a platform for training of health workers and research.
- To provide medium to long-term care to patients who require rehabilitation and/or a minimum degree of active medical care but cannot be sent home.
- To render an affordable and comprehensive oral health service, based on primary health care.

Tables 7.24 and 7.25 summarise payments and estimates relating to Programme 4.

Table 7.24 : Summary of payments and estimates by sub-programme: Provincial Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. General (Regional) Hospitals	6 907 179	7 398 709	8 074 917	9 028 560	8 938 383	9 077 739	9 060 320	9 696 842	10 230 173
2. Tuberculosis Hospitals	734 142	776 902	789 489	832 736	791 044	735 927	781 855	830 983	876 688
3. Psychiatric-Mental Hospitals	788 178	825 338	865 678	929 156	943 154	939 538	998 539	1 079 095	1 138 447
4. Sub-acute, Step-down and Chronic Medical Hospitals	361 110	378 575	383 621	418 476	418 476	409 232	464 941	483 751	510 356
5. Dental Training Hospital	18 958	19 451	19 966	23 490	20 490	22 885	24 749	26 687	28 154
Total	8 809 567	9 398 975	10 133 671	11 232 418	11 111 547	11 185 321	11 330 404	12 117 358	12 783 818

Table 7.25 : Summary of payments and estimates by sub-programme: Provincial Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	8 659 741	9 214 411	9 745 629	10 889 835	10 742 291	10 799 422	10 990 623	11 793 471	12 442 119
Compensation of employees	6 704 543	7 138 270	7 405 857	8 417 039	8 207 802	8 193 043	8 436 011	9 192 379	9 697 969
Goods and services	1 954 788	2 075 849	2 337 152	2 472 792	2 532 595	2 604 428	2 554 608	2 601 088	2 744 146
Interest and rent on land	410	292	2 620	4	1 894	1 951	4	4	4
Transfers and subsidies to:	117 046	176 558	276 587	225 447	232 095	267 660	88 509	83 790	88 398
Provinces and municipalities	-	101	-	-	2	2	-	-	-
Departmental agencies and accounts	44	127	220	88	120	126	93	98	103
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	10	-	-	-	-	-	-	-	-
Non-profit institutions	28 255	32 557	27 467	5 169	16 464	16 464	5 479	5 643	5 953
Households	88 737	143 773	248 900	220 190	215 509	251 068	82 937	78 049	82 342
Payments for capital assets	30 361	8 006	111 480	117 136	137 161	118 239	251 272	240 097	253 301
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	30 361	8 006	111 480	117 136	137 161	118 239	251 272	240 097	253 301
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	2 419	-	(25)	-	-	-	-	-	-
Total	8 809 567	9 398 975	10 133 671	11 232 418	11 111 547	11 185 321	11 330 404	12 117 358	12 783 818

The growth in Programme 4 over the seven-year period relates to the various wage agreements, the OSD for medical personnel, high inflation rates on medical supplies and services, as well as NHLS costs. Further contributing factors include the carry-through costs of the MDR/XDR TB facilities opened in the Greytown, Murchison and Thulasizwe Hospitals. Note that the trends are impacted by the reclassification of the Mahatma Gandhi Memorial Hospital from a regional hospital to a district hospital (Programme 2). The historical figures were restated for comparative purposes, but the 2018/19 figures remain unchanged.

The General (Regional) Hospitals sub-programme provides hospital services at a general specialist level and a platform for training of health workers and research. The increase in 2017/18 mainly related to NHLS accruals from 2016/17, medico-legal claims, the once-off settlement of the Joint Health

Establishment payment, as well as the decentralisation of the HTS related medical equipment budget from Programme 8 to facility level. The high growth in 2018/19 is due to the reclassification of the Mahatma Gandhi Memorial Hospital, as mentioned. The historical figures have been restated, but, as this movement took place in 2018/19, the 2018/19 figures are not restated. This also partly accounts for the negative growth in 2019/20. The reduction in the 2018/19 Adjusted Appropriation relates primarily to funding temporarily allocated to this sub-programme awaiting budget cuts, but these did not materialise, and funds were reprioritised to other programmes. The projected over-spending in the Revised Estimate is due to pressures in NHLS payments due to savings from gate-keeping not materialising as expected, as well as higher than expected medico-legal claims. The negative growth in 2019/20 is due to the reduced NHLS budget, in line with the anticipated savings from the previously mentioned electronic gate-keeping, the under-funded increase in security services contracts (to be reviewed in-year), as well as the reduced medicine budget as more patients on chronic medication are to be enrolled under the CCMDD programme. The growth in the outer years is inflationary only. It is noted that the commissioning of PKISMH has not been provided for, and this will be addressed in-year.

The Tuberculosis Hospitals sub-programme provides for specialised care of patients with TB, including MDR and XDR TB. The low growth in 2016/17 was mainly attributed to the decommissioning of the state aided FOSA (SANTA) Hospital in Durban in 2015/16, due to it not being financially viable. The low growth in 2017/18, the reduction in the 2018/19 Adjusted Appropriation and under-spending in the Revised Estimate is attributable to the ongoing hospital rationalisation process, as well as the incorporation of the TB component in the HIV, TB, Malaria and Community Outreach grant in Programme 2. Growth over the 2019/20 MTEF is for inflationary purposes only. No further rationalisation is expected at this stage.

The sub-programme: Psychiatric-Mental Hospitals renders a specialist psychiatric hospital service for people with mental illnesses and intellectual disability. The low growth in 2016/17 was mainly due to NHLS and medicine payments deferred to 2017/18, in an effort to remain within the budget. The increase in the 2018/19 Adjusted Appropriation relates to higher than expected costs for security and cleaning services. The high growth in 2020/21 relates to a provision for an anticipated medico-legal claim. The outer year growth is for inflationary purposes only.

The sub-programme: Sub-acute, Step-down and Chronic Medical Hospitals provides medium- to long-term care to patients who require rehabilitation and/or a minimum degree of active medical care but cannot be sent home. These patients are often unable to access ambulatory care at departmental services or their socio-economic or family circumstances do not allow for them to be cared for at home. The slow growth in 2016/17 was mainly due to the Gateway Clinic (part of Clairwood Hospital) being moved to Programme 2, but historical figures were not restated. The low growth in 2017/18 relates to vacant posts. The high growth in 2019/20 includes allocations for operational costs and the procurement of eye-care medical equipment at McCord Hospital to function as a specialised eye-care hospital. There is no provision for the phased commissioning of the KZN Children's Hospital due to budget constraints, and this project's timeline will be extended as a result. The outer two years' growth is inflationary only.

The Dental Training Hospital sub-programme provides specialised dental services and shows steady growth over the entire period, with inflationary growth over the 2019/20 MTEF. The high growth in 2019/20 relates to the planned appointment of one dental specialist. However, carry-through costs are not sufficient in 2021/22, and this will be addressed in the next budget process.

There is steady growth in *Compensation of employees* over the entire period. The slow growth in 2017/18 was largely due to the inability to fill non-OSD posts because of slow recruitment processes, and the inability to attract applications for OSD posts such as oncologists, psychologists, urologists, etc. These recruitment challenges continue to be real, hence the reduction in the 2018/19 Adjusted Appropriation and Revised Estimate. Also impacting was funding temporarily allocated to this category awaiting budget cuts in the 2018/19 Adjusted Appropriation, but these did not materialise, and funds were reprioritised to other programmes. Growth in 2019/20 is insufficient for additional staff, and this will be addressed in-year.

The low growth in *Goods and services* in 2016/17 was due to the NHLS payments for March 2017 being deferred to April 2017, hence the higher growth in 2017/18. The increase in the 2018/19 Adjusted

Appropriation and Revised Estimate is as a result of the anticipated savings from NHLS electronic gate-keeping not materialising, as well as an unbudgeted increase in security services contracts. These pressures are still not funded in 2019/20 hence the negative growth in 2019/20 and low growth in 2020/21, and this will be reviewed in-year. The growth in the outer year is inflationary only.

Transfers and subsidies to: Departmental agencies and accounts relates to the payment of TV licences.

Transfers and subsidies to: Non-profit institutions shows a reduced baseline from 2018/19 due to the planned provincialisation of the Siloah Hospital in 2018/19. However, there were some delays in this process, accounting for the increase in the 2018/19 Adjusted Appropriation and Revised Estimate. The provincialisation is now expected in 2019/20, hence the negative growth in that year. Thereafter there is inflationary growth over the remainder of the 2019/20 MTEF. This funding supports NGOs providing various services, including mental health care, disability care and TB.

Transfers and subsidies to: Households relates to medico-legal claims and staff exit costs and fluctuates according to demand. Additional funds were reprioritised towards medico-legal claims in the 2018/19 MTEF. The department is unable to continue to reprioritise sufficient funds to cover these costs at this stage, though, because of competing service delivery needs, hence the drop in 2019/20 and 2020/21 and only inflationary growth thereafter. This will be reviewed in-year as medico-legal costs arise and depending on the success of the strategies of the medico-legal unit.

The increase against *Machinery and equipment* in 2017/18 and 2018/19 relates mainly to the procurement of essential non-medical equipment, as well as the decentralised procurement of HTS related medical equipment from 2017/18. In 2016/17, the procurement process for replacement motor vehicles was deferred to 2017/18, also contributing to the high growth in 2017/18. Funding is provided over the 2019/20 MTEF for the replacement of redundant essential non-medical equipment such as medical and patient trolleys, hospital beds, etc., as well as the previously mentioned HTS related medical equipment, and increases are matched to identified cyclical replacement needs. The department's 2018/19 procurement plan for medical equipment was not fully implemented hence a significant increase in the 2019/20 allocation, in particular. There are once-off costs in 2019/20 accounting for the decrease in 2020/21. Growth in the outer year is inflationary only.

Service delivery measures: Provincial Hospital Services

Table 7.26 illustrates the main service delivery measures pertaining to Programme 4. Note that there are some changes to the measures and these comply fully with the customised measures of the Health sector. Note also that the department publishes additional non-sector measures in its APP.

Table 7.26 : Service delivery measures: Provincial Hospital Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. General (Regional) Hospitals					
Rendering of hospital services at a general specialist level and a platform for training of health workers and research	• Average length of stay	6.5 days	6.3 days	6.2 days	6.2 days
	• Inpatient bed utilisation rate	73.4%	74.7%	76.8%	78.9%
	• Expenditure per PDE	R3 123	R3 245	R3 406	R3 574
	• Complaints resolution within 25 working days rate	85.2%	94.6%	95%	95.5%
2. Specialised TB Hospitals					
Rendering of hospital services at a specialist TB level	• Average length of stay	42.5 days	46.6 days	45.3 days	43.9 days
	• Inpatient bed utilisation rate – total	38.7%	44.6%	45.5%	46.4%
	• Expenditure per PDE	R5 806	R4 320	R3 869	R3 465
	• Complaints resolution within 25 working days rate	100%	100%	100%	100%
3. Specialised Psychiatric Hospitals					
Rendering of hospital services at a specialist psychiatric level	• Average length of stay	356.6 days	310.2 days	302.2 days	294.3 days
	• Inpatient bed utilisation rate – total	72.7%	73%	73.9%	74.9%
	• Expenditure per PDE	R1 433	R1 345	R1 352	R1 358
	• Complaints resolution within 25 working days rate	98%	99.8%	96.5%	93.2%

Table 7.26 : Service delivery measures: Provincial Hospital Services

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
4. Chronic/ Sub-Acute Hospitals					
Rendering of hospital services at a specialist chronic/sub-acute level	• Average length of stay	38.8 days	38.2 days	37.5 days	36.8 days
	• Inpatient bed utilisation rate – total	50.1%	50.2%	53.8%	57.8%
	• Expenditure per PDE	R3 137	R2 856	R2 785	R2 716
	• Complaints resolution within 25 working days rate	94.4%	98.2%	97.8%	100%
5. Oral and Dental Training Centre					
Rendering of hospital services at a specialist dental level	• No. of dentures issued per annum	190	170	176	183
	• No. of Oral Hygienists and Dental Therapists trained per annum	30	33	36	40

8.5 Programme 5: Central Hospital Services

The main purpose of Programme 5: Central Hospital Services is to provide tertiary health services and to create a platform for the training of health workers. Tables 7.27 and 7.28 summarise payments and budgeted estimates relating to the two sub-programmes that fall under this programme.

Table 7.27 : Summary of payments and estimates by sub-programme: Central Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Central Hospital Services	2 087 907	2 259 604	2 466 385	2 402 978	2 424 678	2 543 913	2 596 712	2 755 360	2 906 903
2. Provincial Tertiary Hospital Services	2 037 022	2 274 553	2 397 738	2 553 015	2 531 315	2 606 246	2 683 186	2 969 661	3 132 991
Total	4 124 929	4 534 157	4 864 123	4 955 993	4 955 993	5 150 159	5 279 898	5 725 021	6 039 894

Table 7.28 : Summary of payments and estimates by sub-programme: Central Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	4 092 468	4 472 417	4 754 835	4 805 919	4 816 843	4 980 889	5 132 860	5 617 739	5 926 712
Compensation of employees	2 331 335	2 492 410	2 614 993	2 843 834	2 828 146	2 828 476	3 036 384	3 505 717	3 698 531
Goods and services	1 761 005	1 979 967	2 139 841	1 962 085	1 988 687	2 151 706	2 096 476	2 112 022	2 228 181
Interest and rent on land	128	40	1	-	10	707	-	-	-
Transfers and subsidies to:	30 432	48 533	31 646	27 715	26 791	109 451	39 267	40 877	43 125
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	52	53	59	63	47	61	67	71	75
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	30 380	48 480	31 587	27 652	26 744	109 390	39 200	40 806	43 050
Payments for capital assets	2 029	13 207	77 642	122 359	112 359	59 819	107 771	66 405	70 057
Buildings and other fixed structures	-	2 000	-	-	-	-	-	-	-
Machinery and equipment	2 029	11 207	77 642	122 359	112 359	59 819	107 771	66 405	70 057
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 124 929	4 534 157	4 864 123	4 955 993	4 955 993	5 150 159	5 279 898	5 725 021	6 039 894

The Central Hospital Services sub-programme provides for highly specialised medical health tertiary and quaternary services on a national basis, and includes the IALCH. The growth in 2016/17 and 2017/18 related to pressures on imported medicines and medical supplies resulting from the deterioration of the Rand/ Dollar exchange rate. There was a PPP payment carry-over expenditure from 2016/17 to 2017/18 resulting in negative growth in the 2018/19 Main Appropriation. Also contributing is the inability to fill non-OSD posts due to insufficient carry-through funding in the outer years, and difficulties in attracting applications for OSD posts, such as oncologists, neurosurgeons, etc., at prioritised facilities. The projected over-spending in the Revised Estimate relates to carry-over costs from 2017/18 for the PPP at IALCH. The low growth in 2019/20 is due to anticipated hedging savings from the new PPP contract, and savings from the optimisation of medical supplies stock levels. Growth in the outer two years is inflationary only.

The sub-programme: Provincial Tertiary Hospital Services provides tertiary health services and creates a platform for the training of specialist health professionals. The high growth in 2016/17 was due to pressures on imported medicines and medical supplies resulting from the deterioration of the Rand/Dollar exchange rate. Also contributing was the accrual of some medical supply payments to 2016/17, as well as higher than budgeted medico-legal claims. The projected over-spending in the 2018/19 Revised Estimate is due to higher than expected medico-legal claims. The low growth in 2019/20 is attributed to a reduced allocation for medico-legal claims as the department is unable to continue to reprioritise sufficient funds to cover these costs at this stage because of competing service delivery needs. Growth in 2020/21 is high due to the planned filling of 15 specialist posts (oncologists, obstetricians, urologists, etc.). The growth in the outer year is inflationary only.

The increase in *Compensation of employees* in 2016/17 was due to critical specialist posts that were filled. The reduction in the 2018/19 Adjusted Appropriation is due to the previously mentioned inability to fill non-OSD posts because of insufficient carry-through funding in the outer years, and difficulties in attracting applications for OSD posts, such as oncologists, neurosurgeons, etc., at prioritised facilities. Growth in 2020/21 is sufficient to cater for the limited filling of vacant specialist posts, as mentioned, for which sufficient budget has been provided in 2020/21 only. The increase in 2021/22 is insufficient for existing posts and will be reviewed in the next budget process.

The increase in *Goods and services* in 2016/17 was to address pressures relating to imported medicines and medical supplies resulting from the deterioration of the Rand/Dollar exchange rate, as well as the effects of the NHLS fee-for-service payment method. The increase in 2017/18 is largely related to clearing of implants and prosthesis backlog payments as part of the Treasury/Health assistance plan, hence the reduction in 2018/19. The negative growth in 2019/20 and low growth in 2020/21 is due to anticipated savings from the new PPP contract, as well as savings from the optimisation of medical supplies stock levels. The growth in the outer year caters for an inflationary increase only.

Transfers and subsidies to: Departmental agencies and accounts relates to the payment of TV licences.

Transfers and subsidies to: Households relates to medico-legal claims, as well as staff exit costs. The high growth in 2016/17 was due to excessive costs of medico-legal litigation. The high projected over-spending in the 2018/19 Revised Estimate is due to higher than expected medico-legal claims. The funding for medico-legal claims in 2019/20 and 2020/21 is significantly less than the level of expected spending in 2018/19 as the department is unable to continue to reprioritise sufficient funds to cover these costs at this stage, because of competing service delivery needs.

The increase in 2017/18 against *Machinery and equipment* relates to the planned replacement of redundant essential non-medical equipment such as medical and patient trolleys, hospital beds, etc., as well as the clearing of the backlog due to the previously mentioned shortage of funds. As previously mentioned, the procurement of HTS related medical equipment was decentralised to facilities, which contributed to the high growth in 2017/18. The projected under-spending in the 2018/19 Revised Estimate relates to a delay in the procurement process for a linear accelerator (R50 million), which will only be delivered in 2019/20, hence the peak in that year and the subsequent decrease in 2020/21.

Service delivery measures: Central Hospital Services

Table 7.29 illustrates service delivery measures pertaining to Programme 5. Note that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.29 : Service delivery measures: Central Hospital Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. Tertiary Hospitals					
To provide tertiary health services and create a platform for the training of health workers	• Average length of stay	8.2 days	7.5 days	7.4 days	7.2 days
	• Inpatient bed utilisation rate	70%	71.7%	74.2%	76.9%
	• Expenditure per PDE	R3 975	R4 129	R4 150	R4 170
	• Complaints resolution within 25 working days rate	76.9%	95.5%	97.5%	99.6%

Table 7.29 : Service delivery measures: Central Hospital Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
2. Central Hospitals					
Rendering of a highly specialised medical health and quaternary service on a national basis and a platform for the training of health workers and research	• Average length of stay	8.8 days	8.4 days	8.3 days	8.2 days
	• Inpatient bed utilisation rate	66.2%	66.8%	67.9%	68.9%
	• Expenditure per PDE	R9 147	R8 980	R8 802	R8 628
	• Complaints resolution within 25 working days rate	94%	94.5%	94.6%	95.9%

8.6 Programme 6: Health Sciences and Training

The purpose of this programme is to render training and development opportunities for actual and potential employees of the department. The five sub-programmes have the following main aims:

- To provide for training of nurses at under-graduate and post-basic level.
- To provide training of rescue and ambulance personnel.
- To provide PHC related training for personnel.
- To provide skills development interventions for all occupational categories in the department.
- To provide bursaries for health science training at under-graduate and post-graduate levels.

Tables 7.30 and 7.31 summarise information relating to Programme 6 for the period 2015/16 to 2021/22.

Table 7.30 : Summary of payments and estimates by sub-programme: Health Sciences and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Nursing Training Colleges	277 502	275 229	266 028	293 908	266 492	259 922	311 721	333 156	351 478
2. EMS Training Colleges	5 298	16 542	17 781	19 127	19 077	18 671	20 319	21 665	22 857
3. Bursaries	280 604	322 878	313 252	265 492	264 019	290 585	220 248	159 250	168 009
4. Primary Health Care Training	41 069	39 135	47 450	59 100	57 353	51 166	61 837	65 862	69 485
5. Training Other	454 321	547 290	601 539	626 723	635 495	622 092	667 760	732 816	981 092
Total	1 058 794	1 201 074	1 246 050	1 264 350	1 242 436	1 242 436	1 281 885	1 312 749	1 592 921

Table 7.31 : Summary of payments and estimates by sub-programme: Health Sciences and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	773 468	887 101	933 698	994 094	972 692	943 323	1 056 577	1 148 152	1 419 270
Compensation of employees	721 247	821 215	871 124	918 016	900 049	888 500	976 837	1 064 266	1 330 774
Goods and services	52 219	65 883	62 571	76 078	72 643	54 823	79 740	83 886	88 496
Interest and rent on land	2	3	3	-	-	-	-	-	-
Transfers and subsidies to:	285 220	313 940	310 371	260 659	260 509	292 807	215 310	154 186	162 667
Provinces and municipalities	-	-	15	-	-	-	-	-	-
Departmental agencies and accounts	18 863	19 842	18 850	20 868	20 868	20 868	22 036	23 248	24 527
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	266 357	294 098	291 506	239 791	239 641	271 939	193 274	130 938	138 140
Payments for capital assets	99	33	1 981	9 597	9 235	6 306	9 998	10 411	10 984
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	99	33	1 981	9 597	9 235	6 306	9 998	10 411	10 984
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	7	-	-	-	-	-	-	-	-
Total	1 058 794	1 201 074	1 246 050	1 264 350	1 242 436	1 242 436	1 281 885	1 312 749	1 592 921

The sub-programme: Nursing Training Colleges provides for the training of 225 nurses at under-graduate and post-basic level at 11 campuses. The target group includes actual and potential employees. The negative growth in 2016/17 and 2017/18 was due to lower staff exit costs resulting from a review and

modernisation of the nurse training model. The decrease in the 2018/19 Adjusted Appropriation and Revised Estimate relates to savings from vacant posts reprioritised to the sub-programme: Training Other for higher medical intern costs, as well as to Programme 2 for higher than expected security service costs. This reprioritisation without carry-through accounts for the high growth in 2019/20. Growth over the remainder of the MTEF is inflationary only.

The EMS Training Colleges sub-programme provides for the training of rescue and ambulance personnel which takes place at McCord Hospital. The target groups include actual and potential employees. The marked increase from 2016/17 was due to the incorrect linking of EMS training staff against Programme 3, which was corrected in 2016/17. Historical figures could not be restated. Approximately 30 personnel are trained each year. The high growth in 2019/20 relates to anticipated higher vehicle repair costs and electricity and water costs. The growth over the remainder of the 2019/20 MTEF is inflationary only.

The sub-programme: Bursaries provides bursaries for health science training programmes supporting mainly medical doctors at under- and post-graduate levels, targeting actual and potential employees. The increase in 2016/17 was to address pressures from the carry-through costs of the increase in the Cuban Doctors' programme intake in 2015/16, as well as the increased cost of the programme due to the weakening Rand/Dollar exchange rate. As mentioned, no further students will be added to this programme in accordance with a NDOH instruction. The decrease in 2017/18 relates to lower costs for bursaries and travelling due to some students dropping out of the programme. An estimated 261 students are expected to return from Cuba in 2018/19. Based on the current pass rate, approximately 283, 93, 10 and 10 students will return from 2019/20 to 2022/23, to serve an 18-month internship. Apart from the students in Cuba, a further 696 students are funded *via* bursaries in South Africa. The MTEF trend is negative due to students completing their studies and returning to South Africa for 18-month internships, with funding reprioritised to *Compensation of employees* in the sub-programme: Training Other for this purpose.

The Primary Health Care Training sub-programme provides PHC related training for personnel, as required by the regions. The negative growth in 2016/17, as well as the reduction and under-spending in the 2018/19 Adjusted Appropriation and Revised Estimate relates to the reduced intake in the general nurse training programme due to budget cuts. The increase in 2019/20 is an attempt to restore various nurse training programmes, especially in specialised fields, such as advanced midwifery. Currently, a total of 185 students are trained annually. Growth over the remainder of the MTEF is inflationary only.

The sub-programme: Training Other includes skills development programmes for all of the department's occupational categories. The target group includes actual and potential employees and training includes disability management, health and safety training, among others. The increases in 2016/17 and 2017/18 are attributable to a once-off increased intake of medical interns, which is a two-year programme, hence the low growth in 2018/19. The significant growth in 2021/22 is due to the additional funding received for the costs related to the medical intern students returning from the Cuban Doctors' programme.

Compensation of employees increased in 2016/17 due to the above-mentioned increased intake of medical interns. The reduction in the 2018/19 Adjusted Appropriation and Revised Estimate is due to delays in finalising the business strategy for down-scaling nurses' training due to budget cuts, with posts unable to be filled until the issue is resolved, and guidance is being sought from NDOH in this regard. As previously mentioned, the department received additional funds to assist with costs related to medical intern students returning from Cuba, hence the significant growth in 2021/22.

The growth against *Goods and services* in 2016/17 relates to the negative effects of the weakening Rand/Dollar exchange rate on the travelling and subsistence costs of students in the Cuban Doctors' programme. The negative growth in 2017/18 was due to enforced savings to address pressures elsewhere in the budget. These enforced savings, which were on bursaries for employees, training and development of staff and related travel and subsistence, were deferred to the ensuing financial years, hence the high growth in the 2018/19 Main Appropriation. The reduction in the 2018/19 Adjusted Appropriation and Revised Estimate is attributable to the reduced intake in the general nurse training programme due to budget cuts. The increase in 2019/20 is an attempt to restore various specialised nurse training programmes, as mentioned. The growth over the remainder of the MTEF caters for the ongoing travelling costs of the Cuban Doctors' programme, as well as inflationary increments.

Transfers and subsidies to: Departmental agencies and accounts caters for the HWSETA levy, which is in line with the growth in *Compensation of employees* for the department as a whole.

Transfers and subsidies to: Households relates to intensive training programmes through bursaries to address the shortage of personnel in the health fields, including the Cuban Doctors' programme. The increase in 2016/17 was to address pressures from the carry-through costs of the increase in Cuban Doctors' programme intake in 2015/16, as well as the increased cost of the Cuban Doctors' programme due to the weakening Rand/Dollar exchange rate. The decrease in 2017/18 relates to lower costs for bursaries due to some students dropping out of the programme. The budget over the 2019/20 MTEF reduces in line with the anticipated return of qualified students from Cuba to undertake their 18-month internships. The final batch of returning students is expected to complete their internships in 2022/23.

Machinery and equipment provides for additional office and training equipment at the various training campuses. The procurement of replacement college vehicles was put on hold until 2017/18, hence the increase in that year. The increase in 2018/19 relates to the procurement of replacement training vehicles (buses and mini-buses). The under-spending in the Revised Estimate is due to delays in the procurement process, accounting for the increase in 2019/20. The 2019/20 MTEF allocations are inflation related.

Payments for financial assets relates to the write-off of losses.

Service delivery measures: Health Sciences and Training

Table 7.32 illustrates service delivery pertaining to Programme 6. The measures comply fully with the customised measures of the Health sector.

Note that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.32 : Service delivery measures: Health Sciences and Training

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
1. Bursaries					
Provision of bursaries for health science training programmes at undergraduate and postgraduate levels. Target group includes actual and potential employees	• No. of bursaries awarded for first-year medicine students	15	30	15	15
	• No. of bursaries awarded for first-year nursing students	100	100	100	100

8.7 Programme 7: Health Care Support Services

The aim of this programme is to house a number of centralised services including the PPSD which manages the supply of pharmaceuticals and medical sundries to hospitals, community health centres, clinics and local authorities, *via* the Medicine Trading Account, the provision of laundry services to hospitals, care and rehabilitation centres and certain local authorities, as well as the provision of specialised orthotic and prosthetic services to hospitals and clinics.

Tables 7.33 and 7.34 summarise the payments and estimates relating to this programme.

Table 7.33 : Summary of payments and estimates by sub-programme: Health Care Support Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Medicine Trading Account	-	-	-	73 477	59 477	59 477	77 587	81 854	86 356
2. Laundry Services	134 153	241 603	155 762	185 396	182 396	182 396	195 778	209 144	220 649
3. Orthotic and Prosthetic Services	31 942	27 165	42 440	54 767	61 767	61 767	58 994	63 292	66 771
Total	166 095	268 768	198 202	313 640	303 640	303 640	332 359	354 290	373 776

Table 7.34 : Summary of payments and estimates by sub-programme: Health Care Support Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	165 637	268 086	189 492	298 086	287 370	288 940	325 439	346 989	366 073
Compensation of employees	90 967	94 283	103 252	162 692	155 423	156 066	182 467	196 152	206 941
Goods and services	74 670	173 803	86 237	135 394	131 945	132 872	142 972	150 837	159 132
Interest and rent on land	-	-	3	-	2	2	-	-	-
Transfers and subsidies to:	244	636	1 261	737	598	492	778	821	866
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	244	636	1 261	737	598	492	778	821	866
Payments for capital assets	214	46	7 449	14 817	15 672	14 208	6 142	6 480	6 837
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	214	46	7 449	14 817	15 672	14 208	6 142	6 480	6 837
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	166 095	268 768	198 202	313 640	303 640	303 640	332 359	354 290	373 776

The Medicine Trading Account sub-programme renders pharmaceutical services to the department. It also manages the supply of pharmaceuticals and medical sundries to hospitals, Community Health Centres and local authorities *via* the Medicine Trading Account. The incorporation of PPSD into the departmental books in 2018/19 was delayed due to delays in the issuing of the approval letter from National Treasury, hence the reduction in the 2018/19 Adjusted Appropriation and high growth in 2019/20. The approval was received in the third quarter of 2018/19 and the incorporation process is currently underway. The growth over the remainder of the 2019/20 MTEF is for inflationary adjustments only.

The Laundry Services sub-programme provides laundry services to hospitals, care and rehabilitation centres. The high growth in 2016/17 was due to an additional once-off R80 million allocated for linen, accounting for the negative growth in 2017/18. The increase in the 2018/19 Main Appropriation was to provide for the once-off purchase of laundry trucks, as well as increased fuel costs at laundries. The reduction in the 2018/19 Adjusted Appropriation is as a result of delays in filling Laundry Services posts due to the lack of carry-through funding in the outer years of the MTEF. The high growth in 2019/20 provides for filling of posts for the new regional laundry at Prince Mshiyeni Memorial Hospital. The growth over the remainder of the 2019/20 MTEF is inflationary only.

The Orthotic and Prosthetic Services sub-programme provides specialised orthotic and prosthetic services. The negative growth in 2016/17 and the significant growth in 2017/18 relates to orthopaedic workshop disputes on tender prices and subsequent non-delivery of supplies in 2016/17, which resulted in minimal stock levels for artificial limbs and delays with the renewal of the tender for crutches. The high growth in 2018/19 and the subsequent decrease in 2019/20 relates to the once-off purchase of orthotic and prosthetic medical equipment to address backlogs, with inflationary growth thereafter. The increase in the 2018/19 Adjusted Appropriation is due to the absorption of newly qualified orthotic technicians (a departmental initiative to address capacity shortages in this area.)

Compensation of employees shows high growth from 2017/18 to 2018/19 due to the absorption of Orthotic and Prosthetic Services staff (technicians) from training. The reduction in the 2018/19 Adjusted Appropriation is as a result of delays in filling Laundry Services posts due to the lack of carry-through funding in the outer years of the MTEF. Provision is made in 2019/20 for the filling of 50 Laundry Services posts, the incorporation of PPSD into the departmental books, as well as the absorption of 22 Orthotic and Prosthetic Services staff (technicians) from training in 2019/20. The growth in the outer years is insufficient for the projected annual wage increases, and will be reviewed in the next budget process.

The significantly higher spending in *Goods and services* in 2016/17 was due to the once-off provision for the bulk purchase of linen for the commissioning of the KwaZulu Provincial Laundry, situated in the Prince Mshiyeni Memorial Hospital precinct, as well as the outsourcing of laundry services while awaiting the commissioning. This accounts for the negative growth in 2017/18, and inflationary growth thereafter.

Transfers and subsidies to: Households relates to staff exit costs.

Machinery and equipment in 2017/18 and 2018/19 relates to the purchase of orthotic and prosthetic medical equipment to address backlogs, as well as the replacement of laundry vehicles, hence the drop in 2019/20, with inflationary growth thereafter.

Service delivery measures: Health Care Support Services

Table 7.35 illustrates service delivery pertaining to Programme 7. Although there are no customised measures for this programme, the following measures are part of the set of non-sector measures published in the APP. Note that the department publishes additional measures for this programme in its annual APP.

Table 7.35 : Service delivery measures: Health Care Support Services

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
1. Medicine Trading Account					
Render pharmaceutical services to the department. Manage the supply of pharmaceuticals and medical sundries to hospitals, Community Health Centres and local authorities	• Percentage of pharmacies that obtained A and B grading on inspection	96%	97%	97%	100%
	• No. of facilities implementing the CCMD programme	725	725	725	725
	• No. of patients enrolled on CCMD programme (cumulative)	1 750 000	1 750 000	2 000 000	2 250 000
2. Laundry services					
Render laundry services to hospitals, care and rehabilitation centres and certain local authorities	• Percentage of facilities reporting clean linen stock-outs	5.5%	0%	0%	0%

8.8 Programme 8: Health Facilities Management

Programme 8 consists of six sub-programmes, the main aim of which is the facilities management of community health clinics, community health centres, district hospitals, emergency medical services facilities, provincial hospitals, central and tertiary hospitals, as well as all other buildings and structures.

The main activities are to provide new health facilities, and rehabilitate, upgrade and maintain existing facilities in all sub-programmes. This includes the provision of additional PHC facilities, to ensure improved access to health services in under-served areas of the province, as well as the provision of major medical equipment.

Tables 7.36 and 7.37 summarise payments and estimates relating to Programme 8.

The bulk of the budget pertains to the construction and maintenance of the department's infrastructure, with the sub-programmes aligned to the main service delivery programmes. The most significant funding is against the Provincial Hospital Services sub-programme, which houses the new PKISMH. The sub-programme: Other Facilities relates to projects in Programmes 1, 3, 6 and 7, with the major projects being the KZN Provincial Laundry, and the regional laundry at Dundee.

Table 7.36 : Summary of payments and estimates by sub-programme: Health Facilities Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Community Health Facilities	184 965	142 856	110 349	153 121	130 863	152 173	220 782	233 341	246 175
2. District Hospital Services	207 502	165 189	176 525	246 538	240 586	260 542	315 136	474 095	500 169
3. Emergency Medical Services	-	-	-	-	750	625	10 000	20 000	21 100
4. Provincial Hospital Services	848 813	863 523	1 017 206	831 872	925 849	946 690	829 537	718 267	744 576
5. Central Hospital Services	29 896	22 601	8 991	87 628	164 922	91 949	86 199	54 565	101 931
6. Other Facilities	246 442	226 406	209 656	209 497	265 194	276 185	349 320	220 170	232 280
Total	1 517 618	1 420 575	1 522 727	1 528 656	1 728 164	1 728 164	1 810 974	1 720 438	1 846 231

Table 7.37 : Summary of payments and estimates by sub-programme: Health Facilities Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	375 853	419 726	425 744	496 246	429 140	515 576	589 351	605 704	596 707
Compensation of employees	33 986	43 022	59 992	58 496	66 352	66 352	91 659	86 397	91 149
Goods and services	341 867	376 704	365 752	437 750	362 788	449 224	497 692	519 307	505 558
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	20 000	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	20 000	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 121 765	1 000 849	1 096 983	1 032 410	1 299 024	1 212 588	1 221 623	1 114 734	1 249 524
Buildings and other fixed structures	1 052 053	908 917	1 069 333	963 192	1 262 399	1 187 420	786 945	1 077 735	1 218 024
Machinery and equipment	69 712	91 932	27 650	69 218	36 625	25 168	434 678	36 999	31 500
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 517 618	1 420 575	1 522 727	1 528 656	1 728 164	1 728 164	1 810 974	1 720 438	1 846 231

Buildings and other fixed structures is the main cost-driver in this programme and is largely linked to a drive to improve and maintain the infrastructure of the department and is also related to increasing conditional grant funding, especially the Health Facility Revitalisation grant, as well as the department's equitable share. The decrease in 2016/17 was due to a decrease in the allocation for the Health Facility Revitalisation grant in that year. The allocation for the grant peaks in 2018/19 due to the incentive nature of this grant, as well as the additional funding received for storm damage repairs. The funding in 2019/20 and over the MTEF is also in line with various project requirements, including PKISMH in 2019/20 only, as well as the renovations to the nursery, psychiatric and physiotherapy areas and relocation of the psychology department at King Edward VIII Hospital, as well as the construction of out-patient, emergency, and pharmacy facilities at Hlabisa Hospital.

The increase in *Compensation of employees* from 2015/16 to 2017/18 relates to the department appointing additional staff as required by DORA, and in terms of the Health Facility Revitalisation grant framework, including engineers, architects and quantity surveyors. This trend continued over the period, with 18 posts filled to date including engineers, works inspectors and project managers. The programme was at full capacity in 2017/18. The negative growth in 2020/21 is due to the EPWP Integrated Grant for Provinces being funded in 2019/20 only, at this stage.

The day-to-day maintenance drive accounts for the trend against *Goods and services* over the entire period and is an effort to bring facilities up to standard for the roll-out of the NHI. The high spending in 2016/17 was due to higher than expected costs for building leases. The level of funding for maintenance grows strongly over the 2019/20 MTEF. Projects include day-to-day maintenance at all facilities such as urgent unplanned reactive maintenance, as well as servicing of plant, equipment, air-conditioning units and lifts. The outer year decreases in line with maintenance project requirements, as well as some reprioritisation to *Buildings and other fixed structures* for various projects at Hlabisa Hospital, as mentioned.

Transfers and subsidies to: Non-profit institutions comprises a transfer of R20 million in 2015/16 to the KZN Children's Hospital Trust in respect of the KZN Children's Hospital in the eThekweni Metro.

Machinery and equipment provides for essential medical equipment in all facilities. The low spending in 2015/16 was attributed to the HTS unit being behind on the planned equipment replacement programme due to lengthy SCM processes, hence the higher spending in 2016/17. The significant reduction in 2017/18 was based on the decision to decentralise the HTS related medical equipment budget to facilities, as mentioned. The reduction in the 2018/19 Adjusted Appropriation relates to savings resulting from the slow implementation of the department's procurement plan, reprioritised to *Buildings and other fixed structures* for pressures against the PKISMH and Townhill Hospital office block projects. The peak in 2019/20 is ascribed to the once-off procurement of medical equipment prior to the commissioning of the

PKISMH. The budget over the two outer years of the MTEF is based on anticipated new project requirements, including the cyclical replacement of generators and autoclaves.

Service delivery measures: Health Facilities Management

Table 7.38 illustrates service delivery pertaining to Programme 8. The measures comply fully with the customised measures of the Health sector. Note that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.38 : Service delivery measures: Health Facilities Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
1. Health Facilities Management					
Provision of new health facilities and the refurbishment, upgrading and maintenance of existing facilities	<ul style="list-style-type: none"> No. of health facilities that have undergone major and minor refurbishment in NHI pilot district No. of health facilities that have undergone major and minor refurbishment outside NHI pilot district 	148	151	151	151
		529	529	529	529

9. Other programme information

9.1 Personnel numbers and costs

Table 7.39 reflects personnel information. The staff occupying sub-vented (shared costs) posts and whose salaries are claimed from UKZN are not included in the information provided as they are not paid from the department's voted funds. As from 2017/18, approximately 131 personnel working at the PPSD, who were previously paid from the Medicine Trading Account, are now paid from voted funds, following the decision to incorporate the PPSD to be part of the departmental facilities.

Table 7.39 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF		
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		Pers. growth rate	Costs growth rate	% Costs of Total		
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Add. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs					
R thousands																			
Salary level																			
1 – 6	44 154	7 986 039	42 275	8 752 299	40 954	9 370 758	38 536	684	39 220	10 095 776	39 725	12 034 191	39 725	12 775 656	0.4%	8.2%	38.0%		
7 – 10	22 091	8 930 342	21 641	9 667 747	21 667	10 157 738	21 542	30	21 572	10 945 275	21 897	11 937 804	21 897	13 048 961	0.5%	8.2%	41.2%		
11 – 12	5 133	4 057 507	5 178	4 173 809	5 027	4 276 411	5 373	12	5 385	4 640 924	5 387	5 032 070	5 387	5 507 627	0.0%	8.0%	17.4%		
13 – 16	81	86 811	88	94 415	83	88 690	89	1	90	97 477	187	105 887	187	115 473	27.6%	7.9%	0.4%		
Other	11 413	732 461	13 063	666 626	12 951	721 197	13 037	-	13 037	782 365	13 037	842 365	13 037	973 167	-	7.5%	2.9%		
Total	82 872	21 793 160	82 245	23 354 896	80 682	24 614 793	78 577	727	79 304	26 561 817	80 233	28 942 177	80 233	31 622 939	0.4%	8.1%	100.0%		
Programme																			
1. Administration	817	326 812	821	365 803	881	379 229	842	24	866	415 781	1 795	561 999	1 795	604 057	1 795	638 428	27.5%	15.4%	1.8%
2. District Health Services	46 531	10 761 959	46 847	11 533 363	46 137	12 229 725	45 584	272	45 856	13 036 088	45 856	14 499 944	45 856	15 725 163	45 856	16 590 046	-	8.4%	49.4%
3. Emergency Medical Services	3 049	822 311	2 972	866 530	2 938	950 621	2 867	-	2 867	977 511	2 867	1 157 276	2 867	1 248 808	2 867	1 317 492	-	10.5%	3.9%
4. Provincial Hospital Services	21 788	6 704 543	20 420	7 138 270	19 707	7 405 857	19 072	-	19 072	8 193 043	19 072	8 436 011	19 072	9 192 379	19 072	9 697 969	-	5.8%	29.5%
5. Central Hospital Services	5 845	2 331 335	6 205	2 492 410	6 110	2 614 993	6 006	1	6 007	2 828 476	6 007	3 036 384	6 007	3 505 717	6 007	3 698 531	-	9.4%	10.9%
6. Health Sciences and Training	3 454	721 247	3 175	821 215	2 892	871 124	2 071	429	2 500	888 500	2 500	976 837	2 500	1 064 266	2 500	1 330 774	-	14.4%	3.6%
7. Health Care Support Services	609	90 967	1 510	94 283	1 698	103 252	539	-	539	156 066	539	182 467	539	196 152	539	206 941	-	9.9%	0.6%
8. Health Facilities Management	779	33 986	295	43 022	319	59 992	1 596	1	1 597	66 352	1 597	91 659	1 597	86 397	1 597	91 149	-	11.2%	0.3%
Total	82 872	21 793 160	82 245	23 354 896	80 682	24 614 793	78 577	727	79 304	26 561 817	80 233	28 942 177	80 233	31 622 939	0.4%	8.1%	100.0%		
Employee dispensation classification																			
PSA appointees not covered by OSDs	21 676	4 597 960	23 890	4 556 760	23 010	4 719 828	20 143	599	20 742	5 093 166	21 082	5 549 595	21 082	6 063 624	21 082	6 437 223	0.5%	8.1%	19.2%
PSA app. still to be covered by OSDs	1 739	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prof. Nurses, Staff Nurses, etc	34 035	9 042 560	33 470	12 116 524	33 132	13 003 473	32 776	118	32 894	14 032 045	33 194	15 289 539	33 194	16 705 727	33 194	17 735 020	0.3%	8.1%	52.8%
Legal Professionals	10	7 204	9	5 021	9	5 295	8	3	11	5 713	11	6 226	11	6 803	11	7 222	-	8.1%	0.0%
Social Services Professions	276	105 965	271	115 635	267	121 604	263	-	263	131 222	263	142 981	263	156 225	263	165 851	-	8.1%	0.5%
Engineering Professions and related	535	264 756	452	165 657	441	173 869	404	6	410	187 623	425	204 436	425	223 373	425	237 136	1.2%	8.1%	0.7%
Medical and related professionals	8 388	4 570 985	8 399	4 732 854	8 242	5 011 446	9 381	1	9 382	5 407 850	9 593	5 892 479	9 593	6 438 268	9 593	6 834 950	0.7%	8.1%	20.4%
Therapeutic, Diagnostic and Health Prof.	2 716	2 929 250	2 691	1 094 411	2 630	1 047 759	2 565	-	2 565	1 130 636	2 628	1 231 958	2 628	1 346 069	2 628	1 429 005	0.8%	8.1%	4.3%
Others such as interns, EPWP, etc	13 497	274 480	13 063	568 034	12 951	531 519	13 037	-	13 037	573 562	13 037	624 963	13 037	682 850	13 037	724 923	-	8.1%	2.2%
Total	82 872	21 793 160	82 245	23 354 896	80 682	24 614 793	78 577	727	79 304	26 561 817	80 233	28 942 177	80 233	31 622 939	0.4%	8.1%	100.0%		

Note that the staff numbers include the placing of student nurses and CCGs on the payroll. The cost for CCGs has not increased, as the affected staff were previously paid *via* transfers to NGOs. The cost of student nurses are lower as they now receive a stipend, instead of a full salary.

As mentioned, provision should have been made for an inflationary wage adjustment of 6.3 per cent in 2019/20, 6.5 per cent in 2020/21 and 6.5 per cent per year for 2021/22, as well as 1.5 per cent per year for pay progression. The department has largely complied with this, with growth of 9 per cent in 2019/20, 9.3 per

cent in 2020/21, but only 6.2 per cent in 2021/22. This relatively low growth is despite significant reprioritisation from *Goods and services* within the HIV, TB, Malaria and Community Outreach grant, as mentioned, as well as the addition of the new Human Resources Capacitation grant. The increase in 2021/22 is insufficient to cater for existing staff and will be reviewed in the next budget process.

It is noted that, with the support of the previously mentioned indirect grant from NDOH, a total of 929 critical staff are expected to be appointed, including 300 nurses, 320 general assistants and porters, 97 registrars, 112 medical interns and 50 pharmacy assistants, among others. These additional posts have been included under Programme 1 in Table 7.39 because, as mentioned, the department will receive support in this regard in the form of the Human Resources Capacitation grant. As it is unclear exactly which posts are to be supported from these two sources, the department has placed the funding for the Human Resources Capacitation grant under Programme 1, until it is determined which posts are to be filled and in which programmes. Note that the increase of 9 per cent in 2019/20 is insufficient for all 929 posts, despite this being augmented by the previously mentioned indirect grant, and the department will review this in-year.

9.2 Training

Table 7.40 reflects departmental expenditure on training. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expenses on staff training. As the percentage spent on training exceeds 4.5 per cent of the baseline, this requirement is fully achieved.

Table 7.40 : Information on training: Health

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Number of staff	82 872	82 245	80 682	79 304	79 304	79 304	80 233	80 233	80 233
Number of personnel trained	15 343	15 000	15 500	16 399	16 399	16 399	17 382	18 338	18 338
of which									
Male	4 925	5 000	5 730	6 062	6 062	6 062	6 425	6 778	6 778
Female	10 418	10 000	9 770	10 337	10 337	10 337	10 957	11 560	11 560
Number of training opportunities	10 016	10 442	10 508	11 024	11 024	11 024	11 684	12 326	12 326
of which									
Tertiary	1 200	1 587	1 600	1 600	1 600	1 600	1 696	1 789	1 789
Workshops	618	655	688	728	728	728	771	813	813
Seminars	198	200	220	233	233	233	246	260	260
Other	8 000	8 000	8 000	8 464	8 464	8 464	8 971	9 464	9 464
Number of bursaries offered	1 766	2 204	1 800	1 904	1 904	1 904	2 018	2 129	2 129
Number of interns appointed	150	200	250	265	265	265	280	295	295
Number of learnerships appointed	250	250	250	250	250	250	265	280	280
Number of days spent on training	-	-	-	-	-	-	-	-	-
Payments on training by programme									
1. Administration	-	-	-	-	-	-	-	-	-
2. District Health Services	-	-	-	-	-	-	-	-	-
3. Emergency Medical Services	-	-	-	-	-	-	-	-	-
4. Provincial Hospital Services	-	-	-	-	-	-	-	-	-
5. Central Hospital Services	-	-	-	-	-	-	-	-	-
6. Health Sciences and Training	1 058 794	1 201 074	1 246 050	1 264 350	1 242 436	1 242 436	1 281 885	1 312 749	1 592 921
7. Health Care Support Services	-	-	-	-	-	-	-	-	-
8. Health Facilities Management	-	-	-	-	-	-	-	-	-
Total	1 058 794	1 201 074	1 246 050	1 264 350	1 242 436	1 242 436	1 281 885	1 312 749	1 592 921

The costs reflected include the costs of staff and other running costs mainly within Programme 6, hence the total costs are significantly more than *Training and development* in Table 7B in *Annexure – Vote 7: Health*. The training provided is for medical interns, nurses, emergency medical rescue and ambulance personnel and skills development for all occupational categories. The department has several training programmes aimed at developing and retaining skills. These programmes include training of nurses at Nursing Colleges, the Cuban Doctors' programme, as well as registrar training programmes in respect of specialist medical training.

ANNEXURE – VOTE 7: HEALTH

Table 7.A : Details of departmental receipts: Health

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	213 371	256 922	268 988	247 718	247 718	268 777	276 510	289 664	313 458
Sale of goods and services produced by department (excluding capital assets)	212 169	246 707	268 410	246 638	246 638	267 697	275 370	288 461	312 189
Sale by market establishments	13 727	14 848	15 179	21 183	21 183	21 183	22 419	24 652	26 008
Administrative fees	5 066	6 382	7 192	5 343	5 343	5 343	5 642	5 952	6 279
Other sales	193 376	225 477	246 039	220 112	220 112	241 171	247 309	257 857	279 902
Of which									
Health patient fees	119 100	148 724	126 343	133 797	133 797	133 797	154 202	157 408	165 122
Commission	20 771	21 589	22 166	20 800	20 800	20 800	21 200	22 366	23 596
Boarding services	51 271	53 927	54 183	54 200	54 200	54 200	55 100	58 131	61 328
Tender documents	341	272	310	360	360	360	362	382	403
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	1 202	10 215	578	1 080	1 080	1 080	1 141	1 203	1 269
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	54	36	70	65	65	52	68	72	76
Interest, dividends and rent on land	51	3 316	145	149	149	496	157	166	175
Interest	51	3 316	145	149	149	496	157	166	175
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	970	6 897	13 343	13 343	10 188	6 000	8 000	9 000
Land and sub-soil assets	-	970	6 897	13 343	13 343	10 188	6 000	8 000	9 000
Other capital assets	-	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	30 118	36 860	21 672	16 634	16 634	18 000	17 565	18 531	19 550
Total	243 594	298 104	297 772	277 909	277 909	297 513	300 301	316 433	342 259

Estimates of Provincial Revenue and Expenditure

Table 7.B: Payments and estimates by economic classification: Health

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	31 899 939	34 739 862	36 961 386	39 695 959	39 652 711	39 994 896	42 316 279	45 685 396	48 836 621
Compensation of employees	21 793 160	23 354 896	24 614 793	26 178 626	26 666 629	26 561 817	28 942 177	31 622 939	33 571 330
Salaries and wages	19 014 828	20 415 442	21 522 698	22 798 387	23 349 410	23 266 753	25 293 900	27 631 837	29 355 817
Social contributions	2 778 332	2 939 454	3 092 095	3 380 239	3 317 219	3 295 064	3 648 277	3 991 102	4 215 513
Goods and services	10 105 233	11 382 844	12 343 292	13 516 936	12 981 940	13 428 030	13 373 683	14 062 015	15 264 825
Administrative fees	3 729	3 359	5 112	2 485	3 126	3 069	2 615	2 757	2 905
Advertising	27 239	23 114	21 746	47 099	21 500	21 717	50 732	53 524	56 466
Minor assets	39 593	41 398	44 875	48 614	45 539	49 527	51 293	54 111	57 088
Audit cost: External	88 639	16 276	24 979	22 260	22 260	21 792	23 507	24 800	26 164
Bursaries: Employees	2 498	1 891	1 224	2 585	3 311	3 018	2 714	2 850	3 007
Catering: Departmental activities	3 929	5 029	3 016	5 777	2 216	3 318	6 203	6 543	6 902
Communication (G&S)	98 598	116 893	103 890	113 301	109 668	106 652	119 185	125 732	132 648
Computer services	150 913	163 632	132 347	163 678	166 707	160 169	174 004	190 957	201 459
Cons. and prof. serv.: Bus. and advisory services	76 761	58 581	51 314	32 378	32 144	34 350	53 296	29 921	31 567
Infrastructure and planning	-	61	-	-	-	-	2 112	2 228	2 351
Laboratory services	1 356 455	1 618 865	2 043 680	2 067 884	1 972 793	2 157 880	2 190 991	2 146 185	2 364 224
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	17 805	34 843	84 776	37 509	49 934	66 673	40 422	42 646	44 992
Contractors	144 987	212 584	171 100	176 004	194 717	190 288	253 441	236 368	249 366
Agency and support / outsourced services	1 106 045	1 036 942	1 235 160	1 149 431	1 099 767	1 180 079	1 157 777	1 135 283	1 197 723
Entertainment	2	8	-	8	10	368	8	8	8
Fleet services (including govt. motor transport)	290 149	301 898	375 931	365 014	413 413	410 119	389 929	356 453	376 058
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	21 402	14 772	18 403	35 810	34 539	34 023	27 366	33 088	34 908
Inventory: Farming supplies	12	10	-	-	-	-	-	-	-
Inventory: Food and food supplies	118 788	121 049	113 944	128 232	130 709	127 330	140 010	147 710	155 834
Inventory: Fuel, oil and gas	117 920	140 417	74 265	85 520	87 736	90 696	89 797	94 641	99 846
Inventory: Learner and teacher support material	182	225	583	-	-	96	-	-	-
Inventory: Materials and supplies	19 167	18 078	20 221	17 876	16 340	15 752	18 777	19 806	20 894
Inventory: Medical supplies	1 479 150	1 541 848	1 649 212	1 670 800	1 780 321	1 841 178	1 767 346	1 866 770	1 969 441
Inventory: Medicine	2 895 380	3 554 428	3 662 838	4 563 348	3 920 196	3 970 671	3 796 689	4 315 829	4 924 923
Medcabs inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 963	1 629	178 092	202 841	192 687	193 287	215 599	226 868	239 347
Consumable supplies	287 530	404 448	102 191	133 970	127 539	131 441	121 794	128 666	135 743
Consumable: Stationery, printing and office supplies	94 591	88 858	78 833	99 613	87 437	87 016	105 950	111 752	117 898
Operating leases	153 493	139 376	137 524	152 709	145 810	132 309	139 941	158 835	167 570
Property payments	1 293 152	1 518 449	1 817 720	1 980 143	2 115 431	2 202 842	2 206 749	2 301 044	2 385 288
Transport provided: Departmental activity	81 119	79 853	85 229	78 588	78 318	76 460	77 326	90 019	94 969
Travel and subsistence	79 975	83 199	73 547	78 415	78 387	72 603	90 306	95 483	100 735
Training and development	13 253	16 792	12 682	20 133	19 852	9 929	21 124	22 148	23 366
Operating payments	36 639	22 530	17 294	33 000	28 153	31 499	34 800	36 704	38 724
Venues and facilities	4 169	1 440	1 520	1 911	1 356	1 145	2 120	2 286	2 411
Rental and hiring	6	69	44	-	24	734	-	-	-
Interest and rent on land	1 546	2 122	3 301	397	4 142	5 049	419	442	466
Interest	1 546	2 122	3 301	397	4 142	5 049	419	442	466
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	843 093	1 035 657	1 248 707	982 961	976 399	1 181 269	750 139	701 843	740 445
Provinces and municipalities	133 330	159 755	225 674	219 734	219 236	218 719	232 091	244 857	258 324
Provinces	3 730	5 005	6 018	6 340	5 842	5 325	6 695	7 064	7 452
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	3 730	5 005	6 018	6 340	5 842	5 325	6 695	7 064	7 452
Municipalities	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Municipal agencies and funds	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Departmental agencies and accounts	19 009	20 131	19 280	21 067	21 067	21 140	22 246	23 469	24 759
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	19 009	20 131	19 280	21 067	21 067	21 140	22 246	23 469	24 759
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	10	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	10	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	10	-	-	-	-	-	-	-	-
Non-profit institutions	213 402	203 929	141 396	54 870	65 226	64 017	56 513	58 508	61 726
Households	477 342	651 842	862 357	687 290	670 870	877 393	439 289	375 009	395 636
Social benefits	124 175	108 603	113 905	119 752	102 240	99 872	126 497	133 455	140 796
Other transfers to households	353 167	543 239	748 452	567 538	568 630	777 521	312 792	241 554	254 840
Payments for capital assets	1 257 629	1 106 314	1 592 882	1 668 744	1 918 017	1 728 463	1 970 560	1 831 097	2 005 287
Buildings and other fixed structures	1 052 053	910 917	1 069 333	963 192	1 262 399	1 187 420	786 945	1 077 735	1 218 024
Buildings	1 047 225	908 917	1 069 333	963 192	1 260 468	1 185 048	786 945	1 077 735	1 218 024
Other fixed structures	4 828	2 000	-	-	1 931	2 372	-	-	-
Machinery and equipment	205 576	195 397	523 549	705 552	655 618	541 043	1 183 615	753 362	787 263
Transport equipment	77 809	50 411	129 900	215 508	164 316	135 538	238 711	221 873	234 077
Other machinery and equipment	127 767	144 986	393 649	490 044	491 302	405 505	944 904	531 489	553 186
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	110 063	144 564	108 346	-	45	45	-	-	-
Total	34 110 724	37 026 397	39 911 321	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 607)	(107 608)	-	-	-	-	-	-
Baseline available for spending after 1st charge	34 003 117	36 918 790	39 803 713	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353

Table 7.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	722 304	683 440	695 727	764 167	755 086	756 422	904 590	946 790	1 000 010
Compensation of employees	326 812	365 803	379 229	419 446	411 819	415 781	561 999	604 057	638 428
Salaries and wages	284 612	317 645	332 365	365 177	361 019	365 690	491 884	529 304	558 321
Social contributions	42 200	48 158	46 864	54 269	50 800	50 091	70 115	74 753	80 107
Goods and services	395 388	316 817	316 347	344 721	343 245	340 504	342 591	342 733	361 582
Administrative fees	600	1 166	953	1 012	1 298	1 189	1 068	1 127	1 189
Advertising	2 308	2 848	2 337	2 333	3 558	4 339	2 464	2 599	2 742
Minor assets	(1 532)	2 657	137	2 130	1 764	1 550	2 250	2 374	2 505
Audit cost: External	88 639	16 276	24 979	22 260	22 260	21 792	23 507	24 800	26 164
Bursaries: Employees	60	37	1	-	-	-	-	-	-
Catering: Departmental activities	578	3 145	473	1 504	727	1 010	1 700	1 793	1 891
Communication (G&S)	10 963	11 462	11 300	12 954	10 641	11 300	13 679	14 432	15 225
Computer services	147 306	158 740	123 488	153 174	157 948	151 852	162 962	179 309	189 171
Cons. and prof. serv.: Bus. and advisory services	69 494	55 300	48 751	30 600	30 600	32 929	48 563	24 914	26 284
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	47	228	33	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 614	1 474	26 261	6 360	6 360	5 960	7 716	8 140	8 588
Contractors	710	77	10 794	48	40 299	40 299	51	54	57
Agency and support / outsourced services	6 436	1 490	1 434	40 346	217	217	1 679	1 771	1 868
Entertainment	2	8	-	8	10	10	8	8	8
Fleet services (including govt. motor transport)	5 757	6 058	8 539	7 282	6 927	7 024	8 689	9 112	9 614
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	(258)	(132)	55	106	103	94	112	118	124
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	55	15	65	28	28	30	30	32	34
Inventory: Fuel, oil and gas	(1 836)	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	12	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	681	52	(3)	53	31	18	56	59	62
Inventory: Medical supplies	722	751	710	-	-	(1)	-	-	-
Inventory: Medicine	(7)	183	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	280	-	110	71	-	-	-
Consumable supplies	(3 511)	(101)	(215)	12	9	12	13	14	15
Consumable: Stationery, printing and office supplies	7 912	4 953	1 996	3 544	1 754	1 803	3 910	4 126	4 353
Operating leases	5 095	5 113	4 628	5 952	5 067	5 067	6 285	6 631	6 996
Property payments	26 669	25 018	33 009	36 628	33 647	33 656	38 175	40 275	42 490
Transport provided: Departmental activity	-	-	-	-	-	87	-	-	-
Travel and subsistence	19 481	18 804	14 992	16 426	17 866	17 745	17 500	18 700	19 728
Training and development	68	-	-	-	10	11	-	-	-
Operating payments	4 092	188	170	449	665	1 040	474	500	528
Venues and facilities	3 230	971	1 173	1 512	1 322	752	1 700	1 845	1 946
Rental and hiring	1	36	7	-	24	648	-	-	-
Interest and rent on land	104	820	151	-	22	137	-	-	-
Interest	104	820	151	-	22	137	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	5 689	17 443	5 893	7 705	7 205	7 063	8 137	8 585	9 057
Provinces and municipalities	2 525	2 903	3 167	3 695	3 195	3 077	3 902	4 117	4 343
Provinces	2 525	2 903	3 167	3 695	3 195	3 077	3 902	4 117	4 343
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	2 525	2 903	3 167	3 695	3 195	3 077	3 902	4 117	4 343
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	1	1	1	1	1	1
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	1	1	1	1	1	1
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 164	14 540	2 726	4 009	4 009	3 985	4 234	4 467	4 713
Social benefits	2 464	2 737	2 673	4 009	4 009	2 579	4 234	4 467	4 713
Other transfers to households	700	11 803	53	-	-	1 406	-	-	-
Payments for capital assets	11 021	257	26 683	39 335	48 916	47 722	20 634	30 531	32 210
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 021	257	26 683	39 335	48 916	47 722	20 634	30 531	32 210
Transport equipment	3 408	-	2 745	7 522	845	845	4 720	4 980	5 254
Other machinery and equipment	7 613	257	23 938	31 813	48 071	46 877	15 914	25 551	26 956
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	107 608	144 534	108 352	-	-	-	-	-	-
Total	846 622	845 674	836 655	811 207	811 207	811 207	933 361	985 906	1 041 277
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 607)	(107 608)	-	-	-	-	-	-
Baseline available for spending after 1st charge	739 015	738 067	729 047	811 207	811 207	811 207	933 361	985 906	1 041 277

Estimates of Provincial Revenue and Expenditure

Table 7.D : Payments and estimates by economic classification: District Health Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	15 976 484	17 605 153	18 890 919	20 118 237	20 249 892	20 308 259	21 787 483	23 627 399	25 398 627
Compensation of employees	10 761 959	11 533 363	12 229 725	12 396 711	13 113 799	13 036 088	14 499 544	15 725 163	16 590 046
Salaries and wages	9 362 124	10 044 931	10 653 595	10 852 419	11 469 620	11 400 379	12 696 182	13 775 837	14 533 508
Social contributions	1 399 835	1 488 432	1 576 130	1 544 292	1 644 179	1 635 709	1 803 362	1 949 326	2 056 538
Goods and services	5 213 658	6 070 884	6 660 677	7 721 133	7 133 945	7 269 985	7 287 524	7 901 798	8 808 119
Administrative fees	818	1 475	1 309	679	1 056	1 199	714	753	793
Advertising	21 203	17 001	17 255	42 347	16 356	16 145	45 743	48 262	50 917
Minor assets	23 238	27 262	32 906	36 860	30 802	30 574	39 129	41 270	43 540
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	2 862	1 549	2 197	4 002	1 311	2 106	4 217	4 449	4 694
Communication (G&S)	53 800	68 421	56 899	59 633	59 482	57 562	63 588	67 035	70 723
Computer services	3 252	1 457	2 165	1 289	-	-	1 354	1 428	1 507
Cons. and prof. serv.: Bus. and advisory services	4 487	2 238	1 703	1 305	1 176	1 033	4 246	4 493	4 740
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	962 065	1 096 298	1 417 239	1 475 682	1 380 591	1 461 180	1 496 435	1 507 156	1 690 049
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	6 422	10 897	23 959	16 827	18 183	24 814	17 968	18 941	19 983
Contractors	27 023	37 626	78 648	88 181	58 001	55 311	106 803	112 646	118 841
Agency and support / outsourced services	102 631	117 870	159 529	178 826	178 870	161 748	187 798	198 128	209 024
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	92 123	92 461	106 154	116 575	123 502	111 156	122 910	129 642	136 772
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	7 183	7 283	10 346	11 257	11 372	12 039	11 970	12 622	13 315
Inventory: Farming supplies	12	10	-	-	-	-	-	-	-
Inventory: Food and food supplies	72 177	75 338	72 417	80 662	82 523	79 561	90 762	95 715	100 979
Inventory: Fuel, oil and gas	38 174	43 939	19 369	20 733	20 163	20 559	23 959	25 157	26 541
Inventory: Learner and teacher support material	-	3	-	-	-	-	-	-	-
Inventory: Materials and supplies	9 366	11 771	12 807	11 671	10 496	10 473	12 278	12 952	13 664
Inventory: Medical supplies	470 157	497 625	520 765	535 935	580 667	586 161	593 302	623 541	657 835
Inventory: Medicine	2 378 883	2 922 605	3 021 749	3 899 952	3 259 952	3 361 974	3 165 350	3 639 554	4 211 453
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	375	382	72 184	75 741	70 593	69 833	82 628	87 004	91 791
Consumable supplies	118 263	125 554	53 656	53 834	54 276	53 862	57 771	60 884	64 233
Consumable: Stationery, printing and office supplies	51 836	52 406	46 744	59 199	49 049	48 560	64 521	67 985	71 724
Operating leases	46 816	37 548	25 999	32 677	31 414	27 158	34 965	36 853	38 880
Property payments	673 101	785 501	875 402	881 781	1 064 533	1 045 313	1 013 830	1 057 564	1 115 729
Transport provided: Departmental activity	1 275	1 654	1 669	1 909	1 764	1 998	2 005	2 115	2 231
Travel and subsistence	29 110	24 113	22 241	24 346	21 850	23 268	33 293	35 259	37 199
Training and development	4 014	3 917	1 006	1 292	966	774	1 495	1 439	1 518
Operating payments	12 426	6 578	4 360	7 938	4 997	5 567	8 490	8 951	9 444
Venues and facilities	564	69	-	-	-	-	-	-	-
Rental and hiring	2	33	-	-	-	57	-	-	-
Interest and rent on land	867	906	517	393	2 148	2 186	415	438	462
Interest	867	906	517	393	2 148	2 186	415	438	462
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	380 997	474 768	618 250	455 387	443 912	499 343	392 529	407 666	430 089
Provinces and municipalities	129 600	154 750	219 658	213 394	213 394	213 395	225 396	237 793	250 872
Provinces	-	-	2	-	-	1	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	2	-	-	1	-	-	-
Municipalities	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Municipalities	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	48	107	151	45	29	84	47	49	51
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	48	107	151	45	29	84	47	49	51
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	165 147	171 372	113 929	49 701	48 762	47 553	51 034	52 865	55 773
Households	86 202	148 539	284 512	192 247	181 727	238 311	116 052	116 959	123 393
Social benefits	68 242	58 781	54 915	67 247	56 727	52 784	71 052	74 959	79 083
Other transfers to households	17 960	89 758	229 597	125 000	125 000	185 527	45 000	42 000	44 310
Payments for capital assets	55 183	67 960	223 128	252 090	225 650	201 413	256 927	260 955	275 309
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	55 183	67 960	223 128	252 090	225 650	201 413	256 927	260 955	275 309
Transport equipment	34 867	35 923	76 390	107 647	80 647	59 701	88 514	95 201	100 438
Other machinery and equipment	20 316	32 037	146 738	144 443	145 003	141 712	168 413	165 754	174 871
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	29	30	19	-	45	45	-	-	-
Total	16 412 693	18 147 911	19 732 316	20 825 714	20 919 499	21 009 060	22 436 939	24 296 020	26 104 025

Table 7.E : Payments and estimates by economic classification: Emergency Medical Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	1 133 984	1 189 528	1 325 342	1 329 375	1 399 397	1 402 065	1 529 356	1 599 152	1 687 103
Compensation of employees	822 311	866 530	950 621	962 392	983 239	977 511	1 157 276	1 248 808	1 317 492
Salaries and wages	696 517	738 046	812 984	807 719	835 788	830 976	973 340	1 050 472	1 108 248
Social contributions	125 794	128 484	137 637	154 673	147 451	146 535	183 936	198 336	209 244
Goods and services	311 638	322 937	374 715	366 983	416 092	424 488	372 080	350 344	369 611
Administrative fees	-	35	31	21	22	24	22	23	24
Advertising	12	43	13	24	18	9	25	26	27
Minor assets	356	630	1 076	1 118	2 172	8 648	1 181	1 246	1 315
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	8 734	9 395	9 262	11 468	10 081	9 036	12 111	12 777	13 479
Computer services	-	-	-	-	-	-	-	-	-
Cons. and prof. serv.: Bus. and advisory services	2	5	137	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	77	320	178	95	171	148	100	106	112
Contractors	2 515	1 305	2 041	1 088	1 356	1 372	1 148	1 211	1 277
Agency and support / outsourced services	542	472	485	165	496	719	174	184	194
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	168 660	179 855	236 383	213 015	254 790	266 438	229 243	186 992	197 277
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	7 714	248	1 060	16 748	14 981	12 908	7 350	11 974	12 633
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	2 219	9 033	282	-	(681)	(681)	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	53	187	75	248	248	254	262	276	291
Inventory: Medical supplies	11 709	11 097	8 721	11 708	14 199	13 199	12 364	13 044	13 761
Inventory: Medicine	148	563	626	350	370	336	370	390	411
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	1 229	1 800	1 824	1 897	1 900	2 005	2 115
Consumable supplies	1 922	4 373	226	334	307	195	376	396	418
Consumable: Stationery, printing and office supplies	2 092	2 206	1 912	3 163	2 932	2 382	3 340	3 524	3 718
Operating leases	1 615	1 624	1 085	1 622	1 530	1 297	1 712	1 806	1 905
Property payments	19 620	22 129	24 340	25 266	32 032	28 872	26 681	28 148	29 696
Transport provided: Departmental activity	79 756	77 341	83 114	76 123	76 126	74 035	70 946	83 288	87 869
Travel and subsistence	3 678	1 961	2 434	2 187	3 089	3 371	2 310	2 437	2 571
Training and development	8	-	-	-	29	29	-	-	-
Operating payments	206	115	5	440	-	-	465	491	518
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	35	61	6	-	66	66	-	-	-
Interest	35	61	6	-	66	66	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 465	3 779	4 699	5 311	5 289	4 453	5 609	5 918	6 243
Provinces and municipalities	1 205	2 001	2 834	2 645	2 645	2 245	2 793	2 947	3 109
Provinces	1 205	2 001	2 834	2 645	2 645	2 245	2 793	2 947	3 109
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 205	2 001	2 834	2 645	2 645	2 245	2 793	2 947	3 109
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	2	2	-	2	2	-	2	2	2
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	2	2	-	2	2	-	2	2	2
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 258	1 776	1 865	2 664	2 642	2 208	2 814	2 969	3 132
Social benefits	1 733	1 358	1 566	1 683	1 661	1 662	1 778	1 876	1 979
Other transfers to households	525	418	299	981	981	546	1 036	1 093	1 153
Payments for capital assets	36 957	15 956	47 536	81 000	70 000	68 168	96 193	101 484	107 065
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	36 957	15 956	47 536	81 000	70 000	68 168	96 193	101 484	107 065
Transport equipment	35 871	14 488	41 540	68 500	60 500	58 668	82 161	86 680	91 447
Other machinery and equipment	1 086	1 468	5 996	12 500	9 500	9 500	14 032	14 804	15 618
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 174 406	1 209 263	1 377 577	1 415 686	1 474 686	1 474 686	1 631 158	1 706 554	1 800 411

Table 7.F : Payments and estimates by economic classification: Provincial Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	8 659 741	9 214 411	9 745 629	10 889 835	10 742 291	10 799 422	10 990 623	11 793 471	12 442 119
Compensation of employees	6 704 543	7 138 270	7 405 857	8 417 039	8 207 802	8 193 043	8 436 011	9 192 379	9 697 969
Salaries and wages	5 849 345	6 241 489	6 468 843	7 301 841	7 159 075	7 154 527	7 373 464	8 042 300	8 480 978
Social contributions	855 198	896 781	937 014	1 115 198	1 048 727	1 038 516	1 062 547	1 150 079	1 216 991
Goods and services	1 954 788	2 075 849	2 337 152	2 472 792	2 532 595	2 604 428	2 554 608	2 601 088	2 744 146
Administrative fees	1 928	137	2 019	129	117	105	135	143	151
Advertising	2 498	2 159	1 117	1 314	800	596	1 365	1 441	1 520
Minor assets	5 561	6 149	8 321	6 984	8 119	6 741	7 134	7 538	7 953
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	72	59	53	69	62	67	73	77	81
Communication (G&S)	18 526	19 554	18 370	20 281	20 148	19 882	20 390	21 561	22 748
Computer services	6	224	9	9	43	198	9	9	9
Cons. and prof. serv.: Bus. and advisory services	139	869	610	423	311	314	434	458	484
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	286 067	252 800	396 498	373 067	373 067	467 470	455 114	396 954	418 786
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	8 067	16 506	28 030	11 125	18 954	28 946	11 381	12 023	12 684
Contractors	20 878	40 386	52 160	46 965	58 929	51 513	77 728	67 266	70 965
Agency and support / outsourced services	132 298	147 108	164 704	179 903	174 099	176 199	188 899	199 290	210 251
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	15 941	15 921	16 715	18 513	17 999	16 408	18 933	20 002	21 101
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	3 744	4 262	3 899	4 652	5 002	5 831	4 735	5 005	5 281
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	39 008	38 715	34 747	40 401	41 206	40 747	41 720	44 053	46 476
Inventory: Fuel, oil and gas	43 763	47 760	19 796	23 075	23 065	23 691	22 040	23 372	24 657
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	3 676	4 371	4 488	5 031	4 653	4 369	5 262	5 552	5 857
Inventory: Medical supplies	488 945	521 251	561 062	602 183	630 804	635 695	609 299	644 118	679 544
Inventory: Medicine	397 931	415 286	420 414	442 484	439 312	383 726	395 208	417 295	440 246
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	54 181	62 736	60 383	58 655	62 775	66 396	70 048
Consumable supplies	77 753	81 729	28 574	32 464	31 278	30 903	32 875	34 749	36 660
Consumable: Stationery, printing and office supplies	26 786	23 444	21 743	24 248	25 357	26 212	24 289	25 688	27 101
Operating leases	10 224	9 588	8 719	10 818	10 759	10 858	10 706	11 330	11 952
Property payments	359 523	419 985	485 321	560 178	581 929	608 750	558 228	590 562	623 043
Transport provided: Departmental activity	74	857	446	556	428	340	583	615	648
Travel and subsistence	4 292	3 073	2 398	2 490	2 654	2 609	2 587	2 731	2 882
Training and development	-	8	-	-	-	-	-	-	-
Operating payments	7 085	3 648	2 758	2 694	3 117	3 574	2 706	2 860	3 018
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	3	-	-	-	-	29	-	-	-
Interest and rent on land	410	292	2 620	4	1 894	1 951	4	4	4
Interest	410	292	2 620	4	1 894	1 951	4	4	4
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	117 046	176 558	276 587	225 447	232 095	267 660	88 509	83 790	88 398
Provinces and municipalities	-	101	-	-	2	2	-	-	-
Provinces	-	101	-	-	2	2	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	101	-	-	2	2	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	44	127	220	88	120	126	93	98	103
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	44	127	220	88	120	126	93	98	103
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	10	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	10	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	10	-	-	-	-	-	-	-	-
Non-profit institutions	28 255	32 557	27 467	5 169	16 464	16 464	5 479	5 643	5 953
Households	88 737	143 773	248 900	220 190	215 509	251 068	82 937	78 049	82 342
Social benefits	36 488	31 259	37 492	31 190	26 509	29 291	32 937	34 749	36 660
Other transfers to households	52 249	112 514	211 408	189 000	189 000	221 777	50 000	43 300	45 682
Payments for capital assets	30 361	8 006	111 480	117 136	137 161	118 239	251 272	240 097	253 301
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	30 361	8 006	111 480	117 136	137 161	118 239	251 272	240 097	253 301
Transport equipment	2 929	-	5 570	20 304	9 661	6 661	21 273	22 443	23 677
Other machinery and equipment	27 432	8 006	105 910	96 832	127 500	111 578	229 999	217 654	229 624
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	2 419	-	(25)	-	-	-	-	-	-
Total	8 809 567	9 398 975	10 133 671	11 232 418	11 111 547	11 185 321	11 330 404	12 117 358	12 783 818

Table 7.G : Payments and estimates by economic classification: Central Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	4 092 468	4 472 417	4 754 835	4 805 919	4 816 843	4 980 889	5 132 860	5 617 739	5 926 712
Compensation of employees	2 331 335	2 492 410	2 614 993	2 843 834	2 828 146	2 828 476	3 036 384	3 505 717	3 698 531
Salaries and wages	2 028 900	2 171 611	2 280 465	2 479 320	2 470 515	2 471 305	2 672 111	3 065 984	3 234 612
Social contributions	302 435	320 799	334 528	364 514	357 631	357 171	364 273	439 733	463 919
Goods and services	1 761 005	1 979 967	2 139 841	1 962 085	1 988 687	2 151 706	2 096 476	2 112 022	2 228 181
Administrative fees	9	22	17	28	13	9	29	30	31
Advertising	855	912	835	783	668	521	822	867	914
Minor assets	331	531	682	696	896	942	731	771	813
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	4	(112)	2	2	2	3	2	2	2
Communication (G&S)	5 526	6 413	6 122	7 299	7 178	6 818	7 664	8 085	8 530
Computer services	-	3 020	6 685	6 948	6 283	5 707	7 295	7 696	8 119
Cons. and prof. serv.: Bus. and advisory services	-	-	34	-	50	53	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	108 276	269 539	229 910	219 135	219 135	229 230	239 442	242 075	255 389
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 556	5 118	5 754	3 101	6 233	6 772	3 256	3 435	3 624
Contractors	11 038	23 516	21 421	39 239	35 630	40 362	67 201	54 653	57 659
Agency and support / outsourced services	864 116	769 991	908 961	745 027	745 765	840 969	773 778	730 161	770 320
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	940	786	811	792	829	696	832	878	926
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	2 042	2 216	1 947	1 595	1 489	1 672	1 674	1 766	1 864
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	7 548	6 981	6 715	7 141	6 952	6 992	7 498	7 910	8 345
Inventory: Fuel, oil and gas	32 803	35 481	20 047	23 512	21 492	23 376	24 688	26 046	27 478
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	279	174	159	122	417	921	128	135	142
Inventory: Medical supplies	484 465	505 182	547 780	508 440	543 580	593 997	539 129	572 070	603 534
Inventory: Medicine	118 397	215 791	220 034	220 562	220 562	224 635	235 761	258 590	272 813
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 420	1 247	19 804	23 149	20 346	21 419	24 306	25 643	27 054
Consumable supplies	26 594	25 668	9 839	10 219	10 095	10 080	10 730	11 363	11 988
Consumable: Stationery, printing and office supplies	3 707	3 775	3 709	4 375	4 429	4 444	4 594	4 847	5 113
Operating leases	959	956	1 275	1 441	1 516	1 542	1 513	1 596	1 683
Property payments	88 728	100 827	125 828	136 528	132 283	127 234	143 354	151 238	159 556
Transport provided: Departmental activity	14	1	-	-	-	-	-	-	-
Travel and subsistence	431	590	642	790	1 023	1 304	830	879	927
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	967	1 342	828	1 161	1 821	2 008	1 219	1 286	1 357
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	128	40	1	-	10	707	-	-	-
Interest	128	40	1	-	10	707	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	30 432	48 533	31 646	27 715	26 791	109 451	39 267	40 877	43 125
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	52	53	59	63	47	61	67	71	75
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	52	53	59	63	47	61	67	71	75
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	30 380	48 480	31 587	27 652	26 744	109 390	39 200	40 806	43 050
Social benefits	11 372	11 697	11 026	12 652	10 652	10 113	13 360	14 095	14 870
Other transfers to households	19 008	36 783	20 561	15 000	16 092	99 277	25 840	26 711	28 180
Payments for capital assets	2 029	13 207	77 642	122 359	112 359	59 819	107 771	66 405	70 057
Buildings and other fixed structures	-	2 000	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	2 000	-	-	-	-	-	-	-
Machinery and equipment	2 029	11 207	77 642	122 359	112 359	59 819	107 771	66 405	70 057
Transport equipment	598	-	-	1 029	1 029	1 029	1 087	1 147	1 210
Other machinery and equipment	1 431	11 207	77 642	121 330	111 330	58 790	106 684	65 258	68 847
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 124 929	4 534 157	4 864 123	4 955 993	4 955 993	5 150 159	5 279 898	5 725 021	6 039 894

Table 7.H : Payments and estimates by economic classification: Health Sciences and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	773 468	887 101	933 698	994 094	972 692	943 323	1 056 577	1 148 152	1 419 270
Compensation of employees	721 247	821 215	871 124	918 016	900 049	888 500	976 837	1 064 266	1 330 774
Salaries and wages	685 882	782 713	831 653	799 301	859 963	849 530	850 529	926 640	1 185 578
Social contributions	35 365	38 502	39 471	118 715	40 086	38 970	126 308	137 626	145 196
Goods and services	52 219	65 883	62 571	76 078	72 643	54 823	79 740	83 886	88 496
Administrative fees	371	516	775	610	614	539	641	675	711
Advertising	76	106	160	181	83	94	190	200	211
Minor assets	206	192	599	613	1 699	931	643	675	712
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	2 438	1 854	1 223	2 585	3 311	3 018	2 714	2 850	3 007
Catering: Departmental activities	413	388	291	200	114	132	211	222	234
Communication (G&S)	697	753	855	140	773	770	147	154	162
Computer services	138	191	-	-	175	175	-	-	-
Cons. and prof. serv.: Bus. and advisory services	53	12	18	50	7	7	53	56	59
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	69	-	58	1	33	33	1	1	1
Contractors	2	2	6	7	3	-	7	7	7
Agency and support / outsourced services	22	11	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	358	-	-	-
Fleet services (including govt. motor transport)	2 361	2 547	2 998	3 766	3 611	3 207	3 996	4 234	4 468
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	128	19	165	200	6	23	210	221	233
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	126	14	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	170	222	583	-	-	96	-	-	-
Inventory: Materials and supplies	34	17	253	350	158	146	369	388	409
Inventory: Medical supplies	139	75	10	25	13	21	27	29	31
Inventory: Medicine	-	-	15	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	319	345	344	361	363	381	401
Consumable supplies	1 376	1 352	693	162	794	791	169	178	188
Consumable: Stationery, printing and office supplies	2 049	1 824	2 500	3 724	2 834	2 683	3 874	4 084	4 308
Operating leases	1 402	1 337	1 107	1 247	1 240	1 102	1 310	1 376	1 452
Property payments	7 330	6 591	7 856	9 514	7 562	7 873	9 991	10 490	11 067
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	22 344	34 296	29 626	32 000	30 007	22 568	33 600	35 281	37 221
Training and development	9 151	12 866	11 676	18 841	18 843	9 111	19 629	20 709	21 848
Operating payments	749	298	438	1 118	385	391	1 175	1 234	1 301
Venues and facilities	375	400	347	399	34	393	420	441	465
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	2	3	3	-	-	-	-	-	-
Interest	2	3	3	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	285 220	313 940	310 371	260 659	260 509	292 807	215 310	154 186	162 667
Provinces and municipalities	-	-	15	-	-	-	-	-	-
Provinces	-	-	15	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	15	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	18 863	19 842	18 850	20 868	20 868	20 868	22 036	23 248	24 527
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	18 863	19 842	18 850	20 868	20 868	20 868	22 036	23 248	24 527
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	266 357	294 098	291 506	239 791	239 641	271 939	193 274	130 938	138 140
Social benefits	3 632	2 135	4 972	2 234	2 084	2 951	2 358	2 488	2 625
Other transfers to households	262 725	291 963	286 534	237 557	237 557	268 988	190 916	128 450	135 515
Payments for capital assets	99	33	1 981	9 597	9 235	6 306	9 998	10 411	10 984
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	99	33	1 981	9 597	9 235	6 306	9 998	10 411	10 984
Transport equipment	-	-	1 373	5 628	6 756	3 756	5 806	5 988	6 318
Other machinery and equipment	99	33	608	3 969	2 479	2 550	4 192	4 423	4 666
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	7	-	-	-	-	-	-	-	-
Total	1 058 794	1 201 074	1 246 050	1 264 350	1 242 436	1 242 436	1 281 885	1 312 749	1 592 921

Table 7.1 : Payments and estimates by economic classification: Health Care Support Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	165 637	268 086	189 492	298 086	287 370	288 940	325 439	346 989	366 073
Compensation of employees	90 967	94 283	103 252	162 692	155 423	156 066	182 467	196 152	206 941
Salaries and wages	74 205	77 184	84 963	136 234	129 769	130 685	151 583	162 926	171 887
Social contributions	16 762	17 099	18 289	26 458	25 654	25 381	30 884	33 226	35 054
Goods and services	74 670	173 803	86 237	135 394	131 945	132 872	142 972	150 837	159 132
Administrative fees	1	1	2	6	5	3	6	6	6
Advertising	59	45	29	117	17	13	123	129	135
Minor assets	117	13	112	213	87	113	225	237	250
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	299	895	1 082	1 526	1 365	1 284	1 606	1 688	1 781
Computer services	-	-	-	2 258	2 258	2 237	2 384	2 515	2 653
Cons. and prof. serv.: Bus. and advisory services	(4)	-	-	-	-	14	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	508	10	-	476	368	293	503	531	560
Agency and support / outsourced services	-	-	25	5 164	295	202	5 449	5 749	6 066
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	4 367	4 270	4 331	5 071	5 755	5 190	5 326	5 593	5 900
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	849	859	931	1 252	1 586	1 456	1 315	1 382	1 458
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	2 466	4 156	14 771	18 200	23 697	23 751	19 110	20 066	21 170
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	393	103	336	401	192	213	422	444	469
Inventory: Medical supplies	10 264	4 464	9 448	12 509	11 058	12 106	13 225	13 968	14 736
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	168	-	30 095	39 070	39 087	41 051	41 024	43 076	45 445
Consumable supplies	33 099	134 686	10	3 495	854	1 097	3 691	3 894	4 108
Consumable: Stationery, printing and office supplies	49	179	205	1 140	972	876	1 202	1 266	1 336
Operating leases	125	101	128	531	518	519	560	590	623
Property payments	11 006	13 601	15 919	24 589	26 552	23 482	26 344	28 125	29 671
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	78	60	82	176	107	88	186	196	207
Training and development	-	-	-	-	4	4	-	-	-
Operating payments	10 826	10 360	8 731	19 200	17 168	18 880	20 271	21 382	22 558
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	3	-	2	2	-	-	-
Interest	-	-	3	-	2	2	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	244	636	1 261	737	598	492	778	821	866
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	244	636	1 261	737	598	492	778	821	866
Social benefits	244	636	1 261	737	598	492	778	821	866
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	214	46	7 449	14 817	15 672	14 208	6 142	6 480	6 837
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	214	46	7 449	14 817	15 672	14 208	6 142	6 480	6 837
Transport equipment	136	-	2 282	4 878	4 878	4 878	5 150	5 434	5 733
Other machinery and equipment	78	46	5 167	9 939	10 794	9 330	992	1 046	1 104
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	166 095	268 768	198 202	313 640	303 640	303 640	332 359	354 290	373 776

Estimates of Provincial Revenue and Expenditure

Table 7.J : Payments and estimates by economic classification: Health Facilities Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	375 853	419 726	425 744	496 246	429 140	515 576	589 351	605 704	596 707
Compensation of employees	33 986	43 022	59 992	58 496	66 352	66 352	91 659	86 397	91 149
Salaries and wages	33 243	41 823	57 830	56 376	63 661	63 661	84 807	78 374	82 685
Social contributions	743	1 199	2 162	2 120	2 691	2 691	6 852	8 023	8 464
Goods and services	341 867	376 704	365 752	437 750	362 788	449 224	497 692	519 307	505 558
Administrative fees	2	7	6	-	1	1	-	-	-
Advertising	228	-	-	-	-	-	-	-	-
Minor assets	11 316	3 964	1 042	-	-	28	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	53	-	-	-	-	-	-	-	-
Computer services	211	-	-	-	-	-	-	-	-
Cons. and prof. serv.: Bus. and advisory services	2 590	157	61	-	-	-	-	-	-
Infrastructure and planning	-	61	-	-	-	-	2 112	2 228	2 351
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	528	536	-	-	-	-	-	-
Contractors	82 313	109 662	6 030	-	131	1 138	-	-	-
Agency and support / outsourced services	-	-	22	-	25	25	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	17	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	205	34	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	4 685	1 403	2 106	-	145	(642)	-	-	-
Inventory: Medical supplies	12 749	1 403	716	-	-	-	-	-	-
Inventory: Medicine	28	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	2 363	2 363	2 493
Consumable supplies	32 034	31 187	9 408	33 450	29 926	34 501	16 169	17 188	18 133
Consumable: Stationery, printing and office supplies	160	71	24	220	110	56	220	232	245
Operating leases	87 257	83 109	94 583	98 421	93 766	84 766	82 890	98 653	104 079
Property payments	107 175	144 797	250 045	305 659	236 893	327 662	390 146	394 642	374 036
Transport provided: Departmental activity	-	-	-	-	-	-	3 792	4 001	4 221
Travel and subsistence	561	302	1 132	-	1 791	1 650	-	-	-
Training and development	12	1	4	-	-	-	-	-	-
Operating payments	288	1	-	-	-	39	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	37	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	20 000	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	20 000	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 121 765	1 000 849	1 096 983	1 032 410	1 299 024	1 212 588	1 221 623	1 114 734	1 249 524
Buildings and other fixed structures	1 052 053	908 917	1 069 333	963 192	1 262 399	1 187 420	786 945	1 077 735	1 218 024
Buildings	1 047 225	908 917	1 069 333	963 192	1 260 468	1 185 048	786 945	1 077 735	1 218 024
Other fixed structures	4 828	-	-	-	1 931	2 372	-	-	-
Machinery and equipment	69 712	91 932	27 650	69 218	36 625	25 168	434 678	36 999	31 500
Transport equipment	-	-	-	-	-	-	30 000	-	-
Other machinery and equipment	69 712	91 932	27 650	69 218	36 625	25 168	404 678	36 999	31 500
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 517 618	1 420 575	1 522 727	1 528 656	1 728 164	1 728 164	1 810 974	1 720 438	1 846 231

Table 7.K : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	5 888 705	6 398 715	6 882 898	7 973 992	7 900 014	7 938 966	8 276 176	9 024 118	9 995 524
Compensation of employees	3 202 757	3 483 965	3 199 017	2 886 897	3 591 698	3 591 393	4 059 262	4 278 936	4 515 333
Salaries and wages	2 827 631	3 083 069	2 792 078	2 554 539	3 159 805	3 159 805	3 554 705	3 740 214	3 946 632
Social contributions	375 126	400 896	406 939	332 358	431 893	431 588	504 557	538 722	568 701
Goods and services	2 685 948	2 914 750	3 683 881	5 087 095	4 308 316	4 347 573	4 216 914	4 745 182	5 480 191
Administrative fees	486	853	686	120	490	629	127	134	141
Advertising	18 055	14 256	15 507	40 030	15 030	15 030	43 272	45 655	48 164
Minor assets	10 534	668	1 079	3 985	140	140	4 208	4 439	4 683
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	2 342	1 081	105	2 630	400	1 393	2 776	2 929	3 090
Communication (G&S)	335	12 217	329	425	320	320	513	538	568
Computer services	-	4 473	-	-	-	-	-	-	-
Cons. & prof. serv.: Bus. and advisory services	3 108	394	1	1 350	1 350	1 350	2 865	3 037	3 204
Infrastructure and planning	-	-	-	2 000	-	-	2 112	2 112	2 218
Laboratory services	550 400	512 378	792 171	1 201 000	1 105 909	1 105 909	1 191 156	1 256 464	1 427 209
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	409	536	-	-	-	-	-	-
Contractors	80 900	129 235	52 178	63 227	50 266	50 266	106 380	109 899	115 670
Agency and support/ outsourced services	5 469	4 875	4 301	5 243	4 153	4 153	5 537	5 842	6 163
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	36	171	219	110	395	268	116	122	129
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	31	159	-	-	-	490	490	515
Inventory: Farming supplies	-	2	-	-	-	-	-	-	-
Inventory: Food and food supplies	1 641	1 582	-	-	-	-	1 500	1 500	1 575
Inventory: Fuel, oil and gas	4 287	4 239	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 362	1 702	-	-	60	47	-	-	-
Inventory: Medical supplies	354 554	331 203	565 521	606 121	647 275	645 248	682 729	717 680	757 074
Inventory: Medicine	1 410 417	1 693 990	2 111 741	2 816 590	2 234 250	2 234 250	1 996 133	2 409 458	2 915 462
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	33 935	4 275	-	8 070	5 847	5 847	5 050	5 050	5 303
Consumable supplies	4 570	36 531	10 813	7 213	7 984	7 984	7 357	7 708	8 123
Consumable: Stationery, printing and office supplies	926	858	530	10 441	424	559	12 146	12 782	13 484
Operating leases	93 115	694	242	469	245	240	495	522	551
Property payments	91 585	142 709	116 162	300 105	225 650	265 479	127 111	132 602	139 232
Transport provided: Departmental activity	-	-	-	-	-	235	-	-	-
Travel and subsistence	11 011	9 767	9 495	11 042	5 950	6 182	17 527	18 527	19 543
Training and development	2 745	3 780	910	1 191	900	739	1 258	1 327	1 400
Operating payments	3 795	2 304	1 196	5 733	1 278	1 248	6 056	6 365	6 691
Venues and facilities	340	53	-	-	-	-	-	-	-
Rental and hiring	-	20	-	-	-	57	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	83 438	62 591	136 385	137 511	135 119	134 355	142 875	150 556	158 820
Provinces and municipalities	60 000	40 000	116 846	115 000	115 000	115 000	121 492	128 174	135 224
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	60 000	40 000	116 846	115 000	115 000	115 000	121 492	128 174	135 224
Municipalities	60 000	40 000	116 846	115 000	115 000	115 000	121 492	128 174	135 224
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	13 790	11 454	10 034	11 821	10 881	10 633	12 017	12 678	13 375
Households	9 648	11 137	9 505	10 690	9 238	8 722	9 366	9 704	10 221
Social benefits	9 648	11 137	9 505	10 690	9 238	8 722	9 366	9 704	10 221
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	929 606	862 042	1 068 444	992 102	1 267 980	1 179 792	1 242 209	1 101 999	1 191 555
Buildings and other fixed structures	908 861	801 938	977 075	831 245	1 113 955	1 090 452	779 962	1 008 311	1 093 143
Buildings	908 861	801 938	977 075	831 245	1 113 955	1 090 452	779 962	1 008 311	1 093 143
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	20 745	60 104	91 369	160 857	154 025	89 340	462 247	93 688	98 412
Transport equipment	4 038	31 200	6 229	-	-	-	-	-	-
Other machinery and equipment	16 707	28 904	85 140	160 857	154 025	89 340	462 247	93 688	98 412
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	6 901 749	7 323 348	8 087 727	9 103 605	9 303 113	9 253 113	9 661 260	10 276 673	11 345 899

Table 7.L : Payments and estimates by economic classification: Health Prof. Training and Dev. Grant (Prog 4: Provincial Hospital Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	299 898	312 377	331 944	349 500	349 500	349 500	370 863	391 260	412 779
Compensation of employees	299 843	311 870	331 444	349 000	349 000	349 000	370 333	390 730	412 249
Salaries and wages	285 287	294 875	288 292	303 629	303 629	303 629	322 189	339 934	357 795
Social contributions	14 556	16 995	43 152	45 371	45 371	45 371	48 144	50 796	54 454
Goods and services	55	507	500	500	500	500	530	530	530
Advertising	-	-	25	30	30	30	32	32	32
Travel and subsistence	55	48	50	50	50	50	53	53	53
Operating payments	-	459	425	420	420	420	445	445	445
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	1 697	1 697	1 697	-	-	-
Machinery and equipment	-	-	-	1 697	1 697	1 697	-	-	-
Other machinery and equipment	-	-	-	1 697	1 697	1 697	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	299 898	312 377	331 944	351 197	351 197	351 197	370 863	391 260	412 779

Table 7.M : Payments and estimates by economic classification: Health Facility Revitalisation grant (Prog. 8: Health Facilities Management)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	307 476	296 947	146 947	330 543	258 209	298 209	168 857	174 342	183 059
Compensation of employees	9 752	14 163	26 197	25 000	32 856	32 856	36 000	36 000	37 800
Salaries and wages	9 016	12 967	23 871	23 250	30 165	30 165	34 111	33 960	35 658
Social contributions	736	1 196	2 326	1 750	2 691	2 691	1 889	2 040	2 142
Goods and services	297 724	282 784	120 750	305 543	225 353	265 353	132 857	138 342	145 259
Administrative fees	-	1	1	-	-	-	-	-	-
Advertising	175	-	-	-	-	-	-	-	-
Minor assets	8 163	39	1 042	-	-	-	-	-	-
Communication (G&S)	-	81	-	-	-	-	-	-	-
Cons. & prof. serv.: Bus. and advisory services	994	143	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	2 000	-	-	2 112	2 112	2 218
Legal services	-	409	536	-	-	-	-	-	-
Contractors	73 680	109 037	850	-	-	-	-	-	-
Fleet services (including govt. motor transport)	-	48	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	147	-	-	-	-	-	-
Inventory: Materials and supplies	1 322	884	-	-	-	-	-	-	-
Inventory: Medical supplies	4 165	38	717	-	-	-	-	-	-
Inventory: Other supplies	29 492	-	-	2 223	-	-	2 363	2 363	2 481
Consumable supplies	-	30 310	273	1 100	-	-	1 162	1 162	1 220
Consumable: Stationery, printing and office supplies	143	-	24	220	220	220	220	220	231
Operating leases	87 256	-	-	-	-	-	-	-	-
Property payments	91 493	141 559	116 064	300 000	225 133	265 133	127 000	132 485	139 109
Travel and subsistence	541	235	1 093	-	-	-	-	-	-
Training and development	12	-	-	-	-	-	-	-	-
Operating payments	288	-	3	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	924 521	825 046	1 004 617	871 937	1 143 779	1 103 779	1 184 640	1 038 311	1 124 643
Buildings and other fixed structures	908 861	801 938	977 075	831 245	1 113 955	1 090 452	779 962	1 008 311	1 093 143
Buildings	908 861	801 938	977 075	831 245	1 113 955	1 090 452	779 962	1 008 311	1 093 143
Machinery and equipment	15 660	23 108	27 542	40 692	29 824	13 327	404 678	30 000	31 500
Other machinery and equipment	15 660	23 108	27 542	40 692	29 824	13 327	404 678	30 000	31 500
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 231 997	1 121 993	1 151 564	1 202 480	1 401 988	1 401 988	1 353 497	1 212 653	1 307 702

Table 7.N : Payments and estimates by economic classification: Social Sector EPWP Incentive Grant for Prov. (Prog. 2: District Health Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	13 000	13 000	47 058	24 182	24 182	24 182	20 998	-	-
Compensation of employees	13 000	13 000	45 758	24 135	24 135	24 135	20 998	-	-
Salaries and wages	13 000	12 984	45 758	20 997	20 997	20 997	18 268	-	-
Social contributions	-	16	-	3 138	3 138	3 138	2 730	-	-
Goods and services	-	-	1 300	47	47	47	-	-	-
Inventory: Medical supplies	-	-	1 300	-	-	-	-	-	-
Travel and subsistence	-	-	-	47	47	47	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	13 000	13 000	47 058	24 182	24 182	24 182	20 998	-	-

Table 7.O : Payments and estimates by economic classification: National Tertiary Services grant (Prog. 5: Central Hospital Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	1 525 249	1 588 894	1 634 466	1 686 906	1 688 906	1 688 906	1 841 562	1 963 081	2 071 346
Compensation of employees	1 208 111	1 271 137	835 146	883 535	868 535	868 535	926 845	1 004 367	1 059 640
Salaries and wages	1 064 268	1 128 977	726 577	768 675	753 675	753 675	805 482	872 926	921 627
Social contributions	143 843	142 160	108 569	114 860	114 860	114 860	121 363	131 441	138 013
Goods and services	317 138	317 757	799 320	803 371	820 371	820 371	914 717	958 714	1 011 706
Administrative fees	61	4	-	-	-	-	-	-	-
Minor assets	-	227	-	-	-	-	-	-	-
Laboratory services	-	22 031	161 740	171 000	171 000	171 000	168 520	177 583	188 990
Contractors	7 220	8 778	8 500	12 000	24 300	24 300	53 964	54 600	57 330
Agency and support/ outsourced services	1 922	1 860	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	31	-	-	-	-	490	490	515
Inventory: Food and food supplies	1 638	1 582	-	-	-	-	1 500	1 500	1 575
Inventory: Fuel, oil and gas	4 287	4 239	-	-	-	-	-	-	-
Inventory: Medical supplies	254 318	226 427	448 754	433 435	444 323	444 323	496 875	521 264	549 855
Inventory: Medicine	42 841	46 365	176 000	186 071	179 731	179 731	190 048	199 910	209 906
Inventory: Other supplies	4 443	4 275	-	-	-	-	2 687	2 687	2 821
Consumable supplies	-	-	4 116	815	824	824	600	643	675
Consumable: Stationery, printing and office supplies	-	92	-	-	-	-	-	-	-
Operating leases	376	435	-	-	-	-	-	-	-
Property payments	-	1 150	-	-	-	-	-	-	-
Travel and subsistence	32	76	210	50	50	50	33	37	39
Operating payments	-	185	-	-	143	143	-	-	-
Transfers and subsidies	4 974	5 540	4 800	4 873	2 873	2 873	3 223	3 223	3 384
Households	4 974	5 540	4 800	4 873	2 873	2 873	3 223	3 223	3 384
Social benefits	4 974	5 540	4 800	4 873	2 873	2 873	3 223	3 223	3 384
Payments for capital assets	-	1 852	57 000	102 870	102 870	52 870	50 364	55 820	58 611
Machinery and equipment	-	1 852	57 000	102 870	102 870	52 870	50 364	55 820	58 611
Other machinery and equipment	-	1 852	57 000	102 870	102 870	52 870	50 364	55 820	58 611
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 530 223	1 596 286	1 696 266	1 794 649	1 794 649	1 744 649	1 895 149	2 022 124	2 133 341

Table 7.P : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces (Prog. 8: Health Facilities Management)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	3 682	7 122	8 400	8 896	8 896	8 896	10 313	-	-
Compensation of employees	3 682	7 122	8 400	8 896	8 896	8 896	10 313	-	-
Salaries and wages	3 681	7 121	8 400	8 896	8 896	8 896	10 313	-	-
Social contributions	1	1	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 682	7 122	8 400	8 896	8 896	8 896	10 313	-	-

Table 7.Q : Payments and estimates by economic classification: National Health Insurance grant (Prog. 2: District Health Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	7 145	21 258	-	-	-	-	-	-	-
Compensation of employees	1 531	1 594	-	-	-	-	-	-	-
Salaries and wages	1 475	1 534	-	-	-	-	-	-	-
Social contributions	56	60	-	-	-	-	-	-	-
Goods and services	5 614	19 664	-	-	-	-	-	-	-
Administrative fees	3	8	-	-	-	-	-	-	-
Advertising	-	4	-	-	-	-	-	-	-
Minor assets	2 171	384	-	-	-	-	-	-	-
Catering: Departmental activities	-	187	-	-	-	-	-	-	-
Communication (G&S)	-	11 818	-	-	-	-	-	-	-
Computer services	-	4 473	-	-	-	-	-	-	-
Cons. & prof. serv.: Bus. and advisory services	2 107	251	-	-	-	-	-	-	-
Contractors	-	4	-	-	-	-	-	-	-
Inventory: Materials and supplies	40	799	-	-	-	-	-	-	-
Inventory: Medical supplies	-	182	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	72	196	-	-	-	-	-	-	-
Operating leases	-	44	-	-	-	-	-	-	-
Travel and subsistence	95	186	-	-	-	-	-	-	-
Training and development	903	1 055	-	-	-	-	-	-	-
Operating payments	223	-	-	-	-	-	-	-	-
Venues and facilities	-	53	-	-	-	-	-	-	-
Rental and hiring	-	20	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	2 349	3 787	-	-	-	-	-	-	-
Machinery and equipment	2 349	3 787	-	-	-	-	-	-	-
Transport equipment	1 303	-	-	-	-	-	-	-	-
Other machinery and equipment	1 046	3 787	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	9 494	25 045	-	-	-	-	-	-	-

Table 7.R : Payments and estimates by economic classification: Human Papillomavirus Vaccine grant (Prog. 2: District Health Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	-	41 378	41 378	41 378	47 290	49 625	52 354
Compensation of employees	-	-	-	2 313	2 313	2 313	2 700	2 612	2 755
Salaries and wages	-	-	-	2 313	2 313	2 313	2 700	2 612	2 755
Goods and services	-	-	-	39 065	39 065	39 065	44 590	47 013	49 599
Advertising	-	-	-	-	-	-	1 000	1 060	1 118
Communication (G&S)	-	-	-	-	-	-	64	64	68
Cons. & prof. serv.: Bus. and advisory services	-	-	-	1 350	1 350	1 350	2 865	3 037	3 204
Inventory: Medical supplies	-	-	-	-	-	-	720	1 100	1 161
Inventory: Medicine	-	-	-	30 519	30 519	30 519	31 112	32 420	34 203
Inventory: Other supplies	-	-	-	5 847	5 847	5 847	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	1 469	1 530	1 614
Travel and subsistence	-	-	-	1 349	1 349	1 349	7 360	7 802	8 231
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	3 598	3 598	3 598	205	483	510
Machinery and equipment	-	-	-	3 598	3 598	3 598	205	483	510
Other machinery and equipment	-	-	-	3 598	3 598	3 598	205	483	510
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	44 976	44 976	44 976	47 495	50 108	52 864

Table 7.S : Payments and estimates by economic classification: HIV, TB, Malaria and Community Outreach grant (Prog. 2: District Health Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	3 732 255	4 159 117	4 714 083	5 532 587	5 528 943	5 527 895	5 693 977	6 315 422	7 137 252
Compensation of employees	1 666 838	1 865 079	1 952 072	1 594 018	2 305 963	2 305 658	2 569 757	2 714 839	2 864 155
Salaries and wages	1 450 904	1 624 611	1 699 180	1 426 779	2 040 130	2 040 130	2 255 227	2 377 344	2 508 098
Social contributions	215 934	240 468	252 892	167 239	265 833	265 528	314 530	337 495	356 057
Goods and services	2 065 417	2 294 038	2 762 011	3 938 569	3 222 980	3 222 237	3 124 220	3 600 583	4 273 097
Administrative fees	422	840	685	120	490	629	127	134	141
Advertising	17 880	14 252	15 482	40 000	15 000	15 000	42 240	44 563	47 014
Minor assets	200	18	37	3 985	140	140	4 208	4 439	4 683
Catering: Departmental activities	2 342	894	105	2 630	400	1 393	2 776	2 929	3 090
Communication (G&S)	335	318	329	425	320	320	449	474	500
Cons. & prof. serv.: Bus. and advisory services	7	-	1	-	-	-	-	-	-
Laboratory services	550 400	490 347	630 431	1 030 000	934 909	934 909	1 022 636	1 078 881	1 238 219
Contractors	-	11 416	42 828	51 227	25 966	25 966	52 416	55 299	58 340
Agency and support / outsourced services	3 547	3 015	4 301	5 243	4 153	4 153	5 537	5 842	6 163
Fleet services (including govt. motor transport)	36	123	219	110	395	268	116	122	129
Inventory: Clothing material and accessories	-	-	12	-	-	-	-	-	-
Inventory: Farming supplies	-	2	-	-	-	-	-	-	-
Inventory: Food and food supplies	3	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	19	-	-	60	47	-	-	-
Inventory: Medical supplies	96 071	104 556	114 750	172 686	202 952	200 925	185 134	195 316	206 058
Inventory: Medicine	1 367 576	1 647 625	1 935 741	2 600 000	2 024 000	2 024 000	1 774 973	2 177 128	2 671 353
Consumable supplies	4 570	6 221	6 424	5 298	7 160	7 160	5 595	5 903	6 228
Consumable: Stationery, printing and office supplies	711	570	506	10 221	204	339	10 457	11 032	11 639
Operating leases	5 483	215	242	469	245	240	495	522	551
Property payments	92	-	98	105	517	346	111	117	123
Transport provided: Departmental activity	-	-	-	-	-	235	-	-	-
Travel and subsistence	10 288	9 222	8 142	9 546	4 454	4 686	10 081	10 635	11 220
Training and development	1 830	2 725	910	1 191	900	739	1 258	1 327	1 400
Operating payments	3 284	1 660	768	5 313	715	685	5 611	5 920	6 246
Venues and facilities	340	-	-	-	-	-	-	-	-
Transfers and subsidies	78 464	57 051	131 585	132 638	132 246	131 482	139 652	147 333	155 436
Municipalities	60 000	40 000	116 846	115 000	115 000	115 000	121 492	128 174	135 224
Municipalities	60 000	40 000	116 846	115 000	115 000	115 000	121 492	128 174	135 224
Non-profit institutions	13 790	11 454	10 034	11 821	10 881	10 633	12 017	12 678	13 375
Households	4 674	5 597	4 705	5 817	6 365	5 849	6 143	6 481	6 837
Social benefits	4 674	5 597	4 705	5 817	6 365	5 849	6 143	6 481	6 837
Payments for capital assets	2 736	31 357	6 827	12 000	16 036	17 848	7 000	7 385	7 791
Machinery and equipment	2 736	31 357	6 827	12 000	16 036	17 848	7 000	7 385	7 791
Transport equipment	2 735	31 200	6 229	-	-	-	-	-	-
Other machinery and equipment	1	157	598	12 000	16 036	17 848	7 000	7 385	7 791
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 813 455	4 247 525	4 852 495	5 677 225	5 677 225	5 677 225	5 840 629	6 470 140	7 300 479

Table 7.T : Payments and estimates by economic classification: Human Resources Capacitation Grant (Prog 1: Administration)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	-	-	-	-	122 316	130 388	138 734
Compensation of employees	-	-	-	-	-	-	122 316	130 388	138 734
Salaries and wages	-	-	-	-	-	-	106 415	113 438	120 699
Social contributions	-	-	-	-	-	-	15 901	16 950	18 035
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	122 316	130 388	138 734

Table 7.U : Summary of transfers to local government (Municipal clinics)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2020/21	2019/20	2021/22
A KZN2000 eThekweni	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
B KZN212 uMdoni	-	-	-	-	-	-	-	-	-
B KZN213 uMzumbane	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 iMpendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	-	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	-	-	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
B KZN241 eNdumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nquthu	-	-	-	-	-	-	-	-	-
B KZN244 uMsinga	-	-	-	-	-	-	-	-	-
B KZN245 uMvoti	-	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
B KZN252 Newcastle	-	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
B KZN271 uMhlabayalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
B KZN281 uMfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 uBuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	-	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872

VOTE 8

Human Settlements

Operational budget	R4 006 642 000
MEC remuneration	Nil
Total amount to be appropriated	R4 006 642 000
Responsible MEC	MEC for Public Works and Human Settlements ¹
Administering department	Human Settlements
Accounting officer	Head: Human Settlements

1. Overview

Vision

The vision of the department is: *Together breaking new ground to achieve decent, integrated and sustainable human settlement patterns.*

Mission statement

The mission of the Department of Human Settlements (DOHS) is: *To deliver suitably located housing opportunities and security of tenure over the next five years through collaborative partnership, legislative planning processes and empowerment of women in construction.*

Strategic goals and objectives

Strategic policy direction: By focussing on its role of achieving decent, integrated and sustainable housing opportunities and security of tenure, the department seeks to align its operations and strategic position with the overall aim of government to achieve accountability and effective service delivery for all citizens.

The department's strategic objectives are summarised as follows:

- Ensuring the financial viability of the department.
- Provision of skilled human resources.
- Accelerating urban housing opportunities.
- Accelerating the creation of rental housing opportunities, and implementing projects that ensure spatial, social and economic integration.
- Identifying and implementing rectification projects to ensure transfers and home ownership.

Core functions

The following core functions have been identified as key for the attainment of the strategic objectives:

- To promote the provision of housing development.
- To promote the provision of affordable housing and essential services.
- To manage, control and maintain the immovable assets of the department.
- To administer and manage housing subsidies of targeted groups.
- To research, establish, monitor and implement policies within the National Housing Policy Framework.

¹ The salary of the MEC of Human Settlements is budgeted for under Vote 14: Public Works.

- To formulate a Provincial Housing Development Plan for the province.
- To facilitate and create housing institutions.
- To provide legal advice on land and environmental issues.
- To administer and co-ordinate the Community Residential Unit (CRU) programme.
- To administer the clearance of slums in KZN.
- To capacitate housing stakeholders.

Legislative mandates

The principal legislative mandates governing the operations of the department are:

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Housing Act (Act No. 107 of 1997)
- Housing Consumers Protection Measures Act (Act No. 95 of 1998, amended by Act No. 27 of 1999)
- Rental Housing Act (Act No. 50 of 1999)
- Sectional Titles Act (Act No. 95 of 1986, as amended by Acts No. 24 and 29 of 2003)
- Prevention of Illegal Eviction and Unlawful Occupation of Land Act (Act No. 19 of 1998)
- Home Loan and Mortgage Disclosure Act (Act No. 63 of 2000)
- Disestablishment of South African Trust Limited Act (Act No. 26 of 2002)
- Constitutional Court judgment of 2000, on the enforceability of social and economic rights
- KZN Housing Act (Act No. 12 of 1998, as amended)
- Housing Development Schemes for Retired Persons Act (Act No. 65 of 1988, amended by Act No. 20 of 1998)
- National Building Regulations and Building Standards Act (Act No. 103 of 1977)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Housing Consumers Protection Measures Act (Act No. 17 of 2007)
- Social Housing Act (Act No. 16 of 2008)
- Housing Development Agency Act (Act No. 23 of 2008)
- Public Finance Management Act (Act No. 1 of 1999, amended and the Treasury Regulations)
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003)
- National Environmental Management Act (Act No. 107 of 1998, amended by Act No. 8 of 2004)
- Communal Land Rights Act (Act No. 11 of 2004)
- Communal Property Associations Act (Act No. 28 of 1996)
- Deeds Registries Act (Act No. 47 of 1937)
- 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)
- Municipal Finance Management Act (Act No. 56 of 2003)
- Corruption Act (Act No. 94 of 2004, as amended)
- Expropriation Act (Act No. 39 of 1951, repealed by Act No. 63 of 1975)
- National Heritage Resources Act (Act No. 25 of 1999)
- Standards Act (Act No. 29 of 1993)
- State Land Disposal Act (Act No. 48 of 1961)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)

2. Review of the 2018/19 financial year

This section provides a review of 2018/19, outlining the main achievements and progress made during the year, as well as providing a brief discussion on challenges and new developments.

Rental Housing Tribunal

The Rental Housing Tribunal component continued to regulate good relationships between tenants and landlords by implementing pre-emptive and pro-active measures. The Tribunal remains a stakeholder of the Social Housing and CRU Provincial Steering Committee, which sits monthly, and all issues, challenges and possible solutions relating to the rental housing programmes are discussed. The department is currently reviewing tenant training material that was presented to tenants prior to their occupation of any project. This is an ongoing process conducted in partnership with social housing institutions and municipalities.

Over and above the tenant induction programme that was undertaken during 2018/19 for the Hampshire and Hilltops social housing projects in the eThekweni Metro and the Aloe Ridge social housing project in the Msunduzi Municipality, a need emerged to implement a tenant refresher programme to deal with attempts by tenants to boycott rent and illegally occupy units. The Tribunal, in conjunction with First Metro Housing and the eThekweni Metro, conducted tenant refresher training programmes from 01 July to 03 November 2018. These sessions covered the Avoca Hills project, the Hawaai project and part of the Lakehaven project, which are all in the eThekweni Metro. The programme resumed at the beginning of February 2019 and will continue until all 12 existing First Metro Housing social housing projects have been covered.

The Tribunal made inroads in respect of seven blocks of privately owned flats in the eThekweni Metro where there has been serious flouting of the Rental Housing Act in the form of severe lack of maintenance, non-payment of rent, overcrowding and illegal evictions. Inspections and information sessions were conducted in these seven blocks of flats.

Community Residential Unit (CRU)

The CRU programme aims to create a sustainable, affordable and secure rental housing option for households earning between R800 and R3 500 per month. The project is either developed or managed on provincial or municipal owned land parcels in order to curb the costs in relation to the construction of CRUs. The department uses its CRU norms and standards to guide the implementation of CRUs to ensure that the department develops viable and sustainable CRU projects within reasonable costs.

The National Minister of Human Settlements approved an enhancement to the social housing policy and this impacts on the CRU programme. The enhancement dictates that all projects previously planned as CRUs which fall within approved provincial restructuring zones will now be implemented as social housing projects. CRU projects falling outside the provincial restructuring zones will be retained as CRUs, and project planning and implementation will proceed. This enhancement will have a positive impact on KZN as more social housing units will be delivered. The projects that have been converted to social housing include Thornhill and Parkwood in KwaDukuza Municipality, Glenwood South East Sector in Msunduzi Municipality, uMhlathuze Village Phase 6 in uMhlathuze Municipality, etc.

The department also embarked on a two-pronged approach to enhance the CRU norms and standards. Firstly, this was done through the introduction of a new row-housing typology which seeks to be more cost effective as the designs for the units are single story bachelor units. Secondly, this was done through the revision of the current construction rates and CRU quantum. The rates were no longer aligned to current construction costs as they were adopted in 2014. These initiatives are underway and are anticipated to be concluded and adopted in 2019/20.

For 2018/19, 300 new CRU units were planned to be delivered by the last quarter of the year in areas such as KwaDukuza, Msunduzi, eThekweni and Newcastle and work is already underway. The project is experiencing various challenges including slow progress by implementing agents, delays in SCM processes, etc. and the department is anticipating that only 48 CRU units will be completed at the end of 2018/19.

Informal Settlements Upgrade (ISU)

The department's Informal Settlement Eradication Strategy for 2011 recognised that responses to the challenge of informal settlements need to be multi-pronged, broad-based and inclusive of the urban poor. It

also recognised that such responses need to promote more integrated and sustainable human settlements, promote an efficient urban form, and optimise scarce land. The strategy therefore acknowledges that a range of different responses are necessary and that there needs to be flexibility to address specific challenges, since settlements are not the same. The department projected to complete 4 110 units in respect of slums clearance, but only 2 972 units were completed. The delivery was hampered by challenges in SCM processes, social issues, as well as poor performance by implementing agents.

The department is developing land in the eThekweni Metro as a new township and the project name is Cornubia (also known as the Integrated Residential Development Programme or IRDP). Cornubia has a potential of delivering 25 000 units in various phases as the resources become available annually and hence, it is classified as a catalytic project. The intention is to relocate residents from informal settlements in various wards within the Metro to this development. To date, 2 661 houses have been delivered within Cornubia, of which 391 houses were delivered in 2018/19. The strategic focus for the IRDP has been on the delivery of serviced sites and units that will move families from informal settlements thus making space for developing the brown ISU. Dumisani Makhaye Village within King Cetshwayo in uMhlatuze Municipality delivered 679 sites to date, Aquadene delivered 374 sites, and 23 sites were serviced in the Empangeni IRDP. The green field nature of the IRDP instrument allows for better planning for the availability of bulk services.

With regard to the two projects that the department was piloting in 2018/19 in respect of the Enhanced People's Housing Process (EPHP) at Qiniselani Manyuswa in the eThekweni Metro, as well as the eThekweni special needs projects, the department experienced challenges in concluding a bilateral with the eThekweni Metro and, therefore, no delivery took place in this regard in 2018/19.

Rural housing development

This programme delivered at a much faster pace than expected throughout all the districts. A total of 8 365 rural houses were delivered by the third quarter. It was originally projected that 6 760 units would be delivered by year-end, but the department is over-achieving in this regard. Under this programme, only houses are built, as these sites already have access to basic services and thus the department is not delayed by the provision of bulk services by other government bodies.

Title Deeds Restoration Programme

The Title Deeds Restoration Programme was established with the main objective of ensuring that approved subsidy beneficiaries for a period up to 31 March 2014 get their title deeds. Title deeds projects that fall in the period beginning 1 April 2014 are regarded as new developments and are provided for under the Human Settlements Development grant (HSDG). The programme is in line with the clause in the Freedom Charter, which promotes the provision of houses, security and comfort. The fast-tracking of the issuing of title deeds is intended to facilitate entry into the economy by home-owners, but also to provide dignity of full ownership.

The backlog in the province reduced in 2018/19 by 10 695 (from 150 648 to 139 999) for both pre-and post-1994 housing stock. The pre-1994 housing stock title deeds backlog of 23 215 reduced by 1 079 title deeds, whereas the post-1994 housing backlog of 127 433 was reduced by 9 616 title deeds.

Emergency Housing Programme

The National Disaster Management Centre (NDMC) approved funding of R100 million relating to the flood disaster that occurred in the province on 10 October 2017. These disaster relief funds were allocated by National Treasury and were added to the HSDG allocation. These funds were allocated for reconstruction and repair of damaged houses, repair of damaged flats and repair of damaged hostels in areas such as eThekweni Metro, and the uMdoni, uMuziwabantu, uMzumbi and Ray Nkonyeni Local Municipalities. In total, over 3 280 subsidised houses were damaged and need to be repaired. The grant allocation was received by the department at the end of October 2018 and all approvals and procurement processes were finalised. The appointment of service providers and the required National Home Builders Registration Council (NHBRC) enrolments were finalised by the end of January 2019. The implementation in these areas commenced in February 2019.

3. Outlook for the 2019/20 financial year

This section looks at the key focus areas of 2019/20, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

The main purpose of the department's budget allocation is for the provision of housing to various sectors of the population including rural areas and informal settlements, with the bulk of the funding being provided via the HSDG. In 2019/20, the department will continue with the provision of housing, as detailed below.

Rental Housing Tribunal

The Rental Housing Tribunal will continue to regulate good relationships between tenants and landlords by implementing pre-emptive and pro-active measures. There is still an increase in the number of complaints lodged by tenants against social housing institutions and, as such, a joint intervention between the Tribunal and the social housing component is still in existence and continues to educate both tenants and social housing institutions about their rights and obligations in terms of the Rental Housing Act.

As a result of the continuous threats to boycott rent and attempts to illegally occupy units, the tenant refresher programmes will continue. Information sessions and inspections will continue to be held in respect of privately owned flats, and they will be expanded to also reach areas outside the eThekweni Metro.

Community Residential Unit (CRU)

The department is in the process of finalising a 20-year strategy, which will guide the upgrading of all hostels across the province and ensure that development costs are standardised. A major focus of the CRU programme will be on the rehabilitation of hostels going forward and the commencement of 2 154 new CRU projects in four municipalities, namely Greater Kokstad Municipality, with a total of 300 units planned, uBuhlebezwe Municipality with a total of 150 units planned, Msunduzi Municipality with a total of 1 164 units planned and Newcastle Municipality with a total of 540 units planned. These are multi-year projects as per the department's business plan.

The department is in consultation with all stakeholders and is also looking at alternative construction methods for CRU projects in an attempt to curb rising construction costs affecting the delivery of CRU projects. Municipalities are progressively being capacitated on property management skills for effective and efficient management of all CRU rental stock.

The two-pronged approach that the department embarked on in 2018/19 will be adopted in 2019/20.

Informal Settlements Upgrade (ISU)

Continued focus and roll-out of slums clearance projects is a provincial priority and projects in this regard are currently at various stages of the housing delivery cycle.

There are a total of 743 informal settlements identified and assessed throughout the province, including the eThekweni Metro. The Metro has also identified and documented all of its informal settlements and has a plan to gradually upgrade these informal settlements, including relocating additional families to green field projects based on the available budget. A total of 547 informal settlements exist in various areas within the eThekweni Metro, with an estimated total of 256 559 units. Of this, 200 informal settlements are undergoing a pre-feasibility study to determine the feasibility of the project implementation. A total of 80 projects are in planning stage, while 20 projects are under construction, with 20 797 sites already serviced and 36 256 units constructed in the eThekweni Metro.

The targets for 2019/20 are for 6 652 sites to be serviced and 5 653 units to be constructed.

Rural housing development

The current National Human Settlements Development plan requirements demand that all nine provinces comply with the Outcome 8 principles, which are in respect of human settlements and improved quality of household life. In 2019/20, it is expected that approximately 7 850 units will be completed in areas such as uMzinyathi, Amajuba, Harry Gwala, uMkhanyakude and Ugu.

Title Deeds Restoration Programme

The department will continue implementing strategies to address core challenges that impede the achievement of targets set for fast-tracking the transfer of title deeds, such as challenges associated with beneficiary administration/formalisation and regularisation, township establishment and opening of township registers, dispute resolutions, land acquisition in R293 townships, settlement of outstanding debt on utilities of rates and services, etc.

In 2019/20, R100.612 million is allocated to this programme against the TDRG. The budget is in respect of beneficiary verification, township establishment, dispute resolutions and title deeds issuing. The annual target for both pre- and post-1994 title deeds transfers for 2019/20 is 39 021, with the pre-1994 housing stock being 5 500 and post-1994 housing stock being 33 521. The backlog after the 2019/20 projections will be 100 978.

Emergency Housing Programme

A concerted effort will be directed at repairing the houses damaged by flood disasters in the province on 10 October 2017. A total amount of R247.013 million was allocated for reconstruction and repair of houses in the eThekweni Metro for 2019/20, with this amount forming part of the HSDG. A total of 1 500 houses will be rehabilitated. The department will continue to address disasters that occurred prior to 10 October 2017 through the Emergency Housing Programme which is an existing programme in the department. In 2019/20, the department has allocated an amount of R20.300 million of the HSDG for the Emergency Housing Programme to cater for repairs and material supply and this in line with the HSDG framework.

4. Reprioritisation

The department undertook minor reprioritisation in respect of its equitable share allocation.

The HSDG allocation was cut severely during the 2019/20 MTEF, due to fiscal consolidation cuts and funds allocated to the National Housing Finance Corporation (NHFC) in order to promote improved co-ordination in support of individuals in the gap market purchasing homes for the Finance Linked Individual Subsidy Programme (FLISP). This budget was offset by additional funding in respect of the flood disaster that occurred in the province on 10 October 2017, hence the growth in 2019/20. A new grant is introduced in the Human Settlements Sector, namely the Informal Settlements Upgrade Partnership grant (ISUPG) and only comes into effect from 2020/21. Reprioritisation was undertaken and the department will thus focus mainly on projects with a greater yield of units in order to achieve the MTSF targets. The number of units, sites and housing opportunities across all projects were reduced as a result of these budget cuts.

5. Procurement

The 2019/20 procurement plan is in the process of being finalised. The department will continue to strengthen its procurement systems focusing on reducing turn-around times when procuring goods and services by means of inviting price quotations and competitive bids. The department will embark on strengthening its control measures, contract management and records management towards an unqualified audit in the area of procurement. The department endeavours to continue to uphold the principles of procurement by ensuring that all contracts are awarded in a manner which is fair, equitable, transparent, competitive and cost effective.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 8.1 indicates the sources of funding for Vote 8 for the period 2015/16 to 2021/22. The budget for 2019/20 is made up of the equitable share of R405.533 million and the HSDG of R3.485 billion, whose aim is to promote the provision of low income housing and essential services, R100.612 million in respect of the TDRG, as well as R15.090 million in respect of the EPWP Integrated Grant for Provinces. Also included in table is the budget in respect of the ISUPG, which will commence in 2020/21.

Table 8.1 : Summary of receipts

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Equitable share	342 630	345 216	360 678	381 574	381 574	381 574	405 533	436 174	460 164
Conditional grants	3 550 432	3 139 896	3 683 192	3 265 663	3 365 663	3 365 663	3 601 109	3 760 846	3 488 674
<i>Human Settlements Development grant</i>	3 543 852	3 124 702	3 677 567	3 152 757	3 252 757	3 252 757	3 485 407	3 100 921	2 694 924
<i>Title Deeds Restoration grant</i>	-	-	-	101 422	101 422	101 422	100 612	106 146	-
<i>ISU Partnership grant</i>	-	-	-	-	-	-	-	553 779	793 750
<i>EPWP Integrated Grant for Provinces</i>	6 580	15 194	5 625	11 484	11 484	11 484	15 090	-	-
Total receipts	3 893 062	3 485 112	4 043 870	3 647 237	3 747 237	3 747 237	4 006 642	4 197 020	3 948 838
Total payments	4 131 025	3 529 003	4 066 734	3 647 237	3 785 079	3 785 079	4 006 642	4 197 020	3 948 838
Surplus/(Deficit) before financing	(237 963)	(43 891)	(22 864)	-	(37 842)	(37 842)	-	-	-
Financing									
of which									
Provincial roll-overs	-	-	1 372	-	-	-	-	-	-
Provincial cash resources	238 285	45 265	21 492	-	37 842	37 842	-	-	-
Surplus/(Deficit) after financing	322	1 374	-	-	-	-	-	-	-

The increase in 2017/18 is due to an additional amount of R200 million received from NDHS in terms of Section 20 of DORA. These funds were stopped from Gauteng (R150 million), Limpopo (R150 million) and North West (R300 million) in terms of Section 19 of the DORA, 2017 and were allocated to KZN (R200 million), Eastern Cape (R100 million), Mpumalanga (R100 million), Northern Cape (R100 million) and Western Cape (R100 million). This growth was slightly offset by a reduction in the HSDG over the 2017/18 MTEF in respect of some funding being reprioritised to the Social Housing Residential Authority (SHRA) to promote subsidies for social housing, and some funds being reprioritised to assist the Housing Development Agency (HDA) in operationalising catalytic projects.

The department was allocated funding since 2015/16 for the EPWP Integrated Grant for Provinces, with the aim of creating temporary work opportunities and transferring skills to the unemployed. The department uses these funds for skills development programmes such as training, mentors, acquiring tools and payment of stipends. An amount of R15.090 million is allocated in 2019/20. The allocation for the EPWP Integrated Grant for Provinces is based on previous years' achievements.

The department was allocated funding for the first time in 2018/19 with regard to the TDRG. These funds were previously ring-fenced within the HSDG for the eradication of backlogs in title deeds registration. This grant was created by shifting funds from the HSDG to ensure that funds allocated for this purpose are not utilised for other purposes. These funds get absorbed back into the HSDG from 2021/22. The annual target for both pre- and post-1994 title deeds transfers for 2019/20 is 39 021, with the pre-1994 housing stock being 5 500 and post-1994 housing stock being 33 521. The backlog after the 2019/20 projections will be 100 978, as mentioned.

The department is allocated funding for the first time from 2020/21 with regard to the ISUPG. In 2019/20, funds in respect of informal settlements upgrading are ring-fenced within the HSDG with specific conditions which include that at least 15 per cent of the HSDG must be spent on informal settlements upgrading. This grant is created by shifting funds from the HSDG to ensure that funds allocated for this purpose cannot be utilised for other purposes. These funds will be utilised to upgrade 743 informal settlements in areas such as the eThekweni Metro, Msunduzi Municipality, Ugu District, etc.

Provincial cash resources in 2015/16 reflect R238.285 million, of which R7.312 million relates to the above-budget 2015 wage agreement. An additional R100 million from provincial cash resources was allocated due to the Provincial Executive Council's decision to provide additional funding for housing initiatives, as well as R130.973 million from the NHFC and Ithala Development Finance Corporation (Ithala) for various housing projects. The department under-spent its 2015/16 budget by a minimal R322 000.

Provincial cash resources in 2016/17 of R45.265 million relate to:

- R1.029 million for the above-budget 2016 wage adjustment.
- R26.015 million being funds returned by Khuboni Shezi Attorneys. These funds were paid into the Provincial Revenue Fund by the attorneys in respect of unspent funds transferred by the department to

the attorneys for the purpose of purchasing the Four Seasons Hotel in Durban. This purchase was, however, cancelled and the funds were paid back to the department, together with interest.

- R6.916 million from NHFC for various housing projects. The department transferred funds to the NHFC in 2011/12 in order to assess, administer and manage social housing programmes on behalf of the department. On completion and close-out of each project, the NHFC had to repay any unspent funds, together with interest earned, to the department.
- R19 000 relating to a SARS refund received by the department.
- R11.286 million was received from the National Department of Military Veterans in 2013/14 and 2014/15 and held in a suspense account. These funds were paid into the Provincial Revenue Fund and were thus allocated back to the department for spending on the Military Veterans' Housing Project.

The department under-spent by R1.374 million in 2016/17 mainly in respect of the HSDG as a result of funds returned to the department by FNB at the end of March due to non-registration of units to beneficiaries in respect of the FLISP subsidy for the Ridgeview Gardens project, because of delays in receiving rates clearance certificates from the eThekweni Metro.

The provincial roll-over of R1.372 million in 2017/18 relates to funds rolled over from 2016/17 in respect of the HSDG.

Provincial cash resources reflect R21.492 million in 2017/18, of which R2.538 million relates to funds returned from the service provider Stedone Development due to payment duplication on this project and a refund of the duplicated payment amounting to R2.538 million was thus made. The department utilised these funds for renovations of district offices in the King Cetshwayo, uMkhanyakude and uMzinyathi Districts. An additional R18.954 million relates to funds returned by the National Urban Reconstruction and Housing Agency (NURCHA). NURCHA was required to place the funds in an interest bearing account with a recognised financial institution. The interest accrued was to be used for the Vulindlela Housing Project on approval by the MEC in line with the National Housing Code. These funds were paid into the Provincial Revenue Fund, and they were allocated back in the 2017/18 Adjustments Estimate to be used for community facilities such as a community hall, crèche, as well as social amenities such as a sports field that will be of use to the families benefiting from this project. The department fully spent its 2017/18 allocation.

Provincial cash resources in the 2018/19 Adjusted Appropriation reflect R37.842 million in respect of funds collected from the sale of units in Ridgeview Gardens. The department requested approval from Provincial Treasury to retain profits from the sale of 330 units at Ridgeview Gardens for FLISP development. The development was to be repaired, upgraded and made available for application of the FLISP subsidy instrument. The department appointed three conveyancing attorneys to fast-track the process of transferring the units to the beneficiaries. A total amount of R37.842 million was received from the sale of 144 of the 330 units and was paid over to the Provincial Revenue Fund in 2017/18, and approval for the funds to be allocated back to the department was granted. The department is projecting to fully spend the 2018/19 allocation, based on the December IYM.

The fluctuating trend over 2019/20 MTEF relates to additional funding in respect of the flood disaster that occurred in the province on 10 October 2017. These disaster relief funds were allocated by National Treasury and were added to the HSDG allocation. These funds were allocated for reconstruction and repair of damaged houses, repair of damaged flats and repair of damaged hostels. This funding ends in 2020/21. In addition, there is a significant reduction of R533.779 million in 2020/21 and R813.281 million in 2021/22 against the HSDG due to fiscal consolidation cuts and partly due to the creation of the ISUPG.

6.2 Departmental receipts collection

Table 8.2 provides a summary of the receipts collected by the department.

Details of these departmental receipts are given in *Annexure – Vote 8: Human Settlements*.

Table 8.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	700	442	422	624	624	624	445	451	457
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	2 174	10	19 452	18	18	18	19	20	21
Sale of capital assets	-	539	39 200	779	779	25 567	635	670	707
Transactions in financial assets and liabilities	165 201	15 072	2 209	3 388	3 388	19 895	3 580	3 675	3 791
Total	168 075	16 063	61 283	4 809	4 809	46 104	4 679	4 816	4 976

Sale of goods and services other than capital assets is derived from commission on PERSAL deductions such as insurance premium and garnishee orders, rental on state-owned property, parking fees and tender fees. The 2019/20 MTEF growth is based on the actual revenue collected from tender fees in 2016/17 and 2017/18. The department has indicated that this lower level of collection is continuing in 2018/19, but this has not yet been taken into account in the 2018/19 Revised Estimate.

Interest, dividends and rent on land includes interest from staff debts and positive cash balances. In 2015/16, the department collected revenue of R2.174 million mainly from interest received on land acquired from the department by the AbaQulusi and uMhlathuze Municipalities. The category reflects a high collection in 2017/18 against interest accrued from funds received after the sale of three portions of the Farm Louisiana. The funds were kept by Van Zyl Retief attorneys and generated interest until the purchase was finalised. Another contributor to this over-collection was accrued interest on monies transferred for the management and implementation of the Vulindlela Rural Housing Project in the uMgungundlovu district. Conservative revenue projections over the MTEF mainly relate to interest on outstanding staff debts.

Sale of capital assets relates to cash received from the sale of state property and sale of redundant assets, such as motor vehicles and office equipment. In 2016/17, the collection against this category mainly relates to the sale of redundant departmental motor vehicles. There are 330 units in Ridgeview Gardens that the department purchased in 2014, with the intention of renovating and re-selling these units individually. The department was granted approval by Provincial Treasury in 2016/17 to sell these units as part of the FLISP programme, contributing to the high collection in 2017/18 and the 2018/19 Revised Estimate. To date, 325 of these units have been sold. The reduction in 2019/20 and over the MTEF is due to the uncertainty of this source as the number of units to be sold is decreasing annually, coupled with the uncertainty of the market rates per unit.

Transactions in financial assets and liabilities derived its revenue mainly from the recovery of previous years' expenditure such as staff debts in respect of breached bursary contracts, as well as refunds of unspent funds from various projects. The high collection in 2015/16 includes R118.441 million in respect of previous years' expenditure for the assessment, administration and management of social housing and R12.532 million from Ithala, being the recall of a surplus. Also, in 2016/17, the department reflects a significant collection, mainly due to the receipt of funds from the National Department of Military Veterans and these funds were allocated back to the department. The 2018/19 Revised Estimate shows an anticipated over-collection mainly from the refund of unspent housing funds in various projects paid by the uMzimkhulu Municipality. The conservative budgeting over the 2019/20 MTEF reflects the difficulty in accurately anticipating recoveries from projects, due to their uncertain nature.

6.3 Donor funding – Nil

7. Payment summary

Section 7 reflects payments and budgeted estimates in terms of programmes and economic classification. Details are given in *Annexure – Vote 8: Human Settlements*.

7.1 Key assumptions

The key assumptions that underpin the MTEF budget of the department are summarised below:

- All inflation related increases are based on CPI projections.
- In terms of the National Treasury's guidelines, the cost of living adjustment is 6.3 per cent in 2019/20, 6.5 per cent in 2020/21 and 6.5 per cent in 2021/22, which excludes the 1.5 per cent pay progression. The department has provided for growth of 8.4 per cent, 5.7 per cent and 3.8 per cent over the MTEF. The budget adequately caters for the increase in 2019/20 and also provides for filling 31 posts, but is not adequate in 2020/21 and 2021/22. The decrease in 2020/21 and 2021/22 is in line with the HSDG budget cuts, as there are contract posts budgeted for under the Operational Capital (OPSCAP) allocation within the HSDG.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2018/19, will continue to be adhered to over the 2019/20 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 8.3 shows additional provincial and equitable share funding received by the department over the 2017/18, 2018/19 and 2019/20 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2021/22) are based on the incremental percentage used in the 2019/20 MTEF.

Table 8.3 : Summary of additional provincial and equitable share allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	(1 766)	(1 938)	544	574	605
PES and Provincial Own Revenue reductions	(1 420)	(1 624)	(2 880)	(3 038)	(3 206)
Budget cuts to fund remuneration of <i>Izinduna</i>	(537)	(566)	(597)	(630)	(665)
Baseline adjustment	191	252	268	283	299
Additional funding from National Treasury	-	-	3 753	3 959	4 177
2018/19 MTEF period				8 336	8 794
Above-budget wage agreement				8 336	8 794
2019/20 MTEF period					
Total	(1 766)	(1 938)	544	8 910	9 400

In the 2017/18 MTEF, there was a reduction of the PES allocation due to data updates of the PES formula, fiscal framework reductions, as well as a downward revision of the Provincial Own Revenue. The department's budget was therefore cut. Funds were also cut over the 2017/18 MTEF for the remuneration of *Izinduna* as determined by the Provincial Executive Council, in line with Presidential proclamations in this regard. The department also received a minor baseline adjustment over the MTEF, as well as additional funding from National Treasury which offset the budget cuts in that year.

In the 2018/19 MTEF, the department received additional funding from 2020/21 for the above-budget wage agreement.

In the 2019/20 MTEF, the department received no additional funding.

7.3 Summary by programme and economic classification

The budget structure of Vote 8 conforms to the uniform budget and programme structure prescribed for the Human Settlements sector. Tables 8.4 and 8.5 provide a summary of the Vote's payments and budgeted estimates over the MTEF, by programme and economic classification, respectively.

The decrease in 2016/17 was mainly due to an additional amount of R308.377 million received from NDHS in 2015/16, where money was allocated to the province from Gauteng due to good performance in the delivery of units. The department also received additional funding for the carry-through of the above-budget 2015 wage agreement, R100 million to cater for various housing projects, as well as R130.973 million received from Ithala and NHFC, as mentioned. The increase in 2017/18 relates to the reallocation of funds received from NURCHA, as well as a second Adjustments Estimate in respect of an

additional amount of R200 million received from NDHS in terms of Section 20 of the DORA, as mentioned. The increase from the 2018/19 Main to the Adjusted Appropriation is due to the additional funding of R100 million relating to the flood disaster that occurred in the province on 10 October 2017. These disaster relief funds were allocated by National Treasury and were added to the HSDG allocation. The allocation over the 2019/20 MTEF fluctuates as a result of the HSDG budget cuts, as well as funds for the new ISUPG, with the most significant cut being in 2021/22. It is noted that the amounts in 2015/16 and 2016/17 in respect of economic classification were restated for alignment purposes, hence these are slightly different to the 2018/19 *EPRE*.

Table 8.4 : Summary of payments and estimates by programme: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	198 260	205 279	217 793	225 774	234 685	234 685	239 986	256 413	271 054
2. Housing Needs, Research and Planning	16 411	15 928	16 511	17 968	17 537	17 537	18 975	20 372	21 452
3. Housing Development	3 674 667	3 113 612	3 652 475	3 210 917	3 346 218	3 346 218	3 575 213	3 752 000	3 485 415
4. Housing Asset Management	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917
Total	4 131 025	3 529 003	4 066 734	3 647 237	3 785 079	3 785 079	4 006 642	4 197 020	3 948 838

Table 8.5 : Summary of payments and estimates by economic classification: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	389 360	457 004	484 804	495 268	519 752	519 147	558 785	567 694	561 017
Compensation of employees	266 232	280 036	298 724	340 345	334 217	332 143	369 098	390 305	405 203
Goods and services	123 128	176 569	186 065	154 923	185 252	186 488	189 687	177 389	155 814
Interest and rent on land	-	399	15	-	283	516	-	-	-
Transfers and subsidies to:	3 726 668	3 066 002	3 548 460	3 147 010	3 251 179	3 247 213	3 433 882	3 623 992	3 382 250
Provinces and municipalities	163 157	124 345	257 039	107 179	128 519	176 262	58 340	98 370	88 398
Departmental agencies and accounts	259 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	100 000	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 303 824	2 647 473	3 111 466	2 847 253	2 936 021	2 884 312	3 203 074	3 357 387	3 122 935
Payments for capital assets	14 712	5 526	33 120	4 959	14 148	18 719	13 975	5 334	5 571
Buildings and other fixed structures	6 170	1 712	29 913	-	10 000	14 571	9 000	-	-
Machinery and equipment	8 542	3 814	3 207	4 959	4 148	4 148	4 975	5 334	5 571
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	285	471	350	-	-	-	-	-	-
Total	4 131 025	3 529 003	4 066 734	3 647 237	3 785 079	3 785 079	4 006 642	4 197 020	3 948 838

Programme 1: Administration reflects a steady increase from 2015/16 to 2018/19. The increase from the 2018/19 Main to the Adjusted Appropriation is mainly due to the allocation for the development of an electronic management system for the department, which will be used as a back-up of all manual records, such as contracts, invoices, project files, etc. in the event of a fire or disaster occurring. Savings were identified and moved to this programme from property payments to provide for municipal services, security services, cleaning services, building maintenance, etc. which were under-budgeted for. The increase over the 2019/20 MTEF is to cater for the filling of five posts, as well as wage agreements and inflationary adjustments on items such as leasing of offices, property payments, etc.

Programme 2: Housing Needs, Research and Planning reflects a fluctuating trend from 2015/16 to 2017/18. The slight decrease from the 2018/19 Main to Adjusted Appropriation is due to two Assistant Director: Policy posts that were vacated during 2018/19 because of resignation. These savings were moved to Programme 1 to cater for expenditure relating to property payments such as municipal services, security services, cleaning services, building maintenance, etc. which were under-budgeted for. The increase over the 2019/20 MTEF is to cater for wage agreements and inflationary adjustments, as well as the filling of three posts.

Programme 3: Housing Development increased from 2016/17 to 2017/18 due to an additional R200 million received from NDHS in terms of Section 20 of DORA. The increase from the 2018/19 Main to the Adjusted Appropriation, as well as in 2019/20 and 2020/21, is due to funds allocated to the department relating to the flood disaster that occurred in the province on 10 October 2017. These funds are for reconstruction and repair of damaged houses, repair of damaged flats and repair of damaged hostels in areas such as the eThekweni Metro, as well as the uMdoni, uMuziwabantu, uMzumbe and Ray Nkonyeni Local Municipalities. The department receives funding for the first time in 2020/21 in respect of the ISUPG, which also forms part of this programme. The decrease in 2021/22 is because of the HSDG budget cuts.

The decreasing trend against Programme 4: Housing Asset Management (which comprises the KZN Housing Fund) from 2015/16 to 2017/18 relates to the transfers made in 2015/16 to the eThekweni Metro in respect of the rectification programme for the pre-1994 housing stock of ex-Own Affairs and ex-R293 areas. The decrease from the 2018/19 Main to Adjusted Appropriation is due to over-estimation made relating to municipal services in respect of bulk water supply relating to Oribi village which is one of the housing properties owned by the department in the Msunduzi Municipality under the HSDG. The cost of the services was estimated based on previous years' trends, and the amount claimed by the municipality was lower than anticipated. These savings were moved to Programme 3 due to the acceleration of service delivery in respect of the rural housing subsidy instrument. Over the 2019/20 MTEF, the HSDG was reduced, partly due to fiscal consolidation and partly due to the creation of the TDRG, as mentioned.

Compensation of employees reflects a steady increase from 2015/16 to 2017/18. The decrease from the 2018/19 Main to Adjusted Appropriation and a further decrease in the Revised Estimate is due to savings realised from vacant posts which were moved to cater for spending pressures in other areas. The increase over the 2019/20 MTEF is in respect of the filling of 31 critical vacant posts such as Chief Director: Human Capital, State Accountants, Employee Wellness Practitioners, etc., as well as the carry-through costs of previous wage agreements. This category shows growth of 8.4 per cent, 5.7 per cent and 3.8 per cent over the MTEF. The budget adequately caters for the increase in 2019/20 as prescribed by National Treasury but not for the filling of 31 posts. The decrease in 2020/21 and 2021/22 is in line with the HSDG budget cuts, as there are contract posts budgeted for under the OPSCAP allocation within the HSDG. The department will review the growth in-year, to ensure that there is adequate provision for the filling of vacant posts.

Goods and services reflects a steady increase from 2015/16 to 2017/18 in line with inflationary increases and the fast-tracking of housing project launches. The increase from the 2018/19 Main to Adjusted Appropriation, funded through savings under *Compensation of employees* as a result of vacant posts, and the further increase in the Revised Estimate, was to cater for the appointment of professional services to undertake environmental impact assessments, as well as feasibility studies as part of the department's servicing of sites programme and appointment of professional services to assist in the reduction of the title deeds backlog. The allocations over the 2019/20 MTEF include provision for the implementation of the anti-land invasion strategy which has necessitated the safeguarding of departmental owned properties against illegal occupation, operating leases, professional fees and all other operational costs of the department. The department allocates 1 per cent of the HSDG to HDA for the management of catalytic projects and the reduction in the HSDG resulted in a reduction of this allocation to HDA, hence the decreasing trend over the 2019/20 MTEF, as well as the fact that the EPWP Integrated Grant for Provinces is not allocated beyond 2019/20, at this stage.

Interest and rent on land pertains to interest paid on overdue accounts. The 2016/17, 2017/18 and 2018/19 amounts are in respect of interest paid on overdue accounts for payment made to the Government Employees Pension Fund (GEPF) for employees who took early retirement in previous financial years.

In respect of *Transfers and subsidies*:

- The fluctuating trend against *Provinces and municipalities* from 2015/16 to 2017/18 is in respect of the transfer to the eThekweni Metro for the CRU programme. The decrease in 2016/17 relates to the CRU programme allocation which was lower than the previous year's spending due to alignment to the agreement entered into by the department with the eThekweni Metro to transfer funds for the CRU programme. The increase in 2017/18 was in respect of funds shifted from *Households* to this category, within Programme 3 as a result of servicing of sites in order to undertake various housing programmes

under FLISP, and the title deeds restoration programme originally being budgeted for under *Households*. However, expenditure was incurred against *Provinces and municipalities* due to funds transferred to the eThekweni Metro, Msunduzi Municipality and Alfred Duma Municipality, as implementing agents. The increase from the 2018/19 Main to Adjusted Appropriation relates to funding allocated for the eThekweni Hostel Upgrading programme which was under-budgeted for due to budget constraints as a result of budget cuts against the HSDG. The decrease in 2019/20 is due to a reduction in the transfer in respect of the eThekweni Hostel Upgrading programme as the Metro has not fully utilised the funding which was transferred in 2018/19. The 2020/21 amount largely relates to the operational costs of accredited municipalities, the CRU programme, as well as the title deeds restoration programme. The reduction in 2021/22 is due to the TDRG being absorbed back into the HSDG from 2021/22.

- The spending against *Departmental agencies and accounts* relates to transfers to the KZN Housing Fund and funds earmarked to be transferred to HDA. Funding in respect of the KZN Housing Fund was moved to this category in line with an A-G finding in the 2013/14 audit. The decreasing trend from 2015/16 to 2017/18 relates to the transfers made in 2015/16 to the eThekweni Metro in respect of the rectification programme for the pre-1994 housing stock of ex-Own Affairs and ex-R293 areas. The decrease from the 2018/19 Main to Adjusted Appropriation is due to an over-estimation made relating to municipal services in respect of bulk water supply relating to Oriibi village which is one of the housing properties owned by the department in the Msunduzi Municipality under the HSDG. The cost of the services was estimated based on previous years' trends, and the amount claimed by the municipality was lower than anticipated. Over the 2019/20 MTEF, the HSDG was reduced, due to fiscal consolidation.
- The spending against *Public corporations and private enterprises* in 2016/17 relates to the implementation of the Military Veterans' Housing Project. The department entered into an agreement with Ithala as an implementing agent for the construction of houses for military veterans. A total of four houses have been completed, 32 houses are under construction in the eThekweni Metro and the Msunduzi Municipality and 98 plans in respect of sites are in the process of being finalised for the commencement of construction. The programme experienced challenges mainly in acquiring sites from municipalities, as well as the verification of beneficiaries by the Department of Military Veterans and the approval of plans by municipalities for the issuing of title deeds.
- *Households* shows a fluctuating trend from 2015/16 to 2017/18, due to fluctuations in the HSDG as the bulk of the housing programmes are budgeted for within this category. The decrease from 2015/16 to 2016/17 is as a result of the department receiving additional once-off funding of R308.377 million from NDHS in 2015/16, as mentioned. Also in 2015/16, the department received additional funding of R100 million to cater for various housing projects, as well as the reallocation of R130.973 million from Ithala and NHFC. The decrease from 2017/18 to the 2018/19 Main Appropriation was due to an additional amount of R200 million received from NDHS in terms of Section 20 of DORA in 2017/18 only. The increase from the 2018/19 Main to Adjusted Appropriation and over the 2019/20 MTEF relates to funds allocated to the department relating to the flood disaster that occurred in the province on 10 October 2017. These funds are for reconstruction and repair of damaged houses, repair of damaged flats and repair of damaged hostels in areas such as the eThekweni Metro, and the uMdoni, uMuziwabantu, uMzumbe and Ray Nkonyeni Local Municipalities. The decrease in 2021/22 takes into account the HSDG budget cuts.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme. The trend from 2015/16 to 2017/18 relates to the Social and Economic Amenities programme, where the department terminated contracts for uMkhanyakude, Amajuba and uMgungundlovu as a result of poor performance and new contractors which performed the work were appointed in 2017/18. The 2018/19 Adjusted Appropriation, Revised Estimate and 2019/20 amounts relate to the fact that the department was anticipating to finalise the programme in 2017/18 and this was therefore not initially budgeted for in 2018/19 or 2019/20. These funds are in respect of completing the remaining work within various districts, including the eThekweni Metro, Cornubia Social Amenity, Sonkombo Social Amenity, etc., and to ensure that proper handover processes are undertaken. Other Social and Economic Amenities being completed, include the Dududu Social Amenity in uMdoni Municipality and the Siyathuthuka Social Amenity in the Richmond Municipality. The allocation does not continue beyond 2019/20 because the department is anticipating to complete all projects at the end of 2019/20.

Machinery and equipment shows a fluctuating trend due to its cyclical nature. The decrease from the 2018/19 Main to Adjusted Appropriation is due to a decision taken by the department to postpone the purchase of motor vehicles to 2019/20 in order to defray spending pressures resulting from increased property payments such as municipal services, e.g. water and electricity, security services, cleaning services, building maintenance, etc. which were under-budgeted for. The increasing trend over the 2019/20 MTEF is due to the fact that the purchasing of vehicles and other equipment is cyclical in nature.

Payments for financial assets relates to the write-off of staff debts in 2015/16 to 2017/18.

7.4 Summary of conditional grants payments and estimates

Tables 8.6 and 8.7 provide a summary of the conditional grant payments and budgeted estimates over the period by conditional grant name and economic classification, respectively. Note that the historical figures set out in Table 8.6 reflect actual spending per grant, and should not be compared to Table 8.1, which represent the actual receipts for each grant. The department has three grants in 2019/20, namely the HSDG, EPWP Integrated Grant for Provinces and TDRG. In 2020/21, there is a newly created grant, ISUPG. The EPWP Integrated Grant for Provinces receives funding up to 2019/20, the TDRG receives funding up to 2020/21, while the HSDG receives funding over the MTEF.

Details are given in *Annexure – Vote 8: Human Settlements*.

Table 8.6 : Summary of conditional grant payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Human Settlements Development grant	3 543 852	3 123 330	3 678 939	3 152 757	3 252 757	3 252 757	3 485 407	3 100 921	2 694 924
EPWP Integrated Grant for Provinces	6 058	15 194	5 625	11 484	11 484	11 484	15 090	-	-
Title Deeds Restoration grant	-	-	-	101 422	101 422	101 422	100 612	106 146	-
ISU Partnership grant	-	-	-	-	-	-	-	553 779	793 750
Total	3 549 910	3 138 524	3 684 564	3 265 663	3 365 663	3 365 663	3 601 109	3 760 846	3 488 674

Table 8.7 : Summary of conditional grant payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	97 284	156 190	169 259	161 114	180 916	180 916	205 458	187 626	159 926
Compensation of employees	64 621	69 736	77 566	88 178	93 495	92 259	101 848	102 299	102 524
Goods and services	32 663	86 454	91 693	72 936	87 421	88 657	103 610	85 327	57 402
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 446 176	2 980 404	3 484 837	3 103 718	3 184 316	3 179 745	3 386 220	3 572 789	3 328 317
Provinces and municipalities	163 059	124 213	256 935	106 929	128 369	176 112	58 210	98 210	88 210
Departmental agencies and accounts	162 054	135 678	141 652	150 173	144 234	144 234	125 362	117 632	117 632
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	100 000	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 121 063	2 620 513	3 086 250	2 846 616	2 911 713	2 859 399	3 202 648	3 356 947	3 122 475
Payments for capital assets	6 450	1 930	30 468	831	431	5 002	9 431	431	431
Buildings and other fixed structures	6 170	1 712	29 913	-	-	4 571	9 000	-	-
Machinery and equipment	280	218	555	831	431	431	431	431	431
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 549 910	3 138 524	3 684 564	3 265 663	3 365 663	3 365 663	3 601 109	3 760 846	3 488 674

As previously mentioned, the HSDG receives additional funding in 2018/19 (R100 million), 2019/20 (R247.013 million) and 2020/21 (R400 million) to deal with repairs to houses damaged by the flood disaster that occurred in the province on 10 October 2017. The HSDG was reduced by R36.731 million in 2019/20, and sees a further reduction of R407.284 million in 2020/21 and R813.281 million in 2021/22, partly due to fiscal consolidation and partly due to the creation of a new grant in the Human Settlements sector, namely the ISUPG, as mentioned.

The department's main funding relates to the HSDG, which aims to promote the provision of low income housing using different programmes such as project linked subsidies, people's housing programmes, IRDP, rural housing subsidies, informal settlements upgrade, social housing, etc. In 2019/20, the department has allocated an amount of R20.300 million of the HSDG for the Emergency Housing Programme to cater for repairs and material supply and this is in line with the HSDG framework, as mentioned.

The department receives funding in respect of the EPWP Integrated Grant for Provinces for developing skills of beneficiaries to improve employment prospects, as well as expanding work opportunities, especially for the youth, during the implementation of housing projects.

The department receives funding for the TDRG from 2018/19 up to 2020/21. These funds were previously ring-fenced in the HSDG to eradicate the title deeds registration backlog. This grant was created in 2018/19 by shifting funds that were allocated for eradicating the backlog from the HSDG to ensure that these funds cannot be utilised by provinces for other purposes. This grant is absorbed into the HSDG in 2021/22. The backlog after the 2019/20 projections will be 100 978, as mentioned.

The department receives funding for the first time in 2020/21 in respect of the ISUPG. In 2019/20, funds relating to the informal settlements upgrade are ring-fenced within the HSDG with specific conditions which includes that at least 15 per cent of the HSDG must be spent on informal settlements upgrading. This grant is created by shifting funds from the HSDG to ensure that funds allocated for this purpose cannot be utilised by provinces for other purposes. The allocation in respect of this grant is R533.779 million in 2020/21 and R793.750 million in 2021/22.

The department funds *Compensation of employees* mainly from the HSDG, in line with DORA, which allows for a portion (up to 5 per cent) of the conditional grant funding to be used for administrative purposes to enhance service delivery. The increase from the 2018/19 Main to Adjusted Appropriation is to cater for salaries of officials who are appointed on a contractual basis to fast-track the title deeds restoration programme under the TDRG. The increase over the 2019/20 MTEF relates to contract posts such as Project Construction Managers, Community Development Practitioner, etc. in respect of the HSDG and TDRG.

The substantial increase under *Goods and services* in 2016/17 was due to the appointment of a Civil and Structural Engineer to undertake assessments, as well as costs in respect of repairs of structural defects at the Ridgeview Gardens social housing project. The substantial increase from the 2018/19 Main to Adjusted Appropriation and in 2019/20 relates to the funding allocated to cater for the appointment of professional services to assist in the reduction of the title deeds backlog under the TDRG, as well as to cater for the appointment of professional services to undertake environmental impact assessments, feasibility studies, etc. in the eThekweni Metro. The declining trend over the MTEF is in respect of a reduced allocation to HDA, following the budget cuts in respect of the HSDG, as mentioned.

The fluctuating trend in *Transfers and subsidies to: Provinces and municipalities* from 2015/16 to 2017/18 was in respect of the transfer to the eThekweni Metro for the CRU programme. The decrease in 2016/17 relates to the alignment of the CRU programme budget to the agreement entered into with the eThekweni Metro to transfer funds for the CRU programme. The increase from the 2018/19 Main to Adjusted Appropriation relates to funding allocated for the eThekweni Hostel Upgrading programme which was under-budgeted for due to budget constraints as a result of budget cuts against the HSDG. The decrease in 2019/20 is due to the reduction of the allocation in respect of the eThekweni Hostel Upgrading programme as the Metro has not fully utilised the funding which was transferred in 2018/19. The allocation in 2020/21 and 2021/22 largely relates to the operational costs of accredited municipalities and the CRU programme.

Transfers and subsidies to: Departmental agencies and accounts relates to the KZN Housing Fund and the HDA. Funding in respect of the KZN Housing Fund was moved to this category in line with an A-G finding relating to the KZN Housing Fund in the 2013/14 audit. The decreasing trend from 2015/16 to 2017/18 relates to transfers made in 2015/16 to the eThekweni Metro for the rectification programme for the pre-1994 housing stock of ex-Own Affairs and ex-R293 areas. The decrease from the 2018/19 Main to Adjusted Appropriation is due to over-estimation of municipal services in respect of bulk water supply relating to Oribi village which is one of the housing properties owned by the department in the Msunduzi Municipality under the HSDG. The HSDG was reduced over the MTEF due to fiscal consolidation, as mentioned.

Transfers and subsidies to: Households shows a declining trend from 2015/16 to 2017/18, due to the decrease in the HSDG as the bulk of the housing programmes are budgeted for within this category. As mentioned, the decrease from 2015/16 to 2016/17 is as a result of the department receiving additional once-off funding of R308.377 million from NDHS in 2015/16. The increase from the 2018/19 Main to Adjusted Appropriation and over 2019/20 MTEF relates to the disaster relief funding allocated to deal with the repair of damaged houses, flats and hostels in areas such as the eThekweni Metro and the uMdoni, uMuziwabantu, uMzumbe and Ray Nkonyeni Local Municipalities. The decrease in 2021/22 takes into account the HSDG budget cuts.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme under the HSDG. The trend from 2015/16 to 2017/18 relates to the fact that the department terminated contracts for uMkhanyakude, Amajuba and uMgungundlovu as a result of poor performance and new contractors which performed the work were appointed in 2017/18, as mentioned. The 2018/19 Adjusted Appropriation, Revised Estimate and 2019/20 amounts are due to the fact that the department was anticipating to finalise the programme in 2017/18 and this was therefore not initially budgeted for in the 2018/19 Main Appropriation. These funds are in respect of completing the remaining work within various districts, including the eThekweni Metro, Cornubia Social Amenity, Sonkombo Social Amenity, etc., and to ensure that proper handover processes are undertaken. Other Social and Economic Amenities include the Dududu Social Amenity in uMdoni Municipality and the Siyathuthuka Social Amenity in Richmond Municipality. The allocation does not continue beyond 2019/20 because the department is anticipating to complete all projects at the end of 2019/20. This will be reviewed against final progress at the end of 2019/20.

Machinery and equipment provides for the purchase of furniture and equipment for new employees. This is in respect of new technical posts such as Project Construction Managers anticipated to be filled on a contractual basis, funded from the HSDG.

7.5 Summary of infrastructure payments and estimates

Table 8.8 presents a summary of infrastructure payments and estimates by infrastructure category. Detailed information on infrastructure is given in the *2019/20 Estimates of Capital Expenditure*.

Table 8.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Maintenance and repair: Current	-	-	-	-	-	-	-	-	-
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
New infrastructure assets: Capital	6 170	1 712	29 913	-	10 000	14 571	9 000	-	-
Infrastructure transfers¹	163 053	124 161	256 934	106 929	128 369	176 112	58 210	98 210	88 210
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	163 053	124 161	256 934	106 929	128 369	176 112	58 210	98 210	88 210
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	20 839	28 858	25 626	21 777	21 777	21 777	21 880	22 761	23 900
Non infrastructure²	-	-	-	-	-	-	-	-	-
Total	190 062	154 731	312 473	128 706	160 146	212 460	89 090	120 971	112 110
<i>Capital infrastructure</i>	169 223	125 873	286 847	106 929	138 369	190 683	67 210	98 210	88 210
<i>Current infrastructure</i>	20 839	28 858	25 626	21 777	21 777	21 777	21 880	22 761	23 900

1. Infrastructure transfers: Capital in 2016/17, 2017/18 Audited Outcome and 2018/19 Adjusted Appropriation have been corrected to align to Table 8.12

2. Non infrastructure is a stand-alone item, and is therefore excluded from Capital infrastructure and Current infrastructure, but is included in the overall total

The category *New infrastructure assets: Capital* relates to the Social and Economic Amenities programme. The asset constructed is owned by the department until handed over to the municipality. The trend from 2015/16 to 2017/18 relates to the fact that the department terminated contracts for uMkhanyakude, Amajuba and uMgungundlovu as a result of poor performance and new contractors which performed the work were appointed in 2017/18, as mentioned. The amounts in the 2018/19 Adjusted Appropriation, Revised Estimate and 2019/20 relate to the fact that the department was anticipating to finalise the programme in 2017/18 and this was therefore not initially budgeted for in the 2018/19 Main Appropriation.

These funds are in respect of completing the remaining work within various districts, including the eThekweni Metro, Cornubia Social Amenity, Sonkombo Social Amenity, etc., and to ensure that proper handover processes are undertaken. Other Social and Economic Amenities include the Dududu Social Amenity in uMdoni Municipality and the Siyathuthuka Social Amenity in Richmond Municipality, which are being completed. The allocation does not continue beyond 2019/20 because the department is anticipating to complete all projects at the end of 2019/20. This will be reviewed against final progress at the end of 2019/20, as mentioned.

Infrastructure transfers: Capital comprises transfers in respect of the CRU programme and operational costs of accredited municipalities. The trend from 2015/16 to 2017/18 relates to the operational costs for accredited municipalities, which are based on the actual performance by the municipality, as well as the transfer of R100 million to the eThekweni Metro in respect of the CRU programme in 2015/16. The decrease in 2016/17 relates to lower spending on the CRU programme in that year to align to the agreement with the eThekweni Metro. The increase from the 2018/19 Main to Adjusted Appropriation relates to funding allocated for the eThekweni Hostel Upgrading programme which was under-budgeted for due to budget constraints as a result of budget cuts against the HSDG. The decrease in 2019/20 is due to the reduction of the allocation in respect of the eThekweni Hostel Upgrading programme as the Metro has not fully utilised the funding which was transferred in 2018/19. The allocations in 2020/21 and 2021/22 relate to the operational costs of accredited municipalities and the CRU programme.

The category *Infrastructure: Leases* relates to the operational leases for office accommodation leased by the department. The increases in 2016/17 and 2017/18 are in respect of office accommodation leases as a result of the annual escalation in leasing of office building costs. The increasing trend over the 2019/20 MTEF relates to inflationary increases.

7.6 Summary of Public Private Partnerships – Nil

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Table 8.9 shows transfers made by the department to public entities that are listed in terms of Schedule 3 of the PFMA, as well as transfers to other entities.

It is noted that HDA is a national public entity, and Ithala is used as an implementing agent. As such, the financial summaries for these public entities are not included in Vote 8's Annexure.

The department is funding the KZN Housing Fund which is in the process of being dis-established and is an unlisted public entity in terms of Section 47(2) of the PFMA. These allocations were previously made from all categories within Programme 4 but, following an A-G finding, are now made from *Transfers and subsidies to: Departmental agencies and accounts*. The amounts in the previous years under economic classification were restated for alignment.

Table 8.9 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PMFA) and other entities

R thousand	Sub-programme	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates			
		2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2018/19	2019/20	2020/21	2021/22
Transfers to public entities		18 000	100 000	-	-	-	-	-	-	-	-
	Housing Development Agency 3.2 Financial Interventions	18 000	-	-	-	-	-	-	-	-	-
	Ithala Development Finance Corporation 3.3 Incremental Interventions	-	100 000	-	-	-	-	-	-	-	-
Transfers to other entities		241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917	
	KZN Housing Fund 4 (all 3 sub-programmes)	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917	
Total		259 687	294 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917	

The transfer of R18 million to the HDA in 2015/16 was for operational costs of the support work undertaken by HDA in the province. The department entered into a three-year agreement with this national public entity to undertake various assigned functions such as the land assembly strategy for human settlements, land geo-spatial services, project packaging and implementation support on specific assigned development projects, etc.

The transfer to Ithala in 2016/17 was for the implementation of the Military Veterans' Housing Project. The department entered into an agreement with Ithala as an implementing agent for the construction of houses for military veterans. A total of four houses have been completed, 32 houses are under construction in the eThekweni Metro and Msunduzi Municipality and 98 plans in respect of sites are in the process of being finalised for the commencement of construction, as mentioned.

The high allocation in 2015/16 under the KZN Housing Fund relates to municipal services and rates and taxes for housing properties, as well as a Provincial Executive Council decision to provide funding towards the rehabilitation of R293 and ex-Own Affairs townships. The transfer to this entity was also affected by budget cuts, hence the decrease in 2016/17. Over the 2019/20 MTEF, the HSDG was reduced partly due to fiscal consolidation cuts and partly due to the creation of new grants, as mentioned, and this has impacted on this transfer.

7.8 Transfers to local government

Tables 8.10 and 8.11 illustrate departmental transfers to local government by category and by grant type, respectively. Details of these transfers are presented in the *Annexure – Vote 8: Human Settlements*.

Table 8.10 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Category A	132 403	88 056	148 448	75 235	96 675	144 418	20 418	60 418	55 418
Category B	30 650	36 105	108 486	31 694	31 694	31 694	37 792	37 792	32 792
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	163 053	124 161	256 934	106 929	128 369	176 112	58 210	98 210	88 210

Table 8.11 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Accredited municipalities	3.2 Financial Intervention	54 296	53 471	50 446	46 929	46 929	46 929	48 210	48 210	48 210
CRU programme	3.4 Social & Rental Intervention	108 757	65 142	60 000	60 000	80 000	80 000	-	40 000	40 000
Rates and taxes	3.4 Social & Rental Intervention	-	5 548	361	-	-	-	-	-	-
Title deeds restoration prog.	3.2 Financial Intervention	-	-	81 270	-	-	-	-	-	-
Title deeds restoration grant	3.2 Financial Intervention	-	-	-	-	1 440	48 314	10 000	10 000	-
FLISP	3.2 Financial Intervention	-	-	64 857	-	-	869	-	-	-
Total		163 053	124 161	256 934	106 929	128 369	176 112	58 210	98 210	88 210

Transfers to municipalities relate to the CRU programme (Category A), title deeds restoration (Categories A and B), FLISP (Categories A and B), municipal rates and taxes (Categories A and B) and operational costs of the accredited municipalities (Categories A and B).

The amounts in respect of FLISP relate to the servicing of sites. The allocation was anticipated to be once-off in 2017/18, while the amount under the 2018/19 Revised Estimate was in respect of the remaining costs. This transfer to the eThekweni Metro is in respect of the necessary planning, servicing of sites and associated activities in support of the department's priority interventions and programmes.

The once-off transfer in respect of the title deeds restoration programme in 2017/18 was made to the eThekweni Metro for preparatory work, beneficiary verification, conveyancing work, as well as opening of township registers.

Category A: The CRU programme provides a coherent approach to dealing with different forms of public residential accommodation. It enables the department to provide secure and stable rental tenure for lower income persons in good locations, and forms the basis for transition to the formal housing market.

Categories A and B: The department provides transfers for municipal rates and taxes and operational costs of accredited municipalities, for the eThekweni Metro, Ugu, uMgungundlovu, uThukela, Zululand, iLembe, Amajuba and King Cetshwayo Municipalities.

7.9 Transfers and subsidies

Table 8.12 provides a summary of transfers and subsidies per programme. The various trends in each programme are discussed below.

Table 8.12 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	1 195	3 037	1 643	887	1 235	1 390	556	600	648
Provinces and municipalities	98	132	104	250	150	150	130	160	188
Motor vehicle licences	98	132	104	250	150	150	130	160	188
Households	1 097	2 905	1 539	637	1 085	1 240	426	440	460
Staff exit costs	388	1 674	983	-	748	861	-	-	-
Donations and gifts: Mthembu Thando	-	-	-	-	100	100	-	-	-
Bursaries	709	1 231	556	637	237	279	426	440	460
2. Housing Needs, Research and Planning	-	-	22	-	500	500	-	-	-
Households	-	-	22	-	500	500	-	-	-
Staff exit costs	-	-	22	-	500	500	-	-	-
3. Housing Development	3 483 786	2 868 781	3 366 840	2 953 545	3 062 805	3 058 684	3 260 858	3 455 157	3 210 685
Provinces and municipalities	163 059	124 213	256 935	106 929	128 369	176 112	58 210	98 210	88 210
Op. costs for accredited municipalities (HSDG)	54 296	53 471	50 446	46 929	46 929	46 929	48 210	48 210	48 210
CRU programme	108 757	65 142	60 000	60 000	80 000	80 000	-	40 000	40 000
Title deeds restoration programme (HSDG)	-	-	81 270	-	-	-	-	-	-
Title Deeds Restoration grant	-	-	-	-	1 440	48 314	10 000	10 000	-
FLISP (HSDG)	-	-	64 857	-	-	869	-	-	-
Rates and taxes for Sec. 21 properties (HSDG)	-	5 548	361	-	-	-	-	-	-
Claims against the state (HSDG)	6	52	1	-	-	-	-	-	-
Departmental agencies and accounts	18 000	-	-	-	-	-	-	-	-
Housing Development Agency (HSDG)	18 000	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	100 000	-	-	-	-	-	-	-
Ithala (HSDG)	-	100 000	-	-	-	-	-	-	-
Households	3 302 727	2 644 568	3 109 905	2 846 616	2 934 436	2 882 572	3 202 648	3 356 947	3 122 475
Staff exit costs	351	696	2 213	-	1 881	2 331	-	-	-
Staff exit costs (HSDG)	77	363	234	54	231	231	154	154	154
Title Deeds Restoration grant	-	-	-	86 497	73 524	25 781	58 149	68 446	-
Re-allocation: Ridgeview Gardens	-	-	-	-	20 842	20 842	-	-	-
EPWP Integrated Grant for provinces	3 165	3 789	-	-	-	-	-	-	-
Other - Transfers from previous year	181 313	23 359	21 442	-	-	-	-	-	-
Human Settlements Development grant	3 117 821	2 616 361	3 086 016	2 760 065	2 837 958	2 833 387	3 144 345	2 734 568	2 328 571
ISU Partnership grant	-	-	-	-	-	-	-	553 779	793 750
4. Housing Asset Management	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917
Departmental agencies and accounts	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917
KZN Housing Fund	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917
Of which:									
Equitable Share	97 633	58 506	38 303	42 405	42 405	42 405	47 106	50 603	53 285
Title Deeds Restoration grant	-	-	-	14 925	14 925	14 925	7 730	-	-
Human Settlements Development grant	144 054	135 678	141 652	135 248	129 309	129 309	117 632	117 632	117 632
Total	3 726 668	3 066 002	3 548 460	3 147 010	3 251 179	3 247 213	3 433 882	3 623 992	3 382 250

With regard to Programme 1:

- *Provinces and municipalities* in Programme 1 relates to motor vehicle licence fees. The increase in the 2018/19 Main Appropriation was due to an over-estimation of motor vehicle licence fees.
- *Households* pertains to staff exit costs and bursaries paid to 16 external students in qualifications such as Civil Engineering, Construction Management, Town and Regional Planning, Geographic and Environmental Studies, etc. The increase in the 2018/19 Adjusted Appropriation relates to higher than anticipated staff exit costs, as well as a donation of R100 000 to a company called Mthembu Thando for hosting a summit and prayer on moral regeneration issues addressing the issues of restoring the culture of mutual respect between men and women in villages, on 18 July 2018 at Ray Nkonyeni Municipality. This donation is permissible in terms of the PFMA as it does not exceed R100 000.

Spending against *Households* in 2017/18 and 2018/19 in Programme 2 relates to staff exit costs.

With regard to Programme 3:

- *Provinces and municipalities* relates to programmes funded from the HSDG. The trend from 2015/16 to 2017/18 relates to the operational costs for accredited municipalities, which are based on the actual

performance by the municipality, as well as the transfer of R100 million to the eThekweni Metro for the CRU programme in 2015/16. The decrease in 2016/17 relates to spending on the CRU programme which was lower than the previous year, due to alignment of the budget to the agreement with the eThekweni Metro. The increase from the 2018/19 Main to Adjusted Appropriation relates to funding allocated for the eThekweni Hostel Upgrading programme which was under-budgeted for due to budget constraints as a result of budget cuts against the HSDG. The decrease in 2019/20 is due to the reduction of the allocation in respect of the eThekweni Hostel Upgrading programme as the Metro has not fully utilised the funding which was transferred in 2018/19. The MTEF allocations are largely for operational costs of accredited municipalities and the CRU programme.

The amounts in respect of FLISP relate to the servicing of sites. The funding was anticipated to be once-off in 2017/18, whereas the amount under the 2018/19 Revised Estimate is in respect of remaining costs. This transfer to the eThekweni Metro was for the necessary planning, servicing of sites and associated activities in support of priority interventions and programmes, as mentioned.

The once-off transfer in respect of the title deeds restoration programme in 2017/18 was made to the eThekweni Metro for preparatory work, beneficiary verification, conveyancing work, as well as opening of township registers.

- *Departmental agencies and accounts* pertains to transfers to HDA funded from the HSDG. The transfer to the HDA was R18 million in 2015/16 to cater for the operational costs of the support work being undertaken by HDA in the province. The transfer stopped in 2015/16 as a result of the termination of the three-year agreement between the department and HDA in August 2017, due to the entity now being an implementing agent for the management of catalytic projects within the province and hence the payments are now classified under *Goods and services*.
- *Households* relates mainly to HSDG projects, as well as the TDRG and ISUPG over the MTEF. The bulk of the department's funding is allocated within this category. Also included are staff exit costs funded by both the equitable share and HSDG. The decrease from 2015/16 to 2016/17 relates to once-off additional funding received from NDHS in 2015/16. The increase from the 2018/19 Main to Adjusted Appropriation relates to profits collected from the sale of units in Ridgeview Gardens due to the acceleration of service delivery in respect of the rural housing subsidy instrument, where projects progressed faster than anticipated and are ahead of the development programme, as well as funds allocated by National Treasury to increase the HSDG relating to the flood disaster that occurred in the province on 10 October 2017, as mentioned. Over the 2019/20 MTEF, this category provides for the HSDG, TDRG, as well as the ISUPG and this is allocated to this category because the final asset will be transferred to an individual and will not be an asset of the department.

With regard to *Departmental agencies and accounts* in Programme 4, the high amount in 2015/16 relates to transfers made to the eThekweni Metro for the rectification of pre-1994 housing stock programme for rehabilitation of R293 and ex-Own Affairs townships. The decrease from the 2018/19 Main to Adjusted Appropriation is due to an over-estimation made relating to municipal services in respect of bulk water supply relating to Oribi village which is one of the housing properties owned by the department in the Msunduzi Municipality under the HSDG. The cost of the services was estimated based on previous years' trends, and the amount claimed by the municipality was lower than anticipated. In the 2019/20 MTEF, the HSDG was reduced partly due to fiscal consolidation cuts and partly due to the creation of a new grant, as mentioned. Note that all funds related to Programme 4: Housing Asset Management are allocated to *Departmental agencies and accounts* in line with an A-G finding in the 2013/14 audit. This movement of budget was not followed by a movement of expenditure, though, as the necessary codes have not yet been approved on BAS. This has since been rejected at National Treasury as the KZN Housing Fund is not a registered entity with a board.

8. Programme description

The services rendered by this department are categorised under four programmes, which conform to the uniform budget and programme structure for the Human Settlements sector. The payments and budgeted estimates for each of these programmes are summarised below, details of which are presented in the *Annexure to Vote 8 – Human Settlements*.

8.1 Programme 1: Administration

The purpose of this programme is to identify and eliminate bottle-necks, as well as continuously improve the flow of financial, administrative and management information. The strategic objectives of this programme are to strengthen governance and service delivery. Tables 8.13 and 8.14 reflect a summary of payments and estimates for the period 2015/16 to 2021/22.

Table 8.13 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Corporate Services	198 260	205 279	217 793	225 774	234 685	234 685	239 986	256 413	271 054
Total	198 260	205 279	217 793	225 774	234 685	234 685	239 986	256 413	271 054

Table 8.14 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	188 867	198 248	213 228	220 789	230 001	229 846	235 083	250 960	265 296
Compensation of employees	110 479	118 155	126 843	144 604	140 815	140 660	155 178	165 938	174 326
Goods and services	78 388	79 696	86 385	76 185	88 903	88 903	79 905	85 022	90 970
Interest and rent on land	-	397	-	-	283	283	-	-	-
Transfers and subsidies to:	1 195	3 037	1 643	887	1 235	1 390	556	600	648
Provinces and municipalities	98	132	104	250	150	150	130	160	188
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 097	2 905	1 539	637	1 085	1 240	426	440	460
Payments for capital assets	8 181	3 523	2 598	4 098	3 449	3 449	4 347	4 853	5 110
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	8 181	3 523	2 598	4 098	3 449	3 449	4 347	4 853	5 110
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	17	471	324	-	-	-	-	-	-
Total	198 260	205 279	217 793	225 774	234 685	234 685	239 986	256 413	271 054

The Corporate Services sub-programme caters for services such as providing strategic leadership, co-ordination and management of strategies, as well as the administration of the department. The increase over the MTEF is to cater for wage agreements and inflationary adjustments on items such as leasing of office accommodation, property payments, etc., as well as the filling of five critical vacant posts, as mentioned.

Compensation of employees shows an increase over the 2019/20 MTEF in respect of the carry-through costs of previous wage agreements. The filling of five critical vacant posts is budgeted for in 2019/20, such as Chief Director: Human Capital, two State Accountants, Employee Wellness Practitioners, etc., as mentioned. The percentage growth from 2018/19 to 2019/20 is 10.3 per cent, 6.9 per cent in 2020/21 and 5 per cent in 2021/22. This growth is sufficient in 2019/20 but, in 2020/21 and 2021/22, it is lower than National Treasury guidelines and the department will review in the next budget process.

The increase against *Goods and services* in the 2018/19 Adjusted Appropriation was funded from savings against *Compensation of employees* due to vacant posts. These funds were utilised to deal with spending pressures relating to audit costs, operating leases, as well as property payments which were under-budgeted. The department is also providing for the development of an electronic management system which will be used as a back-up of all manual records, such as contracts, project files, etc. The growth over the 2019/20 MTEF is to cater for inflationary adjustments. This category provides mainly for the management of office accommodation, training and development, IT related functions, etc. for the entire department.

Interest and rent on land pertains to interest paid on overdue accounts for payments made to the GEPF for employees who took early retirement in previous years. No provision is made for this over the MTEF.

With regard to *Transfers and subsidies*:

- *Provinces and municipalities* relates to motor vehicle licences for the department's entire fleet. The increase in the 2018/19 Main Appropriation was due to an over-estimation of motor vehicle licence fees, as mentioned.
- The fluctuating trend against *Households* over the seven years relates to staff exit costs. The allocations over the 2019/20 MTEF relate to bursaries issued by the department to 16 external candidates in qualifications such as Civil Engineering, Construction Management, Town and Regional Planning, Geographic and Environmental Studies, etc.

Machinery and equipment relates to the replacement of motor vehicles, as well as the purchase of new motor vehicles for districts, as the department has decentralised its offices. The 2019/20 MTEF provides for the purchase of departmental motor vehicles, IT equipment, etc.

Payments for financial assets relates to the write-off of staff debts.

8.2 Programme 2: Housing Needs, Research and Planning

The purpose of this programme is to develop tools to guide the department's investment decisions and to provide policy and support to the housing delivery process. In addition, the programme provides for the facilitation and integration of housing sector planning, education of stakeholders in housing sector planning, alignment of the housing budget with current and future housing needs, and the capacitation of housing stakeholders for housing delivery through mentorship and training.

Tables 8.15 and 8.16 illustrate payments and budgeted estimates from 2015/16 to 2021/22.

Table 8.15 : Summary of payments and estimates by sub-programme: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	376	400	336	475	388	388	451	470	526
2. Policy	4 354	4 087	3 921	5 395	4 529	4 529	5 464	6 082	6 214
3. Planning	3 447	3 598	3 740	3 991	4 050	4 283	4 356	4 679	4 984
4. Research	8 234	7 843	8 514	8 107	8 570	8 337	8 704	9 141	9 728
Total	16 411	15 928	16 511	17 968	17 537	17 537	18 975	20 372	21 452

Table 8.16 : Summary of payments and estimates by economic classification: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	16 411	15 875	16 476	17 968	17 027	17 027	18 965	20 352	21 452
Compensation of employees	12 885	12 991	13 581	15 779	14 509	14 276	16 748	18 096	19 000
Goods and services	3 526	2 884	2 895	2 189	2 518	2 518	2 217	2 256	2 452
Interest and rent on land	-	-	-	-	-	233	-	-	-
Transfers and subsidies to:	-	-	22	-	500	500	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	22	-	500	500	-	-	-
Payments for capital assets	-	53	12	-	10	10	10	20	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	53	12	-	10	10	10	20	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	1	-	-	-	-	-	-
Total	16 411	15 928	16 511	17 968	17 537	17 537	18 975	20 372	21 452

The budget for the sub-programme: Administration over the 2019/20 MTEF provides for managing personnel, financial administration and the co-ordination and monitoring of housing needs, research and planning and shows steady growth over the MTEF.

The sub-programme: Policy provides for creating platforms for various stakeholders for discussing, debating, drafting and informing human settlement policies, programmes, innovation and technology, and mainly consists of *Compensation of employees* and operational costs of the staff within the component.

The sub-programme: Planning provides for the facilitation and integration of housing sector planning in all sectors such as local and district municipalities, as well as other departments such as COGTA, DOT, DOE, to name a few, in order to align the department's budget with current and future housing needs. The sub-programme further provides technical and professional support to municipalities in the review of their housing sector plans, IDPs and spatial development plans, to ensure alignment to the NDP and PGDS. Furthermore, the sub-programme is responsible for maintaining a project pipeline of potential projects identified through an engagement process with municipalities, and for conducting feasibility studies to determine suitability. At project level, the sub-programme identifies and manages the planning activities and studies of all human settlements projects such as environmental, geotechnical, bulk infrastructure, social aspects and town planning. There is steady growth over the MTEF.

The sub-programme: Research provides for the identification of any skills gaps in the major stakeholders that are an integral part of the housing delivery chain, including municipalities, traditional leaders and institutions, emerging contractors, youth and women. The sub-programme includes planned capacity building initiatives to ensure broader participation of key stakeholders in the delivery of sustainable human settlements. The budget grows steadily over the 2019/20 MTEF to cater for the carry-through costs of previous wage agreements, as well as the implementation of capacity building programmes such as the training of traditional leaders and housing consumers, as well as beneficiary training for communities (i.e. training communities on their rights in housing, such as what type of housing they qualify for).

With regard to *Compensation of employees*, provision has been made over the MTEF for the carry-through costs of previous wage agreements and the filling of three posts, including Chief Architect. Growth is 17.3 per cent in 2019/20, 8 per cent in 2020/21 and 4.9 per cent in 2021/22. This growth is sufficient in 2019/20 and 2020/21. However, in 2021/22 the growth is lower than National Treasury guidelines and the department will review in the next budget process.

Goods and services shows an increasing trend over the 2019/20 MTEF due to provision made for capacity building programmes relating to housing consumer and Councillor training.

Transfers and subsidies to: Households relates to staff exit costs.

Machinery and equipment relates to the purchase of office furniture, and no allocation has been made in 2021/22 as this is not an annual requirement.

Service delivery measures: Housing Needs, Research and Planning

Table 8.17 reflects the main service delivery measures pertaining to Programme 2.

Note that there are no current generic measures for this sector, but the department is largely following the sector measures from previous years.

Some of the outputs and performance indicator descriptions have been changed to ensure alignment with the department's 2019/20 APP.

The department reviewed its service delivery measures for 2019/20, and hence two new targets are included, indicated by "New" in the 2018/19 column.

Table 8.17 : Service delivery measures: Housing Needs, Research and Planning

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2018/19	2019/20	2020/21	2021/22	
Planning						
1.1	Improved planning to achieve integrated settlement developments	<ul style="list-style-type: none"> Municipal Spatial Development plans aligned to the KZN Human Settlements Master Spatial Plan's focus area Approved beneficiary capacitation strategy on home ownership reviewed annually No. of nationally approved catalytic projects in pre-planning stage (stage 1) No. of catalytic projects approved No. of catalytic projects implemented No. of households provided with consumer education No. of projects in planning No. of policies approved Approved multi-year housing development plan reviewed annually No. of accredited municipalities provided with institutional support No. of emerging contactors provided with construction management training No. of municipalities with established National Housing Needs Register system 	20	10	10	10
			1	1	1	1
			4	5	6	8
			2	2	1	-
			4	3	3	4
			12 000	13 000	14 000	15 000
			104	102	80	60
			1	2	2	2
			1	1	1	1
			7	7	7	7
			New	20	20	30
			New	-	8	8

8.3 Programme 3: Housing Development

This programme is responsible for the implementation and monitoring of housing delivery within all districts including the eThekweni Metro, through various subsidy mechanisms in terms of national and provincial policies.

This programme has a number of projects at various stages of implementation within each municipality. It is also expected to achieve certain key strategic objectives of the department through the implementation of projects using various subsidy instruments. The subsidy instruments implemented by the department are: individual, project linked, institutional, consolidation, relocation, disaster management, social housing, rectification, social and economic facilities and rural housing stock.

Programme 3 consists of the bulk of the HSDG, the remainder of which falls under Programme 4. As such, this programme is aligned to the departmental conditional grant business plan, which contains a list of all projects that are to be implemented. This programme also includes the EPWP Integrated Grant for Provinces, TDRG, as well as the newly created ISUPG. Projects to be implemented include Vulindlela, Sobonakhona, etc. This programme is significantly impacted on by any fluctuations in the HSDG allocation, as previously discussed.

Tables 8.18 and 8.19 illustrate a summary of payments and budgeted estimates from 2015/16 to 2021/22.

Table 8.18 : Summary of payments and estimates by sub-programme: Housing Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	86 714	87 407	88 121	95 427	93 947	93 947	99 466	108 786	114 373
2. Financial Interventions	421 270	374 583	606 705	408 381	380 749	454 434	376 802	311 298	313 089
3. Incremental Interventions	1 307 268	1 259 157	1 352 987	1 673 583	1 425 062	1 351 377	1 852 285	1 671 353	1 388 938
4. Social and Rental Intervention	267 718	231 477	108 326	169 000	129 766	129 766	190 000	205 000	205 000
5. Rural Intervention	1 591 697	1 160 988	1 496 336	864 526	1 316 694	1 316 694	1 056 660	1 455 563	1 464 015
Total	3 674 667	3 113 612	3 652 475	3 210 917	3 346 218	3 346 218	3 575 213	3 752 000	3 485 415

Table 8.19 : Summary of payments and estimates by economic classification: Housing Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	184 082	242 881	255 100	256 511	272 724	272 274	304 737	296 382	274 269
Compensation of employees	142 868	148 890	158 300	179 962	178 893	177 207	197 172	206 271	211 877
Goods and services	41 214	93 989	96 785	76 549	93 831	95 067	107 565	90 111	62 392
Interest and rent on land	-	2	15	-	-	-	-	-	-
Transfers and subsidies to:	3 483 786	2 868 781	3 366 840	2 953 545	3 062 805	3 058 684	3 260 858	3 455 157	3 210 685
Provinces and municipalities	163 059	124 213	256 935	106 929	128 369	176 112	58 210	98 210	88 210
Departmental agencies and accounts	18 000	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	100 000	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 302 727	2 644 568	3 109 905	2 846 616	2 934 436	2 882 572	3 202 648	3 356 947	3 122 475
Payments for capital assets	6 531	1 950	30 510	861	10 689	15 260	9 618	461	461
Buildings and other fixed structures	6 170	1 712	29 913	-	10 000	14 571	9 000	-	-
Machinery and equipment	361	238	597	861	689	689	618	461	461
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	268	-	25	-	-	-	-	-	-
Total	3 674 667	3 113 612	3 652 475	3 210 917	3 346 218	3 346 218	3 575 213	3 752 000	3 485 415

The sub-programme: Administration provides for administration of human settlement development projects, managing of personnel and financial administration. The sub-programme reflects a steady increase over the 2019/20 MTEF, due to provision made for wage adjustments and inflationary increases.

The Financial Interventions sub-programme provides for financial support to procure services relating to housing delivery. The subsidy instruments implemented include, among others, procurement of land for housing development, the operational costs for accredited municipalities, NHBRC enrolment fees, OPSCAP, implementation of the anti-land invasion strategy, etc. The decrease from the 2018/19 Main to the Adjusted Appropriation is due to savings identified under *Transfers and subsidies to: Households* as a result of bulk services in respect of servicing sites which are budgeted for under this category, not being installed due to the unavailability of bulk infrastructure from the district municipalities to implement this programme in areas such as the eThekweni Metro. The allocation in 2019/20 mainly relates to provision made for the procurement of land in uMgungundlovu in respect of the greater Edendale area for various housing projects.

The Incremental Interventions sub-programme contributes towards achievement of Outcome 8 targets and ensuring sustainable human settlements. The subsidy instruments implemented include ISU, IRDP, emergency housing assistance, etc. The increase from the 2018/19 Main to Adjusted Appropriation and the 2019/20 MTEF relates to the disaster relief funding allocated to deal with repairs to houses damaged by the flood disaster that occurred in the province on 10 October 2017 in areas such as the eThekweni Metro, and the uMdoni, uMuziwabantu, uMzumbe and Ray Nkonyeni Local Municipalities. The decrease in 2021/22 takes into account the HSDG budget cuts.

The sub-programme: Social and Rental Interventions provides for the CRU programme which aims to create a sustainable, affordable and secure rental housing option for households. Over the 2019/20 MTEF, the programme provides for projects such as hostel upgrades, including Kokstad CRU, Rocky Park in iLembe, Jika Joe in Msunduzi, Newcastle N11 in Amajuba, etc.

The sub-programme: Rural Intervention provides for housing needs that are implemented utilising the rural housing subsidy. The decrease from the 2018/19 Revised Estimate to 2019/20 is due to the department aiming at finalising some of the rural projects such as KwaXolo, KwaJobe, Oshabeni, etc. which are currently on the ground in order to focus mainly on the Outcome 8 targets under the other programmes.

The strong growth against *Compensation of employees* can mainly be attributed to posts funded by the HSDG, in line with DORA, which allows for a portion (up to 5 per cent) of the conditional grant funding to

be used for administrative purposes to enhance service delivery. The increase from the 2018/19 Main to Adjusted Appropriation is to cater for salaries of officials who are appointed on a contractual basis to fast-track the title deeds restoration programme under the TDRG. The increase over the 2019/20 MTEF relates to contract posts such as Project Construction Managers, Community Development Practitioner, etc. in respect of the HSDG and TDRG which are expected to be filled as and when the need arises. In 2019/20, 3 per cent of the HSDG is allocated to *Compensation of employees*. The category grows by 11.3 per cent from the Revised Estimate to 2019/20 and 4.6 per cent and 2.7 per cent in 2020/21 and 2021/22, respectively. The growth is adequate in 2019/20, but not in the two outer years, and this will be reviewed by the department in-year.

Goods and services provides for operational costs of officials, implementation of the anti-land invasion strategy, as well as portion of the EPWP Integrated Grant for Provinces allocation. The growth from 2019/20 to 2021/22 is very low because the EPWP Integrated Grant for Provinces is not allocated beyond 2019/20, at this stage, as well as the fact that the department has made a reduced allocation to HDA, following the budget cuts in respect of the HSDG, as mentioned.

Interest and rent on land pertains to interest paid on overdue accounts in 2016/17 to 2017/18.

With regard to *Transfers and subsidies*:

- *Provinces and municipalities* shows an increasing trend over the 2019/20 MTEF largely due to the CRU programme and operational costs of the accredited municipalities that are implementing housing projects, such as the payment of office accommodation, vehicles, computer systems, purchase of equipment, maintenance, stationery, etc.
- *Departmental agencies and accounts* relates to a transfer to HDA, as mentioned.
- *Public corporations and private enterprises* in 2016/17 relates to the implementation of the Military Veterans' Housing Project, as mentioned.
- *Households* provides for the bulk of the housing programmes, as well as the TDRG. The HSDG grows consistently over the 2019/20 MTEF, followed by a significant cut. The projects that the department is focusing on over the 2019/20 MTEF include informal settlements upgrade projects, IRDP projects, emergency housing assistance projects, etc.

Buildings and other fixed structures mainly relates to the Social and Economic Amenities programme. The budget does not continue after 2019/20 as the department is anticipating to finalise the Social and Economic Amenities programme. This will be reviewed against final progress at the end of 2019/20, as mentioned.

Machinery and equipment includes the purchase of office furniture and equipment, as well as vehicles.

Service delivery measures: Housing Development

Table 8.20 reflects the main service delivery measures pertaining to Programme 3. Note that there are currently no generic measures for this sector. However, the department is largely following the sector measures from the previous years when they were still a sector. Some of the outputs and performance indicator descriptions have changed to ensure alignment with the department's 2019/20 APP. The department reviewed its service delivery measures for 2019/20, and hence two new targets are included, indicated by "New" in the 2018/19 column.

Table 8.20 : Service delivery measures: Housing Development

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1.1 Finance linked individual subsidy prog.	• No. of units completed in terms of the FLISP programme	2 226	700	800	900
1.2 Informal settlements upgrade prog.	• No. of households connected to basic services (incl. project linked subsidies)	3 275	4 120	4 864	4 738
	• No. of houses completed	4 110	3 787	4 117	4 123
	• No. of informal settlements upgraded	2	2	3	3
	• No. of households benefitting from informal settlements upgrading	4 110	3 787	4 117	4 123

Table 8.20 : Service delivery measures: Housing Development

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
	• No. of housing units for subsidy sub-market provided	17 842	17 012	17 285	17 818
1.3	Integrated Residential Development prog.	2 265	4 508	4 609	3 868
	• No. of new sites connected to basic water and sanitation services				
	• No. of houses completed	2 704	2 845	3 970	3 770
1.4	Enhanced peoples' housing process	3 199	1 789	821	900
1.5	Emergency housing prog. (incl. of OSS)	739	135	100	120
1.6	Rectification prog. (1994-2002)	248	96	-	-
1.7	Community Residential Units	330	458	1 050	744
	• No. of CRUs completed				
	• No. of social housing units completed	330	491	731	1 172
1.8	Rural housing	6 760	7 701	8 610	8 308
1.9	Military Veterans' Housing Project	76	76	76	90
1.10	Job creation	New	2 850	2 904	2 56
	• No. of targeted FTEs				
	• No. of work opportunities created through related prog.	5 500	7 000	7 500	8 000
	• No. of targeted person days of work	New	656 000	668 000	680 000
1.11	All subsidy instruments	22 029	30 021	55 329	6 485
	• No. of properties transferred				
	• No. of serviced sites delivered per human settlements (housing) prog.	5 540	8 628	9 923	9 313
	• No. of new housing units completed (excluding rectification)	23 068	17 712	18 085	18 718
	• No. of new title deeds issued for the subsidy market (from April 2014)	4 026	9 881	7 344	6 485
	• No. of post-1994 title deeds issued (April 1994-March 2014)	18 003	20 140	48 329	-
	• Percentage of HSDG construction budget allocated to designated groups	30%	30%	30%	30%

8.4 Programme 4: Housing Asset Management

This programme is responsible for the management of ex-Natal Provincial Administration and Own Affairs stock. This stock includes residential properties, vacant land and a variety of other non-residential properties, all of which belong to the KZN Housing Fund. In terms of its mandate, all properties will, on a progressive basis, either be transferred to individual occupants in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS), or be disposed of in the open market. Some of these properties will also be devolved to municipalities. In cases where a transfer is not possible, such stock will remain rental stock. The KZN Housing Fund is in the process of being dis-established and, once this process is finalised, all assets and liabilities will be transferred to the Vote. Negotiations in this regard are still underway. The KZN Housing Fund is funded by equitable share, HSDG, as well as TDRG over the MTEF.

It must be noted that *Transfers and subsidies to: Departmental agencies and accounts* relates to transfers to the KZN Housing Fund. Funding in respect of the KZN Housing Fund has been moved to this category, due to compliance with an A-G finding and GRAP requirements.

Tables 8.21 and 8.22 give a summary of payments and budgeted estimates pertaining to this programme.

The overall MTEF allocation for this programme shows the effects of the implementation of the EEDBS policy, as explained in greater detail below. The amounts in 2015/16 and 2016/17 under economic classification were restated for alignment purposes, hence they are different to the 2018/19 *EPRE*.

Table 8.21 : Summary of payments and estimates by sub-programme: Housing Asset Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	47 633	58 506	38 303	42 405	42 405	42 405	47 106	50 603	53 285
2. Sale and Transfer of Housing Properties	537	335	42 344	65 889	59 950	59 950	49 662	41 932	41 932
3. Housing Properties Maintenance	193 517	135 343	99 308	84 284	84 284	84 284	75 700	75 700	75 700
Total	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917

Table 8.22 : Summary of payments and estimates by economic classification: Housing Asset Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917

The sub-programme: Administration provides for the management of ex-Natal Provincial Administration and ex-Own Affairs stock. The 2019/20 MTEF caters for wage agreements and inflationary adjustments.

The sub-programme: Sale and Transfer of Housing Properties provides for the transfer of rental housing stock to qualifying beneficiaries in terms of the EEDBS. The decrease from the 2018/19 Main to Adjusted Appropriation is as a result of an over-estimation made relating to municipal services in respect of bulk water supply relating to Oribi village, which is one of the housing properties owned by the department in the Msunduzi Municipality under the HSDG, as mentioned. The decrease in 2020/21 is due to estimations that properties will be transferred to beneficiaries, as well as the relevant municipalities.

The sub-programme: Housing Properties Maintenance provides for the co-ordination of the maintenance of departmental rental housing stock and rectification of units built prior to 1994. The allocation over the 2019/20 MTEF relates to the rectification of pre-1994 housing stock which will be implemented in phases due to financial constraints. Due to the budget cuts, the HSDG only has a limited allocation toward the rectification programmes, hence the flat-lining of the three years of the MTEF.

Service delivery measures: Housing Asset Management

Table 8.23 reflects the main service delivery measures pertaining to Programme 4. Note that there are currently no generic measures for this sector. However, the department is largely following the sector measures from previous years when there were sector specific outputs.

Some of the outputs and performance indicator descriptions have changed to ensure alignment with the department's 2019/20 APP.

Table 8.23 : Service delivery measures: Housing Asset Management

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. To provide secure tenure to communities	• No. of pre-1994 title deeds issued	9 225	5 291	10 389	-
	• No. of rental units sold to beneficiaries	458	458	643	-
	• No. of debtors reduced per financial year	560	600	1 090	-
	• No. of units maintained	770	500	500	500
	• No. of units rectified for pre-1994 stock	764	700	700	700
	• No. of land parcels devolved to municipalities in terms of Section 15 of the Housing Act, 1997	62	100	200	-

9. Other programme information

9.1 Personnel numbers and costs

Table 8.24 illustrates personnel numbers and estimates over the seven-year period.

Table 8.24 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF		
	2015/16		2016/17		2017/18		2018/19				2019/20		2020/21		2021/22		2018/19 - 2021/22		
	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers nos ¹	Costs	Filled posts	Addit. posts	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers. growth rate	Costs growth rate	% Costs of Total
R thousands																			
Salary level																			
1 – 6	94	19 554	91	26 340	90	25 055	72	27	99	23 505	109	29 628	107	30 984	106	32 993	2.3%	12.0%	7.8%
7 – 10	411	156 888	390	166 403	399	182 900	343	65	408	189 020	417	210 380	411	218 873	410	232 390	0.2%	7.1%	56.8%
11 – 12	90	59 742	79	53 455	78	54 018	62	35	97	76 448	104	82 066	107	90 007	105	92 317	2.7%	6.5%	22.9%
13 – 16	30	28 998	29	33 838	33	35 166	21	7	28	37 099	33	40 453	34	43 462	33	40 191	5.6%	2.7%	10.7%
Other	25	1 050	-	-	19	1 585	18	16	34	6 071	34	6 571	34	6 979	34	7 312	0.0%	6.4%	1.8%
Total	650	266 232	589	280 036	619	298 724	516	150	666	332 143	697	369 098	693	390 305	688	405 203	1.1%	6.9%	100.0%
Programme																			
1. Administration	310	110 479	281	118 155	301	126 843	297	23	320	140 660	325	155 178	326	165 938	326	174 326	0.6%	7.4%	42.6%
2. Housing Needs, Research and Planning	26	12 885	26	12 991	25	13 581	23	1	24	14 276	27	16 748	27	18 096	27	19 000	4.0%	10.0%	4.6%
3. Housing Development	314	142 868	282	148 890	293	158 300	196	126	322	177 207	345	197 172	340	206 271	335	211 877	1.3%	6.1%	52.8%
4. Housing Asset Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%
Total	650	266 232	589	280 036	619	298 724	516	150	666	332 143	697	369 098	693	390 305	688	405 203	1.1%	6.9%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	500	229 746	498	245 984	497	257 267	420	24	444	294 786	601	329 277	597	348 171	592	360 751	10.1%	7.0%	89.0%
Legal Professionals	9	4 969	6	2 881	10	842	8	-	8	5 392	8	5 744	8	6 119	8	6 456	0.0%	6.2%	1.6%
Social services prof.	14	2 157	11	2 742	13	2 488	11	-	11	3 139	11	3 346	11	3 464	11	3 655	0.0%	5.2%	0.9%
Engineering prof. and related occ.	61	23 699	49	26 353	59	30 403	51	126	177	26 108	51	27 831	51	29 640	51	31 270	(34.0%)	6.2%	7.7%
Educators and related prof.	11	1 775	6	1 039	6	1 530	6	-	6	1 626	6	1 733	6	1 744	6	1 840	0.0%	4.2%	0.5%
Others - interns, EPWP, learnerships	55	3 886	19	1 037	34	6 194	20	-	20	1 092	20	1 167	20	1 167	20	1 231	0.0%	4.1%	0.3%
Total	650	266 232	589	280 036	619	298 724	516	150	666	332 143	697	369 098	693	390 305	688	405 203	1.1%	6.9%	100.0%

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

The personnel numbers show a fluctuating trend from 2015/16 to 2017/18. The increases in 2018/19 and over the 2019/20 MTEF relate to inflationary increases and the carry-through costs of previous wage agreements. The increase in 2019/20 is to cater for the filling of 31 critical vacant posts such as Chief Director: Human Capital, Deputy Director: Human Resource Development, Employee Wellness Practitioners, etc., as mentioned. The department has provided for growth of 10.4 per cent, 5.7 per cent and 3.8 per cent over the MTEF. The budget adequately caters for the increase and filling of 31 posts in 2019/20, but is not adequate in 2020/21 and 2021/22 to be reviewed in the next budget process.

The decrease in 2020/21 and 2021/22 is in line with the HSDG budget cuts, as there are contract posts budgeted for under the OPSCAP allocation within the HSDG. The fluctuating trend in personnel numbers is attributable to retirements, resignations and appointments in the department.

The number of contract workers relates to the appointment of staff, such as Quantity Surveyors, Planners, and Project Construction Managers with the technical skills required to oversee various aspects of housing projects. These are appointed on a contract basis, as and when required.

9.2 Training

Table 8.25 gives a summary of departmental spending and information on training. The amounts reflected relate mainly to project management, secretarial, financial management and computer training courses for staff.

The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. The department abides by this, exceeding the 1 per cent requirement in most years.

Table 8.25 : Information on training: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Number of staff	650	589	619	678	666	666	697	693	688
Number of personnel trained	471	174	136	600	600	600	650	650	650
<i>of which</i>									
Male	225	63	43	300	300	300	325	325	325
Female	246	111	93	300	300	300	325	325	325
Number of training opportunities	55	36	23	48	48	48	39	40	40
<i>of which</i>									
Tertiary	12	13	3	15	15	15	8	8	8
Workshops	6	4	2	5	5	5	5	5	5
Seminars	-	1	-	3	3	3	1	1	1
Other	37	18	18	25	25	25	25	26	26
Number of bursaries offered	12	-	-	16	16	16	15	15	15
Number of interns appointed	52	52	57	20	20	20	35	35	35
Number of learnerships appointed	-	-	9	-	-	-	10	15	15
Number of days spent on training	381	603	423	600	600	600	700	700	700
Payments on training by programme									
1. Administration	1 612	631	851	1 686	-	1 186	1 458	1 590	1 674
2. Housing Needs, Research and Planning	604	280	-	500	-	100	538	531	600
3. Housing Development	676	3 710	507	269	-	1 498	5 439	210	210
4. Housing Asset Management	-	-	-	-	-	-	-	-	-
Total	2 892	4 621	1 358	2 455	-	2 784	7 435	2 331	2 484

ANNEXURE TO VOTE 8 – HUMAN SETTLEMENTS

Table 8.A : Details of departmental receipts: Human Settlements

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
					2018/19				
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	700	442	422	624	624	624	445	451	457
Sale of goods and services produced by department (excluding capital assets)	700	442	422	624	624	624	445	451	457
Sale by market establishments	257	244	235	288	288	288	245	250	255
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	443	198	187	336	336	336	200	201	202
<i>Of which</i>									
<i>Commission Insurance</i>	204	183	182	206	206	178	185	186	187
<i>Sale of tender documents</i>	218	15	5	130	130	130	15	15	15
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	2 174	10	19 452	18	18	18	19	20	21
Interest	2 174	10	19 452	18	18	18	19	20	21
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	539	39 200	779	779	25 567	635	670	707
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	539	39 200	779	779	25 567	635	670	707
Transactions in financial assets and liabilities	165 201	15 072	2 209	3 388	3 388	19 895	3 580	3 675	3 791
Total	168 075	16 063	61 283	4 809	4 809	46 104	4 679	4 816	4 976

Estimates of Provincial Revenue and Expenditure

Table 8.B: Payments and estimates by economic classification: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	389 360	457 004	484 804	495 268	519 752	519 147	558 785	567 694	561 017
Compensation of employees	266 232	280 036	298 724	340 345	334 217	332 143	369 098	390 305	405 203
Salaries and wages	238 064	248 894	266 503	302 365	297 936	295 862	330 338	348 830	361 241
Social contributions	28 168	31 142	32 221	37 980	36 281	36 281	38 760	41 475	43 962
Goods and services	123 128	176 569	186 065	154 923	185 252	186 488	189 687	177 389	155 814
Administrative fees	525	582	533	550	914	914	1 082	1 125	1 134
Advertising	2 031	768	895	823	1 350	1 299	595	665	350
Minor assets	2 813	2 304	993	393	642	791	422	462	498
Audit cost: External	6 261	5 815	6 927	5 772	7 772	7 772	6 588	7 241	7 415
Bursaries: Employees	122	164	225	200	100	100	220	220	232
Catering: Departmental activities	2 786	6 101	4 553	2 366	3 250	3 250	2 046	2 101	2 251
Communication (G&S)	8 574	7 308	4 211	8 668	5 284	5 284	4 544	5 094	5 241
Computer services	16 841	10 701	11 806	13 296	12 338	12 254	14 212	14 707	15 754
Cons and prof services: Business and advisory services	2 595	30 268	13 095	8 199	12 225	12 225	14 721	15 176	9 829
Infrastructure and planning	1 371	4 595	44 749	35 746	43 416	43 416	48 655	47 830	30 120
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	3 612	2 532	3 276	3 127	3 133	3 133	6 744	7 294	3 244
Contractors	3 030	8 697	8 024	7 159	11 252	11 252	9 700	1 774	183
Agency and support / outsourced services	85	125	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	4 209	4 701	5 630	4 917	5 756	5 756	4 997	5 002	5 152
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	24	543	-	23	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	49	25	-	1	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	287	58	-	62	-	-	-	-	-
Inventory: Materials and supplies	380	890	-	56	-	-	-	-	-
Inventory: Medical supplies	2	3	-	10	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	500	531	2 237	3 564	1 923	1 923	1 768	736	755
Consumable: Stationery, printing and office supplies	1 121	1 346	1 006	1 484	1 560	1 560	1 468	1 495	1 743
Operating leases	20 468	30 966	28 609	23 333	23 977	24 003	23 238	24 277	25 496
Property payments	23 901	32 514	30 384	12 799	28 376	29 712	26 049	23 029	25 160
Transport provided: Departmental activity	698	1 207	563	1 070	227	270	370	370	370
Travel and subsistence	13 024	12 903	13 146	11 925	14 845	14 845	11 299	12 781	14 293
Training and development	2 892	4 621	1 358	2 455	-	2 784	7 435	2 331	2 484
Operating payments	2 201	1 359	1 014	4 965	4 867	1 269	1 408	1 553	1 634
Venues and facilities	1 694	667	389	265	216	216	-	-	-
Rental and hiring	1 032	4 275	2 442	1 695	1 829	2 460	2 126	2 126	2 476
Interest and rent on land	-	399	15	-	283	516	-	-	-
Interest	-	399	15	-	283	516	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 726 668	3 066 002	3 548 460	3 147 010	3 251 179	3 247 213	3 433 882	3 623 992	3 382 250
Provinces and municipalities	163 157	124 345	257 039	107 179	128 519	176 262	58 340	98 370	88 398
Provinces	104	184	105	250	150	150	130	160	188
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	104	184	105	250	150	150	130	160	188
Municipalities	163 053	124 161	256 934	106 929	128 369	176 112	58 210	98 210	88 210
Municipalities	163 053	124 161	256 934	106 929	128 369	176 112	58 210	98 210	88 210
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	259 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	259 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	100 000	-	-	-	-	-	-	-
Public corporations	-	100 000	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	100 000	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 303 824	2 647 473	3 111 466	2 847 253	2 936 021	2 884 312	3 203 074	3 357 387	3 122 935
Social benefits	816	2 733	3 452	54	3 360	3 923	154	154	154
Other transfers to households	3 303 008	2 644 740	3 108 014	2 847 199	2 932 661	2 880 389	3 202 920	3 357 233	3 122 781
Payments for capital assets	14 712	5 526	33 120	4 959	14 148	18 719	13 975	5 334	5 571
Buildings and other fixed structures	6 170	1 712	29 913	-	10 000	14 571	9 000	-	-
Buildings	-	1 712	29 913	-	10 000	14 571	9 000	-	-
Other fixed structures	6 170	-	-	-	-	-	-	-	-
Machinery and equipment	8 542	3 814	3 207	4 959	4 148	4 148	4 975	5 334	5 571
Transport equipment	-	455	960	1 550	550	550	1 050	1 108	1 167
Other machinery and equipment	8 542	3 359	2 247	3 409	3 598	3 598	3 925	4 226	4 404
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	285	471	350	-	-	-	-	-	-
Total	4 131 025	3 529 003	4 066 734	3 647 237	3 785 079	3 785 079	4 006 642	4 197 020	3 948 838

Table 8.C: Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	188 867	198 248	213 228	220 789	230 001	229 846	235 083	250 960	265 296
Compensation of employees	110 479	118 155	126 843	144 604	140 815	140 660	155 178	165 938	174 326
Salaries and wages	95 434	101 115	108 610	124 427	119 319	119 164	133 303	142 641	149 564
Social contributions	15 045	17 040	18 233	20 177	21 496	21 496	21 875	23 297	24 762
Goods and services	78 388	79 696	86 385	76 185	88 903	88 903	79 905	85 022	90 970
Administrative fees	294	292	290	300	247	247	315	336	354
Advertising	1 412	386	201	583	238	238	150	120	100
Minor assets	2 085	1 399	540	135	370	454	219	254	288
Audit cost: External	6 261	5 815	6 927	5 772	7 772	7 772	6 588	7 241	7 415
Bursaries: Employees	122	164	225	200	100	100	220	220	232
Catering: Departmental activities	298	108	134	203	191	191	159	160	168
Communication (G&S)	5 747	4 563	3 683	8 071	4 258	4 258	3 861	4 391	4 488
Computer services	16 210	10 518	11 488	13 111	11 990	11 906	14 017	14 504	15 520
Cons and prof services: Business and advisory services	97	89	207	76	611	611	430	450	453
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	2 205	1 339	2 752	2 900	2 900	2 900	2 800	2 900	3 000
Contractors	77	3	3 042	134	4 118	4 118	148	174	183
Agency and support / outsourced services	85	103	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	3 899	4 268	5 195	4 415	5 193	5 193	4 495	4 500	4 600
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	2	1	-	23	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	30	8	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	103	40	-	-	-	-	-	-	-
Inventory: Materials and supplies	87	520	-	56	-	-	-	-	-
Inventory: Medical supplies	2	3	-	10	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	88	197	930	146	533	533	296	317	334
Consumable: Stationery, printing and office supplies	1 043	1 267	955	1 388	1 442	1 442	1 293	1 313	1 549
Operating leases	19 626	30 517	28 424	22 977	23 977	23 977	23 238	24 277	25 496
Property payments	11 933	12 999	16 415	8 629	18 684	18 684	15 006	16 205	17 841
Transport provided: Departmental activity	36	-	4	-	-	-	-	-	-
Travel and subsistence	3 837	3 483	3 377	4 311	3 990	3 990	4 311	5 008	6 134
Training and development	1 612	631	851	1 686	-	1 186	1 458	1 590	1 674
Operating payments	1 188	983	745	1 009	2 137	951	901	1 062	1 141
Venues and facilities	4	-	-	50	1	1	-	-	-
Rental and hiring	5	-	-	-	151	151	-	-	-
Interest and rent on land	-	397	-	-	283	283	-	-	-
Interest	-	397	-	-	283	283	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 195	3 037	1 643	887	1 235	1 390	556	600	648
Provinces and municipalities	98	132	104	250	150	150	130	160	188
Provinces	98	132	104	250	150	150	130	160	188
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	98	132	104	250	150	150	130	160	188
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 097	2 905	1 539	637	1 085	1 240	426	440	460
Social benefits	388	1 674	983	-	748	861	-	-	-
Other transfers to households	709	1 231	556	637	337	379	426	440	460
Payments for capital assets	8 181	3 523	2 598	4 098	3 449	3 449	4 347	4 853	5 110
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	8 181	3 523	2 598	4 098	3 449	3 449	4 347	4 853	5 110
Transport equipment	-	455	960	1 550	550	550	1 050	1 108	1 167
Other machinery and equipment	8 181	3 068	1 638	2 548	2 899	2 899	3 297	3 745	3 943
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	17	471	324	-	-	-	-	-	-
Total	198 260	205 279	217 793	225 774	234 685	234 685	239 986	256 413	271 054

Table 8.D: Payments and estimates by economic classification: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	16 411	15 875	16 476	17 968	17 027	17 027	18 965	20 352	21 452
Compensation of employees	12 885	12 991	13 581	15 779	14 509	14 276	16 748	18 096	19 000
Salaries and wages	11 289	11 306	11 804	13 556	12 445	12 212	14 304	15 414	16 151
Social contributions	1 596	1 685	1 777	2 223	2 064	2 064	2 444	2 682	2 849
Goods and services	3 526	2 884	2 895	2 189	2 518	2 518	2 217	2 256	2 452
Administrative fees	36	36	36	43	51	51	45	50	51
Advertising	2	-	20	-	17	17	5	5	10
Minor assets	-	67	12	-	14	14	10	10	11
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 578	1 456	2 044	765	1 358	1 358	771	828	869
Communication (G&S)	185	243	-	-	-	-	-	-	-
Computer services	26	21	60	23	54	54	26	29	60
Cons and prof services: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	12	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	4	2	-	1	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	92	10	-	2	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	5	1	5	4	60	60	11	11	11
Consumable: Stationery, printing and office supplies	50	64	17	25	56	56	27	31	41
Operating leases	94	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	36	36	-	-	-
Travel and subsistence	799	703	701	809	872	772	766	761	799
Training and development	604	280	-	500	-	100	538	531	600
Operating payments	39	1	-	17	-	-	18	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	233	-	-	-
Interest	-	-	-	-	-	233	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	22	-	500	500	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	22	-	500	500	-	-	-
Social benefits	-	-	22	-	500	500	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	53	12	-	10	10	10	20	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	53	12	-	10	10	10	20	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	53	12	-	10	10	10	20	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	1	-	-	-	-	-	-
Total	16 411	15 928	16 511	17 968	17 537	17 537	18 975	20 372	21 452

Table 8.E: Payments and estimates by economic classification: Housing Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	184 082	242 881	255 100	256 511	272 724	272 274	304 737	296 382	274 269
Compensation of employees	142 868	148 890	158 300	179 962	178 893	177 207	197 172	206 271	211 877
Salaries and wages	131 341	136 473	146 089	164 382	166 172	164 486	182 731	190 775	195 526
Social contributions	11 527	12 417	12 211	15 580	12 721	12 721	14 441	15 496	16 351
Goods and services	41 214	93 989	96 785	76 549	93 831	95 067	107 565	90 111	62 392
Administrative fees	195	254	207	207	616	616	722	739	729
Advertising	617	382	674	240	1 095	1 044	440	540	240
Minor assets	728	838	441	258	258	323	193	198	199
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	910	4 537	2 375	1 398	1 701	1 701	1 116	1 113	1 214
Communication (G&S)	2 642	2 502	528	597	1 026	1 026	683	703	753
Computer services	605	162	258	162	294	294	169	174	174
Cons and prof services: Business and advisory services	2 498	30 179	12 888	8 123	11 614	11 614	14 291	14 726	9 376
Infrastructure and planning	1 371	4 595	44 749	35 746	43 416	43 416	48 655	47 830	30 120
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 407	1 193	524	227	233	233	3 944	4 394	244
Contractors	2 941	8 694	4 982	7 025	7 134	7 134	9 552	1 600	-
Agency and support / outsourced services	-	22	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	310	433	435	502	563	563	502	502	552
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	22	542	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	15	15	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	92	8	-	60	-	-	-	-	-
Inventory: Materials and supplies	293	370	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	407	333	1 302	3 414	1 330	1 330	1 461	408	410
Consumable: Stationery, printing and office supplies	28	15	34	71	62	62	148	151	153
Operating leases	748	449	185	356	-	26	-	-	-
Property payments	11 968	19 515	13 969	4 170	9 692	11 028	11 043	6 824	7 319
Transport provided: Departmental activity	662	1 207	559	1 070	191	234	370	370	370
Travel and subsistence	8 388	8 717	9 068	6 805	9 983	10 083	6 222	7 012	7 360
Training and development	676	3 710	507	269	-	1 498	5 439	210	210
Operating payments	974	375	269	3 939	2 730	318	489	491	493
Venues and facilities	1 690	667	389	215	215	215	-	-	-
Rental and hiring	1 027	4 275	2 442	1 695	1 678	2 309	2 126	2 126	2 476
Interest and rent on land	-	2	15	-	-	-	-	-	-
Interest	-	2	15	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 483 786	2 868 781	3 366 840	2 953 545	3 062 805	3 058 684	3 260 858	3 455 157	3 210 685
Provinces and municipalities	163 059	124 213	256 935	106 929	128 369	176 112	58 210	98 210	88 210
Provinces	6	52	1	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	6	52	1	-	-	-	-	-	-
Municipalities	163 053	124 161	256 934	106 929	128 369	176 112	58 210	98 210	88 210
Municipalities	163 053	124 161	256 934	106 929	128 369	176 112	58 210	98 210	88 210
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	18 000	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	18 000	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	100 000	-	-	-	-	-	-	-
Public corporations	-	100 000	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	100 000	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 302 727	2 644 568	3 109 905	2 846 616	2 934 436	2 882 572	3 202 648	3 356 947	3 122 475
Social benefits	428	1 059	2 447	54	2 112	2 562	154	154	154
Other transfers to households	3 302 299	2 643 509	3 107 458	2 846 562	2 932 324	2 880 010	3 202 494	3 356 793	3 122 321
Payments for capital assets	6 531	1 950	30 510	861	10 689	15 260	9 618	461	461
Buildings and other fixed structures	6 170	1 712	29 913	-	10 000	14 571	9 000	-	-
Buildings	-	1 712	29 913	-	10 000	14 571	9 000	-	-
Other fixed structures	6 170	-	-	-	-	-	-	-	-
Machinery and equipment	361	238	597	861	689	689	618	461	461
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	361	238	597	861	689	689	618	461	461
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	268	-	25	-	-	-	-	-	-
Total	3 674 667	3 113 612	3 652 475	3 210 917	3 346 218	3 346 218	3 575 213	3 752 000	3 485 415

Table 8.F: Payments and estimates by economic classification: Housing Asset Management

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates			
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2018/19	2019/20	2020/21	2021/22
Current payments	-	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-	-
Cons and prof services: Business and advisory services	-	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917	
Provinces and municipalities	-	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917	
Social security funds	-	-	-	-	-	-	-	-	-	-
Entities receiving transfers	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917	
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total	241 687	194 184	179 955	192 578	186 639	186 639	172 468	168 235	170 917	

Table 8.G : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	97 284	156 190	169 259	161 114	180 916	180 916	205 458	187 626	159 926
Compensation of employees	64 621	69 736	77 566	88 178	93 495	92 259	101 848	102 299	102 524
Salaries and wages	63 632	68 776	76 642	86 621	92 507	91 271	100 978	101 424	101 724
Social contributions	989	960	924	1 557	988	988	870	875	800
Goods and services	32 663	86 454	91 693	72 936	87 421	88 657	103 610	85 327	57 402
Administrative fees	84	166	117	95	504	504	588	595	580
Advertising	615	381	674	240	215	229	440	540	240
Minor assets	599	810	426	185	185	185	105	105	105
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	901	4 402	2 367	1 387	1 701	1 701	1 105	1 100	1 200
Communication (G&S)	684	1 009	528	541	1 006	1 006	621	621	671
Computer services	184	-	-	-	32	32	-	-	-
Cons and prof services: Business and advisory services	2 498	30 179	12 888	8 123	11 644	11 614	14 291	14 726	9 376
Infrastructure and planning	1 371	4 595	44 749	35 746	43 416	43 416	48 655	47 830	30 120
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 405	1 193	477	227	233	233	3 944	4 394	244
Contractors	2 941	8 658	4 978	7 025	9 000	7 028	9 552	1 600	-
Agency and support / outsourced services	-	22	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	310	433	435	502	563	563	502	502	552
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	22	540	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	281	365	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	391	330	1 228	1 683	215	215	1 424	370	370
Consumable: Stationery, printing and office supplies	11	-	-	1 683	1 057	1 057	-	-	-
Operating leases	244	449	185	366	-	26	-	-	-
Property payments	11 968	18 890	13 969	4 170	9 692	11 028	11 043	6 824	7 319
Transport provided: Departmental activity	662	1 169	559	1 070	191	234	370	370	370
Travel and subsistence	4 007	4 491	4 696	4 145	5 671	5 527	3 295	3 305	3 460
Training and development	676	3 710	507	269	118	3 319	5 440	210	210
Operating payments	92	5	79	3 579	85	(1 784)	109	109	109
Venues and facilities	1 690	667	389	215	215	215	-	-	-
Rental and hiring	1 027	3 990	2 442	1 695	1 678	2 309	2 126	2 126	2 476
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 446 176	2 980 404	3 484 837	3 103 718	3 184 316	3 179 745	3 386 220	3 572 789	3 328 317
Provinces and municipalities	163 059	124 213	256 935	106 929	128 369	176 112	58 210	98 210	88 210
Provinces	6	52	81 271	-	571	49 183	10 000	10 000	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	6	52	81 271	-	571	49 183	10 000	10 000	-
Municipalities	163 053	124 161	175 664	106 929	127 798	126 929	48 210	88 210	88 210
Municipalities	163 053	124 161	175 664	106 929	127 798	126 929	48 210	88 210	88 210
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	162 054	135 678	141 652	150 173	144 234	144 234	125 362	117 632	117 632
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	162 054	135 678	141 652	150 173	144 234	144 234	125 362	117 632	117 632
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	100 000	-	-	-	-	-	-	-
Public corporations	-	100 000	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	100 000	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 121 063	2 620 513	3 086 250	2 846 616	2 911 713	2 859 399	3 202 648	3 356 947	3 122 475
Social benefits	77	363	234	54	231	231	154	154	154
Other transfers to households	3 120 986	2 620 150	3 086 016	2 846 562	2 911 482	2 859 168	3 202 494	3 356 793	3 122 321
Payments for capital assets	6 450	1 930	30 468	831	431	5 002	9 431	431	431
Buildings and other fixed structures	6 170	1 712	29 913	-	-	4 571	9 000	-	-
Buildings	-	-	-	-	-	4 571	9 000	-	-
Other fixed structures	6 170	1 712	29 913	-	-	-	-	-	-
Machinery and equipment	280	218	555	831	431	431	431	431	431
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	280	218	555	831	431	431	431	431	431
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 549 910	3 138 524	3 684 564	3 265 663	3 365 663	3 365 663	3 601 109	3 760 846	3 488 674

Table 8.H : Payments and estimates by economic classification: Human Settlements Development grant: Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	94 391	144 785	163 634	149 630	157 030	157 030	165 635	159 926	159 926
Compensation of employees	64 621	69 736	77 566	88 178	86 629	85 393	94 424	95 324	102 524
Salaries and wages	63 632	68 776	76 642	86 621	85 641	84 405	93 624	94 524	101 724
Social contributions	989	960	924	1 557	988	988	800	800	800
Goods and services	29 770	75 049	86 068	61 452	70 401	71 637	71 211	64 602	57 402
Administrative fees	84	166	117	95	493	493	575	580	580
Advertising	602	354	674	240	140	154	240	240	240
Minor assets	453	810	426	185	185	185	105	105	105
Catering: Departmental activities	901	3 586	1 799	1 387	618	618	1 105	1 100	1 200
Communication (G&S)	684	1 009	528	541	1 006	1 006	621	621	671
Computer services	184	-	-	-	32	32	-	-	-
Cons and prof services: Business and advisory services	2 498	30 179	12 888	8 123	10 648	10 618	9 291	9 226	9 376
Infrastructure and planning	1 371	4 595	44 749	35 746	38 751	38 751	41 155	38 830	30 120
Legal costs	1 405	1 193	477	227	51	51	244	244	244
Contractors	1 202	3 343	1 455	744	744	744	-	-	-
Agency and support / outsourced services	-	22	-	-	-	-	-	-	-
Fleet services (incl. GMT)	310	433	435	502	563	563	502	502	552
Inventory: Clothing material and accessories	22	3	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Material and supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	7	62	214	1 683	215	215	370	370	370
Consumable: Stationery, printing and office supplies	11	-	-	-	-	-	-	-	-
Operating leases	244	449	185	356	-	26	-	-	-
Property payments	11 968	18 890	13 969	4 170	9 692	11 028	11 043	6 824	7 319
Transport provided: Departmental activity	612	1 079	559	1 070	83	126	370	370	370
Travel and subsistence	4 007	4 491	4 683	4 145	5 530	5 386	3 145	3 145	3 460
Training and development	676	87	-	269	118	1 347	210	210	210
Operating payments	92	5	79	59	85	(1 784)	109	109	109
Venues and facilities	1 690	667	389	215	215	215	-	-	-
Rental and hiring	747	3 626	2 442	1 695	1 232	1 863	2 126	2 126	2 476
Transfers and subsidies	3 298 957	2 840 937	3 343 185	2 867 048	2 965 987	2 961 416	3 192 709	2 822 932	2 416 935
Provinces and municipalities	163 059	124 213	256 935	106 929	127 798	127 798	48 210	88 210	88 210
Provinces	6	52	81 271	-	-	869	-	-	-
Provincial agencies and funds	6	52	81 271	-	-	869	-	-	-
Municipalities	163 053	124 161	175 664	106 929	127 798	126 929	48 210	88 210	88 210
Municipalities	163 053	124 161	175 664	106 929	127 798	126 929	48 210	88 210	88 210
Departmental agencies and accounts	18 000	-	-	-	-	-	-	-	-
Entities receiving funds	18 000	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	100 000	-	-	-	-	-	-	-
Public corporations	-	100 000	-	-	-	-	-	-	-
Other transfers	-	100 000	-	-	-	-	-	-	-
Households	3 117 898	2 616 724	3 086 250	2 760 119	2 838 189	2 833 618	3 144 499	2 734 722	2 328 725
Social benefits	77	363	234	54	231	231	154	154	154
Other transfers to households	3 117 821	2 616 361	3 086 016	2 760 065	2 837 958	2 833 387	3 144 345	2 734 568	2 328 571
Payments for capital assets	6 450	1 930	30 468	831	431	5 002	9 431	431	431
Buildings and other fixed structures	6 170	1 712	29 913	-	-	4 571	9 000	-	-
Buildings	-	-	-	-	-	4 571	9 000	-	-
Other fixed structures	6 170	1 712	29 913	-	-	-	-	-	-
Machinery and equipment	280	218	555	831	431	431	431	431	431
Other machinery and equipment	280	218	555	831	431	431	431	431	431
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 399 798	2 987 652	3 537 287	3 017 509	3 123 448	3 123 448	3 367 775	2 983 289	2 577 292

Table 8.I : Payments and estimates by economic classification: Human Settlements Development grant: Programme 4

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	144 054	135 678	141 652	135 248	129 309	129 309	117 632	117 632	117 632
Departmental agencies and accounts	144 054	135 678	141 652	135 248	129 309	129 309	117 632	117 632	117 632
Entities receiving funds	144 054	135 678	141 652	135 248	129 309	129 309	117 632	117 632	117 632
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	144 054	135 678	141 652	135 248	129 309	129 309	117 632	117 632	117 632

Table 8.J : Payments and estimates by economic classification: EPWP Grant Integrated Grant for Provinces: Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	2 893	11 405	5 625	11 484	11 484	11 484	15 090	-	-
Compensation of employees	-	-	-	-	457	457	754	-	-
Salaries and wages	-	-	-	-	457	457	754	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	2 893	11 405	5 625	11 484	11 027	11 027	14 336	-	-
Administrative fees	-	-	-	-	8	8	-	-	-
Advertising	13	27	-	-	-	-	-	-	-
Minor assets	146	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	816	568	-	1 083	1 083	-	-	-
Contractors	1 739	5 315	3 523	6 281	8 253	6 281	8 052	-	-
Inventory: Clothing material and accessories	-	537	-	-	-	-	-	-	-
Inventory: Material and supplies	281	365	-	-	-	-	-	-	-
Consumable supplies	384	268	1 014	-	-	-	1 054	-	-
Consumable: Stationery, printing and office supplies	-	-	-	1 683	1 057	1 057	-	-	-
Transport provided: Departmental activity	50	90	-	-	108	108	-	-	-
Travel and subsistence	-	-	13	-	72	72	-	-	-
Training and development	-	3 623	507	-	-	1 972	5 230	-	-
Operating payments	-	-	-	3 520	-	-	-	-	-
Rental and hiring	280	364	-	-	446	446	-	-	-
Transfers and subsidies	3 165	3 789	-	-	-	-	-	-	-
Households	3 165	3 789	-	-	-	-	-	-	-
Other transfers to households	3 165	3 789	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	6 058	15 194	5 625	11 484	11 484	11 484	15 090	-	-

Table 8.K : Payments and estimates by economic classification: Title Deeds Restoration grant: Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	-	-	12 402	12 402	24 733	27 700	-
Compensation of employees	-	-	-	-	6 409	6 409	6 670	6 975	-
Salaries and wages	-	-	-	-	6 409	6 409	6 600	6 900	-
Social contributions	-	-	-	-	-	-	70	75	-
Goods and services	-	-	-	-	5 993	5 993	18 063	20 725	-
Administrative fees	-	-	-	-	3	3	13	15	-
Advertising	-	-	-	-	75	75	200	300	-
Cons & prof serv: Business and advisory services	-	-	-	-	996	996	5 000	5 500	-
Cons and prof serv: Infrastructure and planning	-	-	-	-	4 665	4 665	7 500	9 000	-
Legal costs	-	-	-	-	182	182	3 700	4 150	-
Contractors	-	-	-	-	3	3	1 500	1 600	-
Travel and subsistence	-	-	-	-	69	69	150	160	-
Transfers and subsidies	-	-	-	86 497	74 095	74 095	68 149	78 446	-
Provinces	-	-	-	-	571	48 314	10 000	10 000	-
Provincial agencies and funds	-	-	-	-	571	48 314	10 000	10 000	-
Households	-	-	-	86 497	73 524	25 781	58 149	68 446	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	86 497	73 524	25 781	58 149	68 446	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	86 497	86 497	86 497	92 882	106 146	-

Table 8.L : Payments and estimates by economic classification: Title Deeds Restoration grant: Programme 4

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	14 925	14 925	14 925	7 730	-	-
Departmental agencies and accounts	-	-	-	14 925	14 925	14 925	7 730	-	-
Entities receiving funds	-	-	-	14 925	14 925	14 925	7 730	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	14 925	14 925	14 925	7 730	-	-

Table 8.M : Payments and estimates by economic classification: ISU Partnership grant: Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	553 779	793 750
Households	-	-	-	-	-	-	-	553 779	793 750
Other transfers to households	-	-	-	-	-	-	-	553 779	793 750
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	553 779	793 750

Table 8.N : Summary of transfers to local government

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
A KZN2000 eThekweni	132 403	88 056	148 448	75 235	96 675	144 418	20 418	60 418	55 418
Total: Ugu Municipalities	3 603	3 306	10 890	4 337	4 337	4 337	4 520	4 520	4 520
B KZN212 uMdoni	-	-	1 304	-	-	-	-	-	-
B KZN213 uMzombe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	2 696	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	3 603	3 306	6 890	4 337	4 337	4 337	4 520	4 520	4 520
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	12 581	15 779	41 143	8 281	8 281	8 281	10 464	10 464	8 464
B KZN221 uMshwathi	-	-	897	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 iMpendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	12 581	15 779	40 246	8 281	8 281	8 281	10 464	10 464	8 464
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	1 203	1 544	32 027	3 377	3 377	3 377	3 560	3 560	3 560
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	-	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	1 203	1 544	32 027	3 377	3 377	3 377	3 560	3 560	3 560
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	704	-	-	-	-	-	-
B KZN241 eNdumeni	-	-	8	-	-	-	-	-	-
B KZN242 Nquthu	-	-	-	-	-	-	-	-	-
B KZN244 uMsinga	-	-	696	-	-	-	-	-	-
B KZN245 uMvoti	-	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	4 561	4 932	8 038	7 437	7 437	7 437	10 620	10 620	7 620
B KZN252 Newcastle	4 561	4 932	7 918	7 437	7 437	7 437	10 620	10 620	7 620
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	120	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	5 548	361	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 AbaQulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	5 548	361	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	73	-	-	-	-	-	-
B KZN271 uMhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	73	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	4 246	1 657	1 660	2 213	2 213	2 213	2 396	2 396	2 396
B KZN281 uMfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlatuze	4 246	1 657	1 660	2 213	2 213	2 213	2 396	2 396	2 396
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	4 456	3 339	13 590	6 049	6 049	6 049	6 232	6 232	6 232
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	4 456	3 339	13 590	6 049	6 049	6 049	6 232	6 232	6 232
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 uBuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	-	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	163 053	124 161	256 934	106 929	128 369	176 112	58 210	98 210	88 210

Table 8.O : Transfers to local government - CRU Programme and Municipal Rates and Taxes

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekwini	108 757	65 142	60 000	60 000	80 000	80 000	-	40 000	40 000
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
B KZN212 uMdoni	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	5 548	361	-	-	-	-	-	-
B KZN266 Ulundi	-	5 548	361	-	-	-	-	-	-
Total	108 757	70 690	60 361	60 000	80 000	80 000	-	40 000	40 000

Table 8.P : Transfers to local government - Accredited Municipalities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekwini	23 646	22 914	18 274	15 235	15 235	15 235	15 418	15 418	15 418
Total: Ugu Municipalities	3 603	3 306	6 890	4 337	4 337	4 337	4 520	4 520	4 520
B KZN216 Ray Nkonyeni	3 603	3 306	6 890	4 337	4 337	4 337	4 520	4 520	4 520
Total: uMgungundlovu Municipalities	12 581	15 779	11 721	8 281	8 281	8 281	8 464	8 464	8 464
B KZN225 Msunduzi	12 581	15 779	11 721	8 281	8 281	8 281	8 464	8 464	8 464
Total: uThukela Municipalities	1 203	1 544	2 077	3 377	3 377	3 377	3 560	3 560	3 560
B KZN238 Alfred Duma	1 203	1 544	2 077	3 377	3 377	3 377	3 560	3 560	3 560
Total: Amajuba Municipalities	4 561	4 932	3 842	7 437	7 437	7 437	7 620	7 620	7 620
B KZN252 Newcastle	4 561	4 932	3 842	7 437	7 437	7 437	7 620	7 620	7 620
Total: King Cetshwayo Municipalities	4 246	1 657	1 660	2 213	2 213	2 213	2 396	2 396	2 396
B KZN282 uMhlatuze	4 246	1 657	1 660	2 213	2 213	2 213	2 396	2 396	2 396
Total: iLembe Municipalities	4 456	3 339	5 982	6 049	6 049	6 049	6 232	6 232	6 232
B KZN292 KwaDukuza	4 456	3 339	5 982	6 049	6 049	6 049	6 232	6 232	6 232
Total	54 296	53 471	50 446	46 929	46 929	46 929	48 210	48 210	48 210

Table 8.Q : Transfers to local government - Title deeds restoration programme (Both HSDG and TDRG)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekwini	-	-	40 174	-	1 440	48 314	5 000	5 000	-
Total: Ugu Municipalities	-	-	4 000	-	-	-	-	-	-
B KZN212 uMdoni	-	-	1 304	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	2 696	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	20 798	-	-	-	2 000	2 000	-
B KZN221 uMshwathi	-	-	897	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	19 901	-	-	-	2 000	2 000	-
Total: uThukela Municipalities	-	-	3 717	-	-	-	-	-	-
B KZN238 Alfred Duma	-	-	3 717	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	704	-	-	-	-	-	-
B KZN241 eNdumeni	-	-	8	-	-	-	-	-	-
B KZN244 uMsinga	-	-	696	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	4 196	-	-	-	3 000	3 000	-
B KZN252 Newcastle	-	-	4 076	-	-	-	3 000	3 000	-
B KZN254 Dannhauser	-	-	120	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	73	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	73	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	7 608	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	7 608	-	-	-	-	-	-
Total	-	-	81 270	-	1 440	48 314	10 000	10 000	-

Table 8.R : Transfers to local government - FLISP

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekwini	-	-	30 000	-	-	869	-	-	-
Total: uMgungundlovu Municipalities	-	-	8 624	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	8 624	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	26 233	-	-	-	-	-	-
B KZN238 Alfred Duma	-	-	26 233	-	-	-	-	-	-
Total	-	-	64 857	-	-	869	-	-	-

VOTE 9

Community Safety and Liaison

Operational budget	R235 054 000
MEC remuneration	Nil
Total amount to be appropriated	R235 054 000
Responsible MEC	MEC for Transport, Community Safety and Liaison ¹
Administering department	Community Safety and Liaison
Accounting officer	Head: Community Safety and Liaison

1. Overview

Vision

The department's vision is to see that: *The people of KZN live in a safe and secure environment.*

Mission statement

The mission set for the department is: *To be the lead department in co-ordinating integrated, participatory community safety initiatives and promoting police accountability towards a crime free KZN.*

Strategic objectives

Strategic policy direction: By focussing on its role of creating a secure environment in which all South Africans can live, the department seeks to align its operations and strategic position with the overall aim of government to achieve accountability and effective service delivery for all citizens of the province in the following areas: that all people in South Africa are and feel safe, and a long and healthy life for all is achieved.

The strategic objectives set by the department are to:

- Evaluate police service delivery and compliance with national policy standards and make recommendations for redress where required.
- Assess the effectiveness of visible policing in the province.
- Improve South African Police Service (SAPS) efficiency and effectiveness through independent service delivery evaluation and reward.
- Improve public confidence and trust in the police.
- Address service delivery complaints against the police to support the raising of service standards.
- Oversee the establishment and functioning of Community Policing Forums (CPFs) at all police stations in the province.
- Enhance the capacity of community police structures to improve co-operation between the police and the community.
- Promote community dialogue and participation in support of crime prevention initiatives and activities.
- Execute social crime prevention programmes at provincial and local level.
- Research and develop social crime prevention responses to community safety priorities.
- Consolidate the community safety network structure.

¹ The salary of the MEC for Transport, Community Safety and Liaison is budgeted for under Vote 12: Transport.

- Promote the establishment of a victim support network.
- Raise awareness of protective rights among vulnerable groups.
- Promote corporate governance and provide strategic project support.
- Implement the Volunteer Social Crime Prevention Programme (VSCPP).

Core functions

The provincial department is responsible for the following functions in line with the effective implementation of the Civilian Secretariat for Police Services Act, 2011:

- Promoting democratic accountability and transparency in the police service.
- Promoting good relations and establishing partnerships between the police and communities.
- Directing the SAPS toward effectively addressing provincial needs and priorities.
- Facilitating the development and co-ordination of social crime prevention initiatives.
- Promoting and supporting victim empowerment.

Legislative mandates

The principal legislative mandates governing the operations of the department are:

- The Constitution of the Republic of South Africa, 1996
- South African Police Service Act, 1995 and regulations
- National Crime Prevention Strategy, 1996 (Revised 1999)
- Firearms Control Act, 2000
- KwaZulu-Natal Commissions Act, 1999
- Domestic Violence Act, 1998
- Child Care Act, 1983
- Maintenance Act, 1998
- Criminal Procedure Act, 1977
- Public Finance Management Act, 1999, as amended, and the Treasury Regulations
- Public Service Act, 1994 and regulations
- Labour Relations Act, 1995
- Basic Conditions of Employment Act, 1997
- Employment Equity Act, 1998
- Skills Development Act, 1998
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000
- Promotion of Administrative Justice Act, 2000
- Promotion of Access to Information Act, 2000
- Preferential Procurement Policy Framework Act, 2001
- KwaZulu-Natal Provincial Supply Chain Management Policy Framework, 2006
- Electronic Communications and Transactions Act, 2002
- Regulation of Interception and Provision of Communication-Related Information Act, 2002
- State Information Technology Agency Act, 1999
- Second-Hand Goods Act, 2009

- National Youth Development Agency Act, 2008
- Criminal Law (Sexual Offences and Related Matters) Amendment Act, 2007
- Older Persons' Act, 2006
- Children's Act, 2005
- Child Justice Act, 2008
- Civilian Secretariat for Police Services Act, 2011
- Electoral Act, 2016

2. Review of the 2018/19 financial year

Section 2 provides a review of 2018/19, outlining the main achievements and the progress made by the department during the year, as well as providing a discussion on challenges and new developments.

Station evaluations

The department continued the function of performance monitoring and evaluation of all 184 police stations in the province. The department undertook police station audits using the National Monitoring Tool (NMT) by assessing the functionality, facilities and operating mechanisms of each police station in the province. Also, the Domestic Violence Act (DVA) monitoring tool was utilised to assess the willingness and institutional capacity of each station to implement protective rights for vulnerable groups, as enshrined in the DVA and Child Care Act. These assessments were part of the national census project to establish a baseline of the state of police functionality across the country. Furthermore, the department monitored 16 specialised police units, including the stock theft, family violence, child protection and sexual offences units, among others. The department continued to investigate and resolve public complaints against SAPS on service delivery.

Establishment and maintenance of safety structures

The department continued to establish safety structures across the province. The creation of a united front against crime remains one of the fundamental goals of the department. The department assessed 128 CPF structures for functionality, and conducted workshops and training as part of capacitating CPFs. Also, ten Community Safety Forums (CSFs) were established during the year to deal with safety issues at a municipal level. The department established 77 ward safety committees as part of expanding partnerships to deal with crime prevention and combating issues at a ward level. The department further engaged in a number of initiatives to support safety structures (CPF, CSF, VSCPP, etc.) by offering training, inductions and workshops.

Crime prevention programmes

The department initiated various crime prevention programmes, such as undertaking the Communities in Dialogue programme (CiDP) to deal with factional fights in the Zululand, uThukela, King Cetshwayo and uMzinyathi districts. The department also undertook safety campaigns in various schools through school safety promotion programmes in collaboration with the DOE. Other programmes that were conducted included stock theft programmes, sexual and domestic violence awareness programmes and the sports against crime programme.

Volunteer Social Crime Prevention Project

The VSCPP involves the recruitment of volunteers in order to establish a community engagement mechanism for law enforcement agencies, with the key objective being to drive social crime prevention and provide important on-the-job training for the volunteers. The intended outcome of this project is a reduction in social crime, a corresponding reduction in the fear of crime and the ultimate promotion of KZN as a safe place for communities, tourists and businesses. The social crime volunteers continued to be an extended arm of the department in respect of crime prevention programmes. All volunteers were trained on basic first aid, self-defence and the local context. The department continued to recruit volunteers to ensure that there is at least one volunteer per ward. There were 380 volunteers appointed utilising the Social Sector EPWP Incentive Grant for Provinces allocation, and 1 395 against the equitable share funding.

3. Outlook for the 2019/20 financial year

Section 3 looks at the key focus areas of 2019/20, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. During 2019/20, the department will continue with the roll-out of the Civilian Secretariat for Police Services Act. The bulk of the department's budget over the 2019/20 MTEF is for ward safety committees, community safety initiatives, including the VSCPP, maintenance of safety structures, such as CSFs and CPFs, crime awareness campaigns (prevention of violence against vulnerable groups including children and youth, rural safety and public participation in community safety), as well as the monitoring and evaluation of police performance. With regard to the 2019 general elections, the department will undertake interventions in respect of areas where instability is reported, and will monitor voting stations where required.

Station evaluations

The department will utilise the outcome of the national census project and police station audits to focus on the police stations which were red flagged. This will be done by focussing on results from the NMT and DVA monitoring tools to improve service delivery. As part of strengthening specialised SAPS services, the department will continue to monitor 16 specialised units across the province including the stock theft, family violence, and the child protection and sexual offences units, as well as the Metro police. The department will continue to investigate and finalise complaints against the SAPS in accordance with the constitutional mandate, and will ensure that recommendations from the Independent Police Investigation Department (IPID) to SAPS are followed through. The department will also continue to monitor compliance in terms of the school safety and crime prevention protocol between the SAPS and DOE.

Establishment and maintenance of safety structures

The department will continue to establish and assess safety structures across the province. The department will ensure that capacity building through training, workshops, inductions, etc., is provided to established structures. The department will continue to mobilise communities through voting districts so as to form ward safety committees. The CPFs will continue to be audited for functionality and, where functionality is questioned, the department will facilitate re-establishment.

Crime prevention programmes

The department will look to further strengthen its relationship with SAPS in 2019/20, and to reinforce the regularisation and co-operation of voluntary crime fighting organisations, such as neighbourhood watch, street committees and other groupings, so that they do not operate in isolation. This will provide a vehicle to mobilise communities against crime and to improve community police relations. The department will continue to implement various crime prevention programmes, such as the prevention of violence against vulnerable groups including children, youth, women, persons living with disabilities and the elderly, as well as anti-substance abuse, public participation in community safety and community outreach/awareness, and rural safety (stock theft, farm killings, initiation schools, rhino poaching, etc.).

Volunteer Social Crime Prevention Project

In 2019/20, the department will appoint 220 volunteers and three data capturers against the Social Sector Incentive EPWP Grant for Provinces, taking into account the fact that the grant allocation has reduced from 2018/19. The department indicated that 1 775 volunteers will be paid against the equitable share.

4. Reprioritisation

The department's baseline includes additional funding that was provided for the carry-through costs of the new organisational structure. The department indicated that reprioritisation was not undertaken to provide for the general election monitoring activities and this will be assessed in-year taking into account the need for such interventions. However, reprioritisation was undertaken to provide for higher than anticipated operational costs for its 12 functional district offices. As such, in 2019/20 and 2020/21, amounts of R907 000 and R1.693 million, respectively, were reprioritised from Programme 2: Provincial Secretariat for Police Service mainly due to cost-cutting on venues and facilities, catering and stationery against *Goods and services*, as well as a reduction in *Compensation of employees* to defray pressures in Programme 1: Administration mainly against *Goods and services* for items such as property payments,

fleet services, training and development, as well as travel and subsistence. This was due to higher than budgeted costs for the implementation of the decentralisation strategy which had to be funded within the available budget, for all 12 functional district offices. The department indicated that the uMgungundlovu district is currently sharing office space with the head office, and the Durban South district is sharing office space at Truro House with DOE, while waiting for DOPW to finalise their leases. It should be noted that, although there is a reduction in *Compensation of employees* under Programme 2, the budget growth still falls in line with National Treasury's prescribed growth rates.

5. Procurement

The department will continue to strengthen SCM around the areas of asset management, demand and acquisition management through increasing capacity and continuous training, as well as keeping abreast of latest SCM policies, circulars and changes. Major procurement to be undertaken in 2019/20 relates to community interventions where the department has to procure the services of consultants to undertake CiDP and other social crime prevention programmes.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 9.1 shows the sources of funding of Vote 9 over the seven-year period 2015/16 to 2021/22. It also compares actual and budgeted receipts against actual and budgeted payments.

Table 9.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Equitable share	181 069	186 357	194 890	206 113	206 113	206 113	228 047	242 765	256 117
Conditional grants	1 000	11 043	1 487	10 321	10 321	10 321	7 007	-	-
<i>Social Sector EPWP Incentive Grant for Provinces</i>	1 000	11 043	1 487	10 321	10 321	10 321	7 007	-	-
Total receipts	182 069	197 400	196 377	216 434	216 434	216 434	235 054	242 765	256 117
Total payments	190 811	206 646	204 572	224 949	224 949	224 949	235 054	242 765	256 117
Surplus/(Deficit) before financing	(8 742)	(9 246)	(8 195)	(8 515)	(8 515)	(8 515)	-	-	-
Financing									
of which									
Provincial roll-overs	-	-	-	-	-	-	-	-	-
Provincial cash resources	8 976	12 723	8 109	8 515	8 515	8 515	-	-	-
Surplus/(Deficit) after financing	234	3 477	(86)	-	-	-	-	-	-

In 2015/16, the department received R5 million from provincial cash resources to assist with the phased-in implementation of the revised organisational structure. In addition, an amount of R3.976 million was allocated to fund various anti-xenophobia campaigns. The department under-spent its budget by R234 000, mainly because several vacant posts were filled through internal promotions.

In 2016/17, the department received an amount of R7.723 million from provincial cash resources. These funds were originally allocated in 2012/13, however, they were not spent and were reallocated in 2016/17, for the continued phasing-in of the revised organisational structure. The provincial cash resources also included a once-off R5 million to strengthen departmental oversight during the 2016 local government elections. There was a significant increase to R11.043 million in respect of the Social Sector EPWP Incentive Grant for Provinces, used for the payment of stipends for the VSCPP volunteers. The department under-spent its budget by R3.477 million, mainly relating to the non-filling of posts in respect of phases two and three of the organisational structure. Also, the number of volunteers appointed in respect of the Social Sector EPWP Incentive Grant for Provinces was lower than anticipated. The department indicated that there were 49 fewer volunteers in the VSCPP, due to delays in the beneficiary verification process and this resulted in the grant being under-spent.

In 2017/18, the department received provincial cash resources of R8.109 million for the carry-through costs of the continued roll-out of the new structure up to 2018/19, and these funds become part of the baseline thereafter. The department over-spent by R86 000 mainly due to higher than anticipated costs related to external audits, travel and subsistence, fleet services, decentralised district offices' operational

costs, as well as communication services (telephone, postage, etc.). It is noted that the grant allocation was low due to its incentive nature (including reporting requirements), as well as fiscal consolidation cuts.

The department received provincial cash resources of R8.515 million in 2018/19 for the carry-through costs of the continued roll-out of the new structure, and this is included as part of the department's baseline from 2019/20, onward. The allocation for the Social Sector EPWP Incentive Grant for Provinces increased significantly to R10.321 million in 2018/19. This provided for the appointment of 325 additional volunteers in the VSCPP programme with a total of 380 appointed using this grant. The department is projecting to fully spend as reported in the December IYM.

The budget for the 2019/20 MTEF shows a steady upward trend and provides for various ongoing initiatives undertaken by the department. This includes safety promotions, training and workshops for safety structures, as well as undertaking interventions in various areas of KZN. The budget also provides for the operational costs for the various district offices. The Social Sector EPWP Incentive Grant for Provinces is allocated up to 2019/20 only, and has reduced to R7.007 million. The department indicated that this grant will be utilised to appoint 220 volunteers and three data capturers. As mentioned, in the 2019 general elections, the department will undertake interventions in respect of areas where instability is reported, and will monitor voting stations where required, taking into account available funds.

6.2 Departmental receipts collection

Table 9.2 shows the sources of own revenue collected by the department. Details of departmental receipts are presented in *Annexure – Vote 9: Community Safety and Liaison*.

Table 9.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	93	133	182	80	80	155	86	90	95
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	1	2	-	-	-	-	-	-
Sale of capital assets	663	404	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	-	-	-	27	27	-	28	30	32
Total	756	538	184	107	107	155	114	120	127

Sale of goods and services other than capital assets is derived from state-owned property rentals, parking fees and commission received on PERSAL deductions such as insurance premiums and garnishee orders. The department is projected to over-collect in the 2018/19 Revised Estimate mainly from commission and parking fees which were under-budgeted. The revenue budget is conservative over the MTEF taking into account collection in recent years and the department will review this in the next budget process.

Sale of capital assets collected R663 000 in 2015/16 and R404 000 in 2016/17 from the disposal of redundant office equipment and vehicles. The department anticipates no sales over the MTEF at this stage.

Transactions in financial assets and liabilities derives its revenue mainly from recoveries of outstanding staff debts. Revenue from this category is difficult to predict, and this explains the projected nil collection in the Revised Estimate, as well as conservative budgeting over the MTEF.

6.3 Donor funding – Nil

7. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including the payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 8, as well as in the *Annexure – Vote 9: Community Safety and Liaison*.

7.1 Key assumptions

The following assumptions and factors were taken into account in finalising the budget allocations:

- In terms of National Treasury's guidelines, the prescribed cost of living adjustments growth rates are 7.8 per cent in 2019/20, 8 per cent in 2020/21 and 2021/22 including the 1.5 per cent annual pay progression. The department's *Compensation of employees* budget exceeds this at 20.9 per cent in 2019/20 and at 9.7 per cent in 2020/21 and 2021/22. This high growth was due to the low baseline ascribed to non-filling of posts, as well as provision made for the full establishment.
- The consumer price index, as published in the 2018 MTBPS of 5.3 per cent in 2019/20, 5.5 per cent in 2020/21 and 5.5 per cent in 2021/22, was not adhered to in 2019/20 and 2020/21. This was mainly due to the reduction in the grant allocation.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2018/19, will continue to be adhered to over the 2019/20 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 9.3 shows additional provincial and equitable share funding received by the department over the 2017/18, 2018/19 and 2019/20 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2021/22) are based on the incremental percentage used in the 2020/21 MTEF.

Table 9.3 : Summary of additional provincial and equitable share allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	7 051	7 331	149	157	166
Carry-through funds for new organisational structure	8 109	8 515	-	-	-
PES and Provincial Own Revenue reductions	(768)	(878)	(1 557)	(1 643)	(1 733)
Budget cuts to fund remuneration of <i>Izinduna</i>	(290)	(306)	(323)	(341)	(360)
Additional funding from National Treasury	-	-	2 029	2 141	2 258
2018/19 MTEF period				2 175	2 295
Above-budget wage agreement				2 175	2 295
2019/20 MTEF period					
Total	7 051	7 331	149	2 332	2 460

In the 2017/18 MTEF, the department received a carry-through baseline allocation for the continued roll-out of the new structure. In this regard, amounts of R8.109 million and R8.515 million were allocated to the department in 2017/18 and 2018/19. From 2019/20 onward, this adjustment becomes part of the department's baseline. The reduction reflected is in respect of the budget cuts due to data updates of the PES formula, Provincial Own Revenue, as well as fiscal framework reductions. These budget cuts were effected proportionately against all 15 Votes and the department's cut amounted to R768 000, R878 000 and R1.557 million over the 2017/18 MTEF.

In addition, the Provincial Executive Council determined that the *Izinduna* in KZN must be remunerated, in line with Presidential proclamations in this regard. As this is an unfunded mandate, the funding required for this payment was financed by Vote 11: COGTA providing 50 per cent of the required amount through reprioritisation of their budget, while the remaining 50 per cent was sourced by proportionately cutting all remaining departments' budgets. In this regard, the department's budget reduced by R290 000, R306 000 and R323 000 over the 2017/18 MTEF.

National Treasury allocated additional funding to provinces in 2019/20, with carry-through. This amount was proportionately allocated to all 15 Votes to ensure that the budget cuts referred to above were offset. Thus, in 2019/20, the department is allocated additional funding of R2.029 million with carry-through.

In the 2018/19 MTEF, the department received R2.175 million with carry-through allocated for the above-budget wage agreement from National Treasury that was proportionately allocated to all 15 Votes.

The 2019/20 MTEF shows no additional allocation provided to the department.

7.3 Summary by programme and economic classification

Tables 9.4 and 9.5 provide a summary of payments and budgeted estimates by programme and economic classification, respectively, for the period 2015/16 to 2021/22.

Table 9.4 : Summary of payments and estimates by programme: Community Safety and Liaison

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	59 260	73 373	86 100	83 619	82 535	82 535	90 393	97 363	104 886
2. Provincial Secretariat for Police Service	131 551	133 273	118 472	141 330	142 414	142 414	144 661	145 402	151 231
Total	190 811	206 646	204 572	224 949	224 949	224 949	235 054	242 765	256 117

Table 9.5 : Summary of provincial payments and estimates by economic classification: Community Safety and Liaison

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	186 841	200 665	194 649	223 593	223 579	223 455	233 641	241 246	254 514
Compensation of employees	68 574	75 605	82 089	112 954	95 954	95 830	118 465	130 257	143 228
Goods and services	118 267	125 060	112 560	110 639	127 625	127 625	115 176	110 989	111 286
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	168	580	132	30	44	168	35	37	39
Provinces and municipalities	11	30	28	30	44	49	35	37	39
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	100	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	157	450	104	-	-	119	-	-	-
Payments for capital assets	3 796	5 392	9 774	1 326	1 326	1 326	1 378	1 482	1 564
Buildings and other fixed structures	-	38	-	-	-	-	-	-	-
Machinery and equipment	3 796	5 354	8 435	1 326	1 326	1 326	1 378	1 482	1 564
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	1 339	-	-	-	-	-	-
Payments for financial assets	6	9	17	-	-	-	-	-	-
Total	190 811	206 646	204 572	224 949	224 949	224 949	235 054	242 765	256 117

Programme 1 shows a substantial increase from 2015/16 to 2016/17 related to the centralisation of the department's operational costs under this programme, such as computer services (including the roll-out of IT connectivity to the department's 12 functional district offices), property payments such as cleaning and security services, communication costs including telephones and faxes, fleet services, etc. Furthermore, this increase can be attributed to the implementation of the decentralisation strategy in respect of operating costs such as security, cleaning services and leases associated with the 12 functional district offices including Amajuba, iLembe, Harry Gwala, uMzinyathi, uThukela, eThekwini North in Commercial City, eThekwini West in Pinetown, eThekwini South at Truro House, uMgungundlovu (accommodating the district and head office), Zululand district and Ugu. The slight decrease from the 2018/19 Main Appropriation was due to the reprioritisation to offset pressures in Programme 2, including higher than budgeted costs for interventions undertaken in various districts, as well as intensive police station audits as part of the national census project. The steady growth over the 2019/20 MTEF relates to the operational and fixed costs of the department, both for head office and the district offices. These costs include computer services for SITA, operating leases for the district offices, travel and subsistence, training and development for staff, etc. The MTEF also caters for 76 filled posts and the anticipated filling of 16 critical vacant posts, such as Senior State Accountant, Personal Assistant to the CFO, Communication Liaison Officer, and Administration Clerk: Human Resources, Deputy Director: Planning Monitoring and Evaluation, Deputy Director: Inter-governmental Relations and Special Projects.

Programme 2 shows a marginal increase from 2015/16 to 2016/17 largely due to a once-off allocation of R3.976 million in 2015/16 for the anti-xenophobia campaigns that were undertaken in response to the xenophobic attacks that took place in the province. The increase in 2016/17 relates to a once-off allocation of R5 million for strengthening departmental oversight during the 2016 local government elections, as well as an increase in the allocation for the Social Sector EPWP Incentive Grant for Provinces. The

negative growth from 2016/17 to 2017/18 can be explained by the substantial reduction in the grant allocation. The significant growth in 2018/19 is due to the increased allocation for the Social Sector EPWP Incentive Grant for Provinces which was used to employ 380 VSCPP volunteers. In the previous year, funds were moved from *Compensation of employees* in this programme to Programme 1 to purchase 19 vehicles for the districts. The MTEF budget provides for various service delivery activities, including crime awareness campaigns and interventions, such as victim empowerment, anti-women abuse, anti-drug abuse, training of community safety structures such as ward safety structures, CSFs and CPFs, wage adjustments and pay progression for 105 filled posts, as well as provision for the filling of 26 posts. The critical vacant posts include Administration Clerks in uThukela and iLembe districts, District Co-ordinator in uMkhanyakude district, Secretary to the Director: Coastal Region, among others.

Compensation of employees reflects a generally steady trend, with the substantial increase from 2017/18 to the 2018/19 Main Appropriation providing for the balance of the filling of posts pertaining to phases two and three of the revised organisational structure, with phase one being completed in 2014/15. The subsequent decrease in the 2018/19 Adjusted Appropriation and Revised Estimate is largely due to delays in filling posts. The recruitment processes, including lengthy vetting processes, resulted in delays. Another contributing factor is that some posts are filled from within through internal promotions, thus causing vacancies in other areas. The substantial growth of 23.6 per cent from the 2018/19 Revised Estimate to 2019/20 is ascribed to the department budgeting for its full establishment. It is noted that there is strong growth over the MTEF above the National Treasury's prescribed cost of living adjustments of 7.8 per cent in 2019/20 and 8 per cent in 2020/21 and 2021/22, including the 1.5 per cent pay progression. The budget shows high growth at 23.6 per cent in 2019/20 and 10 per cent in 2020/21 and 2021/22, respectively. The department indicated that there are 42 vacant posts, including posts which resulted from internal promotions, such as Senior State Accountant, Personal Assistant to the CFO, State Accountant, Administration Clerks in the uThukela and iLembe districts, District Co-ordinator in the uMkhanyakude district, Secretary to the Director: Coastal Region, Administration Clerk in Durban South, among others.

Goods and services shows a slight increase from 2015/16 to 2016/17, largely due to the increased Social Sector EPWP Incentive Grant for Provinces, as well as once-off expenditure relating to the local government election monitoring, and this accounts for the negative growth from 2016/17 to 2017/18. The decrease in the 2018/19 Main Appropriation relates to the reprioritisation undertaken over the 2018/19 MTEF to *Compensation of employees* to fund the full establishment in respect of the decentralisation strategy. The subsequent increase in the 2018/19 Adjusted Appropriation and Revised Estimate was due to savings that arose as a result of non-filling of posts, with these funds reprioritised to cater for various operational costs. The negative growth from the 2018/19 Revised Estimate to 2019/20 is due to reprioritisation undertaken for the filling of all vacant posts, as well as the decreased conditional grant allocation due to the incentive nature of this grant, where the allocation is based on previous year's reporting and performance. The 2019/20 MTEF allocations provide for the previously mentioned operational costs for district offices, payment of stipends to the VSCPP volunteers against the equitable share and the Social Sector EPWP Incentive Grant for Provinces which is only provided for in 2019/20, at this stage, crime awareness campaigns and interventions in high crime areas in the province.

Transfers and subsidies to: Provinces and municipalities caters for motor vehicle licences. The high 2016/17 amount relates to the registration of new vehicles which were purchased as part of the decentralisation strategy. The high 2018/19 Adjusted Appropriation and Revised Estimate relates to the provision for under-budgeted costs in respect of existing vehicle licence renewals. This accounts for the negative growth over the 2019/20 MTEF. The department indicated that further reprioritisation will be undertaken to increase the budget to the level of 2018/19, and this will be reviewed in-year.

Transfers and subsidies to: Public corporations and private enterprises relates to a donation in 2016/17 for the One Million Voices campaign for the fight against police killings.

Transfers and subsidies to: Households relates to staff exit costs. There is no budget against this category over the 2019/20 MTEF due to its uncertain nature, and this will be reviewed in-year if necessary.

The amount of R38 000 against *Buildings and other fixed structures* in 2016/17 relates to the purchase and installation of an air conditioner for a parkhome which accommodated a district office.

The fluctuations against *Machinery and equipment* relate to the cyclical purchase of tools of trade. The high growth from 2015/16 to 2017/18 is mainly the result of the purchase of vehicles and other capital purchases to furnish and equip the district offices. The growth over the 2019/20 MTEF relates to the purchase of tools of trade in respect of vacant posts.

The amount of R1.339 million in 2017/18 against *Software and other intangible assets* relates to the purchase of software licences for the Novell System and for computer software.

Payments for financial assets relates to the write-off of staff debts. This category is difficult to predict and is therefore not budgeted for over the 2019/20 MTEF.

7.4 Summary of conditional grant payments and estimates

Table 9.6 illustrates conditional grant payments and estimates for the period 2015/16 to 2021/22. Details are given in *Annexure – Vote 9: Community Safety and Liaison*.

It should be noted that the historical figures set out in Table 9.6 reflect actual expenditure per grant, and should not be compared to those reflected in Table 9.1, which represents the actual receipts for the grant.

Table 9.6 : Summary of conditional grant payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Social Sector EPWP Incentive Grant for Provinces	1 000	9 658	1 487	10 321	10 321	10 321	7 007	-	-
Total	1 000	9 658	1 487	10 321	10 321	10 321	7 007	-	-

The purpose of the Social Sector EPWP Incentive Grant for Provinces is to create work opportunities for social crime prevention volunteers who are employed within the VSCPP. These funds are used for the payment of stipends of some of the VSCPP volunteers (the bulk are paid from the equitable share). The stipends are allocated against operating payments in *Goods and services*. The department indicated that, in 2018/19, there were 1 775 volunteers under the VSCPP, i.e. 1 395 were funded from the equitable share, and 380 paid from the grant.

The grant allocation is dependent on the evaluation by the national DOPW of targets achieved, and this largely accounts for the fluctuations over the years. Similarly, the significant increase in 2016/17 relates to improved spending and improved reporting in respect of this grant. The increased allocation enabled the department to recruit 380 social crime prevention volunteers, a significant increase when compared to only 48 recruited in 2015/16 from grant funding. The allocation for 2017/18 was significantly reduced to R1.487 million, in line with the government-wide fiscal consolidation efforts. The grant increased significantly to R10.321 million in 2018/19 due to the incentive nature and compliance to reporting requirements, and is only allocated up to 2019/20 at this stage, and cater for the appointment of 220 volunteers and three data capturers.

7.5 Summary of infrastructure payments and estimates – Nil

7.6 Summary of Public Private Partnerships – Nil

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of PFMA) and other entities – Nil

7.8 Transfers to local government

The department makes no transfer payments to local government, although it does pay motor vehicle licence fees against this category, which are not a direct transfer to a municipality. Therefore, the table reflecting transfers to local government is excluded.

7.9 Transfers and subsidies

Table 9.7 provides a summary of transfers and subsidies per programme.

Table 9.7 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	43	525	57	30	44	124	35	37	39
Provinces and municipalities	11	30	28	30	44	49	35	37	39
Motor vehicle licences	11	30	28	30	44	49	35	37	39
Public corporations and private enterprises	-	100	-	-	-	-	-	-	-
Donation - One Million Voices Campaign	-	100	-	-	-	-	-	-	-
Households	32	395	29	-	-	75	-	-	-
Staff exit costs	32	395	29	-	-	75	-	-	-
2. Provincial Secretariat for Police Service	125	55	75	-	-	44	-	-	-
Households	125	55	75	-	-	44	-	-	-
Staff exit costs	125	55	75	-	-	44	-	-	-
Total	168	580	132	30	44	168	35	37	39

The amounts under Programme 1 against *Provinces and municipalities* cater for motor vehicle licences. The high 2016/17 amount relates to the registration of new vehicles which were purchased as part of the decentralisation strategy. The high amounts in the 2018/19 Adjusted Appropriation and Revised Estimate relate to the provision for under-budgeted costs in respect of existing vehicle licence renewals. This accounts for the negative growth over the 2019/20 MTEF. As previously mentioned, the department indicated that further reprioritisation will be undertaken to increase the budget to the level of 2018/19, and this will be reviewed in-year.

The amount reflected under Programme 1 against *Public corporations and private enterprises* in 2016/17 relates to a donation made for the One Million Voices campaign for the fight against police killings, as previously mentioned.

Households in both programmes pertains to the payment of staff exit costs which are difficult to budget for due to the uncertain nature of such costs.

8. Programme description

The services rendered by this department are categorised under two programmes. The payments and budgeted estimates for each programme are summarised in terms of economic classification, details of which are presented in the *Annexure – Vote 9: Community Safety and Liaison*.

8.1 Programme 1: Administration

The objective of Programme 1 is to provide essential administrative and management support, while the purpose is to provide strategic direction and support, administrative, financial, executive and legal support, and human resource services. This programme is in line with the sector specific Safety and Liaison programme structure.

Tables 9.8 and 9.9 give a summary of payments and estimates for the seven-year period up to 2021/22.

Table 9.8 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Office of the HOD	4 348	4 842	6 541	8 333	6 294	6 294	8 801	9 582	10 437
2. Financial Management	9 611	10 687	11 150	13 110	12 982	12 982	13 874	15 117	16 445
3. Corporate Services	38 763	48 746	57 995	52 070	50 479	50 479	56 012	60 078	64 467
4. Legal	2 950	3 182	3 365	3 928	3 530	3 530	4 237	4 611	5 018
5. Security	3 588	5 916	7 049	6 178	9 250	9 250	7 469	7 975	8 519
Total	59 260	73 373	86 100	83 619	82 535	82 535	90 393	97 363	104 886

Table 9.9 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	56 131	68 017	76 437	83 094	81 996	81 916	89 858	96 770	104 260
Compensation of employees	29 120	31 138	34 062	44 180	38 562	38 482	46 621	51 153	56 132
Goods and services	27 011	36 879	42 375	38 914	43 434	43 434	43 237	45 617	48 128
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	43	525	57	30	44	124	35	37	39
Provinces and municipalities	11	30	28	30	44	49	35	37	39
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	100	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	32	395	29	-	-	75	-	-	-
Payments for capital assets	3 086	4 822	9 606	495	495	495	500	556	587
Buildings and other fixed structures	-	38	-	-	-	-	-	-	-
Machinery and equipment	3 086	4 784	8 267	495	495	495	500	556	587
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	1 339	-	-	-	-	-	-
Payments for financial assets	-	9	-	-	-	-	-	-	-
Total	59 260	73 373	86 100	83 619	82 535	82 535	90 393	97 363	104 886

The sub-programme: Office of the HOD reflects a significant increase from 2016/17 to 2017/18. This was largely due to the secondment of an official at a Director level, from the Department of Correctional Services to the Office of the HOD. The further high growth from 2017/18 to the 2018/19 Main Appropriation is due to provision for vacant posts against this sub-programme, including Director: Risk Management and Personal Assistant: Risk Management. The year-on-year growth from 2019/20 to 2021/22 relates to inflationary increases and the filling of vacant posts.

The sub-programme: Financial Management reflects a fairly steady trend from 2015/16 to 2017/18. The increase in the 2018/19 Main Appropriation was largely due to higher than budgeted audit fees. The growth over the 2019/20 MTEF is largely inflation related and provides mainly for audit fees, travel and subsistence and stationery costs relating to the financial administration functions of the department. The department indicated that posts, such as Personal Assistant to the CFO, State Accountant, and Senior State Account, will be filled in 2019/20.

The sub-programme: Corporate Services reflects healthy growth from 2018/19 to 2021/22 largely due to planned increased training costs relating to service delivery personnel to enable them to undertake all aspects of training of community safety structures. The aim is to reduce the reliance on consultants for this type of training. The substantial increase in 2017/18 was largely due to once-off capital purchases, such as two vehicles per district. This was due to the department's decentralisation strategy which aims to deliver services to communities. The increase from 2018/19 to 2019/20 is due to the previously mentioned reprioritisation undertaken to provide for operational costs in respect of district offices. The increasing trend over the MTEF is largely inflationary by nature. It should be noted that the department's operational costs are under this sub-programme, such as computer services, fleet services, operating leases, security services, training and staff development, communication costs, etc. These costs relate to the department's head office and the 12 district offices.

The sub-programme: Legal provides for legal services and costs for interventions undertaken by the department, such as hostel violence interventions, interventions on various act of violence or protests in the province, as well as other departmental initiatives, such as the Siyabonisana projects, whereby the department provides legal advisory services to the community on issues of domestic violence, sexual harassment, etc. The MTEF budget grows steadily.

The trend from 2015/16 to 2021/22 against the Security sub-programme fluctuates. The subsequent growth to 2017/18 was largely due to the centralisation of district office security costs against this sub-programme. These costs were previously reflected against Programme 2. In 2018/19, the department installed a biometric system in district offices, resulting in the high Adjusted Appropriation and Revised Estimate, and this accounts for the decrease from 2018/19 to 2019/20. The allocations over the 2019/20

MTEF provide for the payment of security services for the head office and district offices, as well as other operational costs such as travel and subsistence.

The trend over the seven years against *Compensation of employees* is generally steady, with high growth in 2018/19. The growth from 2016/17 to 2017/18 was mainly due to wage adjustments in respect of salaries and pay progression, as well as reprioritisation undertaken to adequately provide for the full establishment. The high growth in 2018/19 was due to the anticipated full establishment in respect of the implementation of the revised organisational structure, as well as other posts which became vacant through internal promotions, and this accounts for the decrease in the 2018/19 Adjusted Appropriation. Over the 2019/20 MTEF, the budget caters for 76 filled posts and the anticipated filling of 16 critical vacant posts, as well as for other personnel related increases, such as pay progression. It is noted that there is strong growth over the MTEF which exceeds National Treasury's prescribed cost of living adjustments of 7.8 per cent in 2019/20 and 8 per cent in 2020/21 and 2021/22. The department indicated that the vacant posts include posts such as Senior State Accountant, Personal Assistant to the CFO, and State Accountant.

With regard to *Goods and services*, the high 2018/19 Revised Estimate relates to the payment of accruals for property payments due to costs related to the in-year installation of a biometric system in order to strengthen security measures in the newly established district offices, consultants and professional services for a workshop on capacitation of management that was undertaken due to the skills gap identified on project management and service delivery tools, as well as high audit costs. The 2019/20 MTEF growth relates to the previously explained additional funding which was allocated to the department in respect of the carry-through costs for the roll-out of the decentralisation strategy, as well as for operational costs such as computer services, fleet services, security services, training and staff development.

Transfers and subsidies to: Provinces and municipalities caters for motor vehicle licences. The high 2016/17 amount relates to the registration of new vehicles which were purchased as part of the decentralisation strategy. The high amount in the 2018/19 Adjusted Appropriation and Revised Estimate relates to the provision for under-budgeted costs in respect of existing vehicle licence renewals. This accounts for the negative growth over the 2019/20 MTEF. As previously mentioned, the department indicated that further reprioritisation will be undertaken to increase the budget to the level of 2018/19, and this will be reviewed in-year.

Transfers and subsidies to: Public corporations and private enterprises relates to a donation made in 2016/17 for the One Million Voices campaign for the fight against police killings.

Transfers and subsidies to: Households relates to staff exit costs.

The amount of R38 000 in 2016/17 against *Buildings and other fixed structures* relates to the purchase and installation of an air conditioner for a parkhome which accommodates the uMkhanyakude district office.

Machinery and equipment over the 2019/20 MTEF provides for the purchase of tools of trade such as office furniture and desktops in line with the filling of posts. The high amount in 2017/18 was for the purchase of 19 vehicles for the district offices.

Software and other intangible assets relates to the purchase and renewal of software licence fees for the Novell System and for computer software. There is no allocation over the MTEF at this stage.

Payments for financial assets relates to the write-off of staff debts.

8.2 Programme 2: Provincial Secretariat for Police Service

Programme 2 is the main service delivery programme of the department. The main purpose of this programme is to perform the function of oversight over the Office of the Provincial Commissioner and specialised units, as well as community police relations at a provincial level. In addition, it performs the function of safety information analysis and conceptualisation which has to be done at a provincial level.

The major key performance indicators within this programme are the VSCPP, focussed and integrated interventions and events, community training programmes, etc. Various crime awareness projects,

including school safety, substance abuse and stock theft, characterise these interventions and events. The CiDP, the capacitation and establishment of CPFs, and street committees form the major part of interventions and partnerships with communities.

Tables 9.10 and 9.11 illustrate the summary of payments and estimates relating to Programme 2.

Table 9.10 : Summary of payments and estimates by sub-programme: Provincial Secretariat for Police Service

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Policy and Research	3 226	3 731	2 892	4 107	3 319	3 338	4 212	4 578	4 957
2. Monitoring and Evaluation	13 317	7 811	8 442	16 707	10 227	10 227	18 053	19 716	21 463
3. Safety Promotion	76 472	84 381	72 603	79 230	92 451	90 642	78 309	73 756	74 357
4. Community Police Relations	22 294	11 555	7 536	5 900	5 900	7 709	6 474	6 514	6 293
5. Programme Support	16 242	25 795	26 999	35 386	30 517	30 498	37 613	40 838	44 161
Total	131 551	133 273	118 472	141 330	142 414	142 414	144 661	145 402	151 231

Table 9.11 : Summary of payments and estimates by economic classification: Provincial Secretariat for Police Service

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	130 710	132 648	118 212	140 499	141 583	141 539	143 783	144 476	150 254
Compensation of employees	39 454	44 467	48 027	68 774	57 392	57 348	71 844	79 104	87 096
Goods and services	91 256	88 181	70 185	71 725	84 191	84 191	71 939	65 372	63 158
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	125	55	75	-	-	44	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	125	55	75	-	-	44	-	-	-
Payments for capital assets	710	570	168	831	831	831	878	926	977
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	710	570	168	831	831	831	878	926	977
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	6	-	17	-	-	-	-	-	-
Total	131 551	133 273	118 472	141 330	142 414	142 414	144 661	145 402	151 231

The sub-programme: Policy and Research largely shows inflationary growth over the period. The negative growth from 2016/17 to 2017/18 and from the 2018/19 Main to Adjusted Appropriation is ascribed to vacant posts, including the Deputy Director: Policy and Research. The budget over the 2019/20 MTEF provides for the implementation of the Civilian Secretariat for Police Services Act which requires research on the provincial social environment and understanding, such as the review of policies and directives. This includes the review of policies on monitoring tools and their impact on the activities of the department, review on policies of stock theft, cross-border theft and participation in the review of national Bills and White Papers related to the South African Police Service Act.

The significant decrease in the Monitoring and Evaluation sub-programme from 2015/16 to 2016/17 was largely due to delays in implementing phases two and three of the revised organisational structure. The significant increase from 2017/18 to the 2018/19 Main Appropriation was due to the department fully budgeting for posts pertaining to phases two and three of the new organisational structure. These critical vacant posts include six Assistant Directors: Police Performance Monitoring and Evaluation (Docket Management), Assistant Director: Police Performance Monitoring and Evaluation, as well as Deputy Directors: Policing Policy Review, Safety Models and Monitoring Tools. The decrease from the 2018/19 Main to Adjusted Appropriation is due to the non-filling of posts as initially envisaged from the beginning of the year. Furthermore, when internal candidates are appointed in posts, concurrent vacancies are created in the department's structure. The growth over the 2019/20 MTEF is due to the fact that the department has budgeted for its full structure, as well as for the monitoring and evaluation of police stations in the province, including costs such as travel and subsistence. This includes reviewing the effectiveness of the

monitoring tools, such as the electronic complaints management system which was recently installed in various police stations, and will enable the department to expedite the registration, processing and ultimate finalisation of complaints against police officers, thereby improving the efficiency and effectiveness of complaints management.

The sub-programme: Safety Promotion reflects an increase from 2015/16 to 2016/17. This was largely due to the increased Social Sector EPWP Incentive Grant for Provinces allocation, as well as the once-off R5 million for strengthening oversight during the local government elections, and this accounts for the negative growth from 2016/17 to 2017/18. The increase in the 2018/19 Main Appropriation was largely due to a substantial increase in the conditional grant allocation. The further increase in the 2018/19 Adjusted Appropriation and Revised Estimate is due to savings realised from non-filling of posts from this sub-programme and other sub-programmes, which was utilised to absorb higher than budgeted recurring costs such as travel and subsistence and service delivery costs. The negative growth in 2019/20 compared to the 2018/19 Main Appropriation is due to the reduction in the grant allocation. This sub-programme caters mainly for crime awareness campaigns and interventions focussing on anti-women abuse, anti-drug abuse and victim empowerment held during the safety months, i.e. November and December, capacitation of ward safety committees, CSFs and CPFs, as well as the KZN Community Crime Prevention Association (KZNCCPA). Vacant posts, such as Assistant Director: Crime Prevention and Partnerships pertaining to phases two and three, are planned to be filled in 2019/20. These posts will enable the department to reach more communities at grassroots level over the 2019/20 MTEF, thus achieving its goals of the decentralisation strategy.

The significant decrease from 2015/16 to 2017/18 against the Community Police Relations sub-programme was largely due to anti-xenophobia campaigns in 2015/16 and various interventions undertaken in the province, as well as an intensive roll-out of training of safety structures. The sub-programme deals with training of CPF structures in communities, and the costs for this training decreased due to cost-cutting. Furthermore, the MEC's service excellence awards will be undertaken in conjunction with DOT from 2019/20, thus reducing the costs for the department. The growth from 2018/19 and over the 2019/20 MTEF fluctuates.

The sub-programme: Programme Support shows strong growth from 2015/16 onward, consistent with *Compensation of employee* costs for district managers being realigned to this programme as per the department's decentralised strategy and organogram. This sub-programme provides mainly for management posts for the strategic direction of the department and administrative support provided to districts. The low Revised Estimate relates to the non-filling of vacant posts. The higher than inflationary increase in 2019/20 is largely to cater for all vacant posts, such as Administration Officers and Clerks who provide support services at the district offices. The growth over the 2019/20 MTEF also caters for inflationary wage increases. Critical vacant posts include Administration Clerks in uThukela and iLembe districts, District Co-ordinator in the uMkhanyakude district, Secretary to the Director: Coastal Region, Administration Clerk in Durban South, among others.

Compensation of employees reflects steady growth from 2015/16 to 2017/18. The substantial increase in 2018/19 was due to the department budgeting for the full revised organisational structure. The decrease in the 2018/19 Adjusted Appropriation and Revised Estimate is due to the recruitment process being slower than anticipated, due to delays in the vetting process and internal promotions. The 2019/20 MTEF caters for the full establishment in respect of 105 filled posts and 26 vacant posts envisaged to be filled in 2019/20. The budget growth provides for pay progression and related carry-through costs, including additional funds allocated to the department for the above-budget wage agreement in 2020/21. National Treasury prescribed salary adjustment growth rates at 7.8 per cent in 2019/20 and 8 per cent in the two outer years. However, the growth rate for this programme was high at 25.2 per cent in 2019/20, and 10.1 per cent in the two outer years mainly due to the planned filling of vacant posts. The vacant posts include Administration Clerks in uThukela and iLembe districts, District Co-ordinator: uMkhanyakude district, Secretary to the Director: Coastal Region, Administration Clerk in Durban South, Deputy Director: Policing Policy Review, Safety Models and Monitoring Tools, six Assistant Directors: Police Performance Monitoring and Evaluation (Docket Management), among others.

Goods and services reflects negative growth from 2016/17 to 2017/18 due to the decreased Social Sector EPWP Incentive Grant for Provinces as a result of fiscal consolidation cuts. The strong growth from 2017/18 to the 2018/19 Revised Estimate mainly relates to the substantial increase in the Social Sector EPWP Incentive Grant for Provinces compared to the prior year, as mentioned earlier. The negative growth from 2018/19 onward relates to the decrease in the conditional grant and reprioritisation that was undertaken toward the filling of posts. Furthermore, reprioritisation was undertaken over the 2019/20 MTEF to fund *Compensation of employees* in respect of the full establishment for the decentralisation strategy. Also the MEC service excellence awards will be undertaken in conjunction with DOT from 2019/20, thus reducing the costs for the department. The MTEF budget caters for various activities, including crime awareness campaigns and interventions such as anti-women abuse, anti-drug abuse, and victim empowerment which are held during the safety months. This also includes capacitation of ward safety committees, CSFs and CPFs, as well as training and development of community safety structures.

Transfers and subsidies to: Households pertains to staff exit costs.

The fluctuations against *Machinery and equipment* relate to the fact that the department purchases machinery and equipment on a cyclical basis. The budget over the MTEF is for the provision of equipment such as computer laptops and desktops and office furniture for staff.

Service delivery measures: Provincial Secretariat for Police Service

Table 9.12 illustrates the main service delivery information relating to Programme 2, which were aligned as far as possible to the generic service delivery measures of the sector.

Table 9.12 : Service delivery measures : Provincial Secretariat for Police Service

Outputs	Performance indicators	Estimated performance			
		2018/19	2019/20	2020/21	2021/22
1. Improved quality of policing	• No. of management reports compiled on service delivery complaints against SAPS	4	4	4	4
	• No. of reports compiled on implementation of IPID recommendations by SAPS	4	4	4	4
	• No. of DVA compliance reports consolidated	4	4	4	4
	• No. of reports on M&E special projects compiled	1	1	1	1
	• No. of DVA compliance monitoring audits	184	75	58	58
	• No. of police stations monitored and reports compiled	184	130	130	130
2. To mobilise communities in the fight against crime	• No. of functional CSFs assessed on functionality	4	52	52	52
	• No. of functional CPFs assessed	73	140	140	140
3. To conduct research into safety and security matters	• No. of research reports on special projects commissioned by the Civilian Secretariat for Police compiled	-	1	1	1
	• No. of reports on the implementation of NMT recommendations compiled	2	4	4	4

9. Other programme information

9.1 Personnel numbers and cost

Table 9.13 reflects personnel numbers and estimates pertaining to the department, as well as the breakdown of employee dispensation classification over the seven-year period. The department commenced with the roll-out of phase one of the decentralisation strategy in 2014/15. The filling of phases two and three posts commenced in 2016/17 and is currently ongoing, as mentioned.

In line with the provincial approval process on the filling of non-critical posts, the department requested to fill 37 phases two and three posts in August 2016. These posts are currently at various stages of the recruitment process, most of which have been filled through internal promotions. Lengthy vetting processes, such as qualification verifications and security checks resulted in delays in filling some posts.

Table 9.13 : Summary of departmental personnel numbers and costs by component

R thousands	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2018/19 - 2021/22		
	2015/16		2016/17		2017/18		2018/19				2019/20		2020/21		2021/22		Pers. growth rate	Costs growth rate	% Costs of
	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Filled posts	Addit. posts	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. nos ¹	Costs					
Salary level																			
1 – 6	41	7 545	40	7 769	35	7 451	21	5	26	9 450	40	10 367	40	11 445	40	12 638	15.4%	10.2%	9.1%
7 – 10	79	26 650	69	30 290	79	33 973	86	5	91	48 777	112	59 686	112	65 833	112	72 616	7.2%	14.2%	50.7%
11 – 12	30	19 121	28	21 036	28	22 012	25	-	25	18 396	30	26 665	30	29 280	30	32 153	6.3%	20.5%	21.6%
13 – 16	16	14 368	15	15 556	15	17 424	16	1	17	17 842	18	20 068	18	21 905	18	23 912	1.9%	10.3%	17.2%
Other	16	890	16	954	20	1 229	22	-	22	1 365	23	1 679	23	1 794	23	1 909	1.5%	11.8%	1.4%
Total	182	68 574	168	75 605	177	82 089	170	11	181	95 830	223	118 465	223	130 257	223	143 228	7.2%	14.3%	100.0%
Programme																			
1. Administration	80	29 120	76	31 138	73	34 062	67	9	76	38 482	92	46 621	92	51 153	92	56 132	6.6%	13.4%	39.5%
2. Prov. Secretariat for Police Service	102	39 454	92	44 467	104	48 027	103	2	105	57 348	131	71 844	131	79 104	131	87 096	7.7%	14.9%	60.5%
Total	182	68 574	168	75 605	177	82 089	170	11	181	95 830	223	118 465	223	130 257	223	143 228	7.2%	14.3%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	164	66 544	150	73 415	155	79 506	146	11	157	92 967	198	115 108	198	126 618	198	139 290	8.0%	14.4%	97.2%
Legal Professionals	2	1 140	2	1 236	2	1 354	2	-	2	1 498	2	1 678	2	1 845	2	2 029	0.0%	10.6%	1.5%
Others (interns, EPWP, learnerships)	16	890	16	954	20	1 229	22	-	22	1 365	23	1 679	23	1 794	23	1 909	1.5%	11.8%	1.4%
Total	182	68 574	168	75 605	177	82 089	170	11	181	95 830	223	118 465	223	130 257	223	143 228	7.2%	14.3%	100.0%

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

The department reports that, currently (as per the December IYM) there are 170 permanent filled posts. In addition, the department has 11 contract worker posts who are additional to the establishment and these employees are responsible for capacitating community safety structures, etc. and these were taken into account when costing the 2019/20 MTEF. Furthermore, the department funds 23 interns (shown in the category *Other* from 2019/20). It should be noted that the department also included the compensation costs of an official seconded to the department from the Department of Correctional Services, and is appointed at a Director level. If the contract posts, interns and the seconded official are included in the total funded posts, it means that 223 posts are funded, in line with the current establishment.

The growth rate for personnel costs increases at an average of 14.3 per cent. The increases are above the prescribed National Treasury guidelines, which were set on a sliding scale, including the 1.5 per cent pay progression. These were supposed to grow at an average rate of 7.8 per cent in 2019/20 and 8 per cent in 2020/21 and 2021/22. The department's budget grows at a high 23.6 per cent in 2019/20, and 10 per cent in 2020/21 and 2021/21, respectively. The department indicated that the high growth rate was to sufficiently provide for all filled and vacant posts.

In line with the new organisational structure, the bulk of the staff are appointed on salary level 7 – 10, with 112 employees budgeted for over the 2019/20 MTEF. These are followed by salary level 1 – 6 which reflects 40 employees, remaining constant over the 2019/20 MTEF.

Over the 2019/20 MTEF, the headcount remains at 223, including posts additional to the structure, which include contract workers and interns. The department endeavours to fill all 42 critical vacant posts due to internal promotions such as Administration Clerks in uThukela and iLembe districts, District Co-ordinator in the uMkhanyakude district, Secretary to the Director: Coastal Region, Administration Clerk – Durban South, Personal Assistant to the CFO, State Accountant and Senior State Account, Assistant Directors: Police Performance Monitoring and Evaluation (Docket Management), Assistant Director: Police Performance Monitoring and Evaluation, Deputy Director: Policing Policy Review and Safety Models and Monitoring Tools, among others.

9.2 Training

Table 9.14 reflects the actual and estimated expenditure on training per programme, as well as the number of people involved in training for the period.

The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense on staff training. The department is abiding by this, and in most instances exceeds the required 1 per cent.

Table 9.14 : Information on training: Community Safety and Liaison

R thousand	Audited Outcome			Main Apropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Number of staff	182	168	177	181	181	181	223	223	223
Number of personnel trained	96	101	84	98	98	98	107	117	117
<i>of which</i>									
Male	44	46	32	38	38	38	40	53	53
Female	52	55	52	60	60	60	67	64	64
Number of training opportunities	21	26	13	16	16	16	20	38	38
<i>of which</i>									
Tertiary	2	3	5	6	6	6	7	5	5
Workshops	3	4	-	2	2	2	3	8	8
Seminars	4	5	1	3	3	3	3	7	7
Other	12	14	7	5	5	5	7	18	18
Number of bursaries offered	4	6	18	15	15	15	15	11	11
Number of interns appointed	16	16	20	23	23	23	23	23	23
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	5	5	5	6	6	6	6	6	6
Payments on training by programme									
1. Administration	415	1 116	556	1 700	784	784	2 000	2 110	2 226
2. Provincial Secretariat for Police Service	382	300	-	1 780	1 704	1 704	1 931	1 944	1 878
Total	797	1 416	556	3 480	2 488	2 488	3 931	4 054	4 104

The increase in training costs against Programme 1 in 2016/17 was due to training provided for election monitoring, community safety structures and training of volunteers from the VSCPP programme. The 2019/20 MTEF provides for further training of service delivery personnel. This training will be specific to CiDP interventions and empowerment of community safety structures. The decrease in spending in respect of Programme 2 from 2015/16 to 2016/17 relates to the discontinuation of the societal education to build safer communities training programme. The department changed its strategy from directly training communities to empowering its service delivery staff in terms of the Civilian Secretariat for Police Services Act. This was done as it was seen to have a greater impact on its mandate.

ANNEXURE – VOTE 9: COMMUNITY SAFETY AND LIAISON

Table 9.A : Details of departmental receipts: Community Safety and Liaison

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	93	133	182	80	80	155	86	90	95
Sale of goods and services produced by department (excluding capital assets)	93	133	182	80	80	155	86	90	95
Sale by market establishments	51	61	86	43	43	99	46	49	52
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	42	72	96	37	37	56	40	41	43
<i>Of which</i>									
<i>Commission</i>	42	53	90	37	37	56	40	41	43
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	1	2	-	-	-	-	-	-
Interest	-	1	2	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	663	404	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	663	404	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	-	-	-	27	27	-	28	30	32
Total	756	538	184	107	107	155	114	120	127

Table 9.B : Payments and estimates by economic classification: Community Safety and Liaison

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	186 841	200 665	194 649	223 593	223 579	223 455	233 641	241 246	254 514
Compensation of employees	68 574	75 605	82 089	112 954	95 954	95 830	118 465	130 257	143 228
Salaries and wages	60 650	66 936	72 381	101 018	84 068	83 944	105 318	115 349	127 500
Social contributions	7 924	8 669	9 708	11 936	11 886	11 886	13 147	14 908	15 728
Goods and services	118 267	125 060	112 560	110 639	127 625	127 625	115 176	110 989	111 286
Administrative fees	-	-	1 170	-	477	991	-	-	-
Advertising	1 125	1 450	2 280	300	1 288	1 408	318	335	353
Minor assets	281	284	141	724	680	680	539	553	554
Audit cost: External	3 108	3 140	3 776	3 200	3 601	3 601	3 550	3 745	3 951
Bursaries: Employees	417	336	173	250	655	655	200	211	227
Catering: Departmental activities	7 787	4 857	5 589	6 868	7 504	6 865	6 673	6 729	6 519
Communication (G&S)	1 812	5 341	2 879	2 700	2 855	2 855	2 000	2 110	2 226
Computer services	1 467	4 495	4 515	5 500	5 000	3 573	5 500	5 802	6 121
Cons & prof sev: Business and advisory services	6 791	14 010	4 717	750	3 986	3 986	1 250	1 259	1 216
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	240	70	52	200	200	200	212	224	236
Contractors	5 805	3 020	7 740	3 092	4 698	4 698	3 367	3 405	3 317
Agency and support / outsourced services	6 881	6 417	-	130	130	130	200	211	223
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	2 080	2 541	2 750	2 500	3 722	3 722	3 000	3 165	3 339
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	1 000	-	-	1 031	1 038	1 003
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	46	44	-	34	34	38	34	34	34
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	46	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 255	2 892	291	-	500	1 338	-	-	-
Consumable: Stationery, printing and office supplies	2 374	2 354	1 752	1 418	2 036	1 662	1 379	1 427	1 454
Operating leases	9 129	10 104	11 865	11 912	10 370	10 370	12 600	13 293	14 024
Property payments	1 579	2 337	7 814	5 888	10 635	10 581	8 390	8 852	9 339
Transport provided: Departmental activity	4 256	2 810	1 784	1 860	2 360	2 360	1 849	1 861	1 798
Travel and subsistence	19 183	19 952	17 285	12 552	18 056	18 516	15 554	15 823	15 610
Training and development	797	1 416	556	3 480	2 488	2 488	3 931	4 054	4 104
Operating payments	32 649	30 966	34 082	41 321	41 715	43 208	40 007	33 228	32 103
Venues and facilities	9 159	6 224	433	4 960	4 540	3 605	3 592	3 630	3 535
Rental and hiring	-	-	916	-	95	95	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	168	580	132	30	44	168	35	37	39
Provinces and municipalities	11	30	28	30	44	49	35	37	39
Provinces	11	30	28	30	44	49	35	37	39
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	11	30	28	30	44	49	35	37	39
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	100	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	100	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	100	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	157	450	104	-	-	119	-	-	-
Social benefits	157	450	104	-	-	119	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	3 796	5 392	9 774	1 326	1 326	1 326	1 378	1 482	1 564
Buildings and other fixed structures	-	38	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	38	-	-	-	-	-	-	-
Machinery and equipment	3 796	5 354	8 435	1 326	1 326	1 326	1 378	1 482	1 564
Transport equipment	2 965	2 866	7 103	-	-	-	-	-	-
Other machinery and equipment	831	2 488	1 332	1 326	1 326	1 326	1 378	1 482	1 564
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	1 339	-	-	-	-	-	-
Payments for financial assets	6	9	17	-	-	-	-	-	-
Total	190 811	206 646	204 572	224 949	224 949	224 949	235 054	242 765	256 117

Table 9.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	56 131	68 017	76 437	83 094	81 996	81 916	89 858	96 770	104 260
Compensation of employees	29 120	31 138	34 062	44 180	38 562	38 482	46 621	51 153	56 132
Salaries and wages	25 456	27 201	29 877	38 529	32 961	32 881	40 576	44 573	49 190
Social contributions	3 664	3 937	4 185	5 651	5 601	5 601	6 045	6 580	6 942
Goods and services	27 011	36 879	42 375	38 914	43 434	43 434	43 237	45 617	48 128
Administrative fees	-	-	311	-	101	101	-	-	-
Advertising	301	294	813	300	342	462	318	335	353
Minor assets	28	88	118	236	236	236	201	213	226
Audit cost: External	3 108	3 140	3 776	3 200	3 601	3 601	3 550	3 745	3 951
Bursaries: Employees	417	336	173	250	655	655	200	211	227
Catering: Departmental activities	93	420	237	248	238	238	195	207	217
Communication (G&S)	1 812	3 150	2 878	2 700	2 855	2 855	2 000	2 110	2 226
Computer services	1 467	4 495	4 515	5 500	5 000	3 573	5 500	5 802	6 121
Cons & prof sev: Business and advisory services	1 040	867	1 278	-	241	241	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	240	70	52	200	200	200	212	224	236
Contractors	35	8	397	200	200	200	300	317	334
Agency and support / outsourced services	1 700	3 723	-	130	130	130	200	211	223
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	2 080	2 541	2 750	2 500	3 722	3 722	3 000	3 165	3 339
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	26	31	-	18	18	22	18	18	18
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	3	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	155	271	146	-	-	90	-	-	-
Consumable: Stationery, printing and office supplies	1 095	868	764	748	818	621	809	854	901
Operating leases	8 834	10 089	11 865	11 912	10 370	10 370	12 600	13 293	14 024
Property payments	981	2 339	7 730	5 888	10 635	10 581	8 390	8 852	9 339
Transport provided: Departmental activity	-	-	1	-	-	-	-	-	-
Travel and subsistence	2 830	2 979	3 932	2 624	2 682	3 142	3 444	3 634	3 834
Training and development	415	1 116	556	1 700	784	784	2 000	2 110	2 226
Operating payments	-	-	27	-	60	1 250	-	-	-
Venues and facilities	351	54	49	560	546	360	300	316	333
Rental and hiring	-	-	7	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	43	525	57	30	44	124	35	37	39
Provinces and municipalities	11	30	28	30	44	49	35	37	39
Provinces	11	30	28	30	44	49	35	37	39
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	11	30	28	30	44	49	35	37	39
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	100	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	100	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	100	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	32	395	29	-	-	75	-	-	-
Social benefits	32	395	29	-	-	75	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	3 086	4 822	9 606	495	495	495	500	556	587
Buildings and other fixed structures	-	38	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	38	-	-	-	-	-	-	-
Machinery and equipment	3 086	4 784	8 267	495	495	495	500	556	587
Transport equipment	2 965	2 866	7 103	-	-	-	-	-	-
Other machinery and equipment	121	1 918	1 164	495	495	495	500	556	587
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	1 339	-	-	-	-	-	-
Payments for financial assets	-	9	-	-	-	-	-	-	-
Total	59 260	73 373	86 100	83 619	82 535	82 535	90 393	97 363	104 886

Table 9.D : Payments and estimates by economic classification: Provincial Secretariat for Police Service

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	130 710	132 648	118 212	140 499	141 583	141 539	143 783	144 476	150 254
Compensation of employees	39 454	44 467	48 027	68 774	57 392	57 348	71 844	79 104	87 096
Salaries and wages	35 194	39 735	42 504	62 489	51 107	51 063	64 742	70 776	78 310
Social contributions	4 260	4 732	5 523	6 285	6 285	6 285	7 102	8 328	8 786
Goods and services	91 256	88 181	70 185	71 725	84 191	84 191	71 939	65 372	63 158
Administrative fees	-	-	859	-	376	890	-	-	-
Advertising	824	1 156	1 467	-	946	946	-	-	-
Minor assets	253	196	23	488	444	444	338	340	328
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	7 694	4 437	5 352	6 620	7 266	6 627	6 478	6 522	6 302
Communication (G&S)	-	2 191	1	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	5 751	13 143	3 439	750	3 745	3 745	1 250	1 259	1 216
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	5 770	3 012	7 343	2 892	4 498	4 498	3 067	3 088	2 983
Agency and support / outsourced services	5 181	2 694	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	1 000	-	-	1 031	1 038	1 003
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	20	13	-	16	16	16	16	16	16
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	43	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medasas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 100	2 621	145	-	500	1 248	-	-	-
Consumable: Stationery, printing and office supplies	1 279	1 486	988	670	1 218	1 041	570	573	553
Operating leases	295	15	-	-	-	-	-	-	-
Property payments	598	2	84	-	-	-	-	-	-
Transport provided: Departmental activity	4 256	2 810	1 783	1 860	2 360	2 360	1 849	1 861	1 798
Travel and subsistence	16 353	16 973	13 353	9 928	15 374	15 374	12 110	12 189	11 776
Training and development	382	300	-	1 780	1 704	1 704	1 931	1 944	1 878
Operating payments	32 649	30 966	34 055	41 321	41 655	41 958	40 007	33 228	32 103
Venues and facilities	8 808	6 170	384	4 400	3 994	3 245	3 292	3 314	3 202
Rental and hiring	-	-	909	-	95	95	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	125	55	75	-	-	44	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	125	55	75	-	-	44	-	-	-
Social benefits	125	55	75	-	-	44	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	710	570	168	831	831	831	878	926	977
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	710	570	168	831	831	831	878	926	977
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	710	570	168	831	831	831	878	926	977
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	6	-	17	-	-	-	-	-	-
Total	131 551	133 273	118 472	141 330	142 414	142 414	144 661	145 402	151 231

Table 9.E : Payments and estimates by economic classification: Social Sector EPWP Incentive Grant for Provinces (Prog. 2: Prov. Sect. for Police Serv.)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	1 000	9 658	1 487	10 321	10 321	10 321	7 007	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	1 000	9 658	1 487	10 321	10 321	10 321	7 007	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	3	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	932	9 658	1 487	10 321	10 321	10 321	7 007	-	-
Venues and facilities	65	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 000	9 658	1 487	10 321	10 321	10 321	7 007	-	-

The EPWP Integrated Grant for Provinces includes provision for maintenance of sport facilities constructed by the department. The municipalities employ maintenance staff to maintain the sport facilities. The department did not receive an allocation in respect of this grant in 2019/20, which is incentive based. This is largely due to the low spending trend against this grant in 2018/19, as a result of delays in the finalisation of some SLAs between the department and municipalities. The department will continue to transfer funds in respect of the maintenance of sport facilities, but only to uMfolozi Municipality over the MTEF.

The Social Sector EPWP Incentive Grant for Provinces includes provision for employment of volunteers as contract workers. There was a significant increase in 2017/18 against this grant, but a major decrease in 2018/19. To accommodate this cut, the department decreased the number of volunteers appointed. The department has been allocated funding in 2019/20 and this will be used to employ 270 volunteers as hub co-ordinators compared to 255 in 2018/19.

The high amount against *Compensation of employees* in 2017/18 is ascribed to the increase in the Social Sector EPWP Incentive Grant for Provinces. The decrease in 2018/19 is due to the reprioritisation of funds to *Goods and services* for the training of healthy lifestyle co-ordinators. The allocations over the MTEF cater for the continued appointment of volunteers as hub co-ordinators, as mentioned. The decrease in 2020/21 is mainly attributed to no funds being allocated in respect of the Social Sector EPWP Incentive Grant for Provinces in the outer years, at this stage.

The decrease in the 2018/19 Adjusted Appropriation in *Goods and services* relates to the reprioritisation from *Goods and services* to *Transfers and services to: Non-profit institutions* in respect of transfers to the KZN Athletics Association for support to sport academies. The department had inadvertently budgeted for support to sport academies under this category. The allocations over the MTEF will continue to cater for the implementation of the school sport programme which involves the purchase of sport attire, kits, as well as hosting of sport tournaments, such as the Provincial Top Schools Tournament, which are hosted in every district for various sport codes, such as tennis, netball, volley ball, and cricket.

Transfers and subsidies to: Provinces and municipalities relates to transfers to municipalities for the maintenance of sport fields constructed by the department. The department utilised the EPWP Integrated Grant for Provinces for transfers to municipalities for the maintenance of sport facilities constructed by the department in prior years. The department has not been allocated any grant funding for this over the MTEF, but will be using equitable share funds to transfer to uMfolozi for the maintenance of sport facilities constructed by the department. The department reprioritised uMfolozi because the sport facilities are bigger in scale, and include a pavilion, grand stands, two soccer pitches, as well as combination courts. The department will review the maintenance of other sport facilities in-year and over the MTEF.

Transfers and subsidies to: Public corporations and private enterprises relates to transfers to Hoy Park Management (Pty) Ltd in respect of the U19 International Football Tournament which was held from July to August in 2016. The department discontinued transfers to this organisation in 2017/18. The department will continue to transfer to organisations, such as Golden Arrows, Maritzburg United, Real Kings and Royal Eagles Football Clubs.

Transfers and subsidies to: Non-profit institutions caters for transfers to sporting federations and other sporting bodies to assist with the promotion and development of sport and recreation. The low spending in 2015/16 was due to the department moving funds to *Goods and services* to undertake the duties of sport federations directly as a result of the non-compliance of the confederations in submitting the necessary documents for transfers to be effected. The increase in 2017/18 is attributed to the increase in the MPSD grant, against transfers to Cycling SA due to additional funding received from EDTEA. The increase in the 2018/19 Adjusted Appropriation is due to the movement of funds from *Goods and services* in respect of the KZN Athletics Association for support to sport academies. Support to the academies resides with the KZN Athletics Association, and the department had inadvertently budgeted for this under *Goods and services*. The MTEF allocations provide for continued transfers to organisations, such as the Midlands Academy, KZN Academy of Sport and KZN Cricket Union (Coastal).

VOTE 11

Co-operative Governance and Traditional Affairs

Operational budget	R1 822 901 205
MEC remuneration	R 1 977 795
Total amount to be appropriated	R1 824 879 000
Responsible MEC	MEC for Co-operative Governance and Traditional Affairs
Administering department	Co-operative Governance and Traditional Affairs
Accounting officer	Head: Co-operative Governance and Traditional Affairs

1. Overview

Vision

The vision of the Department of Co-operative Governance and Traditional Affairs (COGTA) is: *People centred sustainable co-operative governance.*

Mission statement

The department's mission statement is: *"To co-ordinate and foster co-operation among governance institutions and build capacity to accelerate delivery of high quality services to communities".*

Strategic objectives

The department has five main *strategic policy directions*, namely the creation of sustainable livelihood, skills development, healthy communities, rural development, and the fight against corruption; KZN provincial government integrated programme of action; national outcome relating to a responsive, accountable, effective and efficient local government system; and the mandate ranging from the co-ordination of organs of state to ensure maximum impact of co-operative governance to clarifying the role of the private sector and of state-owned enterprises in the new dispensation. The strategic goals of the department are as follows:

- *Improved co-operative governance.* The strategic objective supporting this goal is:
 - Improved functionality of Inter-Governmental Relations (IGRs).
- *Strengthened governance.* The strategic objectives supporting this goal are:
 - Improved capacity of political and administrative governance (local government and traditional institutions).
 - Strengthened accountability of governance institutions (local government and traditional Institutions).
 - Improved decision making through citizen participation.
- *Increased economic opportunities.* The strategic objectives supporting this goal are:
 - Strengthened sectoral development.
 - Improved government led job creation programmes.
- *Strengthened delivery of basic services.* The strategic objective supporting this goal is:
 - Improved co-ordination of service delivery.
- *Well integrated spatial planning system.* The strategic objective supporting this goal is:
 - Improved spatial hierarchy of services.
- *Adaptation to climate change.* The strategic objectives supporting this goal are:
 - Increased adaptation to climate change impacts.

- o Improved disaster management.

Core functions

The mandate of the department is as follows:

- To co-ordinate all organs of state to ensure maximum impact.
- Interventionist approach.
- Improved internal and external co-operation and outcomes based IGR structures.
- Ensure single window of co-ordination and regulation of national, provincial and local government.

In essence, the department's mandate at the centre of integrated development has the following functions:

- Co-ordination, both vertically and horizontally, and doing away with the silo approach across the province.
- The key area of focus is planning. The department is repositioned as a critical ally of the Provincial Planning Commission to align planning across the three spheres of government, by strengthening Integrated Development Plans (IDPs).
- Ensuring the alignment of priorities of both national and provincial departments implemented in a local space in the municipal IDPs.
- Ensure that IDP encapsulates the provincial priorities and budget in a co-ordinated manner.
- Enhance the IGR framework support integration (IGR framework to be reviewed and strengthened).
- Ensure seamless service delivery in a co-ordinated manner supported by emerging legislated processes.
- Put development planning at the centre stage.
- Put people at the centre of development.

The department will continue to support and ensure that there is alignment between the national, provincial, and local government priorities. Working together with different stakeholders in the province and countrywide, the department is committed to contributing toward realisation and achievement of government's priorities as spelt out in the Medium Term Strategic Framework (MTSF).

Legislative mandate

The legislative mandate of COGTA is presented below.

Constitutional mandate

The mandates of COGTA are embodied in the following sections of the Constitution, 1996:

- Section 139 provides for provincial intervention in local government. This intervention in municipalities includes the issuing of directives and managing interventions by the Provincial Executive Council, in accordance with the provisions of Section 139(1) (a), (b) and (c).
- Section 154 determines that provincial governments must provide support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions in accordance with the provisions of Section 154(1) and (2).
- Section 155(5) and (6) determines the types of municipalities in KZN, and establishes municipalities in KZN, whereafter the municipalities, by legislative and other measures, must be monitored and supported, in addition to which the department must promote the development of local government capacity, to enable municipalities to perform their functions and manage their own affairs.
- Section 155(7) stipulates that provincial governments have legislative and executive authority to see to the effective performance by municipalities of their functions in respect of matters listed in Schedules 4 and 5, by regulating the exercise by municipalities of their executive authority referred to in Section 156(1).

Specific legislation for the department

- Disaster Management Act (Act No. 57 of 2002)
- Employment Equity Act (Act No. 55 of 1998)
- Fire Brigade Services Act (Act No. 99 of 1987)
- Infrastructure Development Act (Act No. 23 of 2014)
- KwaZulu-Natal Planning and Development Act (Act No. 6 of 2008)
- KwaZulu-Natal Pounds Act (Act No. 3 of 2006)
- KwaZulu-Natal Cemeteries and Crematoria Act (Act No. 32 of 2000)
- KwaZulu-Natal Determination of Types of Municipalities Act (Act No. 7 of 2000)
- KwaZulu-Natal Traditional Leadership and Governance Act (Act No. 5 of 2005)
- Labour Relations Act (Act No. 66 of 1995)
- Local Government Demarcation Act (Act No. 6 of 2004)
- Local Government Municipal Electoral Act (Act No. 27 of 2000)
- Municipal Finance Management Act (Act No. 53 of 2003)
- Municipal Fiscal Powers and Functions Act (Act No. 12 of 2007)
- Municipal Property Rates Act (MPRA) (Act No. 6 of 2004)
- Municipal Systems Act (Act No. 32 of 2000)
- Municipal Structures Act (Act No. 117 of 1998)
- Public Service Act (Proclamation No. 103 of 1994)
- Remuneration of Public Office Bearers Act (Act No. 20 of 1998)
- Spatial Planning and Land Use Management Act (SPLUMA) (Act No. 16 of 2013)
- Traditional Leadership and Governance Framework Act (Act No. 41 of 2003)

General legislation for departments dealing with local government and traditional affairs

- Annual Division of Revenue Act (DORA)
- KZN Provincial Supply Chain Management (SCM) Policy Framework (2006)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- Public Service Regulations

Specific legislation applicable to municipalities

In addition to the above, there are particular pieces of legislation which apply specifically to municipalities and relate to the department's oversight, co-operation, co-ordination and alignment functions:

- Communal Land Rights Act (Act No. 11 of 2004)
- Development Facilitation Act (Act No. 67 of 1995)
- Water Services Act (Act No. 108 of 1997)

2. Review of the 2018/19 financial year

Section 2 provides a review of 2018/19, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

Local governance

The department provided effective support to local government institutions to strengthen governance, promote sound financial management, enhance public participation and improve capacity of municipalities to accelerate service delivery, as follows:

- The department implemented the Local Government Specialist Programme (LGSP), where service delivery diagnostic assessments of municipalities were conducted on a quarterly basis, through departmental officials. Service delivery reports were produced on service delivery challenges and municipal service delivery issues were integrated with the Back to Basics (B2B) programme and progress reports were provided and facilitated through weekly Nerve Centre meetings.
- The department facilitated the processing of disputes between municipalities and districts through IGR, by resolving disputes without resorting to judicial proceedings, with a view of enhancing the implementation of policy and programmes. Facilitation occurred by referring disputes to relevant units and monitoring their resolutions through technical MUNIMECs, which is a consultative forum between the department and municipalities.
- The department, through the IDP Co-ordination unit, established and maintained the Joint Provincial Service Delivery Forum (JPSF). The JPSF meets on a quarterly basis and aims to address bottlenecks that affect the implementation of municipal IDPs.
- The department, through the Municipal Performance unit, provided support to all 54 municipalities in assessing the smartness of Service Delivery and Budget Improvement Plans (SDBIP) and ensuring alignment with final IDPs, as well as ensured that all municipalities' internal audit structures are functional and their respective Audit Committees are monitored.
- The department provided support in the filling of vacant critical posts in municipalities to enhance service delivery. Currently, 251 of 312 or 80.4 per cent of all municipal senior management posts are filled in the province.
- The department provided support to municipalities in respect of the prevention of fraud and corruption at local government level through assessing the effectiveness of controls in fraud risk registers. Thus far, 28 municipalities were provided with such support, and recommendations of forensic investigations are monitored on a monthly basis.
- The department provided support to all 54 municipalities to assist them to attain clean audits.
- The department provided support to municipalities in maintaining functional ward committees. Thus far, 44 local municipalities were supported on ward committee functionality and remedial action plans were implemented in municipalities with non-functional wards (Mpofana and eThekweni). Local municipalities were also supported and monitored on implementation of their Ward Operational Plans.
- The department approved the 2018/19 Capacity Building Plan, which details the capacity building support to its clients. In implementing the capacity building plan, support was provided to municipal councillors, municipal officials and traditional leaders on issues such as disability training, records management, financial statements training for women councillors and rural housing.

Development and planning

Accelerated sustainable development can be achieved through effective integrated planning, Local Economic Development (LED) and implementation of schemes and provision of basic services. As such, the department achieved the following:

- In aligning land developments with municipal IDPs, the department supported 54 municipalities in improving their Spatial Development Plans (SDPs) to be aligned to their IDPs. At least 44 local municipalities were supported with the development of Land Use Schemes. All 10 districts and the Metro were supported with the drafting of the District Growth and Development Strategies (DGDS), which are also reviewed annually.
- The department, through the Development Information Systems unit, was able to map data such as disaster incidents, as well as Provincial Growth and Development Plan (PGDP) projects. Support was also provided on a quarterly basis on maintaining the functionality of Geographical Information System (GIS) Shared Services across the 10 districts.
- Municipalities were provided with support to implement LED projects in line with their updated municipal LED strategies, and resultant support plans were developed and monitored. All 54 municipalities were also supported in the implementation of the Red Tape Reduction programme through the facilitation of municipal-business partnerships.

- Job opportunities were created through the implementation of the Community Works Programme (CWP), as well as the Expanded Public Works Programme (EPWP).
- The department, through the Disaster Management unit, conducted Provincial Capacity Assessments on the 10 districts and the Metro on their fire brigade capacity. The provincial fire technical support plan was developed, based on the assessment findings. Thus far, the department has co-ordinated the recruitment of 30 municipal fire-fighting trainees. Support was also provided to 11 District Wide Disaster Management Centres with disaster management planning, IGR structures, community education and public awareness on an ongoing basis.

Traditional institutional management

Good governance is critical for traditional institutions to provide effective support to communities. As a result, the department undertook the following:

- Provided support in the resolution of succession claims and disputes that relate to *Ubukhosi*. Thus far, all succession claims and disputes that have been brought to the department were processed. Claims and disputes which advanced to litigation were frequently monitored.
- Provided financial and anthropological support to cultural platforms through the Traditional Governance unit.
- Provided support to the Institution of Traditional Leadership to ensure the functionality of institutions such as Traditional Councils (TCs), the Local House of Traditional Leaders and the Provincial House of Traditional Leaders.
- Effected payment to 2 716 *Izinduna* as at December 2018.

3. Outlook for the 2019/20 financial year

Section 3 looks at the key focus areas for 2019/20, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. The department's functions are largely process driven and are governed by various legislative requirements. As such, work often remains largely unchanged from year to year in terms of the processes that need to be undertaken. In 2019/20, the department will continue to co-ordinate support, promote good governance and enhance financial management in municipalities, provide support and build capacity within traditional institutions, as well as provide support interventions in various municipalities placed under administration in terms of Section 139 of the Constitution. The department will also continue to support the installation and recognition of *Amakhosi*.

Local governance

The department will continue to co-ordinate support, promote good governance and enhance financial management in municipalities. The main focus for 2019/20 will be on:

- The co-ordination of departmental and SALGA support to municipalities, through local government specialists in order to address challenges that hamper service delivery.
- Supporting municipalities in the development of implementable IDPs through capacity building sessions, workshops, IDP forums and IDP assessments.
- Implementing the core components of the Performance Management System (PMS) to manage institutional performance.
- The implementation of B2B action plans and monitoring the performance of municipalities.
- Supporting municipalities with functional municipal oversight processes in respect of Committees (such as the Mayoral Committee Clusters, Mayoral Committee, Oversight and Standing Committees) reporting to EXCO, EXCO reporting to Council (in terms of Section 44 of the Municipal Systems Act) and Section 79 Committees to Council in terms of the Municipal Structures Act.
- Regular monitoring and reporting on the extent to which municipalities implemented anti-corruption measures toward promoting good governance.

Estimates of Provincial Revenue and Expenditure

- Supporting municipalities through revenue and debt steering committees to resolve outstanding government debt.
- Implementing an audit outcome strategy to support municipalities to improve their audit status.
- Providing support to municipalities to ensure that they have functional audit committees.
- Providing support interventions in the uThukela District Municipality, Ugu District Municipality, and Mpofana Local Municipality that have been placed under administration in terms of Section 139 of the Constitution. The department will utilise additional funds from National Treasury for these interventions over the 2019/20 MTEF.

Development and planning

The NDP stipulates that, for the country to support its long-term economic objectives and development goals, South Africa needs to focus on investing in basic services, such as electricity, water, sanitation, telecommunications and public transport. The main focus of this programme for 2019/20 will be on:

- Providing support to municipalities to align SDPs with SPLUMA provisions.
- Facilitating the preparation and monitoring the implementation of the Land Use Management System by municipalities. The support to be provided includes developing a single Land Use Scheme, and compiling the terms of reference for the development of the scheme, as well as documenting the required financial support.
- Continuing to develop traditional master settlement plans in consultation with *Amakhosi* to achieve structured planning within rural areas.
- Supporting municipalities with the development of nodal plans for new towns, and to accommodate growth in small town nodes.
- Providing support for the development of specific corridor plans to identify projects which can be seen as catalysts for implementation purposes.
- Continuing to map data relating to climate change incidents and municipal schemes, to enhance the province's response to climate change.
- Monitoring municipalities on the development of administration processes and procedures, which will enable them to timeously process applications as stipulated in applicable legislation.
- Providing support to District Development Agencies, which will enable them to drive LED.
- Continuing to guide municipalities with the development and reviewing of their LED strategies, focusing on high impact and sustainable programmes aligned to the national LED framework.
- Providing support to municipalities with regard to implementing Red Tape Reduction programmes.
- Creating 1 500 and 42 600 job opportunities through EPWP and CWP, respectively.
- Monitoring the implementation of service delivery programmes relating to electricity, water and sanitation, indigent policies, as well as operation and maintenance plans.
- Supporting and maintaining functional Disaster Management Centres, and providing assistance to districts, the Metro and sector departments with disaster risk management planning.

Traditional institutional management

Traditional institutional governance remains central in supporting and building the capacity of traditional institutions. The main focus of this programme for 2019/20 will be on:

- The installation and recognition of *Amakhosi* to enhance traditional institutional governance.
- Ensuring that TC elections, planned to take place in December 2019, are transparent and fair.
- Resolving emerging disputes and profiling *Izizwe* (tribes) on customary law as a way of promoting a cultural and customary way of life.
- Supporting the Houses of Traditional Leaders and TCs to ensure that they are functioning efficiently.
- Effecting payment to 3 463 *Izinduna* over the MTEF.

4. Reprioritisation

The department undertook extensive reprioritisation over the 2019/20 MTEF. In this regard, savings realised within *Compensation of employees* and *Goods and services*, of R49.167 million in 2019/20 and R77.268 million in 2020/21, were reprioritised from Programme 2: Local Governance and Programme 4: Traditional Institutional Management, respectively. These funds were moved to Programme 1: Administration, under *Compensation of employees*, to cater for the filling of vacant posts, and Programme 3: Development and Planning, under *Goods and services*, for the implementation of the approved organisational structure, and to continue with service delivery projects under the Massification, Small Town Rehabilitation and the Corridor Development programmes.

5. Procurement

The department uses an electronic requisition and ordering system, which has ensured the transference of skills, the modernisation of SCM practices, and the reduction in the time taken for approvals to be obtained in line with the financial and SCM delegations of the department.

6. Receipts and financing

6.1 Summary of receipts

Table 11.1 indicates the sources of funding for Vote 11 over the seven-year period from 2015/16 to 2021/22. The table also compares actual and budgeted receipts against actual and budgeted payments. The department receives a provincial allocation in the form of equitable share, and a national conditional grant allocation in respect of the EPWP Integrated Grant for Provinces. In the 2018/19 Adjustments Estimate, the department received a new grant, namely the Provincial Disaster Recovery grant (PDRG). This was a once-off allocation to re-construct nine Community Service Centres (CSCs) damaged as a result of the flood disaster in eThekweni and Ugu. Table 11.1 shows that there is generally steady growth in the department's budget over the period.

Table 11.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Equitable share	1 361 524	1 542 256	1 583 388	1 674 530	1 674 530	1 674 530	1 786 021	1 900 274	2 004 717
Conditional grants	4 119	3 667	3 338	4 552	15 880	15 880	3 858	-	-
EPWP Integrated Grant for Provinces	4 119	3 667	3 338	4 552	4 552	4 552	3 858	-	-
Provincial Disaster Recovery grant	-	-	-	-	11 328	11 328	-	-	-
Total receipts	1 365 643	1 545 923	1 586 726	1 679 082	1 690 410	1 690 410	1 789 879	1 900 274	2 004 717
Total payments	1 518 088	1 603 365	1 533 157	1 679 082	1 725 365	1 725 365	1 824 879	1 900 274	2 004 717
Surplus/(Deficit) before financing	(152 445)	(57 442)	53 569	-	(34 955)	(34 955)	(35 000)	-	-
Financing									
of which									
Provincial roll-overs	-	27 637	-	-	29 955	29 955	-	-	-
Provincial cash resources	215 520	42 508	-	-	5 000	5 000	35 000	-	-
Surplus/(Deficit) after financing	63 075	12 703	53 569	-	-	-	-	-	-

In 2015/16, the department was allocated funds relating to the decentralisation of the external bursaries budget that was previously centralised under OTP. The carry-through (R2.400 million) of the uMsekeli Municipal Support Services pensioners' medical aid obligation continued in 2015/16. However, the funding is added to the equitable share allocation in 2016/17 and, hence, it does not appear against provincial cash resources from 2016/17 onward. Also in 2015/16, the department was allocated once-off provincial cash resources in respect of various projects including electrification projects in various municipalities, water provision for the uMkhanyakude District Municipality, various campaigns (voter education, demarcation roadshows and voter registration) in respect of the 2016 local government elections, payment of stipends to additional 954 *Izinduna*, among others.

The department substantially under-spent their budget at the end of 2015/16 by R63.075 million. This was as a result of slow spending in respect of the 2016 local government elections as the date was announced late, the non-filling of vacant posts, as well as delays with the completion of the Provincial Disaster Management Centre (PDMC).

In 2016/17, the department was allocated additional funds for the carry-through costs of the above-budget 2015 wage agreement and an additional R150 million for drought relief interventions. The department's budget was reduced as a result of the data update of the equitable share formula, a declining provincial own revenue, as well as cuts implemented by National Treasury in order to lower the expenditure ceiling across the country.

Once-off additional funds of R70.145 million were allocated in 2016/17 mainly in respect of:

- R27.637 million was rolled over from 2015/16 to 2016/17 for the 2016 local government elections, the completion of the PDMC at Mkondeni, as well as the Mandela Day Marathon event.
- R2.053 million was allocated for the above-budget 2016 wage adjustment from the provincial fiscus, (without carry-through).
- R1.500 million was allocated to be transferred to the uMgungundlovu District Municipality for the Mandela Day Marathon event.
- R38.955 million was allocated for the remuneration of *Izinduna*.

The department under-spent their budget at the end of 2016/17 by R12.703 million, mainly due to:

- Delays with the commencement of construction projects, such as the Memela and Vukani CSCs, due to the volume of bids received being far greater than anticipated (over 340 for 21 projects).
- Lower than budgeted payment in respect of the remuneration of *Izinduna* due to the verification (physical head count) not being finalised before year-end, among others.

In 2017/18, the department was allocated additional funds amounting to R126.164 million, with carry-through, for the remuneration of *Izinduna*, which is reflected under the equitable share allocation. Furthermore, the department received R1.500 million which was suspended from Vote 6: Provincial Treasury toward the Mandela Day Marathon event.

Also in 2017/18, the department received R40 million from provincial cash resources to assist with the costs relating to the TC elections. These funds were in respect of the TC elections that were planned to take place in February/March 2018, but were postponed to May/June 2018, hence the suspension of these funds to 2018/19. The postponement was due to the fact that the Independent Electoral Commission (IEC) was already planning for the voter address harvesting (where they create awareness on where to register to vote and verify addresses, etc.), in March 2018, and could not assist the department with the TC elections in February/March 2018. The date has since been revised to December 2019.

The department substantially under-spent their budget at the end of 2017/18 by R53.569 million, mainly due to the following:

- Delays in the purchase of the ESRI Enterprise Licence Agreement used for the organisation-wide GIS.
- Delays in the procurement process of NQF level 3 training to be provided to 299 councillors.
- Lower than budgeted expenditure with regard to the payment of stipends to *Izinduna*, largely due to fluctuations in the number of *Izinduna*.

In the 2018/19 Adjusted Appropriation, the department was allocated R46.283 million, as follows:

- R29.955 million was rolled over from 2017/18 to 2018/19 in respect of the following:
 - R2.535 million for the payment of orders relating to the replacement of vehicles, furniture and office equipment, and laptops which were placed at the end of 2017/18.
 - R16.369 million for the procurement, supply and installation of lightning protection systems in communities across KZN to mitigate fatal lightning strikes, and the purchase of static water tanks.
 - R11.051 million relates to a transfer to the uMngeni Local Municipality for the completion of the Nelson Mandela Exhibition Centre.
- R16.328 million was allocated as follows:
 - R11.328 million was allocated for disaster relief relating to the flood disaster which occurred in the province on 10 October 2017. These funds were allocated through the PDRG, to re-construct nine CSCs including the Khabazela, Isimahla, Thoyana, Vumazonke Umuzi Wesizwe, Ximba, Ximba

Umuzi Wesizwe, Maphumulo, Umnini Trust and Cele P, around the areas of eThekweni and Ugu, which were damaged during the flood disaster. The allocation was based on a costing submitted by the department to the National Disaster Management Centre (NDMC).

- o R40 million, which was specifically and exclusively allocated funding given to the department in 2017/18 in respect of the TC elections was suspended from the department's 2017/18 budget, as requested by the department, and was to be allocated back in 2018/19 for the same purpose. The elections, were planned to take place in May/June 2018. However, the TC elections have since been postponed to December 2019 and, in this regard, an amount of R35 million of the R40 million was thus suspended to 2019/20 for this purpose. The balance of R5 million was allocated in 2018/19 for voter education programmes, reflected against provincial cash resources.

The department projects a balanced budgeted at the end of 2018/19 as per the December 2018 IYM.

The budget for the Vote as a whole shows a healthy increase over the 2019/20 MTEF mainly due to inflationary increments. In 2019/20, the department receives R35 million from provincial cash resources in respect of the TC elections, as previously mentioned. The department has been allocated an additional R9.642 million in 2019/20, R9.889 million in 2020/21 and R10.333 million in 2021/22 for strengthening the province's support interventions in municipalities in terms of Section 139 of the Constitution.

6.2 Departmental receipts collection

Table 11.2 reflects departmental receipts for the period 2015/16 to 2021/22. Details of these receipts are presented in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Table 11.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	1 512	1 788	1 603	1 852	1 852	1 677	1 987	2 135	2 295
Transfers received	1 125	3	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	43	52	64	51	51	65	54	58	62
Sale of capital assets	2 267	2 327	20	1 800	1 800	2 748	1 932	2 077	2 233
Transactions in financial assets and liabilities	8 763	596	3 385	1 109	1 109	4 739	1 190	1 280	1 376
Total	13 710	4 766	5 072	4 812	4 812	9 229	5 163	5 550	5 966

The department collects revenue against *Sale of goods and services other than capital assets*, which comprises commission received from monthly PERSAL deductions, such as insurance premiums and garnishee orders, sale of maps and publications, parking fees, tender fees and rental from officials occupying state houses. The 2018/19 Revised Estimate reflects a projected under-collection, as a result of lower than anticipated receipts from tender fees and rentals on departmental houses occupied by officials. A steady increase is anticipated over the 2019/20 MTEF.

Transfers received reflects amounts of R1.125 million in 2015/16 and R3 000 in 2016/17, being donations received from various companies in respect of the Woman in Leadership Dialogue. Although the event is scheduled to occur annually, donations in this regard are not received annually.

Interest, dividends and rent on land relates to interest received on staff debts, and is expected to increase steadily over the MTEF. The over-collection in the 2018/19 Revised Estimate is due to the interest received from staff debts being higher than anticipated.

Sale of capital assets relates to the sale of redundant assets such as motor vehicles and old office equipment. Revenue from this source is usually received from the auctioning of motor vehicles, and is determined by the availability of redundant vehicles. The low collection in 2017/18 was due to an auction that was postponed to 2018/19, and this explains the projected over-collection in that year. The budget grows to R2.233 million over the MTEF in line with the department's asset disposal policy.

Transactions in financial assets and liabilities includes the recovery of staff debts such as breached bursary contracts and refunds received relating to previous years' expenditure. The 2018/19 Revised Estimate shows a significant projected over-collection mainly due to the recovery of TravelIT costs from the previous financial year. Some payments to TravelIT in 2017/18 were erroneously duplicated, and these costs were recovered from the travel agent in 2018/19. The slow growth over the MTEF can be ascribed to the uncertain nature of this category.

6.3 Donor and agency funding

Table 11.3 reflects payments with respect to donor and agency funding for the period 2015/16 to 2021/22.

Table 11.3 : Details of donor funding and agency receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Donor funding	763	-	-	-	-	-	-	-	-
Dept. of Prov. and Local Govt	763	-	-	-	-	-	-	-	-
Agency receipt	990	-	-	-	-	-	-	-	-
LGSETA	990	-	-	-	-	-	-	-	-
Total	1 753	-	-	-	-	-	-	-	-

The amount against the Department of Provincial and Local Government (DPLG) was originally received in 2004 for various projects (such as audits, municipal infrastructure, etc.) within municipalities. As the projects were completed, a balance of R2.491 million remained, and a decision was taken at the end of 2012/13 to consolidate all the balances into one account and to use the funding for councillors' training in municipalities. These funds have been fully spent, and the balance of R763 000 was spent in 2015/16.

The department also received and spent agency receipts of R990 000 from the Local Government Sector Education and Training Authority (LGSETA) for fire-fighting training, in respect of the fire and rescue operational learnership and the disaster risk management skill programme.

The department also received donations in kind in 2018/19 including fire engineering magazines, fire instructional books, traffic safety cones, hoses, oxygen carrying bags, etc., from the USA for its fire-fighting services. These were received in kind from the 911 Fund, and are thus not included in Table 11.3.

The department is not anticipating any receipts over the 2019/20 MTEF.

7. Payment summary

Section 7 reflects payments and budgeted estimates for programmes and economic classification. Details are given in Section 8, as well as *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

7.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- All inflation related increases are based on CPI projections, as published in the 2018 MTBPS, of 5.3 per cent in 2019/20, 5.5 per cent in 2020/21 and 5.5 per cent in 2021/22
- In terms of the National Treasury's guidelines, the cost of living adjustment is 7.8 per cent in 2019/20, 8 per cent in 2020/21 and 8 per cent 2021/22, including the 1.5 per cent pay progression. However, the department provided for growth in *Compensation of employees* of 28.8 per cent in 2019/20, 14.8 per cent in 2020/21 and 8.2 per cent in 2021/22. The growth in 2019/20 and 2020/21 is far above National Treasury guidelines, while the growth in 2021/22 is largely in line with National Treasury guidelines. The substantial growth in 2019/20 and 2020/21 is due to the anticipated filling of 260 critical vacant posts in 2019/20. However, as a result of lengthy recruitment processes, it is not possible for the department to fill all 260 posts in a year, as such, the department will review this in-year.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2018/19, will continue to be adhered to over the 2019/20 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 11.4 shows additional provincial and equitable share funding received over the 2017/18, 2018/19 and 2019/20 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2021/22) are based on the incremental percentage used in the 2019/20 MTEF.

Table 11.4 : Summary of additional provincial and equitable share allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	120 436	126 555	143 944	151 860	160 212
PES and Provincial Own Revenue reductions	(5 728)	(6 548)	(11 614)	(12 253)	(12 927)
Additional funds moved from all other Votes for the remuneration of <i>Izinduna</i>	126 164	133 103	140 424	148 147	156 295
Additional funding from National Treasury	-	-	15 134	15 966	16 844
2018/19 MTEF period		1 500	-	16 309	17 206
Suspension of Mandela Day Marathon from Vote 6		1 500	-	-	-
Above-budget wage agreement		-	-	16 309	17 206
2019/20 MTEF period			43 999	9 207	9 641
Suspension of Traditional Council elections - funds suspended from 2018/19			35 000	-	-
Municipal interventions			9 642	9 889	10 333
Budget cuts for remuneration of public office bearers			(643)	(682)	(692)
Total	120 436	128 055	187 943	177 376	187 059

In the 2017/18 MTEF, budget cuts resulting from the PES and Provincial Own Revenue reductions of R5.728 million, R6.548 million, and R11.614 million, with carry-through were affected against the department. The department received substantial additional funds for the remuneration of *Izinduna* in the 2017/18 MTEF, as well as additional funding from National Treasury in 2019/20, with carry-through. This amount was proportionately allocated to all 15 Votes to ensure that the budget cuts implemented over the 2017/18 MTEF are offset in the outer years.

Over the 2018/19 MTEF, the department received R1.500 million in 2018/19 only, being funds suspended from Vote 6: Provincial Treasury toward the Mandela Day Marathon event, in line with a commitment made by the MEC for Finance at a Major Events sub-committee meeting in August 2016. An additional R16.309 million with carry-through was allocated by National Treasury in 2020/21 for the above-budget wage agreement.

In the 2019/20 MTEF, the department received R35 million as part of the funds that were suspended from 2018/19 in respect of the TC elections scheduled to take place in December 2019. The department was allocated an additional R9.642 million in 2019/20, R9.889 million in 2020/21 and R10.333 million in 2021/22 for strengthening the province's support interventions in municipalities in terms of Section 139 of the Constitution.

Also in the 2019/20 MTEF, the department's budget was cut by R2.017 million over the 2019/20 MTEF. In this regard, the President announced that there would be minimal or no annual salary increases in 2018/19 for public office bearers. In the case of provincial executives, Premiers, MECs and Speakers did not receive salary increases, while MPLs received a 2.5 per cent increase. The savings realised from this announcement were cut from provinces in line with fiscal consolidation efforts.

7.3 Summary by programme and economic classification

The services rendered by the department are categorised under four programmes. The department received approval from National Treasury in June 2018 to deviate slightly from the uniform budget structure for the COGTA sector as shown in Table 11.5. The deviation from the structure includes the movement of the sub-programme: IDP Co-ordination from Programme 3 to Programme 2. Furthermore, the sub-programme: Rural Development Facilitation from Programme 4 has been incorporated into Programme 3, while the sub-programme: Traditional Land Administration was shifted within Programme 4 and has been incorporated into the sub-programme: Traditional Resource Administration. Prior years' figures and the MTEF allocations have been restated for comparative purposes. The 2018/19 figures remain unchanged, at this stage, for reporting purposes.

Table 11.5 provides a summary of the structural changes that were made in line with the approval from National Treasury to deviate slightly from the uniform budget programme structure of the COGTA sector in order to align it with the organisational structure as approved by DPSA in September 2017.

Table 11.5 : Reconciliation of structural changes: Co-operative Governance and Traditional Affairs

2018/19	2019/20
1. Administration	1. Administration
Office of the MEC	Office of the MEC
Corporate Services	Corporate Services
2. Local Governance	2. Local Governance
Municipal Administration	Municipal Administration
Municipal Finance	Municipal Finance
Public Participation	Public Participation
Capacity Development	Capacity Development
Municipal Performance Monitoring, Reporting and Evaluation	Municipal Performance Monitoring, Reporting and Evaluation
	IDP Co-ordination
3. Development and Planning	3. Development and Planning
Spatial Planning	Spatial Planning
Land Use Management	Land Use Management
Local Economic Development	Local Economic Development (including Rural Development Facilitation)
Municipal Infrastructure	Municipal Infrastructure
Disaster Management	Disaster Management
IDP Co-ordination	
4. Traditional Institution Management	4. Traditional Institution Management
Traditional Institutional Administration	Traditional Institutional Administration
Traditional Resource Administration	Traditional Resource Administration (including Traditional Land Administration)
Rural Development Facilitation	
Traditional Land Administration	

Tables 11.6 and 11.7 provide a summary of the Vote's payments and budgeted estimates over the seven-year period, by programme and economic classification, respectively.

Table 11.6 : Summary of payments and estimates by programme: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	382 559	380 420	374 657	454 952	416 812	417 338	444 255	468 718	503 361
2. Local Governance	242 546	268 956	243 381	300 739	304 666	303 140	341 797	375 839	395 139
3. Development and Planning	645 247	639 632	401 023	350 598	457 992	477 992	443 428	466 588	492 147
4. Traditional Institutional Management	247 736	314 357	514 096	572 793	545 895	526 895	595 399	589 129	614 070
Total	1 518 088	1 603 365	1 533 157	1 679 082	1 725 365	1 725 365	1 824 879	1 900 274	2 004 717

Table 11.7 : Summary of provincial payments and estimates by economic classification: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	995 720	1 231 104	1 319 109	1 557 515	1 454 560	1 446 859	1 733 393	1 804 502	1 907 098
Compensation of employees	607 298	630 145	649 602	766 189	682 528	670 522	863 821	991 977	1 073 506
Goods and services	388 422	600 959	669 507	791 326	772 015	776 252	869 572	812 525	833 592
Interest and rent on land	-	-	-	-	17	85	-	-	-
Transfers and subsidies to:	453 017	233 930	139 776	29 231	123 237	131 268	45 806	45 354	35 041
Provinces and municipalities	273 134	161 956	93 300	14 147	93 003	115 958	26 975	28 942	17 858
Departmental agencies and accounts	6 150	14 550	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	45 100	10 100	-	-	15 000	-	-	-	-
Non-profit institutions	114 811	32 651	32 326	-	100	100	100	100	100
Households	13 822	14 673	14 150	15 084	15 134	15 210	18 731	16 312	17 083
Payments for capital assets	69 351	138 331	72 624	92 336	147 568	147 238	45 680	50 418	62 578
Buildings and other fixed structures	43 086	110 922	56 598	43 054	22 314	22 951	27 672	32 794	44 468
Machinery and equipment	25 847	26 728	15 939	49 035	123 254	122 287	17 694	17 269	17 630
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	418	681	87	247	2 000	2 000	314	355	480
Payments for financial assets	-	-	1 648	-	-	-	-	-	-
Total	1 518 088	1 603 365	1 533 157	1 679 082	1 725 365	1 725 365	1 824 879	1 900 274	2 004 717

Programme 1 includes provision for the improvement of the department's ICT systems, and the maintenance and upgrading of various departmental buildings. The decrease in 2016/17 and 2017/18 was due to the halting of office accommodation renovation projects in order to reprioritise funds towards the payment of *Izinduna*, as a result of an increase in their stipends and an increase in numbers. The decrease in the 2018/19 Adjusted Appropriation was due to slower than anticipated filling of critical vacant posts,

as well as slow processes with the procurement of an IT server for the department to assist with the capacity of the current server for the Microsoft Migration project. The decrease in 2019/20 in comparison to the 2018/19 Main Appropriation is due to once-off allocations for ICT projects in 2018/19, such as improved security solutions, Mimecast archiving solutions, and the maintenance of servers, among others. The growth in the two outer years is mainly inflationary. Also, the department reprioritised funds in 2019/20 and 2020/21 from Programme 2 to this programme to cater for the planned filling of critical vacant posts including Director: Security, Deputy Director: Security, Assistant Director: Administration, Assistant Director: Security Inspection, Assistant Director: Vetting, Assistant Director: Occupational Health and Safety, Deputy Director: Business Architect, among others. In Programme 1, the department provided for growth in *Compensation of employees* of 13.3 per cent in 2019/20, 11.9 per cent in 2020/21 and 7.7 per cent in 2021/22. The growth is largely in line with National Treasury guidelines, and includes provision for the planned filling of 118 critical vacant posts in 2019/20. However, this does not appear realistic as a result of lengthy recruitment processes therefore it is unlikely that all 118 posts will be filled in one year and, as such, the department will review this in-year.

Programme 2 caters for the training of municipal councillors, and community outreach programmes, among others. The slight increase in the 2018/19 Adjusted Appropriation was due to reprioritisation from Programme 4 for the procurement of laptops for the Community Development Workers (CDWs), as well as the purchase of a branded sound truck with a mobile stage to be owned by the department for use in its community outreach events such as community dialogues. The programme reflects fairly good growth over the MTEF, and this is despite the reprioritisation to Programme 1. Also, National Treasury allocated additional funds over the MTEF for strengthening the province's support interventions in municipalities, which the department has allocated to support the uThukela District Municipality, Ugu District Municipality, and Mpofana Local Municipality, that have been placed under administration in terms of Section 139 of the Constitution, as explained. The department plans to fill 58 critical vacant posts in 2019/20 and three posts in 2021/22 and made provision for growth of 10.5 per cent in 2019/20, 14.2 per cent in 2020/21 and 8.8 per cent in 2021/22. The growth is largely in line with National Treasury guidelines, although the growth in 2019/20 and 2020/21 is above the National Treasury guidelines. It does not appear realistic that the department will be able to fill all 58 vacant posts in one year, and this will be reviewed by the department in-year. These posts include Director: Forensic Auditing, three Deputy Directors: Forensic Auditing, two Assistant Directors: Forensic Auditing, Internal Controller, Deputy Director: Prosecution, Project Manager: Forensic Auditing Hotline, Internal Controller, among others.

Programme 3 caters for various projects such as the Small Town Rehabilitation, Massification and the Corridor Development programmes. The implementation of various projects such as the provision of water for the uMkhanyakude District Municipality and the implementation of the Mtubatuba Urban Regeneration Plan are included in the spending in 2015/16 and 2016/17. The substantial decrease in 2017/18 is as a result of once-off funding of R150 million for drought relief interventions in 2016/17, as well as the internal reprioritisation undertaken for the remuneration of *Izinduna*. The increase in the 2018/19 Adjusted Appropriation was due to reprioritisation from Programmes 1 and 4 for fire trucks, graders, tractor-loader-backhoes (TLBs), water tankers, waste compactors, excavators and rollers which were purchased for use by municipalities. Furthermore, the funds cater for the purchase of an articulated bus fitted with work stations, Wi-Fi and media equipment for the PDMC, as well as a long ladder fire engine for high rise buildings for support to municipalities. In addition, the department received R11.328 million relating to the PDRG to re-construct nine CSCs, as explained earlier. The further increase in the Revised Estimate can be ascribed to savings reprioritised from Programmes 1 and 4 in relation to the Massification programme, which includes the purchase of water treatment works equipment in the uThukela District Municipality, among others. This programme houses the budget for the EPWP Integrated Grant for Provinces, which is used for the Food for Waste programme. The allocation of R3.858 million in 2019/20 is a slight reduction from the R4.552 million received in 2018/19. The grant is allocated annually, and is based on the previous year's performance, as such, no funds are allocated in the two outer years of the 2019/20 MTEF, at this stage. The MTEF provides for the Small Town Rehabilitation, Massification and the Corridor Development programmes, the maintenance, refurbishment and rehabilitation and construction of CSCs, as well as *Imizi Yezizwe* (where houses are built for *Amakhosi*). The department plans to fill 132 critical vacant posts in 2019/20 and 10 in 2020/21, and made provision for growth of 43.5 per cent in 2019/20, 24.6 per cent in 2020/21 and 8.5 per cent in 2021/22,

with the growth in 2019/20 and 2020/21 being well above the National Treasury guidelines, but in line with the planned filling of posts. The posts include the Chief Director: Development and Planning, Chief Town and Regional Planner, Town and Regional Planner, Deputy Director: Project Management and Implementation, Deputy Director: Development Partnerships, Deputy Director: Project LED and Institutional Development, Deputy Director: Project Planning and Sector Support (Sector Experts), four Project Officers, three Electrical Engineers, three Civil Engineers, Deputy Director: Sector Co-ordination and Planning, Director: Operations, Deputy Director: Disaster Management Centre, Deputy Director: Planning and Disaster Risk Reduction, among others.

Programme 4 caters for the recognition and installation of *Amakhosi*, capacity building programmes for *Amakhosi* and the remuneration of *Izinduna*, etc. The substantial growth from 2016/17 onward is mainly due to the remuneration of *Izinduna*. The decrease in the 2018/19 Adjusted Appropriation is ascribed to the slower than anticipated filling of critical vacant posts for which approval was given, in-year resignations, as well as the reduction of the department's portion of stipends paid to *Izinduna* due to fluctuations in the number of *Izinduna*. The further reduction in the Revised Estimate can be attributed to savings resulting from *Goods and services* due to various projects, such as recognition and installation of *Amakhosi*, that will no longer be undertaken because of the unavailability of His Majesty the King, the update of family trees that will not be undertaken due to delays in the research work that must be completed by the Anthropology unit prior to the digitalisation process, and the lower than anticipated cost of audit of land ownership in traditional communities, among others. The savings also resulted from *Compensation of employees* due to non-filling of posts, as explained. The savings were moved to Programme 3 for service delivery projects. Despite the reprioritisation to Programme 3, the 2019/20 MTEF allocations reflect healthy growth mainly due to inflationary increments. As a result of the movement of the Rural Development Administration sub-programme to Programme 3, this programme loses 48 posts to Programme 3 in 2019/20. This explains the negative growth of 4.3 per cent in *Compensation of employees* in 2019/20. The two outer years grow by 10.3 per cent and 7.8 per cent in 2020/21 and 2021/22 respectively, and this is largely in line with National Treasury guidelines. The department anticipates to fill approximately 30 vacant posts under Programme 4, carried forward from 2018/19, namely the Director: Dispute Resolution, Deputy Directors: Local Houses – Harry Gwala region, Deputy Directors: Local Houses – uThukela region, Deputy Directors: Local Houses – uMkhanyakude region, Assistant Director: Local Houses – uThukela region, State Accountant – uMzinyathi, etc.

Compensation of employees reflects healthy growth over the period, and caters for above-budget wage agreements, the filling of vacant posts, pay progressions, as well as performance bonuses. The decrease in the 2018/19 Adjusted Appropriation and the Revised Estimate was due to slower than anticipated filling of vacant posts. These funds were moved to other categories to cater for spending pressures. This category shows substantial growth over the MTEF, due to planned filling of critical vacant posts including Director: Security, Deputy Director: Security, Director: Forensic Auditing, Deputy Director: Prosecution, Chief Town and Regional Planners, Deputy Director: Project Management and Implementation, Director: Dispute Resolution and Deputy Directors: Local Houses – Harry Gwala region, among others. The department made provision for the filling of 273 critical vacant posts over the MTEF as follows: 260 in 2019/20, 10 in 2020/21 and three in 2021/22. However, as a result of lengthy recruitment processes, it is unlikely that the department will fill all 260 posts in a year and, as such, the department will review this in-year. The overall growth in *Compensation of employees* of 28.8 per cent in 2019/20, 14.8 per cent in 2020/21 and 8.2 per cent in 2021/22 is above the National Treasury guidelines. The department is currently in discussions with DPSA, in respect of the proposed restructuring of Programme 1: Administration in order to merge and dissolve non-functional business units. In this regard, the Remuneration component from the Human Resource unit will move to the Financial Administration Payment component under the Finance Directorate. The organogram for Programmes 2, 3 and 4 was approved by DPSA in September 2017.

Goods and services almost doubled from 2015/16 onward due to the shifting of funds from *Compensation of employees* to this category in respect of the remuneration of *Izinduna*. Furthermore, the once-off allocation for the drought relief interventions explains the increase in 2016/17. The decrease in the 2018/19 Adjusted Appropriation was due to funds shifted to *Transfers and subsidies to: Provinces and municipalities* in respect of projects under the Small Town Rehabilitation, Corridor Development and the

Massification programmes. The department usually budgets for these projects under this category and then shifts the funds to *Transfers and subsidies to: Provinces and municipalities* during the Adjustments Estimate for transfer to municipalities, depending on their readiness to implement the projects. The increase in the Revised Estimate is ascribed to a post Adjustments Estimate shift of R15 million budgeted to be transferred to the Municipal Infrastructure Support Agent (MISA) in the 2018/19 Adjusted Appropriation against *Transfers and subsidies to: Public corporations and private enterprises*. The funds were in respect of a water and sanitation infrastructure study to be undertaken across all municipalities in KZN to assess backlogs in municipal infrastructure, such as river abstraction works, treatment plants, bulk pump stations, bulk reticulation pipes networks and other similar works including reservoirs, reticulation pump stations, valves, etc. However, MISA indicated that it was not able to undertake the project, and requested the department to implement the project and, as such, the funds were shifted to this category. The post Adjustments Estimate shift was largely offset by various post Adjustments Estimate shifts undertaken to *Transfers and subsidies to: Provinces and municipalities* for projects such as the development of an Indigent Register in the Ndwedwe Local Municipality, the purchase of TLBs, refuse truck excavator and a truck-mounted cherry picker in the Mpofana Local Municipality and the procurement of waste water treatment works equipment in the uThukela District Municipality, among others, as explained. This category houses the budget for the EPWP Integrated Grant for Provinces. The grant allocation has reduced slightly in 2019/20 in comparison to 2018/19. The grant is allocated annually and, hence no funds are allocated in the two outer years of the 2019/20 MTEF, at this stage. The budget over the MTEF caters for additional funds allocated for the strengthening of the province's support interventions in municipalities placed under administration in terms of Section 139 of the Constitution, and for projects under the Small Town Rehabilitation, Corridor Development and the Massification programmes. The funds will be shifted to *Transfers and subsidies to: Provinces and municipalities* during the 2019/20 Adjustments Estimate for transfer to municipalities, as explained.

Transfers and subsidies to: Provinces and municipalities fluctuates over the period, mainly attributed to the spending patterns of municipalities. The substantial decrease from 2016/17 onward is due to the extensive reprioritisation to fund the remuneration of *Izinduna*. The increase in the 2018/19 Adjusted Appropriation and the Revised Estimate can mainly be attributed to funds shifted from *Goods and services* and *Buildings and other fixed structures* for various projects under the Small Town Rehabilitation, Massification and the Corridor Development programmes, Operational Support for Thusong Service Centres (TSCs), the Radical Agrarian Social Economic Transformation (RASET) programme, and the GIS Functionality, among others. The 2019/20 MTEF allocations are in respect of Nodal Plans, development of a Geospatial Database, Contacts and Address Database for the uMzinyathi District Municipality, Schemes Support programme, GIS Functionality, and the Spatial Development Framework Support, among others.

Transfers and subsidies to: Departmental agencies and accounts caters for various once-off projects. The amount in 2015/16 relates to a transfer made to the Agri-business Development Agency (ADA) for the implementation of the *Amakhosi* Rural Economic Development programme. Also, an additional once-off transfer was made to ADA in 2016/17 for the Okhahlamba community vineyard, Empangisweni community citrus fruit and vegetable production, and the Chiliza piggery projects. The department is not anticipating any further transfers to the entity in 2018/19 and over the MTEF, at this stage.

With regard to *Transfers and subsidies to: Public corporations and private enterprises*, the amount in 2015/16 was a once-off transfer for the provision of water in the uMkhanyakude District Municipality. The 2016/17 expenditure was mainly in respect of R8.100 million to the uMhlathuze Water Board for the implementation of the KwaSani Bucket Eradication project, as well as a donation to the South African Council of Planners (SACPLAN) toward financing the 2016 International Society of City and Regional Planners (ISOCARP) conference. The amount in the 2018/19 Adjusted Appropriation was to be transferred to MISA in respect of a water and sanitation infrastructure study to be undertaken across all municipalities in KZN to assess backlogs in municipal infrastructure, as explained. However, as MISA indicated to the department that they were not able to undertake the project, the department has shifted the funds to *Goods and services* as they will implement the project themselves. This explains the reduction of the R15 million in the Revised Estimate. There are no allocations over the MTEF, at this stage.

Transfers and subsidies to: Non-profit institutions from 2015/16 to 2017/18 relates to expenditure for the traditional levies and trust account that was moved from the various economic categories within Programme 4. Amounts for 2018/19 and over the MTEF cannot be determined at this stage and have, therefore, not been moved to this category as yet. A once-off allocation of R11.536 million was made in 2015/16 relating to expenditure from 2014/15 in respect of COEGA for the purchase and installation of solar panels and generators at Traditional Administrative Centres (TACs) and *Imizi Yezizwe*. The decrease in 2016/17 and 2017/18 was due to the reclassification of specific expenditure items in line with audit findings, such as cultural events and installation of *Amakhosi*, etc. The transfers in the 2018/19 Adjusted Appropriation and over the MTEF relate to donations to the Tembe Trust Account in support of the Umthayi Amarula festival. The purpose of the event is to celebrate the first fruits with respect to the marula fruits, which are then brewed into a traditional beer by all households within the Tembe Traditional Community, and this is presented to the *Inkosi* at his residence in the form of a colourful festival.

Transfers and subsidies to: Households fluctuates over the period due to the payment of voluntary severance packages, staff exit costs, as well as bursaries to external students. The MTEF provides for external bursaries and staff exit costs, as well as inflationary increments.

Buildings and other fixed structures relates to the construction and rehabilitation of CSCs and *Imizi Yezizwe*. The high expenditure in 2016/17 was in respect of drought relief interventions which included the drilling of boreholes and the provision of potable water. This was once-off drought relief funding, hence there is no carry-through from 2017/18 onward, which explains the decreasing trend from 2017/18 onward. The decrease in the 2018/19 Adjusted Appropriation was due to shifts undertaken to *Transfers and subsidies to: Provinces and municipalities* for the provision of CSCs Infrastructure Support in municipalities, Nodal Plans for municipalities and a Building Plans Information Management system. However, the shifts were offset to some extent by the once-off allocation in respect of the PDRG to reconstruct nine CSCs in the eThekweni and Ugu areas. The MTEF provides for the construction and rehabilitation of CSCs and *Imizi Yezizwe*, and the allocations are in line with the department's project list.

Machinery and equipment fluctuates due to the filling of vacant posts and the related costs of the purchase and replacement of office furniture, computer equipment and vehicles. The substantial increase in the 2018/19 Adjusted Appropriation relates to the purchase of equipment consisting of fire trucks, graders, TLBs, water tankers, waste trucks, excavators and rollers, among others, to maintain roads and improve infrastructure in municipalities. The increase also caters for the procurement of an articulated bus fitted with work stations, Wi-Fi and media equipment for the PDMC, and one long ladder fire engine for high rise buildings, aimed at providing effective support to municipalities, among others. The reduction in allocations over the MTEF in comparison to the 2018/19 Main Appropriation is in line with department's project list.

The amounts against *Software and other intangible assets* relate to the ongoing purchase of the Pastel Evolution software for the traditional levies and trust account in TCs. The increase in the 2018/19 Adjusted Appropriation was for the implementation of an integrated financial management and internal control system for TCs across the province, to assist them with the preparation of their financial statements. The MTEF provides for the maintenance and upgrade of existing software.

Payments for financial assets in 2017/18 relates to the write-off of an Inter-Departmental Account (IDA) dating back to 2005, to the Eastern Cape Government in respect of the inter-provincial games. The amount took some time to be written off due to a dispute regarding the amount.

7.4 Summary of conditional grant payments and estimates

Tables 11.8 and 11.9 provide a summary of the conditional grant payments and budgeted estimates over the seven-year period, by grant name.

Detailed information on the conditional grant is given in the *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Table 11.8 : Summary of conditional grant payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
EPWP Integrated Grant for Provinces	4 119	3 667	3 338	4 552	4 552	4 552	3 858	-	-
Provincial Disaster Recovery grant	-	-	-	-	11 328	11 328	-	-	-
Total	4 119	3 667	3 338	4 552	15 880	15 880	3 858	-	-

Table 11.9 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	4 119	3 667	3 338	4 552	4 552	4 552	3 858	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	4 119	3 667	3 338	4 552	4 552	4 552	3 858	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	11 328	11 328	-	-	-
Buildings and other fixed structures	-	-	-	-	11 328	11 328	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 119	3 667	3 338	4 552	15 880	15 880	3 858	-	-

- *EPWP Integrated Grant for Provinces:* Funds were allocated against *Goods and services* in respect of this grant, and are utilised for the creation of EPWP job opportunities through the Food for Waste programme, which involves the most needy community members, who collect domestic waste from households and in public areas, and are compensated, accordingly. The decrease in the grant allocation in 2016/17 and 2017/18 in comparison to 2015/16 can be ascribed to National Treasury's fiscal consolidation budget cuts. The EPWP Integrated Grant for Provinces' allocation of R3.858 million in 2019/20 in comparison to the 2018/19 amount of R4.552 million sees a slight reduction. The grant is allocated annually and hence, no funds are allocated in the two outer years of the 2019/20 MTEF, at this stage.
- *Provincial Disaster Recovery grant:* The once-off amount against *Buildings and other fixed structures* in the 2018/19 Adjusted Appropriation was allocated in respect of disaster relief relating to the flood disaster which occurred in KZN on 10 October 2017. The funds are for the reconstruction of nine CSCs in the eThekweni and Ugu areas, which were damaged during the flood disaster.

7.5 Summary of infrastructure payments and estimates

Table 11.10 summarises the infrastructure expenditure and estimates relating to the department. Further details of the department's infrastructure payments and estimates are presented in the *2019/20 Estimates of Capital Expenditure*. The infrastructure expenditure and budget reflect a fluctuating trend over the period.

It should be noted that *Capital Infrastructure* in the Main Appropriation in Table 11.10 does not balance to the same column in Table 11.7 due to an error of allocating R7 million against *Buildings and other fixed structures* instead of *Goods and services* in Table 11.7 during the preparation of the 2018/19 Main Appropriation. The error only affected Table 11.7, and this has been corrected by undertaking a shift from *Buildings and other fixed structures* in Table 11.7 to *Goods and services* in the same table.

Table 11.10 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Existing infrastructure assets	16 202	12 855	22 302	15 450	14 411	14 156	15 450	17 450	27 000
Maintenance and repair: Current	-	-	-	7 000	2 963	3 255	-	-	-
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	16 202	12 855	22 302	8 450	11 448	10 901	15 450	17 450	27 000
New infrastructure assets: Capital	26 884	98 067	34 296	27 604	10 866	12 050	12 222	15 344	17 468
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Non infrastructure¹	-	-	-	-	-	-	-	-	-
Total	43 086	110 922	56 598	43 054	25 277	26 206	27 672	32 794	44 468
Capital infrastructure	43 086	110 922	56 598	36 054	22 314	22 951	27 672	32 794	44 468
Current infrastructure	-	-	-	7 000	2 963	3 255	-	-	-

1. Non infrastructure is a stand-alone item, and is therefore excluded from Capital infrastructure and Current infrastructure, but it is included in the overall total

For the first time in 2018/19, the department provided for *Maintenance and repair: Current* in respect of infrastructure constructed previously. This maintenance budget is toward an asset base worth R298 million including *Imizi Yezizwe*, CSC and TC buildings. The decrease in the 2018/19 Adjusted Appropriation is as a result of savings realised due to maintenance projects relating to CSCs that were considered capital. The slight increase in the 2018/19 Revised Estimate can be attributed to higher than anticipated invoices for bids approved and awarded between December 2018 and January 2019 in relation to minor maintenance to the Sokhulu, Somophu, Amakhuze, and the Zashuke CSCs. There are no allocations over the MTEF against the category as the maintenance projects to be undertaken are considered capital in nature.

Refurbishment and rehabilitation: Capital reflects the refurbishment and renovation of existing CSCs. The fluctuations can be attributed to slow progress in renovating various CSCs. The 2017/18 increase was due to the payment of 2016/17 commitments. The increase in the 2018/19 Adjusted Appropriation relates to PDRG funds allocated in respect of disaster relief in relation to the flood disaster which occurred in the province on 10 October 2017. However, this was mitigated to some extent by funds shifted as a result of the late commencement of refurbishment and rehabilitation of the Matimatole and Ngwenya CSCs. The slight decrease in the 2018/19 Revised Estimate is in line with lower than anticipated invoices (in terms of the equitable share allocation) in respect of the rehabilitation of CSCs. However, this will be reviewed by the department in the February 2019 IYM as the amount is lower than PDRG allocation. The MTEF allocations are in line with the department's project list, and includes provision for the refurbishment and rehabilitation of the Magwaza, Sibiya and Mombeni CSCs, among others.

New infrastructure assets: Capital is mainly for the construction of CSCs and *Imizi Yezizwe*. The category fluctuates due to the nature of the construction activities. The significant increase in 2016/17 was due to once-off expenditure in respect of drought relief interventions undertaken, which were overseen by the uMhlathuze Water Board as the implementing agent. This accounts for the reduction in 2017/18. Also, the decrease in 2017/18 was a direct result of the large volume of bids received which delayed the appointment process for various CSC projects. The reduction in the 2018/19 Adjusted Appropriation was due to the slow commencement of the procurement process for the communication system for the PDMC and the Ntshangase CSC, while the slight increase in the Revised Estimate relates to the construction of the Shiyabane and Madlabede CSCs, as well as the related professional fees, among others. The MTEF allocations are in line with the department's project list, and include provision for the construction of the Mvuzana and Ngungumathe CSCs, as well as the uPhongolo taxi rank, among others.

7.6 Summary of Public Private Partnerships – Nil

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Table 11.11 shows transfers made by the department to public entities that are listed in terms of Schedule 3 of the PFMA, as well as other entities. The public entity ADA does not fall under the auspices of the department, but is merely used as an implementing agent.

Table 11.11 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PMFA) and other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Transfers to public entities		6 150	14 550	-	-	-	-	-	-	-
	ADA	6 150	14 550	-	-	-	-	-	-	-
Transfers to other entities		45 100	10 100	-	-	15 000	-	-	-	-
	SACPLAN	-	2 000	-	-	-	-	-	-	-
	MISA	-	-	-	-	15 000	-	-	-	-
	Umgeni Water Board	33 000	-	-	-	-	-	-	-	-
	uMhlatuze Water Board	12 100	8 100	-	-	-	-	-	-	-
Total		51 250	24 650	-	-	15 000	-	-	-	-

The transfer to ADA in 2015/16 was for the entity to pilot the *Amakhosi* Rural Economic Development programme in various districts. The amount in 2016/17 was for the implementation of the Okhahlamba community vineyard, the Empangisweni community citrus fruit and vegetable production and the Chiliza piggery projects. The department indicated that, due to capacity constraints in the municipalities, it appointed ADA to implement these projects.

The amount against SACPLAN in 2016/17 was for the 2016 ISOCARP conference, as discussed.

In the 2018/19 Adjusted Appropriation, R15 million was allocated to be transferred to MISA in respect of a water and sanitation infrastructure study to be undertaken across all municipalities in KZN, in order to assess backlogs in municipal infrastructure. However, MISA subsequently indicated to the department that they are unable to undertake the project due to other commitments and, as such, the department shifted the funds to *Goods and services* in order to implement the project themselves. This explains the reduction in the Revised Estimate. There are no allocations over the MTEF, at this stage.

The once-off amount in 2015/16 against the Umgeni Water Board was for water provision for the uMkhanyakude District Municipality with regard to drought relief and provided for vehicle repairs, pump repairs, repairs to broken borehole shafts, borehole connections, and the relocation of bulk water, among others. The department used the Umgeni Water Board as an implementing agent because of the skills, expertise and equipment possessed by the institution.

The amount in 2015/16 against the uMhlatuze Water Board was for the 2014 general elections, where the water board was tasked to assist the department with providing voting stations with infrastructure such as sanitation and water, and the provision of potable water delivery in the KwaSani area, respectively. In addition, the department made a further transfer in 2016/17 for the completion of the KwaSani Bucket Eradication project, which started in 2014/15.

7.8 Transfers to local government

Table 11.12 details the transfers to local government, summarised according to categories A, B and C. Table 11.13 provides the departmental transfers to local government by grant name. Detailed information on the departmental transfers to local government by transfer/grant type, category and municipality is given in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Transfers to local government include funds in respect of motor vehicle licences. These funds will not be transferred to any municipality and, hence, the amounts are not reflected in Tables 11.12 and 11.13.

Table 11.12 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Category A	-	-	-	1 500	1 000	1 000	-	2 500	-
Category B	255 056	117 970	78 300	9 500	74 751	84 751	15 750	14 500	8 000
Category C	17 850	43 564	14 550	2 650	16 950	29 950	10 700	11 388	9 288
Unallocated	-	-	-	-	-	-	-	-	-
Total	272 906	161 534	92 850	13 650	92 701	115 701	26 450	28 388	17 288

Table 11.13 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Con. and mig. of records mgt system	2.1: Mun. Administration	-	1 000	-	-	-	-	-	-	-
Indigent Register	2.1: Mun. Administration	-	-	-	-	-	3 000	-	-	-
Promulgation of municipal by-laws	2.1: Mun. Administration	-	1 000	-	-	-	-	-	-	-
Shared Legal Services	2.1: Mun. Administration	-	-	-	-	2 000	2 000	-	-	-
Work study at merged municipalities	2.1: Mun. Administration	-	3 500	-	-	-	-	-	-	-
Integrated Youth Development summit	2.3: Public Participation	-	-	-	-	1 000	1 000	-	-	-
Dev. Planning and Shared Services	2.6: IDP Co-ordination	2 850	4 550	1 250	-	-	-	4 350	4 800	5 250
Sustainable Living Exhibition	2.6: IDP Co-ordination	-	-	-	1 500	-	-	-	-	-
Building Plans Info. Management System	3.1: Spatial Planning	-	-	-	-	2 000	2 000	2 500	3 000	3 000
Contacts and Address Database	3.1: Spatial Planning	-	-	-	-	-	-	1 000	1 000	1 000
Geospatial Database Development	3.1: Spatial Planning	-	-	-	-	800	800	1 500	1 000	1 000
GIS Functionality	3.1: Spatial Planning	-	-	-	-	500	500	1 600	2 088	2 038
GIS Precinct Support	3.1: Spatial Planning	-	-	1 000	-	-	-	-	-	-
Nodal Plans	3.1: Spatial Planning	-	-	-	-	5 000	5 000	5 000	5 000	5 000
Schemes Support programme	3.1: Spatial Planning	-	-	7 000	4 500	4 500	4 500	6 250	-	-
Spatial Development Framework Support	3.1: Spatial Planning	-	-	1 200	5 000	5 000	5 000	4 250	11 500	-
Construction of TSCs and CSCs	3.3: LED	-	7 500	7 500	-	5 000	5 000	-	-	-
Corridor Development programme	3.3: LED	-	5 526	13 450	-	3 200	3 200	-	-	-
District Growth and Development summit	3.3: LED	-	-	2 700	-	-	-	-	-	-
Nelson Mandela Exhibition Centre	3.3: LED	-	-	-	-	11 051	11 051	-	-	-
Mandela Day Marathon event	3.3: LED	-	5 414	-	-	-	-	-	-	-
Operational Support for TSCs and CSCs	3.3: LED	15 000	-	-	-	1 300	1 300	-	-	-
RASET	3.3: LED	-	-	9 000	-	8 000	8 000	-	-	-
Small Town Rehabilitation programme	3.3: LED	50 000	76 889	17 750	-	19 400	19 400	-	-	-
Massification prog (incl. elec. projects)	3.4: Mun. Infrastructure	180 956	21 155	26 000	-	18 300	38 300	-	-	-
Disaster Management programme	3.5: Disaster Management	24 100	-	6 000	-	3 000	3 000	-	-	-
Drought relief interventions	3.5: Disaster Management	-	35 000	-	-	-	-	-	-	-
Dev. Planning and Shared Services	3.6: IDP Co-ordination	-	-	-	2 650	2 650	2 650	-	-	-
Total		272 906	161 534	92 850	13 650	92 701	115 701	26 450	28 388	17 288

The fluctuation in the amounts against transfers to local government is attributed to the spending patterns of municipalities, and cater mainly for projects under the Corridor Development, Massification and the Small Town Rehabilitation programmes. From 2016/17 onward, funds were reprioritised for the payment of *Izinduna* which affected the budget allocations. In the 2018/19 Adjusted Appropriation and Revised Estimate, funds were shifted from *Goods and services* to *Transfers and subsidies to: Provinces and municipalities* to provide for various projects as listed in the table above. The 2019/20 MTEF provides for the transfer of funds for projects such as Development Planning and Shared Services, Nodal Plans and Building Plans Information Management System, among others.

7.9 Transfers and subsidies

Table 11.14 gives a summary of transfers and subsidies expenditure and estimates at an item level for each programme of the department. Details are provided in the paragraphs before and after the table.

Transfers and subsidies fluctuates over the period due to various projects undertaken at different times. The paragraphs below provide more detail per category:

- *Transfers and subsidies* under Programme 1 fluctuates over the seven-year period due to the following:
 - *Provinces and municipalities* relates to the payment of motor vehicle licences.
 - *Households* caters for the payment of staff exit costs, external bursaries as well as claims against the state. The category also includes the uMsekeli Municipal Support Services pensioners' medical aid obligation.
- *Transfers and subsidies* under Programme 2 fluctuates over the seven-year period due to the following:
 - *Provinces and municipalities* in the 2018/19 Adjusted Appropriation relates to funding allocated for Shared Legal Services and the Integrated Youth Development summit. The further amount in the Revised Estimate is for the development of an Indigent Register in the Ndwedwe Local Municipality. The transfers over the MTEF are in respect of Development Planning and Shared Services.
 - *Households* caters mainly for planned staff exit costs, as well as claims against the state.

Table 11.14 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	11 778	11 961	10 669	13 911	12 723	12 523	16 356	15 641	16 423
Provinces and municipalities	228	422	450	497	302	257	525	554	570
Motor vehicle licence	228	422	450	497	302	257	525	554	570
Households	11 550	11 539	10 219	13 414	12 421	12 266	15 831	15 087	15 853
Staff exit costs	3 707	3 999	4 308	2 542	3 206	3 399	4 117	2 729	2 840
Bursaries and claims against the state	7 843	7 540	5 911	10 872	9 215	8 867	11 714	12 358	13 013
2. Local Governance	3 336	10 973	1 716	70	3 236	6 383	5 950	4 875	5 380
Provinces and municipalities	2 850	10 050	1 250	-	3 000	6 000	4 350	4 800	5 250
Con. and migration of records mgt system	-	1 000	-	-	-	-	-	-	-
Development Planning and Shared Services	2 850	4 550	1 250	-	-	-	4 350	4 800	5 250
Indigent Register	-	-	-	-	-	3 000	-	-	-
Integrated Youth Development summit	-	-	-	-	1 000	1 000	-	-	-
Promulgation of municipal by-laws	-	1 000	-	-	-	-	-	-	-
Shared Legal Services	-	-	-	-	2 000	2 000	-	-	-
Work study at merged municipalities	-	3 500	-	-	-	-	-	-	-
Households	486	923	466	70	236	383	1 600	75	130
Staff exit costs	486	923	436	70	236	383	1 600	75	130
Claims against the state	-	-	30	-	-	-	-	-	-
3. Development and Planning	335 605	183 743	94 603	14 100	105 478	110 562	22 150	23 638	12 088
Provinces and municipalities	270 056	151 484	91 600	13 650	89 701	109 701	22 100	23 588	12 038
Building Plans Information Man System	-	-	-	-	2 000	2 000	2 500	3 000	3 000
Construction of TSCs and CSCs	-	7 500	7 500	-	5 000	5 000	-	-	-
Contacts and Address Database	-	-	-	-	-	-	1 000	1 000	1 000
Corridor Development programme	-	5 526	13 450	-	3 200	3 200	-	-	-
Development Planning and Shared Services	-	-	-	2 650	2 650	2 650	-	-	-
Disaster Management programme	24 100	-	6 000	-	3 000	3 000	-	-	-
District Growth and Development Summit	-	-	2 700	-	-	-	-	-	-
Drought relief interventions	-	35 000	-	-	-	-	-	-	-
Geospatial Database Development	-	-	-	-	800	800	1 500	1 000	1 000
GIS Functionality	-	-	-	-	500	500	1 600	2 088	2 038
GIS Precinct Support	-	-	1 000	-	-	-	-	-	-
Nelson Mandela Exhibition Centre	-	-	-	-	11 051	11 051	-	-	-
Mandela Day Marathon event	-	5 414	-	-	-	-	-	-	-
Massification prog (incl. elec. projects)	180 956	21 155	26 000	-	18 300	38 300	-	-	-
Nodal Plans	-	-	-	-	5 000	5 000	5 000	5 000	5 000
Operational Support for TSCs and CSCs	15 000	-	-	-	1 300	1 300	-	-	-
RASET	-	-	9 000	-	8 000	8 000	-	-	-
Schemes Support programme	-	-	7 000	4 500	4 500	4 500	6 250	-	-
Small Town Rehabilitation programme	50 000	76 889	17 750	-	19 400	19 400	-	-	-
Spatial Dev. Framework Support	-	-	1 200	5 000	5 000	5 000	4 250	11 500	-
Sustainable Living Exhibition	-	-	-	1 500	-	-	-	-	-
Departmental agencies and accounts	6 150	14 550	-	-	-	-	-	-	-
ADA	6 150	14 550	-	-	-	-	-	-	-
Public corporations and private enterprises	45 100	10 100	-	-	15 000	-	-	-	-
MISA	-	-	-	-	15 000	-	-	-	-
SACPLAN	-	2 000	-	-	-	-	-	-	-
Umgeni Water Board	33 000	-	-	-	-	-	-	-	-
uMhlatuze Water Board	12 100	8 100	-	-	-	-	-	-	-
Non-profit institutions	13 680	7 025	2 650	-	-	-	-	-	-
COEGA	13 680	7 025	2 650	-	-	-	-	-	-
Households	619	584	353	450	777	861	50	50	50
Staff exit costs	619	584	353	450	777	861	50	50	50
Claims against the state	-	-	-	-	-	60	-	-	-
4. Traditional Institutional Management	102 298	27 253	32 788	1 150	1 800	1 800	1 350	1 200	1 150
Non-profit institutions	101 131	25 626	29 676	-	100	100	100	100	100
Tembe Trust Account	-	-	-	-	100	100	100	100	100
Traditional levies and trust account	101 131	25 626	29 676	-	-	-	-	-	-
Households	1 167	1 627	3 112	1 150	1 700	1 700	1 250	1 100	1 050
Staff exit costs	1 145	1 627	3 112	1 150	1 700	1 700	1 250	1 100	1 050
Claims against the state	22	-	-	-	-	-	-	-	-
Total	453 017	233 930	139 776	29 231	123 237	131 268	45 806	45 354	35 041

- *Transfers and subsidies* under Programme 3 shows significant fluctuations due to the following:
 - *Provinces and municipalities* represents municipal projects under the Corridor Development, Massification and the Small Town Rehabilitation programmes, etc. The category fluctuates in line with spending patterns of municipalities with regard to various projects. The category included once-off funding for electrification projects, as previously explained. The low amounts in 2016/17, 2017/18 and in the 2018/19 Main Appropriation were due to the department budgeting for projects

against *Goods and services* and subsequently shifting the funds to *Provinces and municipalities* in the Adjustments Estimate. This explains the increase in the 2018/19 Adjusted Appropriation. The increase in the Revised Estimate relates to the post Adjustments Estimate shifts and virements undertaken to cater for the Massification projects in various municipalities. These include the purchase of water treatment works equipment in the uThukela District Municipality, among others. The 2019/20 MTEF provides for various projects such as Nodal Plans and the Building Plans Information Management System, among others.

- *Departmental agencies and accounts* relates to transfers to ADA in 2015/16 and 2016/17, as previously explained.
- *Public corporations and private enterprises* relates to various once-off transfers including a transfer in 2015/16 to the Umgeni Water Board for water provision in the uMkhanyakude District Municipality, and a transfer in 2016/17 to SACPLAN in relation to the 2016 ISOCARP conference. The funds against uMhlathuze Water Board from 2015/16 to 2016/17 were in respect of the implementation of the KwaSani Bucket Eradication project, as well as the provision of portable water delivery in the KwaSani area. Funds were allocated in the 2018/19 Adjusted Appropriation for transfer to MISA in respect of a water and sanitation infrastructure study to be undertaken across all municipalities in KZN. However, this was shifted to *Goods and services* in the 2018/19 Revised Estimate for the department to undertake the project themselves, as explained. No further allocations are anticipated over the MTEF, at this stage.
- The amounts against *Non-profit institutions* in the prior years were transferred to COEGA for the purchase and installation of solar panels and generators, as previously explained.
- *Households* caters for the payment of staff exit costs, as well as claims against the state.
- *Transfers and subsidies* under Programme 4 are as follows:
 - *Non-profit institutions* relates to transfers in respect of the traditional levies and trust account that was moved from the various economic categories within Programme 4, as previously explained. The decrease in 2016/17 and 2017/18 can be attributed to the reclassification of expenditure such as cultural events and installation of *Amakhosi*, to name a few, as a result of an audit recommendation. The amounts for 2018/19 and over the 2019/20 MTEF cannot be determined at this stage and have, therefore, not yet been moved to this category. The amounts in the 2018/19 Adjusted Appropriation and over the MTEF are in respect of donations to the Tembe Trust Account in support of the Umthayi Amarula festival, as explained.
 - *Households* caters mainly for staff exit costs, as well as claims against the state.

8. Programme description

The services rendered by the department are categorised under four programmes. As mentioned earlier, the department received approval from National Treasury in June 2018 to deviate slightly from the uniform budget and programme structure for the sector. The payments and estimates for each programme are summarised in terms of economic classification. Details are given in the *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

8.1 Programme 1: Administration

This programme comprises all support services within the department, the Office of the MEC and all special projects. This programme was not affected by the deviation from the uniform budget and programme structure for the sector. However, the department is currently in discussions with DPSA, in respect of the proposed restructuring of Programme 1: Administration in order to merge and dissolve non-functional business units. In this regard, the Remuneration component from the Human Resource unit will move to the Financial Administration Payment component under the Finance Directorate.

Tables 11.15 and 11.16 illustrate a summary of payments and estimates for the financial years 2015/16 to 2021/22 relating to Programme 1.

Table 11.15 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Office of the MEC	21 302	20 812	20 007	22 147	20 542	20 271	23 831	25 078	27 525
2. Corporate Services	361 257	359 608	354 650	432 805	396 270	397 067	420 424	443 640	475 836
Total	382 559	380 420	374 657	454 952	416 812	417 338	444 255	468 718	503 361

Table 11.16 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	358 677	357 235	353 890	407 821	392 701	393 246	422 737	448 183	482 053
Compensation of employees	160 671	168 131	174 299	210 244	183 373	178 656	238 156	266 497	286 958
Goods and services	198 006	189 104	179 591	197 577	209 328	214 522	184 581	181 686	195 095
Interest and rent on land	-	-	-	-	-	68	-	-	-
Transfers and subsidies to:	11 778	11 961	10 669	13 911	12 723	12 523	16 356	15 641	16 423
Provinces and municipalities	228	422	450	497	302	257	525	554	570
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	11 550	11 539	10 219	13 414	12 421	12 266	15 831	15 087	15 853
Payments for capital assets	12 104	11 224	8 450	33 220	11 388	11 569	5 162	4 894	4 885
Buildings and other fixed structures	936	4 112	-	-	-	-	-	-	-
Machinery and equipment	10 842	6 696	8 363	33 220	9 388	9 569	5 162	4 894	4 885
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	326	416	87	-	2 000	2 000	-	-	-
Payments for financial assets	-	-	1 648	-	-	-	-	-	-
Total	382 559	380 420	374 657	454 952	416 812	417 338	444 255	468 718	503 361

The sub-programme: Office of the MEC reflects a fluctuating trend in line with projects undertaken and the filling of critical vacant posts. The sub-programme provides for the printing of the departmental APP, budget speech, Section 131 of the MFMA report, annual report, OSS initiatives, as well as filling of critical vacant posts. The decrease in the 2018/19 Adjusted Appropriation and Revised Estimate is due to slower than anticipated filling of critical vacant posts. The growth over the MTEF is mainly inflationary.

The sub-programme: Corporate Services provides for the department's ICT system, maintenance of departmental buildings, financial management, and auxiliary services, among others. The decrease in 2016/17 and 2017/18 was due to the slow filling of vacant posts and the halting of office accommodation renovation projects to assist in funding *Izinduna*, as previously discussed. The decrease in the 2018/19 Adjusted Appropriation is due to the reprioritisation from *Compensation of employees* because of the slower than anticipated filling of critical vacant posts, as well as savings realised against *Machinery and equipment* due to slow progress with the procurement of an IT server for the department to assist with the capacity of the current server for the Microsoft Migration project. The savings were moved to Programme 3, against *Machinery and equipment*. However, the decrease was slightly offset by a roll-over received from 2017/18 for the purchase of replacement vehicles, furniture and equipment. The low 2019/20 amount in comparison to the 2018/19 Main Appropriation can be ascribed to funds allocated in 2018/19 for the once-off purchase of the departmental IT server. The growth in the two outer years of the MTEF provides for the upgrade and maintenance of various departmental buildings such as Natalia, Mayville, Westville and Wadley House, the implementation of anti-fraud and corruption strategies and service delivery improvement plans, as well as inflationary increments, among others.

Compensation of employees shows steady growth over the period. The decrease in the 2018/19 Adjusted Appropriation and Revised Estimate was due to reprioritisation resulting from the slower than anticipated filling of critical vacant posts to critical service delivery projects in other categories. The increase over the MTEF is to cater for annual salary increases, as well as provision for the filling of critical vacant posts such as Chief Operations Officer, Director: Financial Administration, Director: Security, Deputy Director: Security and Assistant Director: Administration. As explained, the department provided for growth in

Compensation of employees of 13.3 per cent in 2019/20, 11.9 per cent in 2020/21 and 7.7 per cent in 2021/22. This growth exceeds National Treasury guidelines in the first two years due to the planned filling of posts. The department plans to fill 118 critical vacant posts in 2019/20 in this programme. However, this does not appear realistic as a result of lengthy recruitment processes therefore it is unlikely that all 118 posts will be filled in one year. As such, the department will review this in-year.

Goods and services fluctuates over the period and mainly relates to various projects undertaken, such as the improvement in the department's ICT system, as well as the maintenance and repair of departmental buildings. The increase in the 2018/19 Adjusted Appropriation and Revised Estimate relates to the higher than budgeted marketing costs in respect of SABC airtime sales, community outreach programmes relating to winter and summer awareness campaigns, installation of an integrated telephone system for departmental offices in various buildings, the development of the Monitoring and Evaluation Compliance system for the capturing of APP targets to keep track of achievements, as well as the development of an electronic compliance management system used by the department to monitor or measure various pieces of legislation and policies of the department. The low MTEF allocations compared to the 2018/19 Main Appropriation are due to reprioritisation to *Compensation of employees* for the filling of vacant posts.

Transfers and subsidies to: Provinces and municipalities relates to the payment of motor vehicle licences.

Transfers and subsidies to: Households provides for staff exit costs, external bursaries, claims against the state, and the uMsekeli Municipal Support Services pensioners' medical aid obligation, as explained.

The once-off amounts against *Buildings and other fixed structures* in 2015/16 and 2016/17 were for the purchase of park homes for office accommodation in the Ixopo area to accommodate the additional staff appointed for the department's Traditional Affairs unit, and the additional CDWs appointed.

Machinery and equipment provides for new and replacement of obsolete vehicles and computer equipment. The substantial increase in the 2018/19 Main Appropriation is due to a provision made by the department for the once-off purchase of an IT server for the Microsoft Migration project. The substantial decrease in the 2018/19 Adjusted Appropriation is as a result of the delay with SITA procurement processes in terms of the IT server, as mentioned. The decrease was slightly mitigated by a roll-over received from 2017/18 for the purchase of replacement vehicles, furniture and equipment. The MTEF allocations provide for the purchase of new and replacement vehicles, furniture and equipment for new appointments.

Software and other intangible assets relates to the purchase of computer software packages (system hosting servers, Blackberry Enterprise Services software, etc.). The 2017/18 amount included provision for the purchase of the JAWS software for two visually impaired interns. The substantial decrease in 2017/18 was as a result of a reclassification of specific expenditure items which resulted in the movement of expenditure to *Machinery and equipment*. The 2018/19 Adjusted Appropriation caters for the purchase of an integrated financial management and internal control system, which will be implemented for TCs across the province, to assist them with the preparation of their financial statements. No provision is made over the MTEF as the department is not anticipating any software purchases or renewals, as this stage.

Payments for financial assets in 2017/18 relates to the write-off of an IDA dating back to 2005, to the Eastern Cape Government in respect of the inter-provincial games. This amount took some time to be written off due to a dispute regarding the amount.

8.2 Programme 2: Local Governance

The purpose of the programme is to co-ordinate, support, promote and enhance governance, administration and public participation in local government. This programme largely conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector. This is because the department received approval from National Treasury to deviate slightly from the uniform budget and programme structure for the sector. In this regard, the IDP Co-ordination sub-programme, which was under Programme 3, has been moved to this programme. Prior years' figures and the MTEF allocations have been restated for comparative purposes. Tables 11.17 and 11.18 illustrate a summary of payments and estimates for 2015/16 to 2021/22 relating to Programme 2.

Table 11.17 : Summary of payments and estimates by sub-programme: Local Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Municipal Administration	55 315	57 906	31 731	56 286	53 189	53 189	76 973	92 581	96 480
2. Municipal Finance	17 812	15 641	24 635	26 378	25 874	25 874	27 890	27 314	29 009
3. Public Participation	139 888	158 227	158 780	180 987	205 150	201 015	181 472	195 532	206 716
4. Capacity Development	6 053	10 498	7 548	19 717	11 826	13 473	19 438	19 344	19 125
5. Municipal Perf. Monitoring, Reporting and Evaluation	9 423	11 858	8 792	17 371	8 627	9 589	13 761	17 209	18 370
6. IDP Co-ordination	14 055	14 826	11 895	-	-	-	22 263	23 859	25 439
Total	242 546	268 956	243 381	300 739	304 666	303 140	341 797	375 839	395 139

Table 11.18 : Summary of payments and estimates by economic classification: Local Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	238 086	256 987	241 039	299 539	290 901	286 242	335 472	370 618	389 386
Compensation of employees	188 603	203 219	208 441	237 462	209 677	210 472	262 460	299 854	326 225
Goods and services	49 483	53 768	32 598	62 077	81 224	75 770	73 012	70 764	63 161
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 336	10 973	1 716	70	3 236	6 383	5 950	4 875	5 380
Provinces and municipalities	2 850	10 050	1 250	-	3 000	6 000	4 350	4 800	5 250
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	486	923	466	70	236	383	1 600	75	130
Payments for capital assets	1 124	996	626	1 130	10 529	10 515	375	346	373
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 124	996	626	1 130	10 529	10 515	375	346	373
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	242 546	268 956	243 381	300 739	304 666	303 140	341 797	375 839	395 139

The sub-programme: Municipal Administration provides oversight and functionality of IGR structures (such as MINMEC, MUNIMEC, Municipal IGR fora, etc.), enforcement of legislation and policy in local government, as well as the implementation of integrity management programmes in municipalities. The slight decrease in the 2018/19 Adjusted Appropriation was in respect of *Compensation of employees* due to the slower than anticipated filling of critical vacant posts. The substantial growth over the MTEF includes funds reprioritised for the planned filling of critical vacant posts, additional funding allocated by National Treasury for strengthening the province's support interventions in municipalities under administration in terms of Section 139 of the Constitution, as discussed, as well as inflationary increments.

The sub-programme: Municipal Finance includes Operation Clean Audit and special intervention projects, such as financial interventions in affected municipalities, etc. The increase in 2017/18 relates to additional forensic investigations which took place. The slight decrease in the 2018/19 Adjusted Appropriation was due to slower than anticipated filling of critical vacant posts. The growth over the MTEF caters for municipal projects such as the development and maintenance of Indigent Registers for municipalities, used for keeping record of all households that qualify for free basic services, planned filling of critical vacant posts, as well as inflationary increments.

The sub-programme: Public Participation provides for cell phone contracts, travel and subsistence and furniture for CDWs, in order to improve their work and reporting. The sub-programme also provides for the deployment of skilled professionals and administrators in municipalities, as well as the provision of support to OSS in addressing service delivery needs of the communities, particularly communities in remote and rural areas, among others. The increase in the 2018/19 Adjusted Appropriation relates to the harvesting of addresses (by ensuring that voters' addresses are verified and confirmed on the voters' roll), voter mobilisation and ID campaigns for the 2019 general elections, the B2B campaigns, the procurement of laptops for CDWs, the purchase of one branded sound truck with a mobile stage, etc. These allocations were once-off and this explains the decrease over the MTEF. The MTEF provides for various community

outreach programmes and public participation projects in municipalities. These projects involve *Izimbizo* and community dialogues with ward committees as part of the B2B campaigns.

The main function of the sub-programme: Capacity Development is to ensure the development and implementation of a comprehensive capacity building strategy for local government and traditional institutions. The expenditure in 2016/17 included the capacitation of new council members and municipal officials in order to bring them in line with the requirements of their posts and functions, after the 2016 local government elections. The increase in the 2018/19 Main Appropriation and over the MTEF caters for accredited councillor training, capacity building (skills audit), LED capacity building and women councillor training, in areas of need such as financial and project management. The decrease in the 2018/19 Adjusted Appropriation relates to the slow progress with the filling of approved critical vacant posts as a result of lengthy internal recruitment processes.

The sub-programme: Municipal Performance Monitoring, Reporting and Evaluation relates to strategic planning support to municipalities, with a focus on development planning, capacity building and the review and development of IDPs in various municipalities. The decrease in the 2018/19 Adjusted Appropriation was due to the slow progress in filling approved critical vacant posts as a result of lengthy internal recruitment processes. These posts include a Director: Municipal Performance, and a Director: Public Participation, among others. The low 2019/20 allocation compared to the 2018/19 Main Appropriation is due to reprioritisation undertaken to the sub-programme: Municipal Administration in respect of personnel costs. The allocations over the MTEF are to support municipalities to improve their standards of service delivery and governance through the improvement of PMS in municipalities, municipal service awards, travel and subsistence costs, as well as inflationary increments.

The sub-programme: IDP Co-ordination caters for shared services projects (such as IDP assessment support) in municipalities, and this is dependent on the number of municipalities needing the services at a particular time. In addition, this sub-programme is responsible for guiding spatial development within municipalities to assist with various programmes (community participation in IDPs, Development Planning and Shared Services and Schemes Support programmes). The decrease in 2017/18 is a result of projects being conducted in-house to avoid the appointment of consultants. The MTEF budget caters for the implementation of Development Planning Shared Services, support to municipalities with the development of legally compliant IDPs, etc. As explained, this sub-programme has been moved from Programme 3 to Programme 2 as part of the restructuring of the department, with effect from 2019/20. The prior years' figures and the MTEF allocations were restated for comparative purposes. The 2018/19 figures remain in Programme 3 for reporting purposes.

Compensation of employees reflects an increasing trend over the period due to annual salary adjustments, as well as the employment of CDWs to undertake community development work in all districts. The department plans to maintain the number of 438 CDWs from 2018/19 onward at the same level as 2017/18. The decrease in the 2018/19 Adjusted Appropriation was due to slow progress with the filling of approved critical vacant posts as a result of lengthy internal recruitment processes. These posts include the Director: Municipal Performance, Director: Public Participation, Deputy Director: Municipal Performance, Deputy Director: Capacity Building, Assistant Director: Municipal Finance, Deputy Director: Ward Committee, Deputy Director: Forensic Auditing, among others. The allocations over the MTEF reflect a steady increase due to inflationary increments, and the filling of critical vacant posts such as Director: Operations, Deputy Director: Project Management Implementation, Deputy Director: Development Partnerships and Deputy Director: Planning and Disaster Risk Reduction. The department plans to fill 58 critical vacant posts in 2019/20 and three posts in 2021/22 in respect of this programme, and made provision for growth of 10.5 per cent in 2019/20, 14.2 per cent in 2020/21 and 8.8 per cent in 2021/22. The growth is largely in line with National Treasury guidelines, although the growth in 2019/20 and 2020/21 is above the National Treasury guidelines to provide for the filling of posts. It does not appear realistic that the department will be able to fill all 58 vacant posts in one year due to lengthy recruitment processes and, as such, the department will review this in-year.

Goods and services provides for cell phone contracts, laptops, travel and subsistence and furniture, etc., for the CDWs, and for the deployment of additional skilled professionals and administrators in municipalities. The substantial increase in 2016/17 was due to a roll-over for campaigns in respect of the

2016 local government elections, as mentioned. This accounts for the decrease in 2017/18. The increase in the 2018/19 Adjusted Appropriation included funding for the harvesting of addresses, voter mobilisation and ID campaigns for the 2019 general elections, as well as B2B campaigns, as previously mentioned. The reduction in the 2018/19 Revised Estimate is due to funds shifted to *Transfers and subsidies to: Provinces and municipalities* for the development of an Indigent Register in the Ndwedwe Local Municipality, as per the municipality's request. The MTEF allocations provide for MINMEC, MUNIMEC, Municipal IGR fora, etc., improving standards of service delivery and governance in municipalities, the capacity building skills audit project in municipalities, among others. Also, the growth is in respect of additional funding allocated by National Treasury for strengthening the province's support interventions in municipalities that have been placed under administration in terms of Section 139 of the Constitution, as discussed.

Transfers and subsidies to: Provinces and municipalities in 2016/17 was high due to the consolidation and migration of record management systems for newly merged municipalities, work study exercises undertaken at the newly merged municipalities and the promulgation of municipal by-laws. This was a once-off project and hence the decrease in 2017/18. The amounts in the 2018/19 Adjusted Appropriation and the Revised Estimate are in respect of the Shared Legal Services, the Integrated Youth Development summit, and the development of an Indigent Register in the Ndwedwe Local Municipality. The amounts over the MTEF are in respect of the Development Planning and Shared Services.

Transfers and subsidies to: Households caters for staff exit costs, as well as claims against the state.

Machinery and equipment caters for furniture and office and computer equipment for the filling of critical posts, as well as for new and replacement vehicles. The substantial increase in the 2018/19 Adjusted Appropriation catered for the procurement of laptops for CDWs, as well as the purchase of a branded sound truck with a mobile stage to be used for outreach programmes. As these are once-off, it explains the reduction over the MTEF. The allocations therefore are in line with the department's project plan and cater for the replacements of laptops and desktops and purchase of computer equipment for new staff.

Service delivery measures: Local Governance

Table 11.19 illustrates the main service delivery measures pertaining to Programme 2. The performance indicators provided fully comply with the customised measures for the COGTA sector. The word "New" in the 2018/19 Estimated performance illustrates that the indicator did not exist in 2018/19 and that it is a new indicator from 2019/20 onward. The table includes both sector and non-sector measures, and the outputs have been updated to align with the department's APP.

Table 11.19 : Service delivery measures: Local Governance

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2018/19	2019/20	2020/21	2021/22	
2.1	Municipal Governance and Administration					
2.1.1	Improve functionality of IGR Structures and systems	<ul style="list-style-type: none"> No. of IGR structures functional in accordance with the IGR framework No. of stakeholder engagement sessions held No. of SALGA partnerships maintained 	10 New 1	10 4 1	10 4 1	10 4 1
2.1.2	Support municipalities to enhance the functionality of oversight structures	<ul style="list-style-type: none"> % of municipalities with functional oversight structures 	100%	100%	100%	100%
2.1.3	Strengthen the institutional capacity of municipalities by monitoring compliance with local government legislation and policies	<ul style="list-style-type: none"> % of municipalities supported to comply with local government legislation 	100%	100%	100%	100%
		<ul style="list-style-type: none"> % of municipalities complying with local government policies 	100%	100%	100%	100%
		<ul style="list-style-type: none"> No. of draft standard by-laws developed to support the municipalities with their legislative competency 	5	5	5	5
		<ul style="list-style-type: none"> No. of municipalities supported to comply with Municipal Structures Act regulations on the appointment of senior managers 	54	54	54	54
2.1.4.	Support municipalities in improving participation of traditional leaders at municipal level.	<ul style="list-style-type: none"> No. of municipalities supported to achieve 50/50 representation of women in Section 56 posts 	54	54	54	54
		<ul style="list-style-type: none"> No. of municipalities with the participation of traditional leaders 	52	52	52	52

Table 11.19 : Service delivery measures: Local Governance

Outputs	Performance indicators	Estimated performance			
		2018/19	2019/20	2020/21	2021/22
2.1.5 Eradicate the incidences of fraud within municipalities	• No. of municipalities monitored on the extent to which anti-corruption measures are implemented	54	54	54	54
	• % of fraud, corruption and maladministration cases investigated (including NACH cases)	100%	100%	100%	100%
	• No. of municipalities supported with the review of fraud risk registers	54	54	54	54
	• % of COGTA forensic investigation recommendations monitored	100%	100%	100%	100%
2.2 Municipal Finance					
2.2.1 Capacitate municipalities with expenditure on capital infrastructure	• No. of municipalities assessed on budget allocated to capital infrastructure (new construction, maintenance and operations)	54	54	54	54
	• No. of municipalities assessed on expenditure allocated to capital infrastructure spent (new construction, maintenance and operations)	54	54	54	54
2.2.2 Assist municipalities to implement revenue raising strategy	• % of government debt in municipalities	<5%	<5%	<5%	<5%
	• No. of municipalities guided to comply with MPRA	44	44	44	44
	• No. of municipalities supported to reduce consumer debt	51	51	51	51
	• No. of municipalities supported to implement indigent policies	53	53	53	53
2.2.3 Section 81 and 131 (corrective actions based on the reports)	• No. of reports submitted on state of Municipal Finance in terms of Section 131 of the MFMA	1	1	1	1
2.2.4 Ensure municipalities address all issues highlighted in the audit outcomes	• No. of municipalities supported toward achievement of clean audits	54	54	54	54
	• No. of municipalities with functional audit committees	54	54	54	54
2.3 Public Participation					
2.3.1 Support municipalities in improving the functionality of ward committees as per Municipal Structures/Systems Act	• No. of municipalities supported to maintain functional ward committees	44	44	44	44
	• No. of municipalities supported on the implementation of ward operational plans	44	44	44	44
	• % of Public Participation COGTA B2B issues resolved	100%	100%	100%	100%
2.3.2 Assist municipalities to enhance engagement of stakeholders and constant feedback in order to reduce service delivery protests	• % of Sectoral Parliament Resolutions implemented	100%	100%	100%	100%
	• No. of municipalities supported to respond to community concerns	44	44	44	44
	• No. of municipalities with functional rapid response teams in line with the Rapid Response Strategy	54	54	54	54
2.4 Capacity Building					
2.4.1 Capacitate municipalities in accordance to the capacity building strategy (in context of B2B approach)	• No. of provincial capacity building strategies monitored	1	1	1	1
	• No. of capacity building interventions conducted in municipalities	3	3	3	3
	• % of capacity building COGTA B2B issues resolved	100%	100%	100%	100%
2.5 Municipal Performance Monitoring, Reporting and Evaluation					
2.5.1 Support municipalities to establish an effective performance management system to ensure value for money	• No. of municipalities supported to institutionalise performance management system	54	54	54	54
2.5.2 Report on progress of performance made by municipalities	• No. of Section 47 reports compiled as prescribed by the Municipal Systems Act	1	1	1	1
	• No. of report on the implementation of B2B Action Plans by municipalities	4	4	4	4
2.5.3 Support municipalities to enhance the oversight role of councillors in assessing the performance of administration	• No. of evaluations conducted	1	1	1	1
	• No. of municipalities complying with single reporting mechanism	54	54	54	54
2.5.4 Develop an electronic dashboard that reflects the current status of municipalities	• No. of electronic dashboards implemented	10	10	10	10
	• % of COGTA issues resolved	100%	100%	100%	100%
	• % of sector issues facilitated	100%	100%	100%	100%
2.6 IDP Co-ordination					
2.6.1 Implement an Integrated Provincial Service Delivery Plan based on MTEF of provincial and national departments and municipal IDPs	• No. of municipalities supported with development of the IDP	54	54	54	54
2.6.2 Co-ordinate the establishment of a joint provincial forum addressing integrated development planning	• % of IDP implementation issues facilitated via Joint Provincial Service Delivery Forum	100%	100%	100%	100%

Table 11.19 : Service delivery measures: Local Governance

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2018/19	2019/20	2020/21	2021/22	
2.6.3	Assist municipalities align budget with community needs	• No. of municipalities with ward based plans aligned to the IDP	44	44	44	44
2.6.4	Build capacity of critical skills in district municipalities (pool of skills). Extend shared services to include local government	• No. of district shared services implemented	10	10	10	10
		• No. of Social Cohesion and Nation Building programmes implemented	1	1	1	1
		• No. of District Traditional Leadership and Interfaith Forums convened	10	10	10	10

8.3 Programme 3: Development and Planning

The purpose of this programme is to promote informed integrated planning and development in the province. This programme conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector. This programme now consists of five sub-programmes over the 2019/20 MTEF. The sub-programme: IDP Co-ordination has been moved to Programme 2 and the sub-programme: Rural Development Facilitation from Programme 4 has been incorporated into Programme 3 under the sub-programme: Local Economic Development with effect from the 2019/20 MTEF onward. This is as a result of the restructuring of the department as approved by the DPSA and National Treasury. Prior years' figures and the MTEF allocations were restated for comparative purposes.

Tables 11.20 and 11.21 illustrate a summary of payments and estimates for 2015/16 to 2021/22 relating to Programme 3.

Table 11.20 : Summary of payments and estimates by sub-programme: Development and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Spatial Planning	34 175	32 900	39 450	52 032	46 748	46 659	73 841	82 690	83 831
2. Land Use Management	18 596	21 876	19 801	21 949	23 857	22 293	43 075	46 768	50 032
3. Local Economic Development	192 342	269 727	200 069	140 605	142 403	144 542	169 555	169 439	193 674
4. Municipal Infrastructure	295 101	108 756	92 389	75 689	148 559	174 480	92 040	96 479	89 823
5. Disaster Management	105 033	206 373	49 314	44 882	81 976	76 234	64 917	71 212	74 787
6. IDP Co-ordination	-	-	-	15 441	14 449	13 784	-	-	-
Total	645 247	639 632	401 023	350 598	457 992	477 992	443 428	466 588	492 147

Table 11.21 : Summary of payments and estimates by economic classification: Development and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	255 256	330 036	243 498	286 074	231 121	246 534	385 463	401 890	427 063
Compensation of employees	116 761	105 499	106 224	121 927	111 482	106 155	175 009	217 987	236 588
Goods and services	138 495	224 537	137 274	164 147	119 622	140 362	210 454	183 903	190 475
Interest and rent on land	-	-	-	-	17	17	-	-	-
Transfers and subsidies to:	335 605	183 743	94 603	14 100	105 478	110 562	22 150	23 638	12 088
Provinces and municipalities	270 056	151 484	91 600	13 650	89 701	109 701	22 100	23 588	12 038
Departmental agencies and accounts	6 150	14 550	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	45 100	10 100	-	-	15 000	-	-	-	-
Non-profit institutions	13 680	7 025	2 650	-	-	-	-	-	-
Households	619	584	353	450	777	861	50	50	50
Payments for capital assets	54 386	125 853	62 922	50 424	121 393	120 896	35 815	41 060	52 996
Buildings and other fixed structures	42 150	106 810	56 598	43 054	22 314	22 951	27 672	32 794	44 468
Machinery and equipment	12 236	18 778	6 324	7 208	99 079	97 945	7 829	7 911	8 048
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	265	-	162	-	-	314	355	480
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	645 247	639 632	401 023	350 598	457 992	477 992	443 428	466 588	492 147

The sub-programme: Spatial Planning caters for Schemes Support (housing schemes in support of home-ownership) and Spatial Development Framework Support in municipalities. The decrease in the 2018/19 Adjusted Appropriation is due to the non-filling of posts and the savings were reprioritised toward critical service delivery projects. The allocations over the MTEF are in line with spending on various municipal projects, such as the Schemes Support, Spatial Development Framework Support, Nodal Plans, Building Plans Information Management System, Geospatial Database Development, Contacts and Address Database and GIS Functionality, among others.

The sub-programme: Land Use Management caters for projects such as the town settlement formalisation support, support to municipalities with the implementation of SPLUMA, development of provincial norms and standards, development planning legislation, as well as the remuneration of board members dealing with appeals, such as the Town Planning Appeals Board and the KZN Planning and Development Act (PDA) Tribunal Appeals Board. The substantial increase over the MTEF relates to projects such as record keeping for municipalities for SPLUMA, SPLUMA processes and SDG localisation framework.

The sub-programme: Local Economic Development caters for transfers undertaken for the Small Town Rehabilitation programme such as taxi rank upgrades and pothole repairs, Corridor Development plans, support to TCs with regard to development initiatives, support to CSCs for effective functionality and provision of infrastructure for *Imizi Yezizwe*. The decrease in 2017/18 relates to delays in respect of the refurbishment of the Amahlubi and Matimatole CSCs as a result of contractual issues with the service provider. The decrease from 2018/19 onward relates to reprioritisation undertaken for the remuneration of *Izinduna*. The roll-over received for the completion of the Nelson Mandela Exhibition Centre accounts for the increase in the 2018/19 Adjusted Appropriation. In addition, the sub-programme was allocated funds in respect of the PDRG to re-construct nine CSCs in the eThekweni and Ugu areas. As previously discussed, the sub-programme: Rural Development Facilitation previously under Programme 4, has been absorbed into this sub-programme with effect from the 2019/20 MTEF onward. For the sake of reporting, the 2018/19 figures remain in Programme 4, but the previous years and the MTEF allocations have been restated for comparative purposes, which explains the low 2018/19 figures.

The sub-programme: Municipal Infrastructure supports municipalities in service delivery utilising various IGR fora, in improving delivery and maintenance of basic water services, production and maintenance of energy sources, etc. The high amount in 2015/16 was due to once-off expenditure in respect of electrification projects. This explains the decrease from 2016/17 onward. The significant increase in the 2018/19 Adjusted Appropriation is for the purchase of equipment consisting of fire trucks, graders, three TLBs, water tankers, waste trucks, excavators, rollers, among others, to maintain roads and improve infrastructure in municipalities. Also, an amount of R15 million was reprioritised for transfer to MISA in respect of a water and sanitation infrastructure study to be undertaken across all municipalities in KZN to assess backlogs in municipal infrastructure, as previously explained, and this contributed to the increase. In addition, there was a roll-over from 2017/18 for the procurement, supply and installation of lightning protection systems in communities across the province to mitigate fatal lightning strikes, as well as the purchase of static water tanks. The further increase in the Revised Estimate is due to funds reprioritised, mainly from Programme 4, to cater for Massification and electrification projects in various municipalities. The MTEF budget provides for operational and maintenance plans, increasing water connections to low income housing communities, etc.

The sub-programme: Disaster Management shows high expenditure in 2016/17, as it includes a portion of the once-off additional allocation for drought relief interventions. The substantial decrease from 2017/18 onward was due to reprioritisation for the remuneration of *Izinduna*. The non-renewal of the contracts for municipal-based Disaster Management employees also contributed to the decrease in 2017/18, as well as in the 2018/19 Main Appropriation. The increase in the 2018/19 Adjusted Appropriation provides for the purchase of waste trucks, water tankers, fire engines and an articulated bus to be used for disaster situations. It also includes the roll-over of funds from 2017/18 for the supply of lightning conductors to municipalities for households in vulnerable areas. The decrease in the Revised Estimate is due to funds reprioritised to the sub-programme: Municipal Infrastructure for Massification and electrification projects. The increase over the MTEF provides for support to districts with regard to Disaster Risk Management Planning, holding Provincial and Municipal Disaster Management Advisory Forums, and conducting

Disaster Risk Management public awareness campaigns, among others. The department plans to undertake two international trips in 2019/20, namely an international study tour and the 911 Fund, with both trips relating to disaster management.

As explained, the sub-programme: IDP Co-ordination has been moved to Programme 2 and the amounts remaining in 2018/19 are for reporting purposes, at this stage.

Compensation of employees provides for filling of posts, and carry-through costs of above-budget wage adjustments, among others. The decrease in the 2018/19 Adjusted Appropriation and Revised Estimate can be attributed to delays in filling critical vacant posts such as Deputy Director: Development Partnerships, Deputy Director: Project Planning and Sector Support and Director: Operations, among others. The increase over the MTEF caters for the filling of posts such as Deputy Director: Special Initiatives, Town and Regional Planners and Administrative Officers. As explained, the department plans to fill 132 critical vacant posts in this programme in 2019/20 and 10 in 2020/21, and made provision for growth of 43.5 per cent in 2019/20, 24.6 per cent in 2020/21 and 8.5 per cent in 2021/22, with the growth in 2019/20 and 2020/21 being well above the National Treasury guidelines, but in line with the planned filling of posts.

Goods and services relates to various projects undertaken. As mentioned, the department budgets for projects relating to the Corridor Development, Massification and the Small Town Rehabilitation programmes against this category. The funds are then shifted to *Transfers and subsidies to: Provinces and municipalities* in-year after an annual exercise indicates that the municipalities have the necessary capacity to deliver on the particular projects themselves. Hence, the shifts undertaken in the 2018/19 Adjusted Appropriation. The shifts undertaken were mitigated to some extent by the roll-over received for the procurement, supply and installation of lightning protection systems in communities across the province to mitigate fatal lightning strikes, as well as the purchase of static water tanks. The increase in the Revised Estimate relates to the shift undertaken from *Transfers and subsidies to: Public corporations and private enterprises* relating to MISA in respect of a water and sanitation infrastructure study to be undertaken across all municipalities in KZN to assess backlogs in municipal infrastructure, as explained. This project is now being undertaken by the department, hence the shift. The 2019/20 amount includes the EPWP Integrated Grant for Provinces, hence the reduction over the two outer years of the MTEF. The allocations over the MTEF cater for various projects relating to the Corridor Development, Massification and the Small Town Rehabilitation programmes, among others, as well as inflationary increments.

With regard to *Transfers and subsidies to: Provinces and municipalities*, the category caters for the Small Town Rehabilitation, Corridor Development and Massification programmes which are originally budgeted for under *Goods and services*, as previously explained. The fluctuating trend is in line with municipalities' spending. The increase in the 2018/19 Adjusted Appropriation includes a roll-over from 2017/18 for the Nelson Mandela Exhibition Centre, as well as shifts undertaken for the Small Town Rehabilitation, Corridor Development and Massification programmes. The increase in the Revised Estimate relates to post Adjustments Estimate virements and shifts undertaken to cater for the Massification and electrification projects in various municipalities. The MTEF allocations include the Schemes Support programme, Spatial Development Framework Support, Nodal Plans, Building Plans Information System, Geospatial Database Development, Contacts and Address Database and GIS Functionality, among others.

Transfers and subsidies to: Departmental agencies and accounts relates to transfers to ADA for the implementation of various projects. There is no transfer anticipated to ADA over the MTEF, at this stage.

Transfers and subsidies to: Public corporations and private enterprises relates to a donation to SACPLAN, transfers to the uMhlathuze Water Board for the provision of portable water delivery services to district municipalities, expenditure incurred relating to the 2014 general elections, transfer to Umgeni Water Board for water provision in the uMkhanyakude District Municipality, among others. These projects were once-off, hence there are no further transfers over the MTEF. An amount of R15 million was allocated in the 2018/19 Adjusted Appropriation for transfer to MISA in respect of a water and sanitation infrastructure study to be undertaken across all municipalities in KZN to assess backlogs in municipal infrastructure, as explained. However, due to challenges indicated by MISA, the project is now being undertaken by the department. As a result, the funds were shifted to *Goods and services*.

Transfers and subsidies to: Non-profit institutions relates to a transfer to COEGA for the purchase and installation of solar panels and generators, as discussed.

Transfers and subsidies to: Households caters mainly for staff exit costs.

Buildings and other fixed structures makes provision for the construction and rehabilitation of CSCs and houses for *Amakhosi*. The high expenditure in 2016/17 is mainly in respect of drought relief interventions which included the drilling of boreholes and the provision of potable water. This was once-off drought relief funding, hence there is no carry-through from 2017/18 onward, which explains the decreasing trend. The department reprioritised substantially from this category toward the remuneration of *Izinduna*, as explained. The decrease in the 2018/19 Adjusted Appropriation is due to delays in the procurement of a communication system for the PDMC and the Ntshangase CSC, the construction of houses for *Amakhosi*, and the late commencement of construction, refurbishment and rehabilitation of CSCs. The decrease was offset slightly by additional funds allocated in respect of the PDRG for the re-construction of nine CSCs in eThekweni and Ugu, as explained. The MTEF allocations are in line with the department's project list and include the construction of houses for *Amakhosi*, as well as the refurbishment and rehabilitation of CSCs.

Machinery and equipment caters for office and computer equipment. The substantial increase in the 2018/19 Adjusted Appropriation relates to the once-off purchase of equipment consisting of fire trucks, graders, TLBs, water tanks, waste trucks, excavators and rollers, etc., to maintain and improve infrastructure in municipalities. This explains the decrease over the MTEF. The MTEF provides for the purchase of office and computer equipment for newly appointed staff.

Software and other intangible assets relates to the Adobe Creative Suite 6 Design and Web Premium software to create and maintain a comprehensive, accessible and user-friendly GIS database and website, as well as Adobe Acrobat, Survey Markers software and Google Earth for engineers and surveyors.

Service delivery measures: Development and Planning

Table 11.22 gives the main service delivery measures pertaining to Programme 3.

The performance indicators provided do not comply fully with the customised measures for the COGTA sector, and are currently being reviewed by the department. The table includes both sector and non-sector measures, and the outputs have been updated to align with the department's APP.

The word "New" in the 2018/19 Estimated performance illustrates that the indicator did not exist in 2018/19 and that it is a new indicator from 2019/20 onward.

Table 11.22 : Service delivery measures: Development and Planning

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2018/19	2019/20	2020/21	2021/22	
3.1	Spatial Planning					
3.1.1	Align SDFs of municipalities with Spatial Planning Guidelines including Sustainable Development Goal Strategies (SDGS), Vision 2063, NDP, Integrated Urban Development Framework (IUDF) and PGDP	<ul style="list-style-type: none"> No. of municipal SDFs compliant with SPLUMA provisions No. of provincial spatial planning norms and standards on spatial equity implemented No. of Provincial Spatial Development Frameworks reviewed 	54 1 1	54 1 1	54 1 -	54 1 -
3.1.2	Assist municipalities in implementing Land Use Management Schemes and systems	<ul style="list-style-type: none"> No. of municipalities supported to implement Land Use Schemes 	44	44	44	44
3.1.3	Development of a suite of plans	<ul style="list-style-type: none"> No. of Traditional Master Settlement Plans developed No. of nodal development plans developed to promote growth of small towns 	8 5	8 5	8 6	8 7
3.1.4	Development and implementation of key corridor development plans	<ul style="list-style-type: none"> No. of Corridor Development Plans developed 	1	1	1	1

Table 11.22 : Service delivery measures: Development and Planning

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2018/19	2019/20	2020/21	2021/22	
3.2	Development Information Services					
3.2.1	Disaster Monitoring (GIS to record events and disasters with early warning and effectiveness thereof, response, impact, frequency of disasters)	<ul style="list-style-type: none"> % of incidents data mapped No. of municipalities with GIS units functionality 	100% 10	100% 10	100% 10	100% 10
3.2.2	Assist municipalities in implementing Land Use Management Schemes and systems	<ul style="list-style-type: none"> % of adopted municipal schemes in the province mapped % of PGDP projects mapped 	100% 100%	100% 100%	100% 100%	100% 100%
3.2.3	Source, produce and disseminate updated municipal property registers (i.e. cadastral layer with ownership information), and analysis municipal rate data for revenue gaps (where applicable)	<ul style="list-style-type: none"> No. of municipalities supported with MPRA implementation 	38	39	39	39
3.3	Land Use Management					
3.3.1	Support municipalities to meet the time norms for processing of development applications	<ul style="list-style-type: none"> % of development applications that meet time norms for processing 	80%	80%	80%	80%
3.3.2	Assist municipalities in implementing Land Use Management Schemes	<ul style="list-style-type: none"> No. of municipalities supported with implementation of SPLUMA No. of municipalities capacitated on Development Administration No. of municipalities supported with formalisation of towns 	44 44 15	44 44 15	44 44 15	44 44 15
3.3.3	Align SDFs of municipalities with Spatial Planning Guidelines (including SDGS, Vision 2063, NDP, IUDP and PGDP)	<ul style="list-style-type: none"> No. of provincial development norms and standards developed 	2	1	1	1
3.3.4	Undertake cadastral survey work for the provision and maintenance of property descriptions of the areas of jurisdiction of Traditional Institutions	<ul style="list-style-type: none"> % of received boundary description requests attended to No. of <i>Izigodi</i> mapped 	100% 240	100% -	100% -	100% -
3.4.1	Local Economic Development (Special initiatives)					
3.4.1.1	Establish district agencies to drive LED and investment	<ul style="list-style-type: none"> No. of district agencies supported to drive LED 	10	10	10	10
3.4.1.2	Implementation of LED projects in line with municipal LED strategies	<ul style="list-style-type: none"> No. of municipalities supported to implement LED projects in line with updated municipal LED strategies No. of municipalities supported to implement the Red Tape Reduction programme No. of social cohesion and nation building programmes supported 	54 54 New	54 54 1	54 54 1	54 54 1
3.4.2	Local Economic Development (CSCs)					
3.4.2.1	Establishment of CSCs in Key Nodes aligned to Provincial Framework	<ul style="list-style-type: none"> No. of CSC construction programmes implemented No. of CSC rehabilitation programmes implemented No. of municipalities supported with Grade 1 CSCs functionality No. of TCs supported with Grade 2 CSCs functionality 	1 1 21 30	1 1 21 30	1 1 21 35	1 1 21 35
3.4.3	Community Works Programme (CWP)					
3.4.3.1	Maintain EPWP and CWP employment opportunities	<ul style="list-style-type: none"> No. of employment opportunities created through the CWP in municipalities 	40 500	42 600	42 600	42 600
3.4.4	Local Economic Development (EPWP)					
3.4.4.1	Maintain EPWP and CWP employment opportunities	<ul style="list-style-type: none"> No. of employment opportunities created through EPWP inclusive of all sectors (Food For Waste, Corridor, Small Town, CSC construction) No. of municipalities supported to comply with EPWP principles 	1 500 54	1 500 54	2 000 54	2 500 54
3.5	Municipal Infrastructure					
3.5.1	Functionality of IGR forums to promote the co-ordination of service delivery	<ul style="list-style-type: none"> No. of functional co-ordinating structures for infrastructure development and service delivery 	11	11	11	11

Table 11.22 : Service delivery measures: Development and Planning

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2018/19	2019/20	2020/21	2021/22	
3.5.2	Support municipalities on the delivery of basic services	• No. of municipalities monitored on the implementation of infrastructure delivery programmes	53	53	53	53
		• No. of municipalities supported on the implementation of MIG	53	53	53	53
		• No. of municipalities supported with increasing yard water connections	13	13	13	13
		• No. of municipalities supported in provision of basic level of sanitation services	13	13	13	13
3.5.3	Municipalities with the supply of energy	• No. of municipalities supported with increasing households with a source of electrical supply	9	3	3	3
3.5.4	Support municipalities in implementing operations and maintenance plans	• No. of municipalities supported to implement operation and maintenance plans	53	53	53	53
3.6 Disaster Management						
3.6.1	Disseminate early warning systems, impact, frequency and response plan	• % of disaster incidents where prior warning was disseminated	100%	100%	100%	100%
		• % of disaster events responded to within 6 hours	100%	100%	100%	100%
		• No. of Integrated Communication System projects installed	1	-	-	-
3.6.2	Provincial and District Disaster Management IGR structures operational	• No. of Disaster Management Advisory Forums supported	12	12	12	12
3.6.3	Capacitate municipalities on Disaster Risk Management	• No. of municipalities supported on fire brigade services	10 districts & metro	10 districts & metro	10 districts & metro	10 districts & metro
3.6.4	Monitor the implementation of Disaster Risk Reduction Legislation by municipalities, sector departments and stakeholders	• No. of districts and metro monitored on the implementation of Disaster Risk Management Legislation	10 districts & metro	10 districts & metro	10 districts & metro	10 districts & metro
		• No. of stakeholders monitored on the implementation of Disaster Risk Management Legislation	7 depts. & 3 stakeholders	17	17	17
		• No. of municipalities supported to maintain functional Disaster Management Centres	10 districts & metro	10 districts & metro	10 districts & metro	10 districts & metro

8.4 Programme 4: Traditional Institutional Management

The purpose of this programme is to support and enhance the capacity of TCs. This programme was affected by the restructuring of the department as approved by the DPSA and National Treasury.

The sub-programme: Rural Development Facilitation has been absorbed into Programme 3 from the 2019/20 MTEF onward, while the sub-programme: Traditional Land Administration has been incorporated into the sub-programme: Traditional Resource Administration within the programme. For the sake of reporting, the 2018/19 figures remain in Programme 4. The programme now consists of two sub-programmes from the 2019/20 MTEF onward, in line with the approved structure, namely Traditional Institutional Administration and Traditional Resource Administration.

Tables 11.23 and 11.24 illustrate a summary of payments and estimates for 2015/16 to 2021/22 relating to Programme 4.

Table 11.23 : Summary of payments and estimates by sub-programme: Traditional Institutional Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Traditional Institutional Administration	152 811	223 827	430 665	447 679	430 583	424 492	502 887	487 422	504 027
2. Traditional Resource Administration	94 925	90 530	83 431	82 878	75 359	70 223	92 512	101 707	110 043
3. Rural Development Facilitation	-	-	-	21 443	16 732	14 013	-	-	-
4. Traditional Land Administration	-	-	-	20 793	23 221	18 167	-	-	-
Total	247 736	314 357	514 096	572 793	545 895	526 895	595 399	589 129	614 070

Table 11.24 : Summary of payments and estimates by economic classification: Traditional Institutional Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	143 701	286 846	480 682	564 081	539 837	520 837	589 721	583 811	608 596
Compensation of employees	141 263	153 296	160 638	196 556	177 996	175 239	188 196	207 639	223 735
Goods and services	2 438	133 550	320 044	367 525	361 841	345 598	401 525	376 172	384 861
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	102 298	27 253	32 788	1 150	1 800	1 800	1 350	1 200	1 150
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	101 131	25 626	29 676	-	100	100	100	100	100
Households	1 167	1 627	3 112	1 150	1 700	1 700	1 250	1 100	1 050
Payments for capital assets	1 737	258	626	7 562	4 258	4 258	4 328	4 118	4 324
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 645	258	626	7 477	4 258	4 258	4 328	4 118	4 324
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	92	-	-	85	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	247 736	314 357	514 096	572 793	545 895	526 895	595 399	589 129	614 070

The sub-programme: Traditional Institutional Administration provides for the remuneration of *Izinduna*, support to traditional institutions and TC elections, installation and recognition of *Amakhosi*, dispute resolutions, among others. The department received additional funds, as well as reprioritised its own budget in this regard, which explains the growth from 2016/17 onward. The decrease in the 2018/19 Adjusted Appropriation and Revised Estimate is due to slower than anticipated filling of vacant posts, as well as the reduction in the department's portion of the remuneration in respect of stipends paid to *Izinduna*, largely due to fluctuations in the number of *Izinduna*. The department has budgeted to pay 3 463 *Izinduna* over the MTEF, based on the number of *Izigodi*. The *Izinduna* headcount is still ongoing. The 2019/20 allocation includes R35 million suspended from 2018/19 for the TC elections which are now planned to take place in December 2019, as previously mentioned. This explains the decrease in 2020/21.

The sub-programme: Traditional Resource Administration now includes the sub-programme: Traditional Land Administration and, for reporting purposes, the 2018/19 allocation remains unchanged. This sub-programme provides for the implementation of financial controls in municipalities and capacity building programmes for *Amakhosi*. The decrease in the 2018/19 Adjusted Appropriation and Revised Estimate was due to slower than anticipated filling of vacant posts. The inclusion, within this sub-programme, of the sub-programme: Traditional Land Administration as part of the restructuring of the department explains the increase over the MTEF. The MTEF budget provides for initiatives including a seminar to provide a knowledge sharing platform between Traditional Leaders and experts in various fields, research and capacity building programmes, and inflationary increments, among others.

The sub-programme: Rural Development Facilitation was incorporated in the sub-programme: Local Economic Development in Programme 3 as previously discussed. However, the 2018/19 allocations remain for reporting purposes.

Compensation of employees caters for the filling of posts, annual increments, etc. The decrease in the 2018/19 Adjusted Appropriation and the Revised Estimate is due to the slower than anticipated filling of approved vacant posts such as Director: Dispute Resolution, Deputy Directors: Local Houses – Harry Gwala, uThukela and uMkhanyakude, among others. The MTEF makes provision for the appointment of the new Deputy Director-General for Traditional Institutional Management, etc. As a result of the movement of the Rural Development Administration sub-programme to Programme 3, this programme loses 48 posts to Programme 3 in 2019/20. This explains the negative growth of 4.3 per cent in 2019/20. The two outer years' growth of 10.3 per cent and 7.8 per cent in 2020/21 and 2021/22, respectively, is largely in line with National Treasury guidelines. The department anticipates to fill approximately 30 vacant posts, carried forward from 2018/19, as previously mentioned.

Spending against *Goods and services* relates to the sitting allowance of TC members, dispute resolutions, capacity building programmes, installation and recognition of *Amakhosi*, among others. The substantial increase from 2016/17 onward was due to additional funds allocated for stipends paid to *Izinduna* budgeted against this category, as well as the reclassification of specific items in line with audit findings, such as cultural events and installation of *Amakhosi*, etc. The decrease in the 2018/19 Adjusted Appropriation is due to lower than anticipated remuneration in respect of stipends to *Izinduna*, as previously mentioned. The further decrease in the Revised Estimate is due to funds reprioritised to Programme 3, as indicated earlier. The high amount in 2019/20 includes the R35 million allocated for the TC elections suspended from 2018/19, and this accounts for the decrease in the two outer years.

Transfers and subsidies to: Non-profit institutions relates to expenditure for the traditional levies and trust account moved from the various economic categories within Programme 4, as explained. The decrease in 2016/17 and 2017/18 was due to the reclassification of specific items in line with audit findings such as cultural events and installation of *Amakhosi*, etc., to *Goods and services*. The amounts for 2018/19 and over the MTEF cannot be determined at this stage, and have, therefore, not yet been moved to this category. The amounts in the 2018/19 Adjusted Appropriation and over the MTEF are in respect of a transfer to the Tembe Trust Account in support of the Umthayi Amarula festival. The purpose of the event is to celebrate the first fruits with respect to the marula fruits, which are then brewed into a traditional beer by all households within the Tembe Traditional Community, and this is presented to the *Inkosi* at his residence in the form of a colourful festival. This donation made to the Tembe Trust Account does not require Legislature approval as the amount does not exceed the R100 000 threshold.

Transfers and subsidies to: Households caters for staff exit costs.

Machinery and equipment caters for the purchase of office and computer equipment, etc. The decrease in the 2018/19 Adjusted Appropriation relates to delays in the procurement of computers and office equipment for TCs, as well as new departmental appointments. The allocations over the MTEF are for the purchase of new and replacement office and computer equipment for the department and TCs.

Software and other intangible assets decreased in the 2018/19 Adjusted Appropriation due to the postponement of the procurement of various software packages including Adobe Acrobat, Survey Makers software and Google Earth for engineers and surveyors. There are no allocations over the MTEF due to no planned software purchases. However, this will be reviewed in-year as the purchase of various software packages in 2018/19 were postponed to 2019/20, in line with their renewal cycle.

Service delivery measures: Traditional Institutional Management

Table 11.25 illustrates the main service delivery measures pertaining to Programme 4. The table includes sector and non-sector measures, and the outputs have been updated to align with the department's APP.

The word "New" in the 2018/19 Estimated performance illustrates that the indicator did not exist in 2018/19 and that it is a new indicator from 2019/20 onward.

Table 11.25 : Service delivery measures: Traditional Institutional Management

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2018/19	2019/20	2020/21	2021/22	
4.1. Traditional Institutional Administration						
4.1.1	To enhance traditional institutional governance by supporting traditional institutions in the application of appropriate legislation, policies and frameworks	<ul style="list-style-type: none"> No. of programmes undertaken to support the finalisation of the Bill on Traditional Leadership % of Traditional Leaders recognised within 2 weeks of gazetting No. of initiation schools complying with the National Initiation schools guidelines 	1 New New	1 100% 3	1 100% 3	1 100% 3
4.1.2	To enhance traditional institutional governance by supporting traditional institutions in the application of appropriate legislation, policies and frameworks	<ul style="list-style-type: none"> % of succession claims/disputes processed % of litigation matters monitored 	100% 100%	100% 100%	100% 100%	100% 100%

Table 11.25 : Service delivery measures: Traditional Institutional Management

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2018/19	2019/20	2020/21	2021/22	
4.1.3	Support platforms for sharing traditional cultures and indigenous knowledge at provincial and district levels	<ul style="list-style-type: none"> % of approved cultural functions supported % of <i>Amakhosi</i> with updated family trees 	100% New	100% 100%	100% 100%	100% 100%
4.2. Traditional Resource Administration						
4.2.1	Audit skills levels of traditional leadership institutions	<ul style="list-style-type: none"> No. of Local Houses of Traditional Leaders supported with functionality No. of Traditional Councils supported to perform their duties No. of awareness campaigns conducted in traditional communities to sensitise vulnerable groups on their rights No. of Traditional Authorities supported to participate in the IDP processes No. of engagement sessions facilitated for the Institution of Traditional Leadership No. of Provincial Houses of Traditional Leaders supported with functionality No. of performance management systems developed for the Institution of Traditional Leadership No. of policies implemented on support to families of deceased <i>Amakhosi</i> 	11 257 New New 48 1 1 1	11 257 2 11 48 1 1 1	11 257 2 11 48 1 1 1	11 257 2 11 48 1 1 1

9. Other programme information

9.1 Personnel numbers and costs

Table 11.26 provides detail of the department's approved establishment and personnel numbers, per level and programme. This category includes the payment of CDWs, over the MTEF. The table also gives a breakdown of employees' dispensation classification. Details are provided in the paragraphs below.

Table 11.26 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF			
	2015/16		2016/17		2017/18		2018/19				2019/20		2020/21		2021/22		2018/19 - 2021/22			
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Addit. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. growth rate	Costs growth rate	% of Total	
R thousands																				
Salary level																				
1 – 6	880	193 268	828	199 927	785	200 930	820	-	820	223 748	816	250 363	816	275 075	816	294 186	(0.2%)	9.6%	29.0%	
7 – 10	700	225 881	540	255 482	639	259 959	387	282	669	248 847	836	331 872	843	380 970	843	409 642	8.0%	18.1%	38.0%	
11 – 12	157	115 621	133	101 548	148	101 548	139	13	152	123 463	220	179 248	223	220 396	223	239 498	13.6%	24.7%	21.3%	
13 – 16	62	62 108	65	67 217	60	70 217	62	2	64	70 371	75	96 453	75	109 288	78	123 219	6.8%	20.5%	11.1%	
Other	93	10 420	125	5 971	92	16 948	48	4	52	4 093	70	5 885	70	6 248	70	6 961	10.4%	19.4%	0.6%	
Total	1 892	607 298	1 691	630 145	1 724	649 602	1 456	301	1 757	670 522	2 017	863 821	2 027	991 977	2 030	1 073 506	4.9%	17.0%	100.0%	
Programme																				
1. Administration	524	160 671	545	168 131	483	174 299	453	26	479	178 656	597	238 156	597	266 497	597	286 958	7.6%	17.1%	26.8%	
2. Local Governance	602	188 603	575	203 219	559	208 441	538	4	542	210 472	600	262 460	600	299 854	603	326 225	3.6%	15.7%	30.6%	
3. Development and Planning	212	116 761	177	105 499	199	106 224	171	7	178	106 155	310	175 009	320	217 987	320	236 588	21.6%	30.6%	20.5%	
4. Traditional Institutional Management	554	141 263	394	153 296	483	160 638	294	264	558	175 239	510	188 196	510	207 639	510	223 735	(3.0%)	8.5%	22.2%	
Total	1 892	607 298	1 691	630 145	1 724	649 602	1 456	301	1 757	670 522	2 017	863 821	2 027	991 977	2 030	1 073 506	4.9%	17.0%	100.0%	
Employee dispensation classification																				
PSA appointees not covered by OSDs	1 762	568 690	1 529	588 339	1 586	615 723	1 369	301	1 670	637 893	1 868	799 085	1 870	915 338	1 873	990 065	3.9%	15.8%	93.0%	
Professional nurses, staff nurses, nursing ass.	1	440	1	401	1	499	1	-	1	508	1	589	1	632	1	678	0.0%	10.1%	0.1%	
Legal professionals	4	2 758	4	2 978	4	2 817	5	-	5	4 688	4	4 445	4	4 748	4	5 071	(7.2%)	2.7%	0.5%	
Social services professions	-	-	-	-	8	5 131	-	-	-	-	8	6 509	8	7 736	8	8 142	0.0%	0.0%	0.6%	
Engineering professions and related occupations	32	30 045	32	32 456	29	19 048	29	-	29	23 902	66	48 038	74	58 075	74	64 436	36.7%	39.2%	5.4%	
Others (interns, EPWP, learnerships)	93	5 365	125	5 971	96	6 384	52	-	52	3 531	70	5 155	70	5 448	70	5 114	10.4%	13.1%	0.5%	
Total	1 892	607 298	1 691	630 145	1 724	649 602	1 456	301	1 757	670 522	2 017	863 821	2 027	991 977	2 030	1 073 506	4.9%	17.0%	100.0%	

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

The personnel numbers reflects a decrease from 2015/16 to 2016/17 due to the non-renewal of contracts in the Disaster Management unit. There is steady growth for *Compensation of employees* from 2017/18 onward in line with the filling of critical vacant posts. The year-on-year growth of 28.8 per cent in 2019/20, 14.8 per cent in 2020/21 and 8.2 per cent in 2021/22 is far above the National Treasury guidelines. As explained, the substantial growth in 2019/20 and 2020/21 is due to the reprioritisation for the anticipated filling of 260 critical vacant posts in 2019/20 and 10 vacant posts in 2020/21.

Others (interns, EPWP, learnerships) includes the CDWs appointed to bridge the gap between government and the community, and strengthen integration and co-ordination of services provided by government and access to these services by communities. These officials are included against the respective salary levels (mainly level 6).

9.2 Training

Table 11.27 gives a summary of departmental spending and information on training per programme over the seven-year period from 2015/16 to 2021/22. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expenses on staff training, to cater for human resource development. As the percentage spent on training exceeds two per cent of department's baseline, this requirement is fully achieved.

Table 11.27 : Information on training: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Number of staff	1 892	1 691	1 724	1 951	1 757	1 757	2 017	2 027	2 030
Number of personnel trained	1 639	1 810	1 666	1 620	1 620	1 620	1 620	1 709	1 709
of which									
Male	681	874	796	645	645	645	645	680	680
Female	958	936	870	975	975	975	975	1 029	1 029
Number of training opportunities	81	44	80	95	95	80	101	107	107
of which									
Tertiary	6	10	7	10	10	7	11	12	12
Workshops	20	8	28	22	22	28	23	24	24
Seminars	10	2	13	15	15	13	16	17	17
Other	45	24	32	48	48	32	51	54	54
Number of bursaries offered	67	53	35	80	80	35	84	89	89
Number of interns appointed	120	144	67	100	100	67	100	100	100
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	140	132	81	150	150	81	158	167	167
Payments on training by programme									
1. Administration	1 112	1 490	1 142	1 903	1 361	393	2 009	2 120	2 232
2. Local Governance	-	-	15	-	-	-	-	-	-
3. Development and Planning	-	-	-	-	-	-	-	-	-
4. Traditional Institutional Management	-	-	-	-	-	-	-	-	-
Total	1 112	1 490	1 157	1 903	1 361	393	2 009	2 120	2 232

The training budget is centralised under Programme 1 against the sub-programme: Corporate Services, Directorate: Human Capital Development, which aims to facilitate the management of all training undertaken in the department and ensuring that training is obtained from accredited training institutions. Expenditure on training fluctuates, and is based on the training needs of staff during a particular period. The department reviews the staff training needs on an annual basis. The amount in 2017/18 against Programme 2 was in respect of training for woman in leadership roles.

ANNEXURE – VOTE 11: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Table 11.A : Details of departmental receipts: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	1 512	1 788	1 603	1 852	1 852	1 677	1 987	2 135	2 295
Sale of goods and services produced by department (excluding capital assets)	1 512	1 788	1 603	1 852	1 852	1 677	1 987	2 135	2 295
Sale by market establishments	1 003	990	837	1 122	1 122	947	1 204	1 294	1 391
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	509	798	766	730	730	730	783	841	904
<i>Of which</i>									
<i>Commission</i>	381	414	459	421	421	421	572	615	661
<i>Tender documents</i>	119	334	303	303	303	303	300	323	347
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	1 125	3	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	1 125	3	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	43	52	64	51	51	65	54	58	62
Interest	43	52	64	51	51	65	54	58	62
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	2 267	2 327	20	1 800	1 800	2 748	1 932	2 077	2 233
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	2 267	2 327	20	1 800	1 800	2 748	1 932	2 077	2 233
Transactions in financial assets and liabilities	8 763	596	3 385	1 109	1 109	4 739	1 190	1 280	1 376
Total	13 710	4 766	5 072	4 812	4 812	9 229	5 163	5 550	5 966

Table 11.B : Payments and estimates by economic classification: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	995 720	1 231 104	1 319 109	1 557 515	1 454 560	1 446 859	1 733 393	1 804 502	1 907 098
Compensation of employees	607 298	630 145	649 602	766 189	682 528	670 522	863 821	991 977	1 073 506
Salaries and wages	538 886	558 892	575 139	675 928	603 244	592 367	760 702	877 582	950 504
Social contributions	68 412	71 253	74 463	90 261	79 284	78 155	103 119	114 395	123 002
Goods and services	388 422	600 959	669 507	791 326	772 015	776 252	869 572	812 525	833 592
Administrative fees	1 800	1 983	2 165	2 709	3 602	3 688	2 769	2 996	3 353
Advertising	27 269	26 374	19 551	12 713	19 517	21 691	15 541	15 995	18 938
Minor assets	13 275	11 217	5 559	3 118	442	509	7 530	7 421	7 448
Audit cost: External	7 772	6 772	8 257	7 793	7 793	7 085	8 245	8 598	8 779
Bursaries: Employees	1 633	1 058	752	400	626	348	444	490	516
Catering: Departmental activities	3 058	1 464	1 628	6 638	6 375	4 907	7 769	8 383	8 963
Communication (G&S)	13 441	14 397	13 261	12 931	14 281	14 507	12 216	12 908	13 641
Computer services	41 156	42 164	34 965	59 676	48 188	42 082	42 108	40 623	41 031
Cons & prof sev: Business and advisory services	114 605	159 222	114 451	157 421	85 713	97 631	239 832	168 185	164 362
Infrastructure and planning	-	342	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	7 731	11 091	5 028	8 295	8 690	5 827	8 727	9 226	9 823
Contractors	34 893	70 340	20 215	42 157	80 477	79 091	38 949	40 807	39 881
Agency and support / outsourced services	3 918	4 172	1 696	3 675	4 973	4 423	3 390	3 400	3 517
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	12 263	11 788	16 538	13 769	13 720	14 751	15 873	16 870	19 506
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	500	495	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	3 444	2 534	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	17 116	13 830	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	753	11 679	-	-	6 019	10 564	50	60	70
Consumable supplies	2 370	2 561	5 005	4 637	2 843	3 476	6 308	5 567	6 376
Consumable: Stationery, printing and office supplies	8 214	8 735	5 341	9 558	10 653	14 251	9 928	11 968	11 035
Operating leases	24 741	21 837	27 759	26 682	26 771	26 545	24 657	26 029	26 923
Property payments	26 572	29 785	32 023	40 201	37 909	40 167	36 727	33 401	40 027
Transport provided: Departmental activity	-	192	-	-	-	-	-	-	-
Travel and subsistence	34 632	44 651	38 322	36 959	57 775	56 240	47 612	51 558	55 714
Training and development	1 112	1 490	1 157	1 903	1 361	393	2 009	2 120	2 232
Operating payments	1 995	116 242	315 511	336 762	312 298	310 947	336 010	342 924	348 342
Venues and facilities	3 216	1 341	313	2 830	500	-	2 360	2 460	2 560
Rental and hiring	2 003	62	10	499	429	270	518	536	555
Interest and rent on land	-	-	-	-	17	85	-	-	-
Interest	-	-	-	-	17	85	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	453 017	233 930	139 776	29 231	123 237	131 268	45 806	45 354	35 041
Provinces and municipalities	273 134	161 956	93 300	14 147	93 003	115 958	26 975	28 942	17 858
Provinces	228	422	450	497	302	257	525	554	570
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	228	422	450	497	302	257	525	554	570
Municipalities	272 906	161 534	92 850	13 650	92 701	115 701	26 450	28 388	17 288
Municipalities	272 906	161 534	92 850	13 650	92 701	115 701	26 450	28 388	17 288
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	6 150	14 550	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	6 150	14 550	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	45 100	10 100	-	-	15 000	-	-	-	-
Public corporations	45 100	10 100	-	-	15 000	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	45 100	10 100	-	-	15 000	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	114 811	32 651	32 326	-	100	100	100	100	100
Households	13 822	14 673	14 150	15 084	15 134	15 210	18 731	16 312	17 083
Social benefits	5 957	7 133	8 209	4 212	5 919	6 283	7 017	3 954	4 070
Other transfers to households	7 865	7 540	5 941	10 872	9 215	8 927	11 714	12 358	13 013
Payments for capital assets	69 351	138 331	72 624	92 336	147 568	147 238	45 680	50 418	62 578
Buildings and other fixed structures	43 086	110 922	56 598	43 054	22 314	22 951	27 672	32 794	44 468
Buildings	43 086	110 922	39 243	43 054	22 314	22 951	27 672	32 794	44 468
Other fixed structures	-	-	17 355	-	-	-	-	-	-
Machinery and equipment	25 847	26 728	15 939	49 035	123 254	122 287	17 694	17 269	17 630
Transport equipment	8 761	19 391	5 898	2 000	109 247	107 982	3 019	3 700	4 055
Other machinery and equipment	17 086	7 337	10 041	47 035	14 007	14 305	14 675	13 569	13 575
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	418	681	87	247	2 000	2 000	314	355	480
Payments for financial assets	-	-	1 648	-	-	-	-	-	-
Total	1 518 088	1 603 365	1 533 157	1 679 082	1 725 365	1 725 365	1 824 879	1 900 274	2 004 717

Table 11.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	358 677	357 235	353 890	407 821	392 701	393 246	422 737	448 183	482 053
Compensation of employees	160 671	168 131	174 299	210 244	183 373	178 656	238 156	266 497	286 958
Salaries and wages	142 879	149 544	154 787	185 760	162 489	158 402	210 045	235 130	252 962
Social contributions	17 792	18 587	19 512	24 484	20 884	20 254	28 111	31 367	33 996
Goods and services	198 006	189 104	179 591	197 577	209 328	214 522	184 581	181 686	195 095
Administrative fees	818	848	953	1 093	1 192	1 298	1 135	1 210	1 235
Advertising	26 084	25 697	18 976	11 397	18 348	20 570	14 741	15 095	17 638
Minor assets	741	503	311	113	158	113	470	108	107
Audit cost: External	7 772	6 772	8 257	7 793	7 793	7 085	8 245	8 598	8 779
Bursaries: Employees	1 633	1 058	752	400	626	348	444	490	516
Catering: Departmental activities	248	113	344	191	248	193	321	283	296
Communication (G&S)	7 670	8 465	6 912	6 157	9 204	9 485	6 286	6 576	6 962
Computer services	38 717	39 964	34 954	58 454	48 019	41 913	41 608	40 090	40 463
Cons & prof sev: Business and advisory services	8 335	5 706	3 994	7 323	10 005	4 716	6 456	4 779	2 865
Infrastructure and planning	-	342	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	7 731	9 326	5 028	5 690	5 690	5 827	5 953	6 277	6 682
Contractors	12 947	9 152	3 280	4 434	9 224	17 467	4 057	4 113	4 325
Agency and support / outsourced services	112	130	131	175	373	353	190	200	211
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	12 263	11 747	16 538	13 769	13 720	14 751	15 873	16 870	19 506
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 598	1 501	1 510	1 603	1 800	2 463	2 211	2 258	2 460
Consumable: Stationery, printing and office supplies	7 018	6 238	4 657	7 680	9 210	12 595	8 077	8 444	8 881
Operating leases	22 465	18 720	25 520	21 179	22 412	22 789	19 473	20 528	21 135
Property payments	26 270	28 973	31 380	38 802	34 105	36 089	35 903	32 471	39 031
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	11 805	11 894	14 205	8 186	14 854	15 422	9 857	9 818	10 488
Training and development	1 112	1 490	1 142	1 903	1 361	393	2 009	2 120	2 232
Operating payments	717	451	737	840	761	437	854	922	828
Venues and facilities	-	-	-	100	-	-	100	100	100
Rental and hiring	1 950	14	10	295	225	215	318	336	355
Interest and rent on land	-	-	-	-	-	68	-	-	-
Interest	-	-	-	-	-	68	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	11 778	11 961	10 669	13 911	12 723	12 523	16 356	15 641	16 423
Provinces and municipalities	228	422	450	497	302	257	525	554	570
Provinces	228	422	450	497	302	257	525	554	570
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	228	422	450	497	302	257	525	554	570
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	11 550	11 539	10 219	13 414	12 421	12 266	15 831	15 087	15 853
Social benefits	3 707	3 999	4 308	2 542	3 206	3 399	4 117	2 729	2 840
Other transfers to households	7 843	7 540	5 911	10 872	9 215	8 867	11 714	12 358	13 013
Payments for capital assets	12 104	11 224	8 450	33 220	11 388	11 569	5 162	4 894	4 885
Buildings and other fixed structures	936	4 112	-	-	-	-	-	-	-
Buildings	936	4 112	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	10 842	6 696	8 363	33 220	9 388	9 569	5 162	4 894	4 885
Transport equipment	8 761	3 906	5 898	2 000	6 705	6 624	3 019	3 700	4 055
Other machinery and equipment	2 081	2 790	2 465	31 220	2 683	2 945	2 143	1 194	830
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	326	416	87	-	2 000	2 000	-	-	-
Payments for financial assets	-	-	1 648	-	-	-	-	-	-
Total	382 559	380 420	374 657	454 952	416 812	417 338	444 255	468 718	503 361

Table 11.D : Payments and estimates by economic classification: Local Governance

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	238 086	256 987	241 039	299 539	290 901	286 242	335 472	370 618	389 386
Compensation of employees	188 603	203 219	208 441	237 462	209 677	210 472	262 460	299 854	326 225
Salaries and wages	160 177	173 451	177 370	203 511	177 681	178 322	224 097	257 533	280 881
Social contributions	28 426	29 768	31 071	33 951	31 996	32 150	38 363	42 321	45 344
Goods and services	49 483	53 768	32 598	62 077	81 224	75 770	73 012	70 764	63 161
Administrative fees	418	541	418	384	651	657	479	553	593
Advertising	1 166	585	385	1 266	681	681	600	600	600
Minor assets	250	334	44	362	42	67	192	150	140
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 070	1 045	467	1 144	1 348	1 736	2 099	2 420	2 595
Communication (G&S)	4 194	4 834	5 659	3 334	3 246	3 214	3 432	3 679	3 872
Computer services	2	-	-	165	-	-	-	-	-
Cons & prof sev: Business and advisory services	13 434	13 290	5 468	22 250	22 995	20 771	34 536	28 164	22 958
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	13 767	14 269	6 766	17 845	36 472	32 511	14 450	15 100	12 850
Agency and support / outsourced services	1 386	2 142	1 565	1 500	4 600	4 070	1 200	1 200	1 200
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	213	291	265	48	42	100	76	70	77
Consumable: Stationery, printing and office supplies	665	2 046	556	496	458	672	893	2 435	989
Operating leases	796	1 311	1 127	1 253	862	983	1 319	1 386	1 451
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	9 647	10 582	9 048	8 988	9 301	9 359	11 211	12 440	13 229
Training and development	-	-	15	-	-	-	-	-	-
Operating payments	669	1 109	815	612	326	942	665	707	747
Venues and facilities	1 753	1 341	-	2 230	-	-	1 660	1 660	1 660
Rental and hiring	53	48	-	200	200	7	200	200	200
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 336	10 973	1 716	70	3 236	6 383	5 950	4 875	5 380
Provinces and municipalities	2 850	10 050	1 250	-	3 000	6 000	4 350	4 800	5 250
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	2 850	10 050	1 250	-	3 000	6 000	4 350	4 800	5 250
Municipalities	2 850	10 050	1 250	-	3 000	6 000	4 350	4 800	5 250
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	486	923	466	70	236	383	1 600	75	130
Social benefits	486	923	436	70	236	383	1 600	75	130
Other transfers to households	-	-	30	-	-	-	-	-	-
Payments for capital assets	1 124	996	626	1 130	10 529	10 515	375	346	373
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 124	996	626	1 130	10 529	10 515	375	346	373
Transport equipment	-	-	-	-	4 900	4 873	-	-	-
Other machinery and equipment	1 124	996	626	1 130	5 629	5 642	375	346	373
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	242 546	268 956	243 381	300 739	304 666	303 140	341 797	375 839	395 139

Table 11.E : Payments and estimates by economic classification: Development and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	255 256	330 036	243 498	286 074	231 121	246 534	385 463	401 890	427 063
Compensation of employees	116 761	105 499	106 224	121 927	111 482	106 155	175 009	217 987	236 588
Salaries and wages	105 683	94 567	94 861	108 246	99 919	95 003	155 302	197 153	214 202
Social contributions	11 078	10 932	11 363	13 681	11 563	11 152	19 707	20 834	22 386
Goods and services	138 495	224 537	137 274	164 147	119 622	140 362	210 454	183 903	190 475
Administrative fees	532	540	794	688	814	833	823	880	948
Advertising	19	92	190	50	488	440	100	200	600
Minor assets	12 039	10 343	5 089	2 379	208	289	6 443	6 756	6 767
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 740	300	817	1 960	1 571	1 031	1 878	1 966	2 116
Communication (G&S)	1 109	1 068	690	1 079	523	533	1 824	1 938	2 046
Computer services	2 437	2 200	11	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	92 836	140 108	104 989	126 048	48 913	70 129	160 984	132 207	135 307
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	8 172	43 193	6 588	12 163	18 172	19 299	12 291	12 944	13 679
Agency and support / outsourced services	2 420	1 900	-	2 000	-	-	2 000	2 000	2 106
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	41	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	500	495	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	3 444	2 534	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	17 116	13 830	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	753	11 679	-	-	6 019	10 564	50	60	70
Consumable supplies	551	579	3 230	2 198	225	174	3 576	2 768	3 324
Consumable: Stationery, printing and office supplies	468	441	128	755	589	566	606	719	760
Operating leases	847	1 196	1 112	1 600	1 248	976	2 097	2 244	2 353
Property payments	301	812	643	1 216	3 625	3 927	824	930	996
Transport provided: Departmental activity	-	192	-	-	-	-	-	-	-
Travel and subsistence	12 373	9 666	12 243	10 802	15 014	13 776	15 557	16 751	17 726
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	435	187	437	709	653	966	801	840	877
Venues and facilities	1 463	-	313	500	500	-	600	700	800
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	17	17	-	-	-
Interest	-	-	-	-	17	17	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	335 605	183 743	94 603	14 100	105 478	110 562	22 150	23 638	12 088
Provinces and municipalities	270 056	151 484	91 600	13 650	89 701	109 701	22 100	23 588	12 038
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	270 056	151 484	91 600	13 650	89 701	109 701	22 100	23 588	12 038
Municipalities	270 056	151 484	91 600	13 650	89 701	109 701	22 100	23 588	12 038
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	6 150	14 550	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	6 150	14 550	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	45 100	10 100	-	-	15 000	-	-	-	-
Public corporations	45 100	10 100	-	-	15 000	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	45 100	10 100	-	-	15 000	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	13 680	7 025	2 650	-	-	-	-	-	-
Households	619	584	353	450	777	861	50	50	50
Social benefits	619	584	353	450	777	801	50	50	50
Other transfers to households	-	-	-	-	-	60	-	-	-
Payments for capital assets	54 386	125 853	62 922	50 424	121 393	120 896	35 815	41 060	52 996
Buildings and other fixed structures	42 150	106 810	56 598	43 054	22 314	22 951	27 672	32 794	44 468
Buildings	42 150	106 810	39 243	43 054	22 314	22 951	27 672	32 794	44 468
Other fixed structures	-	-	17 355	-	-	-	-	-	-
Machinery and equipment	12 236	18 778	6 324	7 208	99 079	97 945	7 829	7 911	8 048
Transport equipment	-	15 485	-	-	97 642	96 485	-	-	-
Other machinery and equipment	12 236	3 293	6 324	7 208	1 437	1 460	7 829	7 911	8 048
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	265	-	162	-	-	314	355	480
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	645 247	639 632	401 023	350 598	457 992	477 992	443 428	466 588	492 147

Table 11.F : Payments and estimates by economic classification: Traditional Institutional Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	143 701	286 846	480 682	564 081	539 837	520 837	589 721	583 811	608 596
Compensation of employees	141 263	153 296	160 638	196 556	177 996	175 239	188 196	207 639	223 735
Salaries and wages	130 147	141 330	148 121	178 411	163 155	160 640	171 258	187 766	202 459
Social contributions	11 116	11 966	12 517	18 145	14 841	14 599	16 938	19 873	21 276
Goods and services	2 438	133 550	320 044	367 525	361 841	345 598	401 525	376 172	384 861
Administrative fees	32	54	-	544	945	900	332	353	577
Advertising	-	-	-	-	-	-	100	100	100
Minor assets	245	37	115	264	34	40	425	407	434
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	6	-	3 343	3 208	1 947	3 471	3 714	3 956
Communication (G&S)	468	30	-	2 361	1 308	1 275	674	715	761
Computer services	-	-	-	1 057	169	169	500	533	568
Cons & prof sev: Business and advisory services	-	118	-	1 800	3 800	2 015	37 856	3 035	3 232
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	1 765	-	2 605	3 000	-	2 774	2 949	3 141
Contractors	7	3 726	3 581	7 715	16 609	9 814	8 151	8 650	9 027
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	8	190	-	788	776	739	445	471	515
Consumable: Stationery, printing and office supplies	63	10	-	627	396	418	352	370	405
Operating leases	633	610	-	2 650	2 249	1 797	1 768	1 871	1 984
Property payments	1	-	-	183	179	151	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	807	12 509	2 826	8 983	18 606	17 683	10 987	12 549	14 271
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	174	114 495	313 522	334 601	310 558	308 602	333 690	340 455	345 890
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	4	4	48	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	102 298	27 253	32 788	1 150	1 800	1 800	1 350	1 200	1 150
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	101 131	25 626	29 676	-	100	100	100	100	100
Households	1 167	1 627	3 112	1 150	1 700	1 700	1 250	1 100	1 050
Social benefits	1 145	1 627	3 112	1 150	1 700	1 700	1 250	1 100	1 050
Other transfers to households	22	-	-	-	-	-	-	-	-
Payments for capital assets	1 737	258	626	7 562	4 258	4 258	4 328	4 118	4 324
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 645	258	626	7 477	4 258	4 258	4 328	4 118	4 324
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 645	258	626	7 477	4 258	4 258	4 328	4 118	4 324
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	92	-	-	85	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	247 736	314 357	514 096	572 793	545 895	526 895	595 399	589 129	614 070

Table 11.G : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	4 119	3 667	3 338	4 552	4 552	4 552	3 858	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	4 119	3 667	3 338	4 552	4 552	4 552	3 858	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	4 119	3 667	3 338	4 552	4 552	4 552	3 858	-	-
Cons and prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons and prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons and prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. GMT)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	11 328	11 328	-	-	-
Buildings and other fixed structures	-	-	-	-	11 328	11 328	-	-	-
Buildings	-	-	-	-	11 328	11 328	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 119	3 667	3 338	4 552	15 880	15 880	3 858	-	-

Table 11.H : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces (Prog 3: Development and Planning)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	4 119	3 667	3 338	4 552	4 552	4 552	3 858	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	4 119	3 667	3 338	4 552	4 552	4 552	3 858	-	-
<i>Cons & prof serv: Business and advisory services</i>	4 119	3 667	3 338	4 552	4 552	4 552	3 858	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 119	3 667	3 338	4 552	4 552	4 552	3 858	-	-

Table 11.I : Payments and estimates by economic classification: Provincial Disaster Recovery grant (Prog 3: Development and Planning)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	11 328	11 328	-	-	-
Buildings and other fixed structures	-	-	-	-	11 328	11 328	-	-	-
Buildings	-	-	-	-	11 328	11 328	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	11 328	11 328	-	-	-

Table 11.J : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekweni	-	-	-	1 500	1 000	1 000	-	2 500	-
Total: Ugu Municipalities	30 250	32 500	4 700	1 400	2 400	2 400	1 300	6 044	550
B KZN212 uMdoni	14 000	24 000	-	1 000	1 000	1 000	750	-	-
B KZN213 uMzombe	8 000	-	-	-	-	-	-	1 000	-
B KZN214 uMuziwabantu	3 000	2 000	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	1 100	1 000	-	-	-	-	3 500	-
C DC21 Ugu District Municipality	5 250	5 400	3 700	400	1 400	1 400	550	1 544	550
Total: uMgungundlovu Municipalities	6 000	29 829	19 150	1 000	17 551	24 551	6 550	4 800	5 300
B KZN221 uMshwathi	-	-	1 400	-	-	-	-	-	600
B KZN222 uMngeni	-	-	13 450	500	13 751	13 751	1 000	-	2 500
B KZN223 Mpfana	3 000	-	-	-	-	7 000	1 000	-	-
B KZN224 iMpendle	-	-	-	-	-	-	1 250	1 000	-
B KZN225 Msunduzi	-	14 415	1 000	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	750	1 000	-
B KZN227 Richmond	3 000	-	-	-	2 000	2 000	500	-	600
C DC22 uMgungundlovu District Municipality	-	15 414	3 300	500	1 800	1 800	2 050	2 800	1 600
Total: uThukela Municipalities	42 500	29 810	11 850	2 300	10 700	19 200	1 550	550	600
B KZN235 Okhahlamba	29 000	13 610	9 000	-	2 500	2 500	500	-	-
B KZN237 iNkosi Langalibalele	12 500	3 500	1 300	1 000	1 900	3 400	-	-	-
B KZN238 Alfred Duma	750	1 500	1 000	1 000	2 000	2 000	500	-	-
C DC23 uThukela District Municipality	250	11 200	550	300	4 300	11 300	550	550	600
Total: uMzinyathi Municipalities	80 250	17 445	11 850	450	950	950	2 500	3 750	3 219
B KZN241 eNdumeni	3 000	2 000	750	-	500	500	-	-	-
B KZN242 Nquthu	14 000	8 611	-	-	-	-	-	-	600
B KZN244 uMsinga	-	-	-	-	-	-	-	600	-
B KZN245 uMvoti	58 000	6 434	10 500	-	-	-	-	1 600	-
C DC24 uMzinyathi District Municipality	5 250	400	600	450	450	450	2 500	1 550	2 619
Total: Amajuba Municipalities	7 250	5 750	12 700	400	900	900	3 050	2 750	1 619
B KZN252 Newcastle	-	-	11 000	-	-	-	2 500	-	-
B KZN253 eMadlangeni	2 000	5 000	1 000	-	500	500	-	1 600	-
B KZN254 Dannhauser	-	-	400	-	-	-	-	600	-
C DC25 Amajuba District Municipality	5 250	750	300	400	400	400	550	550	1 619
Total: Zululand Municipalities	20 500	200	11 800	2 300	5 800	4 300	4 300	3 150	1 200
B KZN261 eDumbe	-	200	7 000	-	3 000	3 000	-	-	-
B KZN262 uPhongolo	14 500	-	4 500	-	500	500	-	600	-
B KZN263 AbaQulusi	5 750	-	-	-	1 500	-	500	-	-
B KZN265 Nongoma	-	-	-	1 000	-	-	2 000	1 000	-
B KZN266 Ulundi	-	-	-	1 000	500	500	-	1 000	600
C DC26 Zululand District Municipality	250	-	300	300	300	300	1 800	550	600
Total: uMkhanyakude Municipalities	13 500	1 100	1 000	1 400	22 600	22 600	1 600	1 800	1 200
B KZN271 uMhlabyalingana	13 500	-	1 000	-	8 000	8 000	-	-	-
B KZN272 Jozini	-	-	-	-	1 300	1 300	-	-	-
B KZN275 Mtubatuba	-	-	-	650	6 750	6 750	-	-	600
B KZN276 Big Five Hlabisa	-	1 100	-	750	6 550	6 550	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	1 600	1 800	600
Total: King Cetshwayo Municipalities	15 850	3 400	4 700	900	3 800	3 800	550	2 494	500
B KZN281 uMfolozi	3 000	3 000	2 000	600	500	500	-	-	-
B KZN282 uMhlatuze	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	12 600	-	500	-	1 000	1 000	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	1 000	-
C DC28 King Cetshwayo District Municipality	250	400	2 200	300	2 300	2 300	550	1 494	500
Total: iLembe Municipalities	18 250	-	800	1 000	16 000	25 000	4 050	550	600
B KZN291 Mandeni	8 000	-	500	-	-	-	3 500	-	-
B KZN292 KwaDukuza	-	-	-	1 000	5 000	5 000	-	-	-
B KZN293 Ndwedwe	10 000	-	-	-	-	3 000	-	-	-
B KZN294 Maphumulo	-	-	-	-	5 000	5 000	-	-	-
C DC29 iLembe District Municipality	250	-	300	-	6 000	12 000	550	550	600
Total: Harry Gwala Municipalities	38 556	41 500	14 300	1 000	11 000	11 000	1 000	-	2 500
B KZN433 Greater Kokstad	3 000	12 000	11 000	-	5 000	5 000	-	-	2 500
B KZN434 uBuhlebezwe	24 956	-	-	1 000	5 000	5 000	500	-	-
B KZN435 uMzimkhulu	2 000	18 000	-	-	500	500	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	7 500	1 500	-	-	500	500	500	-	-
C DC43 Harry Gwala District Municipality	1 100	10 000	3 300	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	272 906	161 534	92 850	13 650	92 701	115 701	26 450	28 388	17 288

Table 11.K : Transfers to local government - Consolidation and migration of records management system

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	200	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	200	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	400	-	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	-	200	-	-	-	-	-	-	-
B KZN238 Alfred Duma	-	200	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	200	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	200	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	200	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	200	-	-	-	-	-	-	-
Total	-	1 000	-	-	-	-	-	-	-

Table 11.L : Transfers to local government - Indigent Register

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	3 000	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	3 000	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	3 000	-	-	-

Table 11.M : Transfers to local government - Promulgation of municipal by-laws

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	200	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	200	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	400	-	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	-	200	-	-	-	-	-	-	-
B KZN238 Alfred Duma	-	200	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	200	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	200	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	200	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	200	-	-	-	-	-	-	-
Total	-	1 000	-	-	-	-	-	-	-

Table 11.N : Transfers to local government - Shared Legal Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	1 000	1 000	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	1 000	1 000	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	1 000	1 000	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	1 000	1 000	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	2 000	2 000	-	-	-

Table 11.O : Transfers to local government - Small Town Rehabilitation programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekwini	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	9 000	26 000	-	-	-	-	-	-	-
B KZN212 uMdoni	6 000	24 000	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	3 000	2 000	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	6 000	8 889	-	-	2 000	2 000	-	-	-
B KZN223 Mpofana	3 000	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	8 889	-	-	-	-	-	-	-
B KZN227 Richmond	3 000	-	-	-	2 000	2 000	-	-	-
Total: uThukela Municipalities	11 000	2 000	1 500	-	2 400	2 400	-	-	-
B KZN235 Okhahlamba	9 000	-	1 500	-	2 000	2 000	-	-	-
B KZN237 iNkosi Langalibalele	2 000	2 000	-	-	400	400	-	-	-
Total: uMzinyathi Municipalities	3 000	2 000	750	-	-	-	-	-	-
B KZN241 eNdumeni	3 000	2 000	750	-	-	-	-	-	-
Total: Amajuba Municipalities	2 000	5 000	1 000	-	-	-	-	-	-
B KZN253 eMadlangeni	2 000	5 000	1 000	-	-	-	-	-	-
Total: Zululand Municipalities	4 500	-	7 500	-	2 000	2 000	-	-	-
B KZN261 eDumbe	-	-	3 000	-	2 000	2 000	-	-	-
B KZN262 uPhongolo	4 500	-	4 500	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	3 500	-	-	-	6 000	6 000	-	-	-
B KZN271 uMhlabyalingana	3 500	-	-	-	6 000	6 000	-	-	-
Total: King Cetshwayo Municipalities	6 000	3 000	2 000	-	-	-	-	-	-
B KZN281 uMfolozi	3 000	3 000	2 000	-	-	-	-	-	-
B KZN284 uMlalazi	3 000	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	5 000	5 000	-	-	-
B KZN292 KwaDukuza	-	-	-	-	5 000	5 000	-	-	-
Total: Harry Gwala Municipalities	5 000	30 000	5 000	-	2 000	2 000	-	-	-
B KZN433 Greater Kokstad	3 000	12 000	5 000	-	-	-	-	-	-
B KZN434 uBuhlebezwe	-	-	-	-	2 000	2 000	-	-	-
B KZN435 uMzimkhulu	2 000	18 000	-	-	-	-	-	-	-
Total	50 000	76 889	17 750	-	19 400	19 400	-	-	-

Table 11.P : Transfers to local government - Integrated Youth Development Summit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekwini	-	-	-	-	1 000	1 000	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	1 000	1 000	-	-	-

Table 11.Q : Transfers to local government - Sustainable Living Exhibition

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekwini	-	-	-	1 500	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	-	-	1 500	-	-	-	-	-

Table 11.R : Transfers to local government - Nelson Mandela Exhibition Centre

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	11 051	11 051	-	-	-
B KZN222 uMngeni	-	-	-	-	11 051	11 051	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	11 051	11 051	-	-	-

Table 11.S : Transfers to local government - Development Planning and Shared Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	250	400	-	400	400	400	550	500	550
C DC21 Ugu District Municipality	250	400	-	400	400	400	550	500	550
Total: uMgungundlovu Municipalities	-	-	-	500	500	500	550	550	600
C DC22 uMgungundlovu District Municipality	-	-	-	500	500	500	550	550	600
Total: uThukela Municipalities	250	2 000	550	300	300	300	550	550	600
B KZN237 iNkosi Langalibalele	-	400	300	-	-	-	-	-	-
B KZN238 Alfred Duma	-	400	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	250	1 200	250	300	300	300	550	550	600
Total: uMzinyathi Municipalities	250	400	300	450	450	450	500	550	600
C DC24 uMzinyathi District Municipality	250	400	300	450	450	450	500	550	600
Total: Amajuba Municipalities	250	750	-	400	400	400	550	550	600
C DC25 Amajuba District Municipality	250	750	-	400	400	400	550	550	600
Total: Zululand Municipalities	250	200	-	300	300	300	550	550	600
B KZN261 eDumbe	-	200	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	250	-	-	300	300	300	550	550	600
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	550	600
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	550	600
Total: King Cetshwayo Municipalities	250	400	400	300	300	300	550	450	500
C DC28 King Cetshwayo District Municipality	250	400	400	300	300	300	550	450	500
Total: iLembe Municipalities	250	-	-	-	-	-	550	550	600
C DC29 iLembe District Municipality	250	-	-	-	-	-	550	550	600
Total: Harry Gwala Municipalities	1 100	400	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	400	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	1 100	-	-	-	-	-	-	-	-
Total	2 850	4 550	1 250	2 650	2 650	2 650	4 350	4 800	5 250

Table 11.T : Transfers to local government - Work study exercises at merged municipalities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	700	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	700	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	1 400	-	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	-	700	-	-	-	-	-	-	-
B KZN238 Alfred Duma	-	700	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	700	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	700	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	700	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	700	-	-	-	-	-	-	-
Total	-	3 500	-	-	-	-	-	-	-

Table 11.U : Transfers to local government - Contacts and Address Database

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	1 000	1 000	1 000
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	1 000	1 000	1 000
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	1 000	1 000	1 000

Table 11.V : Transfers to local government - Building Plans Information Management System

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	1 200
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	600
B KZN227 Richmond	-	-	-	-	-	-	-	-	600
Total: uThukela Municipalities	-	-	-	-	500	500	1 000	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	500	-	-
B KZN237 iNkosi Langalibalele	-	-	-	-	500	500	-	-	-
B KZN238 Alfred Duma	-	-	-	-	-	-	500	-	-
Total: uMzinyathi Municipalities	-	-	-	-	500	500	-	1 200	600
B KZN241 eNdumeni	-	-	-	-	500	500	-	-	-
B KZN242 Nquthu	-	-	-	-	-	-	-	-	600
B KZN244 uMsinga	-	-	-	-	-	-	-	600	-
B KZN245 uMvoti	-	-	-	-	-	-	-	600	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	1 200	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	600	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	600	-
Total: Zululand Municipalities	-	-	-	-	-	-	500	600	600
B KZN262 uPhongolo	-	-	-	-	-	-	-	600	-
B KZN263 Abaqulusi	-	-	-	-	-	-	500	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	600
Total: uMkhanyakude Municipalities	-	-	-	-	500	500	-	-	600
B KZN272 Jozini	-	-	-	-	500	500	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	600
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	500	500	1 000	-	-
B KZN434 uBuhlebezwe	-	-	-	-	-	-	500	-	-
B KZN435 uMzimkhulu	-	-	-	-	500	500	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	-	-	500	-	-
Total	-	-	-	-	2 000	2 000	2 500	3 000	3 000

Table 11.W : Transfers to local government - Geospatial Database Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	800	800	1 500	1 000	1 000
C DC22 uMgungundlovu District Municipality	-	-	-	-	800	800	1 500	1 000	1 000
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	800	800	1 500	1 000	1 000

Table 11.X : Transfers to local government - Mandela Day Marathon event

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	5 414	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	5 414	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	5 414	-	-	-	-	-	-	-

Table 11.Y : Transfers to local government - GIS Functionality

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	1 044	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	1 044	-
Total: uMgungundlovu Municipalities	-	-	-	-	500	500	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	500	500	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	1 019
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	1 019
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	1 019
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	1 019
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	1 600	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	1 600	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	1 044	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	1 044	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	500	500	1 600	2 088	2 038

Table 11.Z : Transfers to local government - Nodal Plans

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	2 500	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	2 500	-
B KZN216 Ray Nkonyeni	-	-	-	-	-	-	-	2 500	-
Total: uMgungundlovu Municipalities	-	-	-	-	1 000	1 000	-	-	2 500
B KZN222 uMngeni	-	-	-	-	1 000	1 000	-	-	2 500
Total: uThukela Municipalities	-	-	-	-	2 000	2 000	-	-	-
B KZN238 Alfred Duma	-	-	-	-	1 000	1 000	-	-	-
C DC23 uThukela District Municipality	-	-	-	-	1 000	1 000	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	2 500	-	-
B KZN252 Newcastle	-	-	-	-	-	-	2 500	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	1 000	1 000	-	-	-
B KZN271 uMhlabuyalingana	-	-	-	-	1 000	1 000	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	1 000	1 000	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	1 000	1 000	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	2 500	-	-
B KZN291 Mandeni	-	-	-	-	-	-	2 500	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	2 500
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	2 500
Total	-	-	-	-	5 000	5 000	5 000	5 000	5 000

Table 11.AA : Transfers to local government - Drought relief interventions

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	5 000	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	5 000	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	10 000	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	10 000	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	10 000	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	-	10 000	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	10 000	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	10 000	-	-	-	-	-	-	-
Total	-	35 000	-	-	-	-	-	-	-

Table 11.AB : Transfers to local government - Schemes Support programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	1 000	-	-	-	-	750	-	-
B KZN216 Ray Nkonyeni	-	-	1 000	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	2 000	500	500	500	3 500	-	-
B KZN221 uMshwathi	-	-	1 000	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	500	500	500	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	1 000	-	-
B KZN224 iMpendle	-	-	-	-	-	-	1 250	-	-
B KZN225 Msunduzi	-	-	1 000	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	750	-	-
B KZN227 Richmond	-	-	-	-	-	-	500	-	-
Total: uThukela Municipalities	-	-	2 000	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	-	-	1 000	-	-	-	-	-	-
B KZN238 Alfred Duma	-	-	1 000	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	500	500	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	500	500	-	-	-
Total: Zululand Municipalities	-	-	1 000	2 000	1 000	1 000	2 000	-	-
B KZN261 eDumbe	-	-	1 000	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	500	500	-	-	-
B KZN265 Nongoma	-	-	-	1 000	-	-	2 000	-	-
B KZN266 Ulundi	-	-	-	1 000	500	500	-	-	-
Total: uMkhanyakude Municipalities	-	-	1 000	1 400	2 000	2 000	-	-	-
B KZN271 uMhlabyalingana	-	-	1 000	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	500	500	-	-	-
B KZN275 Mtubatuba	-	-	-	650	750	750	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	750	750	750	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	600	500	500	-	-	-
B KZN281 uMfolozi	-	-	-	600	500	500	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	-	7 000	4 500	4 500	4 500	6 250	-	-

Table 11.AC : Transfers to local government - Construction of TSCs and CSCs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	7 500	7 500	-	-	-	-	-	-
B KZN235 Okhahlamba	-	7 500	7 500	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	5 000	5 000	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	5 000	5 000	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	7 500	7 500	-	5 000	5 000	-	-	-

Table 11.AD : Transfers to local government - GIS Precinct Support

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	500	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	500	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	500	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	-	1 000	-	-	-	-	-	-

Table 11.AE : Transfers to local government - Massification programme (Including electrification projects)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	16 000	-	-	-	-	-	-	-	-
B KZN212 uMdoni	8 000	-	-	-	-	-	-	-	-
B KZN213 uMzombe	8 000	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	7 000	-	-	-
B KZN223 Mpofana	-	-	-	-	-	7 000	-	-	-
Total: uThukela Municipalities	30 000	6 110	-	-	-	8 500	-	-	-
B KZN235 Okhahlamba	20 000	6 110	-	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	10 000	-	-	-	-	1 500	-	-	-
C DC23 uThukela District Municipality	-	-	-	-	-	7 000	-	-	-
Total: uMzinyathi Municipalities	72 000	15 045	10 500	-	-	-	-	-	-
B KZN242 Nquthu	14 000	8 611	-	-	-	-	-	-	-
B KZN245 uMvoti	58 000	6 434	10 500	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	11 000	-	-	-	-	-	-
B KZN252 Newcastle	-	-	11 000	-	-	-	-	-	-
Total: Zululand Municipalities	15 000	-	3 000	-	1 500	-	-	-	-
B KZN261 eDumbe	-	-	3 000	-	-	-	-	-	-
B KZN262 uPhongolo	10 000	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	5 000	-	-	-	1 500	-	-	-	-
Total: uMkhanyakude Municipalities	10 000	-	-	-	11 800	11 800	-	-	-
B KZN271 uMhlabyalingana	10 000	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	6 000	6 000	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	5 800	5 800	-	-	-
Total: King Cetshwayo Municipalities	-	-	1 500	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	1 500	-	-	-	-	-	-
Total: iLembe Municipalities	13 000	-	-	-	-	6 000	-	-	-
B KZN291 Mandeni	8 000	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	5 000	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	6 000	-	-	-
Total: Harry Gwala Municipalities	24 956	-	-	-	5 000	5 000	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	5 000	5 000	-	-	-
B KZN434 uBuhlebezwe	24 956	-	-	-	-	-	-	-	-
Total	180 956	21 155	26 000	-	18 300	38 300	-	-	-

Table 11.AF : Transfers to local government - District Growth and Development Summit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	300	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	300	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	300	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	300	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	300	-	-	-	-	-	-
C DC23 uThukela District Municipality	-	-	300	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	300	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	-	300	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	300	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	300	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	300	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	300	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	300	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	300	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	300	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	300	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	300	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	300	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	300	-	-	-	-	-	-
Total	-	-	2 700	-	-	-	-	-	-

Table 11.AG : Transfers to local government - Disaster Management programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	5 000	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	5 000	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	5 000	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	5 000	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	5 000	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	5 000	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	9 100	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	9 100	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	6 000	-	3 000	3 000	-	-	-
B KZN433 Greater Kokstad	-	-	6 000	-	-	-	-	-	-
B KZN434 uBuhlebezwe	-	-	-	-	3 000	3 000	-	-	-
Total	24 100	-	6 000	-	3 000	3 000	-	-	-

Table 11.AH : Transfers to local government - Corridor Development programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	5 526	13 450	-	1 200	1 200	-	-	-
B KZN222 uMngeni	-	-	13 450	-	1 200	1 200	-	-	-
B KZN225 Msunduzi	-	5 526	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	1 000	1 000	-	-	-
B KZN271 uMhlabyalingana	-	-	-	-	1 000	1 000	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	1 000	1 000	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	1 000	1 000	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Total	-	5 526	13 450	-	3 200	3 200	-	-	-

Table 11.AI : Transfers to local government - Operational Support for TSCs and CSCs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	1 250	-	-	-	500	500	-	-	-
B KZN237 iNkosi Langalibalele	500	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	750	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	750	-	-	-	-	-	-	-	-
B KZN263 AbeQulusi	750	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	300	300	-	-	-
B KZN272 Jozini	-	-	-	-	300	300	-	-	-
Total: King Cetshwayo Municipalities	500	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	500	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	5 000	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	5 000	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	7 500	-	-	-	500	500	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	7 500	-	-	-	500	500	-	-	-
Total	15 000	-	-	-	1 300	1 300	-	-	-

Table 11.AJ : Transfers to local government - Spatial Development Framework Support

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	400	1 000	1 000	1 000	-	2 000	-
B KZN212 uMdoni	-	-	-	1 000	1 000	1 000	-	-	-
B KZN213 uMzumbe	-	-	-	-	-	-	-	1 000	-
B KZN216 Ray Nkonyeni	-	-	-	-	-	-	-	1 000	-
C DC21 Ugu District Municipality	-	-	400	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	400	-	-	-	1 000	3 250	-
B KZN221 uMshwathi	-	-	400	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	1 000	-	-
B KZN224 iMpindle	-	-	-	-	-	-	-	1 000	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	1 000	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	1 250	-
Total: uThukela Municipalities	-	-	-	2 000	2 000	2 000	-	-	-
B KZN237 iNkosi Langalibalele	-	-	-	1 000	1 000	1 000	-	-	-
B KZN238 Alfred Duma	-	-	-	1 000	1 000	1 000	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	1 000	1 000	-
B KZN245 uMvoti	-	-	-	-	-	-	-	1 000	-
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	1 000	-	-
Total: Amajuba Municipalities	-	-	400	-	-	-	-	1 000	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	1 000	-
B KZN254 Dannhauser	-	-	400	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	1 000	1 000	1 250	2 000	-
B KZN261 eDumbe	-	-	-	-	1 000	1 000	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	1 000	-
B KZN266 Ulundi	-	-	-	-	-	-	-	1 000	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	1 250	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	1 250	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	1 250	-
Total: King Cetshwayo Municipalities	-	-	-	-	1 000	1 000	-	1 000	-
B KZN284 uMlalazi	-	-	-	-	1 000	1 000	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	1 000	-
Total: iLembe Municipalities	-	-	-	1 000	-	-	1 000	-	-
B KZN291 Mandeni	-	-	-	-	-	-	1 000	-	-
B KZN292 KwaDukuza	-	-	-	1 000	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	1 000	-	-	-	-	-
B KZN434 uBuhlebezwe	-	-	-	1 000	-	-	-	-	-
Total	-	-	1 200	5 000	5 000	5 000	4 250	11 500	-

Table 11.AK : Transfers to local government - RASET

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	3 000	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	3 000	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	3 000	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	3 000	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	3 000	3 000	-	-	-
C DC23 uThukela District Municipality	-	-	-	-	3 000	3 000	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	5 000	5 000	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	5 000	5 000	-	-	-
Total: Harry Gwala Municipalities	-	-	3 000	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	3 000	-	-	-	-	-	-
Total	-	-	9 000	-	8 000	8 000	-	-	-

(which form part of the 1 293 posts) will be filled over the 2019/20 MTEF. Also, the department was granted approval to fill a further 101 posts in October 2018, due to posts vacated from January to June 2018. Again due to lengthy internal recruitment processes, the department intends to fill these posts over the 2019/20 MTEF and they form part of the 1 293 posts. As the department has been granted approval to fill the above-mentioned remaining 67 posts and 101 posts, they will have to ask for approval to fill only 1 125 posts of the 1 293 posts in 2019/20.

Although the above-mentioned posts have not been filled, the department has budgeted for the full structure, and anticipates to fill 1 293 posts in 2019/20, as mentioned previously. This will need to be reviewed by the department, depending on the progress made with regard to the filling of posts.

The number of personnel reflects a steady increase, and shows an average growth of 8.7 per cent from 2018/19 to 2021/22. The year-on-year growth of 26 per cent in 2019/20, 7.1 per cent in 2020/21 and 7 per cent in 2021/22 is largely in line with National Treasury's guidelines. As explained, the high 2019/20 growth caters for the filling of posts pending the finalisation of the structure. However, this growth does not appear sufficient to cater for the filling of these posts, and will be reviewed by the department. This is also dependent on whether the department manages to fill the 1 293 posts in 2019/20, as budgeted for.

The category *Others – Interns, EPWP, learnerships, etc.*, includes contract workers, interns, learnerships totalling 266 in 2019/20.

9.2 Training

Table 12.28 gives a summary of spending and information on training for the period 2015/16 to 2021/22. The department's training budget reflects an erratic trend over the period, and caters for in-house and external training and capacity building. The growth over the 2019/20 MTEF in comparison to the 2018/19 Revised Estimate is mainly inflationary related.

Table 12.28 : Information on training: Transport

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Number of staff	5 369	5 264	3 880	6 691	4 565	4 565	5 858	5 858	5 858
Number of personnel trained	1 465	1 612	1 773	1 950	1 950	1 950	2 060	2 173	2 173
of which									
Male	640	704	774	851	851	851	899	948	948
Female	825	908	999	1 099	1 099	1 099	1 161	1 225	1 225
Number of training opportunities	166	189	212	235	235	235	248	262	262
of which									
Tertiary	-	1	2	3	3	3	3	3	3
Workshops	48	58	68	78	78	78	82	87	87
Seminars	8	10	12	14	14	14	15	16	16
Other	110	120	130	140	140	140	148	156	156
Number of bursaries offered	123	178	144	168	168	168	177	187	187
Number of interns appointed	43	65	70	75	75	75	79	83	83
Number of learnerships appointed	21	20	20	20	20	20	21	22	22
Number of days spent on training	232	232	232	232	232	232	245	258	258
Payments on training by programme									
1. Administration	824	791	1 137	912	365	365	393	418	438
2. Transport Infrastructure	3 785	5 666	9 792	6 365	4 986	3 750	3 936	4 175	4 401
3. Transport Operations	2	1 175	34	1 328	-	198	209	221	233
4. Transport Regulation	1 876	355	426	400	854	859	905	956	1 008
5. Community Based Programmes	9	-	12	-	-	-	-	14	15
Total	6 496	7 987	11 401	9 005	6 205	5 172	5 443	5 784	6 095

The training in Programme 1 relates to administrative functions. The training in Programme 2 is in respect of training for the Zibambeke and Vukuzakhe emerging contractors relating to maintenance of the provincial roads. Under Programme 3, the training is in respect of safety and compliance such as road safety education, including pedestrian safety. The training under Programme 4 includes the costs for the Traffic Training College and the Technical Training Centre in respect of the training of traffic officers, and the training under Programme 5 relates to project management and community liaison training for staff members. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. To facilitate this process, the department is affiliated to the line function TETA and CETA. Table 12.28 reflects costs as per the *Training and development* item under *Goods and services*, and the associated costs such as *Travel and subsistence* are excluded.

VOTE 13

Social Development

Operational budget	R3 517 165 205
MEC remuneration	R 1 977 795
Total amount to be appropriated	R3 519 143 000
Responsible MEC	MEC for Social Development
Administering department	Social Development
Accounting officer	Head: Social Development

1. Overview

Vision

The vision of the Department of Social Development (DSD) is: *A caring and self-reliant society.*

Mission statement

The department's mission is: *To transform our society by building conscious and capable citizens through the provision of integrated social development services.*

Strategic objectives

Strategic policy direction: By focusing on its role in the enhancement of the quality of life of the people of KZN, the department seeks to align its operations and strategic position with the overall aim of government to ensure a long and healthy life for all, as well as to create sustainable rural communities. The strategic objectives of the department include the following:

Social welfare services

- To provide care and support social welfare services to older persons.
- To provide care and support social welfare services to persons with disabilities.
- To provide integrated community-based care services to persons affected and infected by HIV and AIDS.
- To provide emergency relief to distressed individuals and households.

Children and families

- To provide equitable services which promote functional families.
- To provide effective child care and protection services.
- To provide equitable access to Early Childhood Development (ECD) and partial care.
- To provide access to alternative care for vulnerable children.
- To provide community-based care services for children.

Restorative services

- To provide effective crime prevention and support services.
- To provide effective services to persons affected by substance abuse.
- To provide effective services to victims of crime and violence.
- To provide developmental social welfare services to persons, families and communities affected by substance abuse.

Development and research

- To promote effective and sustainable community networks.
- To provide effective support to Non-profit organisations (NPOs).
- To alleviate poverty through sustainable and effective community development initiatives.
- To provide reliable information on households and communities for effective social interventions.
- To provide an integrated and sustainable youth development service through skills development and social behavioural change programmes.
- To provide capacity building and socio-economic empowerment opportunities for women.
- To provide effective youth development services.
- To provide effective support structures for women development.
- To promote population policy implementation for evidence-based planning.

Core functions

- To provide developmental social welfare services.
- To provide community development services.

Legislative mandate

In carrying out these core functions, the department is governed by various Acts and policies. The basic tenets of the Constitution, as embodied in Chapter 2, contain the Bill of Rights, which emphasises equality, human dignity, freedom and security of the person, health care, food, water and social security and the rights of the child. The department administers all or part of the following Acts:

- The Constitution of South Africa (Act No. 108 of 1996)
- Non-profit Organisations (NPOs) Act (Act No. 71 of 1997)
- Social Services Professions Act (Act No. 110 of 1978, as amended)
- Children's Act (Act No. 38 of 2005, as amended)
- Child Justice Act (Act No. 75 of 2008)
- Older Persons' Act (Act No. 13 of 2006)
- White Paper on Population Policy for South Africa of 1998
- Probation Services Act (Act No. 116 of 1991, as amended)
- Prevention and Treatment of Drug Dependency Act (Act No. 20 of 1992)
- Domestic Violence Act (Act No. 116 of 1998)
- White Paper on Social Welfare, 1997
- Prevention of and Treatment for Substance Abuse Act (Act No. 70 of 2008)
- Advisory Board on Social Development Act (Act No. 3 of 2001)
- Social Assistance Act (Act No. 59 of 1992)
- Social Work Act (Act No. 102 of 1998)
- Skills Development Act (Act No. 9 of 1998)
- Prevention and Combatting of Trafficking in Persons Act (Act No. 7 of 2013)
- National Qualifications Framework Act (Act No. 67 of 2008)

2. Review of the 2018/19 financial year

Section 2 provides a review of 2018/19, outlining the main achievements and progress made by the department, as well as providing a brief discussion on the challenges and new developments. Note that the department concluded the rationalisation process, largely aimed at identifying funding for the carry-through costs of the 6 per cent increase granted to NPOs in 2015/16, with this additional funding ending

in 2017/18. This process was also intended to assist in ensuring that the department's services were more equitably spread across the province.

Services to older persons

The department provided 24-hour care and support services in 41 old age homes. It also completed an audit of 40 NPO-managed residential facilities to assess compliance with norms and standards and 20 out of the 40 NPO facilities were compliant. In responding to internal audit findings, the department appointed 20 Social Workers and placed one in each of the 20 residential facilities that had service delivery constraints. One of these facilities is Elonwabeni old age home in Greater Kokstad, where interventions included monitoring and evaluation to ensure compliance with norms and standards.

The department also rendered community-based care and support in 378 service centres, including active ageing programmes, implemented in partnership with departments such as OTP, DOH, and DOSR.

Services to persons with disabilities

In responding to the 2018 State of the Province Address (SOPA), the department implemented awareness programmes on albinism in all districts to deal with criminality against this vulnerable group. An evaluation of the implementation of the Community-Based Rehabilitation (CBR) programme, which entails identification of persons with disabilities, conducting household profiling, advocacy, awareness, public education and ensuring access to social services in the uMzinyathi District, was completed and this pointed to the need to up-scale CBR in other districts. A database of persons with disabilities eligible for employment across all districts was developed for government to use when filling posts. Psycho-social support of parents of children with learning disabilities was strengthened through parent support groups. The Izingane Kuqala pilot project, which aims to ensure that children with disabilities are accessing mainstreamed services, was launched in the iLembe District in August 2018. Furthermore, 24-hour care and support was provided in 21 residential facilities, while community-based care and support services were rendered in 44 protective workshops.

HIV and AIDS programme

The department implemented Social and Behaviour Change (SBC) programmes in all wards to prevent new HIV infections among children and youth. This included prevention programmes for adolescents and youth implemented through the KZN Global Fund, as well as the President's Emergency Plan for AIDS Relief (PEPFAR) and the Determined, Resilient, Empowered, AIDS-free, Mentored and Safe (DREAMS) partnership to reduce the rate of HIV infection among adolescent girls and young women.

Furthermore, the department continued to implement the Home and Community-Based Care (HCBC) re-engineering model, which created jobs for 224 social work scholarship graduates and 272 Child and Youth Care Workers (CYCWs). This model was presented at the International AIDS conference, which was held from 23 to 26 July 2018 in Amsterdam, Netherlands where it was hailed as a good practice. A total of 224 HCBC organisations providing psycho-social support services to Orphans and Vulnerable Children (OVC) and people infected and affected by HIV and AIDS were provided with financial and management support. Another milestone included completing the construction of the sixth community care centre in Bethany in the Okhahlamba Municipality.

Social relief of distress (SRD)

The department provided SRD and other food related programmes, reaching 5 798 beneficiaries.

Care and support services to families

The department intensified care and support services to families in the uMzinyathi, Harry Gwala, Amajuba, uThukela and uMkhanyakude districts, in line with the Provincial Social Ills Strategy (PSIS). It also up-scaled fatherhood programmes in all districts. This included launching the Isibaya Samadoda (Men and Boys) programme in the uMuziwabantu Local Municipality, as part of the department's Men Championing Change programme, reaching 1 000 men and boys in partnership with the Ugu District House of Traditional Leaders. In addition, the department strengthened family preservation services in all wards. Furthermore, marriage enrichment programmes and advocacy campaigns were intensified in all districts.

Child care and protection services

The department developed the KZN provincial strategic framework on Prevention and Early Intervention Programmes (PEIP) and the implementation plan, and both documents were endorsed by the Provincial Executive Council. These documents detail strengthening and building the capacity and self-reliance of families, children and youth. It also implemented holiday programmes reaching 13 541 children across all districts. Furthermore, 988 child abuse cases were managed in line with the protocol for management of Child Abuse, Neglect and Exploitation (CANE).

ECD and partial care

The department developed and implemented a provincial integrated ECD action plan, which was approved by the Provincial Executive Council in 2018/19. The number of registered non-centre-based programmes increased to three, thereby reaching 545 additional children to increase access to ECD services in deep rural and marginalised areas. In addition, the framework for ECD support was developed and approved to improve quality, resourcing, infrastructure provisioning, and training of practitioners. Furthermore, the department continued to provide access to ECD services by funding 24 622 additional children in 822 partial care facilities. An additional 180 partial care facilities are benefitting from the ECD grant funding (maintenance component) to ensure compliance with norms and standards. In total, 119 249 children accessed registered ECD programmes.

Alternative care

The department continued to monitor children in alternative care placements, including family reunification services and compliance with statutory requirements. Residential care services were provided to 4 014 children in 75 Child and Youth Care Centres (CYCCs). In addition, in April 2018 the department acknowledged and honoured 50 Matric 2017 top achievers from the alternative care system by awarding certificates of good performance. Furthermore, adoption services were strengthened and 63 cases were processed. An additional 5 604 children were placed in the foster care system.

Community-based care and support services for children

The department provided community-based care and support services to 70 123 children through the Isibindi model. It also established 18 new Isibindi model sites, while 429 CYCWs are on training which started in August 2018. The training seeks to assist OVC at risk, through capacitating CYCWs.

Crime prevention and support

The department implemented the integrated Social Crime Prevention (SCP) strategy in targeted hotspot areas in Amajuba, uMzinyathi, uThukela, King Cetshwayo, Zululand and uMkhanyakude districts. It also intensified secure care programmes in four state-owned CYCCs, namely Excelsior, Valley View, Ocean View and Sinethemba, where 302 children are awaiting trial. Aftercare and re-integration services received special attention. uMgungundlovu received accreditation to render diversion services, thereby making all districts accredited to render these services.

Victim empowerment

The department expanded the psycho-social services in eight Thuthuzela Care Centres spread across six districts, such as Amajuba, uMzinyathi and Zululand. Additional personnel were appointed to render psycho-social support services to victims in nine crisis centres across six districts. An additional 22 victim friendly rooms were provided with personnel to render psycho-social support in eight districts. Furthermore, the department accredited four shelters rendering services to victims of human trafficking. It also established two shelters for men who are victims of trafficking and other forms of abuse in the eThekweni and uMgungundlovu districts, which benefited 29 men. Skills and economic development programmes were implemented, reaching 20 abused women in shelters and White Door Centres of Hope. The prevention programme for intimate partner violence was implemented in all districts.

Substance abuse programme

The department piloted a community-based treatment model in the eThekweni Metro. It also continued to monitor the implementation of the resolutions of the 2017 Substance Abuse Summit. The implementation of the National Drug Master Plan (2018-2022) was intensified in all districts. Furthermore, the department rendered in-patient treatment and out-patient services in treatment centres. As part of

advocacy programmes, the International Day Against Drug Abuse and Illicit Trafficking was commemorated at the Vuma Youth Academy under the uMlalazi Local Municipality.

Community mobilisation

The department implemented community mobilisation programmes in all districts. It also developed the community mobilisation framework that will act as a guide to all government departments in community mobilisation. The framework provides the basis for regulation and standardisation of community development practice in terms of community mobilisation. It further ensures that systems of co-ordination and implementation of integrated government programmes for communities are realised, with communities participating and taking charge of their own development.

Institutional capacity building and support

The department appointed service providers to conduct capacity building of NPOs on interventions such as financial management, resource mobilisation, conflict management, minute writing and holding of meetings, leadership development, committee skills, productivity, health and safety. The department also strengthened NPO help-desks at district level as a mechanism to bring services closer to the people. In this regard, the department trained officials to provide support services to NPOs in ensuring compliance with the NPO Act. The department initiated and facilitated the review of terms of reference for the NPO forums, and election of new office bearers to enhance communication on policy and operational matters. Furthermore, the department hosted a successful NPO Good Governance Summit under the theme: Good Governance for Improved Service Delivery and Sustainability, where 1 500 delegates attended. Furthermore, roadshows to create awareness on NPO related matters, such as registration and submission of narrative reports, were conducted. The NPO monitoring tool was reviewed in partnership with the University of KwaZulu-Natal (UKZN) to strengthen service delivery and accountability.

Poverty alleviation and sustainable livelihoods

The department established two additional Community Nutrition and Development Centres (CNDCs), thereby increasing the number to 44. A total of 220 beneficiaries of CNDCs were linked to sustainable initiatives such as EPWP work opportunities and skills development through TVET colleges. This is in line with the target of the National Development Plan (NDP) of eradicating people living below the lower bound poverty line by 2030. The department also appointed four NPOs to deliver food to CNDCs, whereby 36 job opportunities were created.

Community-based research and planning

A total of 226 community profiles were conducted in all district municipalities and 24 community-based plans were developed. This is in line with the department's strategic direction of paying more attention to household interventions. The number of households that were profiled totalled 598. The department partnered with UKZN to develop a poverty index using household profiles, with the aim of strengthening interventions at household level.

Youth development

The department provided various life and vocational skills to youth in funded NPOs, youth development centres and youth development academies. It also managed to enter into a Memorandum of Understanding (MoU) with the Moses Kotane Institute and the Kwa-Zulu Natal Sharks Board Maritime Centre of Excellence to strengthen exit opportunities. In partnership with Services SETA, the department facilitated the enrolment of 485 youth in a learnership project. In response to government's call for Radical Agrarian Socio-Economic Transformation (RASET), a high impact youth development project was implemented in the Harry Gwala District. Furthermore, various youth development structures were supported through capacity building projects.

Women development

The department prioritised women development initiatives and appointed a service provider to implement a skills development project for vulnerable women in the Harry Gwala District. This service provider mobilised partnerships with women formations, as well as the business sector to support women-led NPOs. A successful girl-child programme, targeting 60 young school-going girls, was implemented during the Take a Girl Child to Work campaign.

Population policy promotion

The department conducted capacity building of NPOs on population and development issues to ensure that social issues are included in municipal Integrated Development Plans (IDPs). The department commenced with two research projects on the substance abuse minimisation intervention programme and psychology of the sexual offender. It also conducted demographic profiles for all districts for target setting by internal stakeholders and external stakeholders for planning purposes.

3. Outlook for 2019/20 financial year

Section 3 looks at the key focus areas of 2019/20, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments. The bulk of the budget is for the provision of personnel. The department will continue to utilise these funds towards the provision of social work practitioners in an effort to meet the norms and standards as set out in the Integrated Service Delivery Model. The Social Worker Employment grant will cease in 2019/20 and is phased into the department's equitable share. From 2017/18 onward, the department receives significant additional funding in the form of the ECD grant to fund NPOs, with some funding to assist with the maintenance of ECD facilities. In 2019/20, the department continues to receive the carry-through of the additional funding for No Violence Against Women introduced in 2018/19. According to the department, the 2019/20 MTEF allocations include provision for the carry-through costs of the 6 per cent increase to NPOs in respect of which the additional funding ended in 2017/18, as well as the carry-through costs of the 5 per cent tariff increase given to certain NPOs in the 2018/19 Adjustments Estimate. Note that, in both instances, these carry-through costs are funded through internal reprioritisation.

Services to older persons

The department will continue to intensify prevention programmes. A provincial register for abuse of older persons will be maintained. Furthermore, the department will provide 24-hour care and support services in residential facilities and community-based care and support services in service centres.

Services to persons with disabilities

The department will continue to intensify and expand various care and support services to persons with disabilities, including awareness programmes on the rights of persons with disabilities, prevention programmes for people with albinism and expansion of community-based rehabilitation programmes in three additional districts, bringing the total number of districts where this is implemented to four.

HIV and AIDS programme

The department will continue to intensify SBC programmes. The department will continue to implement the HCBC re-engineering programme in a phased-in approach. This will include hosting seminars on evidence-based planning and implementation, as well as launching the HCBC re-engineering research report in this regard. The Men Championing Change programme will be up-scaled as part of HIV and AIDS prevention.

Social relief of distress (SRD)

The department will continue to provide SRD programmes to ensure the provisioning of care, support and protection to individuals, families and communities in distress.

Care and services to families

The department will intensify marriage preparation and enrichment programmes, parenting programmes, and up-scaling of fatherhood programmes in all wards. The department will also launch a radio drama to promote healthy family life. Advocacy campaigns will be strengthened through the commemoration of the International Day for Families, National Marriage Week and International Men's Day.

Child care and protection services

The department will continue with the screening of individuals and stakeholders working with children to ensure clearance in terms of the child protection register. Focus will be on monitoring compliance to the protocol for the management of CANE. The department will also continue to facilitate inter-sectoral child care and protection forums at district and provincial levels.

Early childhood development and partial care

The department will continue to increase access to ECD for poor children through conditional grant funding and non-centre based ECD programme implementation. The mobile ECD programme, which is aimed at expanding access to ECD in poor communities, with little or no access to formal ECD centres, will be implemented in the Ugu and uMkhanyakude Districts. Special attention will be on monitoring the registration of ECD centres and compliance with norms and standards.

Alternative care

The department will continue to monitor children in alternative care placements, including family reunification services. It will also continue to provide financial and management support to CYCCs. Special attention will be given to strengthening adoption services, including hosting a summit on adoption. Furthermore, monitoring of school performance of children in alternative placement will be strengthened to ensure that children complete school and that more support is provided to schools that are performing poorly.

Community-based care services to children

The department will continue to increase access to community-based care and support services to OVC and youth through the Isibindi model. Programmes targeting child-headed families will be intensified in order to offer more support to these children.

Crime prevention and support

The department will prioritise the full implementation of the integrated SCP strategy in hotspot areas spread across 5 districts that have the highest crime rates, such as eThekweni North, iLembe, eThekweni South, uMgungundlovu and King Cetshwayo. There will be emphasis on capacity building of staff to improve quality of service delivery and ensure uniformity and standardisation.

Victim empowerment programme

The department will host the Provincial Gender-based Violence and Femicide Summit. The White Door Centres of Hope will be increased from 22 to 36. Two fully functional therapy rooms will be established in state facilities. Social Workers rendering services in these therapy rooms will be capacitated with specialised skills and training in therapy and trauma management. The departmental call centre will be strengthened through the placement of Social Workers to respond to all customer care issues, including those of gender-based violence and rape. The Isibaya Samadoda (Men and Boys) programmes will be implemented in state facilities and in shelters for men in uMgungundlovu and the eThekweni Metro, to facilitate behavioural change in the prevention of gender-based violence.

Substance abuse programme

The department will focus on strengthening prevention and awareness programmes on substance abuse, prioritising strategic and hotspot areas. It will also intensify prevention programmes, including launching the Ke Moja anti-substance abuse programme, which is a programme targeting youth at institutions of higher learning. Furthermore, districts and local drug action committees will be re-launched to ensure full functionality in line with the National Drug Master Plan. In addition, the department will ensure that substance abuse matters are driven through OSS. In this regard, it will establish Ward Action Committees (WAC) consisting of local leadership, faith-based organisations and critical stakeholders at ward level to deal effectively with substance abuse. The department will develop the Provincial Drug Master Plan, in line with the approved National Drug Master Plan 2018-2022. The two state-owned treatment centres, namely the Madadeni Rehabilitation Centre and Newlands Park Centre will be registered in line with the Prevention of and Treatment for Substance Abuse Act.

Community mobilisation

The framework and the guidelines for community mobilisation in respect of the community development programme will be fully implemented. The department will continue to mobilise stakeholders, such as the municipalities, private sector and civil society in the quest for the reduction of social ills and to impact on poverty, inequality and unemployment through mobilisation programmes using dialogues and other forms of community engagement.

Community-based research and planning

The department will continue with the collaboration with the UKZN to develop a matrix of poverty pockets in the province through the analysis of household profiles and further develop programmes in line with RASET. More partnerships will be forged with municipalities in order to develop and implement community-based plans in an integrated manner.

Institutional capacity building and support

The department will continue to facilitate the registration and capacity building of NPOs to ensure compliance with the NPO Act, including the implementation of the incubation programme. This programme aims to ensure that well-established organisations help others in terms of knowledge and skills transfer. Incubation provides a platform for sustainability of organisations over a longer period by ensuring that the correct fundamentals, such as knowledge and skills, are in place. Furthermore, NPO roadshows will be held to promote access of services, such as registration of organisations, submitting narrative reports and resolving any NPO related matters in communities.

Poverty alleviation and sustainable livelihoods

The department will continue to provide nutritious food through CNDCs and by linking beneficiaries to sustainable initiatives. Special priority will be on procuring food from local producers in line with the RASET programme. This programme includes the delivery of food to CNDCs. The department will also take over the food distribution and CNDC contracts that were ceded by national DSD, to allow the department to manage these contracts.

Youth development

The department will continue to implement integrated youth development programmes in its youth centres and academies. It will also strengthen the monitoring and evaluation of funded youth NPOs to ensure compliance with Service Level Agreements (SLAs). Furthermore, the department will collaborate with EDTEA and other stakeholders in the implementation of high impact skills development programmes in the Harry Gwala District. The department will host a graduation ceremony for 485 youth that were enrolled in a Services SETA learnership programme.

Women development

The department will continue to advocate for mainstreaming and empowerment of women. It will also ensure that women participate in various empowerment programmes offered by NPOs in partnership with the department. Special focus will be on the conceptualisation of the girl-child and young women empowerment programmes to address gender inequalities, accelerate socio-economic participation and mitigate gender-based violence. The department will re-invest in identified flagship projects that were previously funded by the department. To support this initiative, the department will collaborate with the Independent Development Trust (IDT) for additional expertise and improved productivity.

Population policy promotion

The department will finalise the implementation of two research projects on population policy evaluation and the psychology of the sex offender. Demographic profiles from all districts will be analysed and compiled to inform planning and targeting for the department. Capacity building of municipalities and stakeholders on IDPs and other population indicators will be continued to ensure that population and development issues are incorporated in policy and planning.

4. Reprioritisation

The department undertook reprioritisation totalling R61.966 million in 2019/20 (with carry-through over the MTEF) from Programme 2: Social Welfare Services and Programme 4: Restorative Services. These funds were moved to Programme 1: Administration, Programme 3: Children and Families and Programme 5: Development and Research. The funds were reprioritised from *Compensation of employees* and *Transfers and subsidies to: Non-profit institutions* and were allocated to Programme 1 to cater for new security services contracts, Programme 3 against ECD and Partial Care and CYCCs to cater for the increasing number of children in need of these services, and Programme 5 to provide for the filling of vacant posts. Note that the reprioritisation from *Transfers and subsidies* is due to a budget review that

was conducted to align the funding to expenditure needs, taking into account the pressure in areas such as ECD, and the fact that sub-programmes such as Victim Empowerment and Crime Prevention and Support show above-inflation growth rate, even after reprioritisation from these sub-programmes.

5. Procurement

To bolster the effectiveness of the SCM function, the department appointed one SCM Practitioner and one Assistant Director. In 2018/19, SCM officials were capacitated on the Preferential Procurement Regulations to ensure full compliance with the Preferential Procurement Policy Framework Act and Broad-Based Black Economic Empowerment Act. The SCM policy has been reviewed to comply with PFMA and Treasury Regulations. In order to reduce irregular expenditure, the department entered into three-year security services and catering contracts with service providers. In 2019/20, further training will be held and a further eight SCM practitioners will be appointed.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 13.1 gives the sources of funding for DSD over the seven-year period, 2015/16 to 2021/22. The table also compares actual and budgeted receipts against actual and budgeted payments. Details are presented in *Annexure – Vote 13: Social Development*.

The budget reflects an upward trend over the seven-year period, with the total receipts increasing from R2.630 billion in 2015/16 to R3.920 billion in 2021/22, despite the budget cuts.

Table 13.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Equitable share	2 627 481	2 725 271	2 846 426	3 053 994	3 053 994	3 053 994	3 368 195	3 595 558	3 789 744
Conditional grants	3 000	3 958	144 836	178 888	183 864	183 864	150 948	123 807	130 616
<i>Social Sector EPWP Incentive Grant for Provinces</i>	3 000	3 958	19 498	13 490	13 490	13 490	34 913	-	-
<i>Early Childhood Development grant</i>	-	-	71 879	107 543	107 543	107 543	116 035	123 807	130 616
<i>Social Worker Employment grant</i>	-	-	53 459	57 855	57 855	57 855	-	-	-
<i>Provincial Disaster Recovery grant</i>	-	-	-	-	4 976	4 976	-	-	-
Total receipts	2 630 481	2 729 229	2 936 262	3 232 882	3 237 858	3 237 858	3 519 143	3 719 365	3 920 360
Total payments	2 610 357	2 754 077	2 916 210	3 287 882	3 309 335	3 309 335	3 519 143	3 719 365	3 920 360
Surplus/(Deficit) before financing	20 124	(24 848)	20 052	(55 000)	(71 477)	(71 477)	-	-	-
Financing									
of which									
Provincial roll-overs	2 328	-	-	-	16 400	16 400	-	-	-
Provincial cash resources	80 441	53 070	50 102	-	77	77	-	-	-
Suspension to future year	-	-	(55 000)	55 000	55 000	55 000	-	-	-
Surplus/(Deficit) after financing	102 893	28 222	70 154	-	-	-	-	-	-

In 2015/16, a roll-over of R2.328 million was received in respect of committed infrastructure projects. Also in 2015/16, the department was allocated provincial cash resources of R80.441 million as follows:

- R32.368 million for the above-budget 2015 wage agreement.
- R44.200 million to enable the department to effect a 6 per cent increase on all transfers to NPOs.
- R3.873 million for the Inkululeko Development project to allow the department to continue the construction of the Inkululeko Elderly Day Care Centre, which was stopped due to lack of funds.

The department under-spent its 2015/16 budget by R102.893 million mainly attributed to the non-filling of posts. Also contributing was slow spending on infrastructure projects.

In 2016/17, the department received additional provincial cash resources of R53.070 million as follows:

- R46.410 million carry-through funding for the 6 per cent increase in transfers to NPOs.
- R2.523 million for the Inkululeko Elderly Day Care Centre.
- R4.137 million for the above-budget 2016 wage adjustment.

The department under-spent in 2016/17 by R28.222 million, mainly due to delays in filling vacant posts and delays in infrastructure projects.

The department received carry-through funding of R50.102 million from provincial cash resources in 2017/18 relating to the 6 per cent increase for NPOs (R49.102 million), as well as the Inkululeko Elderly Day Care Centre (R1 million). Note that the 6 per cent increase to NPOs ended in 2017/18 and is now being funded internally through reprioritisation. Also, note that R55 million was suspended from *Compensation of employees* in 2017/18 due to the slow filling of vacant posts, and this was reallocated back to the department in 2018/19, to be utilised for various infrastructure projects, to purchase tools of trade and for ICT infrastructure.

The department under-spent in 2017/18 by R70.154 million, mainly due to delays in filling vacant posts.

In 2018/19, the following additional allocations were made to the department's baseline:

- R55 million was allocated as provincial cash resources from 2017/18, as mentioned.
- R42.431 million was allocated, with carry-through for prevention and early intervention programmes to fight the abuse of women and children, and this is reflected as equitable share funding.
- R45.126 million and R47.504 million were allocated in 2019/20 and 2020/21, respectively, for the NAWANGO court case (Free State) to support organisations that provide statutory social welfare services on behalf of the department, and this is reflected as equitable share funding.
- R34.974 million for the above-budget wage agreement allocated in 2020/21 and this is reflected as equitable share funding.

In the 2018/19 Adjusted Appropriation, the following additional allocations were made to the department's baseline:

- R16.400 million was approved as a roll-over relating to various infrastructure projects being implemented by DOPW.
- R4.976 million was allocated as a new grant, namely the Provincial Disaster Recovery grant, in 2018/19 only, for disaster relief relating to the flood disaster, which occurred in the province on 10 October 2017.
- An additional amount of R77 000 was allocated to Programme 3 from provincial cash resources as a top-up to deal with renovations relating to the flood disaster at various facilities.

The department is projecting to fully spend its budget in full in 2018/19 as per the December IYM.

The 2019/20 MTEF shows steady growth. Note that the Social Worker Employment grant is converted into equitable share and an additional allocation for food relief is also added in the equitable share in 2019/20, and these are discussed in detail in Section 7.2.

6.2 Departmental receipts collection

Table 13.2 provides a summary of the receipts collection by the department.

Table 13.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	5 698	5 644	5 863	6 832	6 832	6 076	7 068	7 456	7 866
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	10	-	-	-
Interest, dividends and rent on land	9	1 044	202	31	31	39	31	33	35
Sale of capital assets	-	2 377	4 784	592	592	4 207	592	625	659
Transactions in financial assets and liabilities	1 151	15 879	1 355	1 255	1 255	458	1 255	1 324	1 397
Total	6 858	24 944	12 204	8 710	8 710	10 790	8 946	9 438	9 957

Sale of goods and services other than capital assets contributes the bulk of revenue for the department. It consists of income derived from commission on PERSAL deductions, such as insurance and garnishee orders, housing rent, patient fees (collected from two rehabilitation centres) and the sale of hand crafts produced by the state-run centres. The increase over the MTEF is due to inflationary increments.

Interest, dividends and rent on land is in respect of interest on debt recoveries mainly from ex-employees. The high collection in 2016/17 related to higher than anticipated recovery of staff debt. The estimates over the 2019/20 MTEF are based on historical collections.

Sale of capital assets relates to the disposal of redundant motor vehicles and equipment. The uncertain nature of this source results in conservative budgeting over the MTEF. The projected over-collection in the 2018/19 Revised Estimate is largely from an auction held at the end of 2017/18, with the actual cash being received in the first quarter of 2018/19.

Transactions in financial assets and liabilities relates to recoveries of staff debts such as salary over-payments, breached bursary contracts, etc. The significant collection of R15.879 million in 2016/17 relates to higher than expected recovery of prior years' expenditure and staff debts. The uncertain nature of this source results in conservative budgeting by the department over the MTEF.

6.3 Donor funding – Nil

7. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregate level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 8 below, as well as in *Annexure – Vote 13: Social Development*.

7.1 Key assumptions

The following key assumptions form the basis of the 2019/20 MTEF budget of the department:

- All inflation related increases are based on CPI projections.
- As per National Treasury, provision should have been made for an inflationary wage adjustment of 6.3, 6.5 and 6.5 per cent for each of the three years of the 2019/20 MTEF, as well as for the 1.5 per cent pay progression. The department has complied with this in 2019/20 (13.5 per cent) which includes provision for the filling of 264 vacant posts, with a shortfall in 2020/21 (5.1 per cent) and 2021/22 (4.3 per cent). This will be reviewed and addressed in the next budget process, taking into account progress made with the filling of the 264 vacant posts.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2018/19, will continue to be adhered to over the 2019/20 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.
- The department concluded the rationalisation process, largely aimed at identifying funding for the carry-through costs of the 6 per cent increase granted to NPOs in 2015/16, with this additional funding ending in 2017/18. This process was also intended to assist in ensuring that the department's services were more equitably spread across the province. According to the department, the 2019/20 MTEF allocations include provision for the carry-through costs of the 6 per cent increase to NPOs, as well as the carry-through costs of the 5 per cent tariff increase given to certain NPOs in the 2018/19 Adjustments Estimate. Note that these carry-through costs are funded through internal reprioritisation.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 13.3 shows additional provincial and equitable share funding received by the department over the 2017/18, 2018/19 and 2019/20 MTEFs, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2021/22) are based on the incremental percentage used in the 2019/20 MTEF.

Table 13.3 : Summary of additional provincial and equitable share allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	(15 725)	(17 597)	2 214	2 336	2 465
PES and Provincial Own Revenue reductions	(11 414)	(13 048)	(23 144)	(24 417)	(25 760)
Budget cuts to fund remuneration of <i>Izinduna</i>	(4 311)	(4 549)	(4 799)	(5 063)	(5 341)
Additional funding from National Treasury	-	-	30 157	31 816	33 566
2018/19 MTEF period		97 431	105 309	145 833	153 854
Above-budget wage agreement		-	-	34 974	36 898
NAWANGO court case		-	45 126	47 504	50 117
No Violence Against Women		42 431	60 183	63 355	66 840
Funds suspended from 2017/18 for infrastructure, IT and tools of trade		55 000	-	-	-
2019/20 MTEF period			61 879	72 663	76 759
Food relief function shift			-	6 635	7 072
Phasing in of Social Worker Employment grant into equitable share			62 522	66 710	70 379
Budget cuts for remuneration of public office bearers			(643)	(682)	(692)
Total	(15 725)	79 834	169 402	220 832	233 078

In the 2017/18 MTEF, the following changes were made to the department's baseline:

- The department's budget was reduced as a result of a reduction of the PES allocation due to data updates of the PES formula, fiscal framework reductions, as well as a downward revision of the Provincial Own Revenue.
- The budget was reduced in line with a Provincial Executive Council decision that the *Izinduna* in KZN must be remunerated, in line with Presidential proclamations in this regard.
- National Treasury allocated additional funding to provinces in the outer year of the 2017/18 MTEF with carry-through for the above-budget wage agreement, and this was proportionately allocated to all 15 Votes to ensure that the budget cuts referred to above are offset in the outer year.

The following additional allocations were made to the department's baseline in the 2018/19 MTEF:

- R34.974 million for the above-budget wage agreement was allocated in 2020/21. This funding was received from National Treasury and was proportionately allocated to all 15 Votes.
- R45.126 million, R47.504 million and R50.117 million were allocated in 2019/20, 2020/21 and 2021/22, respectively, for support to organisations that provide statutory social welfare services on behalf of the department. These funds were allocated to assist the department to comply with the NAWANGO court case ruling requiring the department to support organisations rendering statutory services.
- R42.431 million, with carry-through, for prevention and early intervention programmes to fight the abuse of women and children.
- The equitable share was increased as a result of projected under-spending of R55 million against *Compensation of employees* in 2017/18, where the department requested that these funds be suspended from their budget in the 2017/18 Adjustments Estimate and reallocated back to them in 2018/19 for various infrastructure projects, to purchase tools of trade and for ICT infrastructure.

In the 2019/20 MTEF, the following changes are made to the department's baseline:

- National DSD decided to cede the contracts it has with the food distribution centres and CNDCs in the province to the department. Thus, R6.635 million and R7.072 million are added to the budget in 2020/21 and 2021/22, with carry-through, to allow the department to manage these contracts.
- From 2019/20 onwards, the Social Worker Employment grant is phased into the department's equitable share. Thus, R62.522 million, R66.710 million and R70.379 million are converted from conditional grant funding and allocated to the equitable share over the 2019/20 MTEF.
- The department's budget was cut by R2.017 million over the 2019/20 MTEF with carry-through, in respect of the remuneration of public office bearers in line with a determination made by the Honourable President. In this regard, the President announced that there would be minimal or no annual salary increases in 2018/19 for public office bearers. In the case of provincial executives, Premiers, MECs and Speakers did not receive salary increases, while MPLs received a 2.5 per cent increase. The savings realised from this announcement were cut from provinces in line with fiscal consolidation efforts.

7.3 Summary by programme and economic classification

The services rendered by the department are categorised under five programmes, which are aligned to the uniform budget and programme structure for the Social Development sector.

The department was liable for the repayment of previous year's over-expenditure, resulting in a first charge against the department's budget in 2015/16 and 2016/17, which is reflected under the affected programmes where the unauthorised expenditure occurred against *Payments for financial assets*. This is reflected as a footnote in the tables.

Tables 13.4 and 13.5 provide a summary of payments and budgeted estimates at programme and economic classification level.

The bulk of the budget comprises *Compensation of employees* and *Transfers and subsidies to: Non-profit institutions*, in line with the department's core functions.

Table 13.4 : Summary of payments and estimates by programme: Social Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	519 148	460 948	446 871	519 846	539 846	563 333	549 550	583 817	615 453
2. Social Welfare Services	634 856	673 358	737 562	772 353	792 806	818 661	798 891	813 990	858 762
3. Children and Families	1 003 914	1 141 249	1 270 378	1 391 089	1 413 570	1 390 324	1 543 044	1 644 234	1 731 564
4. Restorative Services	283 062	273 348	282 884	393 093	349 296	324 122	384 845	411 858	434 511
5. Development and Research	169 377	205 174	178 515	211 501	213 817	212 895	242 813	265 466	280 070
Total	2 610 357	2 754 077	2 916 210	3 287 882	3 309 335	3 309 335	3 519 143	3 719 365	3 920 360
Unauth. Exp. (1st charge) not available for spending	(6 980)	(6 979)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	2 603 377	2 747 098	2 916 210	3 287 882	3 309 335	3 309 335	3 519 143	3 719 365	3 920 360

Table 13.5 : Summary of payments and estimates by economic classification: Social Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	1 614 697	1 671 707	1 846 556	2 091 758	2 142 520	2 112 880	2 352 213	2 510 484	2 645 488
Compensation of employees	1 238 550	1 286 973	1 367 597	1 648 830	1 571 199	1 515 175	1 719 286	1 807 484	1 885 670
Goods and services	376 059	384 415	478 716	442 803	571 196	597 628	632 920	702 986	759 803
Interest and rent on land	88	319	243	125	125	77	7	14	15
Transfers and subsidies to:	827 552	914 732	932 937	1 021 127	970 365	967 877	1 032 844	1 088 335	1 148 196
Provinces and municipalities	566	664	-	938	938	757	991	1 046	1 104
Departmental agencies and accounts	3 350	18 759	4 481	3 842	4 496	4 496	4 761	4 984	5 258
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	803 769	869 631	921 784	991 367	955 923	955 923	1 017 580	1 072 269	1 131 245
Households	19 867	25 678	6 672	24 980	9 008	6 701	9 512	10 036	10 589
Payments for capital assets	152 669	150 248	128 676	174 997	196 450	228 578	134 086	120 546	126 676
Buildings and other fixed structures	113 508	116 546	75 309	108 302	129 755	169 960	99 817	83 779	88 387
Machinery and equipment	39 161	33 702	53 367	66 695	66 695	58 618	34 269	36 767	38 289
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	15 439	17 390	8 041	-	-	-	-	-	-
Total	2 610 357	2 754 077	2 916 210	3 287 882	3 309 335	3 309 335	3 519 143	3 719 365	3 920 360
Unauth. Exp. (1st charge) not available for spending	(6 980)	(6 979)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	2 603 377	2 747 098	2 916 210	3 287 882	3 309 335	3 309 335	3 519 143	3 719 365	3 920 360

Programme 1: Administration reflects fluctuating growth. The increase in the 2018/19 Adjusted Appropriation and further increase in the Revised Estimate relates to spending pressure resulting from irregular expenditure investigations. The growth in 2019/20 provides for the filling of 61 posts, such as Deputy Director-General: Social Welfare Services, Supply Chain Management Practitioners, State Accountants, Senior Human Resource Officer, Corporate Support Officer, IT Specialist, Deputy Director: Financial Reporting, Assistant Director: Financial Reporting, Deputy Director: Property Management, Deputy Director: Strategy and Planning, among others. Note that the provision for carry-through costs in the outer year is not sufficient, and this will be addressed in the next budget process. This is discussed in more detail in Section 8.1.

Programme 2: Social Welfare Services reflects a general upward trend over the seven-year period. The increase in the 2018/19 Adjusted Appropriation relates to an approved roll-over for various capital projects such as the King Cetshwayo District Office, as well as the Ndwedwe, Hlanganani, Osizweni and Inanda Service Offices, among others. In addition, the increase is due to an additional allocation of R4.053 million for flood disaster relief which occurred in the province on 10 October 2017. These funds were allocated through a new grant, namely the Provincial Disaster Recovery grant, to deal with renovations relating to the flood disaster at various facilities, including the Izingolweni residential accommodation, the Zakhe Place of Safety, as well as the uMlazi and the Phoenix Service Offices. Also, the increase caters for the funding of the 5 per cent tariff increase given to certain NPOs in the 2018/19 Adjustments Estimate. The increase from the 2018/19 Adjusted Appropriation to the Revised Estimate is due to the anticipated over-spending in respect of infrastructure, as a result of the prior year's commitments that were paid for in 2018/19. The increasing expenditure over the 2019/20 MTEF is due, in part, to the new security services contract expected to begin in 2019/20, with more detail provided below, and the planned tools of trade purchases in anticipation of the filling of 79 vacant posts in 2019/20, including Social Workers, Social Worker Supervisors and Professional Nurses, Chief Director: Developmental Welfare Services, Service Office Manager, among others. Note that these posts exclude 656 Community Care Givers (CCGs) which are planned to be employed through the Social Sector EPWP Incentive Grant for Provinces. In addition, the increase over the MTEF is due to the provision made to cater for the carry-through costs of the 6 per cent increase to NPOs in respect of which the additional funding ended in 2017/18, as well as the carry-through costs of the 5 per cent increase given to certain NPOs in 2018/19. The increase in allocation over the MTEF is despite the fact that the Social Sector EPWP Incentive Grant for Provinces is not allocated from 2020/21 onwards, at this stage.

Programme 3: Children and Families shows healthy growth over the period under review. The increase in the 2018/19 Adjusted Appropriation is due to an unanticipated increase in the number of children in ECD centres, increase in the number of children accessing CYCCs, as well as a directive from the national DSD to move a portion of funds that was originally allocated under the Victim Empowerment sub-programme for No Violence Against Women, to the Community-Based Care Services for Children sub-programme for the expansion of the Isibindi model. In addition, the increase in the Adjusted Appropriation is due to the funding of the 5 per cent tariff increase given to certain NPOs in 2018/19. The decrease from the 2018/19 Adjusted Appropriation to the Revised Estimate is due to internal delays in the filling of vacant posts as a result of lengthy recruitment processes. In 2019/20, the department plans to fill 104 vacant posts such as Social Workers, Social Worker Supervisors, CYCWs, Team Leaders, Staff Nurse, Nursing Assistant and a Professional Nurse, among others. Note that insufficient provision has been made for the carry-through costs of filling posts in the two outer years of the MTEF, and this will be addressed in the next budget process. The increase over the 2019/20 MTEF relates to the reprioritisation from Programme 4 to cater for the increase in the number of children accessing ECDs and CYCCs, as mentioned. The 2019/20 MTEF allocations include the carry-through costs of the additional funding from 2018/19 for support to organisations that provide statutory social welfare services on behalf of the department and this is explained in more detail in Section 7.9 and Section 8.3. Also, the increase over the MTEF is due to provision made to cater for the carry-through costs of the 6 per cent increase to NPOs where the funding from the provincial fiscus ended in 2017/18, as well as the carry-through costs of the 5 per cent increase given to certain NPOs in the 2018/19 Adjustments Estimate.

Programme 4: Restorative Services shows growth over the seven-year period due to national priority funding, filling of vacant posts and carry-through costs of absorbed social worker graduates. The decrease in the 2018/19 Adjusted Appropriation and the further decrease in the Revised Estimate is due to late appointment of a service provider to render Social Crime Prevention services due to delays in finalising the call for proposal, as well as a directive from national DSD to move R22.882 million that was originally allocated under this programme for No Violence Against Women, to the Community-Based Care Services for Children sub-programme (Programme 3) for the expansion of the Isibindi model, as explained. The increase over the 2019/20 MTEF is due to the carry-through of the additional funding for No Violence Against Women, and the filling of three OSD posts, namely Social Worker, Social Work Policy Developer and Professional Nurse. Note that provision in this regard in the outer year is insufficient (5.5 per cent), and this will be addressed in the next budget process. In addition, the

department has budgeted to initiate numerous prevention programmes and community-based treatments, including the provision for the carry-through costs of the 6 per cent increase to NPOs where the funding from the provincial fiscus ended in 2017/18, as well as the carry-through costs of the 5 per cent increase given to certain NPOs in 2018/19.

Programme 5: Development and Research reflects healthy growth from 2017/18. The increase from the 2018/19 Main to Adjusted Appropriation is to correct an error that occurred during the preparation of the 2018/19 *EPRE*, whereby the budget under the Poverty Alleviation and Sustainable Livelihoods sub-programme was erroneously reduced and allocated under ECD and Partial Care, as well as due to the implementation of high impact women development programmes, which is part of government's call for RASET. The increase in 2019/20 is largely in respect of the filling of 17 posts, such as Community Development Practitioners, Community Development Supervisors, and Data Capturers, among others. Note that insufficient provision has been made for the carry-through costs of filling posts in 2020/21 and 2021/22, and this will be addressed in-year and in the next budget process. The increase from 2020/21 and over the MTEF is due to the additional allocation from national DSD as it has ceded the contracts it has with the food distribution centres and CNDCs in the province to the department. Also planned is capacity training for NPOs to be rolled out across all districts.

Compensation of employees decreased in the 2018/19 Adjusted Appropriation due to the movement of funds from this category as a result of lengthy internal recruitment processes to cater for irregular expenditure investigations, among others. The decrease from the 2018/19 Adjusted Appropriation to the Revised Estimate is due to internal delays in the filling of vacant posts due to lengthy recruitment processes, as mentioned. The growth in 2019/20 is in respect of the planned filling of 264 vacant OSD and non-OSD posts, including Social Worker Supervisors, Professional Nurses, Social Worker graduates, CYCWs, SCM Practitioners, Deputy Director: Financial Reporting and Internal Control, System Support: Training Specialist, State Accountants, Community Development Practitioners, Corporate Support Officers, Human Resource Practitioners, among others. Note that these posts exclude the 656 CCGs which are planned to be employed through the Social Sector EPWP Incentive Grant for Provinces, as mentioned. This category grows by 13.5 per cent in 2019/20, 5.4 per cent in 2020/21 and 5.5 per cent in 2021/22. The growth in 2019/20 provides for the filling of posts but the carry-through costs in the two outer years are not sufficient, and will be addressed in the next budget process. National Treasury recommended annual wage adjustment rates of 7.8, 8 and 8 per cent for the 2019/20 MTEF. Note that the low growth in the two outer years is in part attributed to the fact that the Social Sector EPWP Incentive Grant for Provinces is only allocated till 2019/20 at this stage. The department receives additional funding for the above-budget wage agreement of R34.974 million with carry-through in 2020/21 and this is already included in the equitable share.

Goods and services reflects a steady increase over the seven-year period due to increased costs in respect of audit fees, legal fees, forensic investigations and operating expenditure such as security services, contractors and travel and subsistence, etc. The increase in the 2018/19 Adjusted Appropriation and the Revised Estimate relates to pressure attributable to irregular expenditure investigations, as well as the directive from the national DSD to move a portion of funds that were originally allocated under the Victim Empowerment sub-programme for No Violence Against Women, to the Community-Based Care Services for Children sub-programme for the expansion of the Isibindi model, as explained. The increase in the Adjusted Appropriation is also due to the reclassification of funds from *Transfers and subsidies to: Households* to *Goods and services* within the sub-programme: Social Relief (Programme 2), as well as the reclassification of funds from *Transfers and subsidies to: Non-profit institutions* against the sub-programmes: Community-Based Care Services for Children (Programme 3) and Poverty Alleviation and Sustainable Livelihoods (Programme 5), to this category, to comply with National Treasury Classification Circular no. 21. In terms of this circular, funds utilised to pay organisations rendering services on behalf of the department should be classified under *Goods and services*. These shifts resulted in transfers to organisations, such as the South African Food Security and Development Agency (SAFDA) which provides social relief assistance and the National Association of Child Care Workers (NACCW), which rolls-out the Isibindi model, being classified under this category. The increase over the MTEF mainly relates to building the capacity of NPOs in financial management, as well as funds moved from *Transfers and subsidies to: Non-profit institutions* in line with National Treasury Classification Circular no. 21.

Also contributing is the ECD grant, a component of which contributes to the maintenance of ECD infrastructure. In addition, the increase from 2020/21 and over the MTEF is due to the additional funding from national DSD in respect of the contracts with the food distribution centres and CNDCs in the province which it has ceded to the department. Also note that the department awarded tenders for three-year security service contracts for the different offices, which started in 2018/19, continued in 2019/20 and are expected to come to an end in 2020/21, whereafter a new tender process for security services will commence.

Interest and rent on land relates to rent paid to the Msunduzi Municipality in respect of a park-home at Camperdown, which was used as a temporary office. The low growth over the MTEF is attributable to the department no longer paying for the park-home at Camperdown, as alternative accommodation was found. The MTEF allocations provide for the payment of interest on overdue accounts.

Transfers and subsidies to: Provinces and municipalities is in respect of motor vehicle licences.

Transfers and subsidies to: Departmental agencies and accounts relates to the Health and Welfare Sector Education Training Authority (HWSETA).

Transfers and subsidies to: Non-profit institutions reflects a steady increase over the seven-year period. The decrease in the 2018/19 Adjusted Appropriation is attributed to the shift of funds from this category against the sub-programmes: Community-Based Care Services for Children (Programme 3) and Poverty Alleviation and Sustainable Livelihoods (Programme 5) to *Goods and services*, to comply with the National Treasury Classification Circular no. 21, as explained. In addition, funds were moved from the Victim Empowerment sub-programme (Programme 4), to the Community-Based Care Services for Children sub-programme, in line with the directive from national DSD, as explained. The budget over the 2019/20 MTEF includes allocations for national priorities, such as child and youth care, victim empowerment, Isibindi expansion, ECD subsidy, the provision of shelters for victims of gender-based violence, as well as inflationary increases. In addition, the MTEF allocations cater for the carry-through costs of the additional funding allocated for the 6 per cent increase to NPOs which ended in 2017/18, whereafter it became the department's responsibility to fund this increase, as well as the carry-through costs of the 5 per cent tariff increase given to certain NPOs in the 2018/19 Adjustments Estimate.

Transfers and subsidies to: Households relates to staff exit costs, as well as disaster relief transfers. The low amount in 2015/16 relates to the low number of staff exits. The increase in 2016/17 relates to the social relief pay-outs in various areas for families in need of social relief, caused by high poverty levels in some parts of the province. The decrease in the 2018/19 Adjusted Appropriation is attributed to the reclassification of funds that were allocated to cater for SRD to *Goods and services*, in line with National Treasury Classification Circular no. 21. The 2019/20 MTEF provides for inflationary increases only and caters for staff exit costs.

The increase against *Buildings and other fixed structures* in the 2018/19 Adjusted Appropriation is attributed to the roll-over for various capital projects such as the King Cetshwayo District Office, as well as the Ndwedwe, Hlanganani, Osizweni and Inanda Service Offices, as mentioned. In addition, the increase is due to the additional allocation for flood disaster relief which occurred in the province, as explained. The increase from the 2018/19 Adjusted Appropriation to the Revised Estimate is due to the spending pressure in respect of infrastructure projects such as the eThekweni Cluster office building (formerly known as the Government Garage building), Ndwedwe Service Office, the fast-tracking of the completion of the Vuma Youth Development Centre, as well as payment for the prior year's commitments related to these projects, among others. The decrease from 2018/19 to 2019/20 is due to the roll-over and the additional funding allocated in 2018/19, as well as the fact that a portion of the R55 million that was suspended in 2017/18 was reallocated against this category in 2018/19. The decrease in 2020/21 and the low growth in the two outer years is due to some of the projects that are at an advanced stage and are expected to be completed in 2019/20, such as the Madadeni Rehabilitation Centre, the eThekweni Cluster office building, King Cetshwayo District Office, Dlamlenze ECD, Inanda, Maphumulo, Ubombo, and Hlanganani Service Offices. The negative growth over the 2019/20 MTEF relates to reprioritisation by the department which was conducted in 2017/18, with carry-through, in order to address the shortfall against *Compensation of employees* resulting from the 2016/17 budget cuts.

Machinery and equipment provides for the purchase of office furniture and equipment. The decrease in 2019/20 is attributed to reprioritisation and the fact that a portion of the R55 million that was suspended in 2017/18 was reallocated for the upgrade of IT infrastructure equipment at district offices and head office in 2018/19. The low growth over the 2019/20 MTEF is due to previous purchases of tools of trade, in line with the planned filling of vacant posts.

Payments for financial assets in 2015/16 and 2016/17 includes the first charge relating to prior year's over-spending, which has been split according to the programmes where unauthorised expenditure occurred, as explained. Also included in 2015/16 was the write-off of various thefts and losses.

7.4 Summary of conditional grant payments and estimates

Tables 13.6 and 13.7 illustrate conditional grant payments and estimates from 2015/16 to 2021/22. Note that the historical figures in Tables 13.6 and 13.7 reflect actual expenditure, and should not be compared to those figures reflected in Table 13.1, which represent the actual receipts for the grant.

Table 13.6 : Summary of conditional grant payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Social Sector EPWP Incentive Grant for Provinces	3 000	3 958	19 498	13 490	13 490	13 490	34 913	-	-
Early Childhood Development grant	-	-	71 879	107 543	107 543	107 543	116 035	123 807	130 616
Social Worker Employment grant	-	-	36 450	57 855	57 855	57 855	-	-	-
Provincial Disaster Recovery grant	-	-	-	-	4 976	4 976	-	-	-
Total	3 000	3 958	127 827	178 888	183 864	183 864	150 948	123 807	130 616

Table 13.7 : Summary of conditional grant payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	3 000	3 958	55 948	84 910	84 910	84 910	50 469	16 441	17 345
Compensation of employees	3 000	3 958	55 948	73 589	73 589	73 589	36 968	2 394	2 525
Goods and services	-	-	-	11 321	11 321	11 321	13 501	14 047	14 820
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	71 879	93 978	93 978	93 978	100 479	107 366	113 271
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	71 879	93 978	93 978	93 978	100 479	107 366	113 271
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	4 976	4 976	-	-	-
Buildings and other fixed structures	-	-	-	-	4 976	4 976	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 000	3 958	127 827	178 888	183 864	183 864	150 948	123 807	130 616

The department receives an allocation for the Social Sector EPWP Incentive Grant for Provinces, which varies over the years. The grant is utilised to pay stipends to CCGs who were previously employed by NPOs. An amount of R34.913 million is allocated in 2019/20 only, at this stage. Note that this grant is significantly higher than in 2018/19 due to improved reporting on the grant. This grant falls under the HIV and AIDS sub-programme in Programme 2, and against *Compensation of employees* as the CCGs were appointed on PERSAL. Note that, in 2019/20, R303 000 of the total grant is allocated for training against *Goods and services*, and this is permissible in terms of the grant framework. This detail is shown in *Annexure – Vote 13: Social Development*.

The ECD grant is allocated to assist with the funding of NPOs delivering ECD services and comprises two components. The main component is transferred directly to NPOs to subsidise their services, with the second component to assist with the maintenance of 59 ECD facilities. This grant shows reasonable

growth in 2019/20, and reaches R130.616 million in 2021/22. In 2019/20, R102.873 million is allocated as a subsidy to NPOs and R13.162 million is allocated for the maintenance of ECD facilities.

The Social Worker Employment grant relates to Social Worker graduate employment, which is intended to reduce the backlog in the number of Social Worker graduates that remain unemployed, and is entirely allocated to *Compensation of employees*. Note that this grant was under-spent in 2017/18 due to the late appointment of 166 Social Workers, which only took place in June 2017. Approximately 205 Social Workers are employed under the grant. Note that, from 2019/20 onwards, the grant is phased into the department's equitable share, as mentioned.

The Provincial Disaster Recovery grant is a once-off grant that was introduced in the 2018/19 Adjustments Estimate, to deal with the flood disaster damage that occurred in the province in 2017. This grant was allocated against *Buildings and other fixed structures* to assist with the renovations of various facilities, as mentioned in Section 7.3.

7.5 Summary of infrastructure payments and estimates

Table 13.8 summarises infrastructure spending by category over the seven-year period, while detailed information on infrastructure is given in the *2019/20 Estimates of Capital Expenditure (ECE)*.

Table 13.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Existing infrastructure assets	82 337	38 311	48 567	74 099	95 552	136 717	67 161	63 288	48 597
Maintenance and repair: Current	29 193	17 245	27 724	26 812	26 812	26 424	29 378	21 528	22 712
Upgrades and additions: Capital	11 382	6 766	13 633	21 714	38 114	50 265	19 500	25 760	17 830
Refurbishment and rehabilitation: Capital	41 762	14 300	7 210	25 573	30 626	60 028	18 283	16 000	8 055
New infrastructure assets: Capital	60 364	95 480	54 466	61 015	61 015	59 667	62 034	42 019	62 502
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Non infrastructure¹	-	-	-	-	-	-	-	-	-
Total	142 701	133 791	103 033	135 114	156 567	196 384	129 195	105 307	111 099
<i>Capital infrastructure</i>	113 508	116 546	75 309	108 302	129 755	169 960	99 817	83 779	88 387
<i>Current infrastructure</i>	29 193	17 245	27 724	26 812	26 812	26 424	29 378	21 528	22 712

1. Non infrastructure is a stand-alone item, and is therefore excluded from Capital infrastructure and Current infrastructure, but it is included in the overall total

Maintenance and repair: Current reflects an erratic trend. The decrease in 2016/17 is evidence of the focus of shifting funds to *Refurbishment and rehabilitation: Capital*, as most of the service offices and state facilities require major capital works. The increase in 2017/18 relates to the maintenance component of the ECD grant, introduced from that year. The maintenance projects are demand driven and include day-to-day maintenance, as well as reactive maintenance for electrical faults, burst pipes, etc. at all service offices, places of safety, etc. and the increase in 2019/20 is inflationary. The decrease in 2020/21 and the low growth in 2021/22 will be reviewed in the next budget process.

Upgrades and additions: Capital fluctuates over the seven-year period. The increase from 2016/17 to 2017/18 relates to the upgrade of various projects, including the eThekweni Cluster office building, as well as the Underberg Service Office. The increase from the 2018/19 Main to Adjusted Appropriation is due to the roll-over allocated for various infrastructure projects, as mentioned. The increase from the 2018/19 Adjusted Appropriation to the Revised Estimate is attributed to spending pressure and payment of prior year's commitment for projects such as Madadeni Rehabilitation Centre, as well as fast-tracking projects such as the Vuma Youth Development Centre. The decrease from 2018/19 to 2019/20 relates to a portion of the once-off allocation of R55 million that was suspended in 2017/18 and reallocated to this category in 2018/19, as well as the roll-over for 2017/18 committed expenditure that was allocated in 2018/19. In addition, the decrease in 2019/20 is due to reprioritisation by the department which was conducted in 2017/18, with carry-through, in order to address the shortfall against *Compensation of employees* resulting from the 2016/17 budget cuts, as mentioned. The increase in 2020/21 is inflationary and the decrease in 2021/22 is due to projects that are reaching completion, such as the Madadeni

Rehabilitation Centre, as well as the Ndwedwe, Inanda, and Maphumulo Service Offices, as mentioned. The MTEF allocations provide for the KwaMashu Service Office which is at tender stage, as well as the Vryheid and Zakheni Service Offices, which are both at planning stage.

Refurbishment and rehabilitation: Capital was high in 2015/16 and this relates to once-off funding, reprioritised from *New infrastructure assets: Capital* for pressures in projects including the Newcastle School of Industries and Chatsworth Service Office. The increase from the 2018/19 Main to Adjusted Appropriation is due to the additional allocation for the flood disaster relief, as explained. The high Revised Estimate is due to fast-tracking the completion of projects such as the Ubombo and King Cetshwayo Service Offices and the eThekweni Cluster office building, among others. The decrease in 2019/20 is due to a portion of the R55 million that was suspended in 2017/18 and reallocated in 2018/19 against this category, as well as reprioritisation by the department which was conducted in 2017/18, with carry-through, in order to address the shortfall against *Compensation of employees* resulting from the 2016/17 budget cuts, as mentioned. The department will review the decrease in the two outer years in the next budget process. In 2019/20, the department will finalise the completion of the Ocean View Place of Safety, and will commence with refurbishment of projects such as the Phoenix Service Office.

New infrastructure assets: Capital relates to the provision of office and residential accommodation for staff in rural areas, and construction of CDCs, ECD centres and secure care centres. The department has completed projects such as the Dlamlenze ECD and the Underberg Service Office and, over the 2019/20 MTEF, the department will continue with the construction of projects such as the Osizweni and Hlanganani Service Offices, among others, which are anticipated to be completed in 2019/20. The increase in 2019/20 is due to projects that are currently under construction, such as the Wentworth and Ray Nkonyeni Youth Development Centres, and the Mondlo Service Office. Projects that are planned to commence in the 2019/20 MTEF include the Nsimbini Service Office, and the Ugu District Office park-home, among others.

7.6 Public Private Partnerships (PPPs) – Nil

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Table 13.9 reflects transfers to entities such as NPOs and faith-based organisations (FBOs) as reflected against *Transfers and subsidies to: Non-profit institutions* in Table 13.5.

The increase over the MTEF provides for the carry-through costs of the 6 per cent increase to NPOs where the funding from the provincial fiscus ended in 2017/18, as well as the carry-through costs of the 5 per cent increase given to certain NPOs in 2018/19.

The department transfers funds to almost 2 000 entities in KZN, and a list of all these entities is available on request. In previous years, the department listed the main entities receiving transfers from the department, while the rest were combined and categorised as *Other*.

There was a decrease in the 2018/19 Adjusted Appropriation attributed to the reclassification of funds from this category against the sub-programmes: Community-Based Care Services for Children (Programme 3) and Poverty Alleviation and Sustainable Livelihoods (Programme 5) to *Goods and services*, to comply with National Treasury Classification Circular no. 21, as explained in Section 7.3. In addition, funds were moved from the Victim Empowerment sub-programme, to the Community-Based Care Services for Children sub-programme, in line with the directive from national DSD, as explained.

The budget includes the carry-through costs of the 6 per cent increase to NPOs in respect of which additional funding ended in 2017/18, as well as the carry-through costs of the 5 per cent increase given to certain NPOs in 2018/19 with effect from the Adjustments Estimate. Note that the carry-through costs are funded through internal reprioritisation and no additional increases are provided for over the 2019/20 MTEF.

The strong growth in 2018/19 and 2019/20 against ECD and Partial Care relates to the ECD grant funding which commenced in 2017/18.

Table 13.9 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Transfers to public entities										
		-	-	-	-	-	-	-	-	-
Transfers to other entities										
		803 769	869 631	921 784	991 367	955 923	955 923	1 017 580	1 072 269	1 131 245
Management and Support										
		-	-	477	-	-	-	-	-	-
	Management and Support			477						
Services to Older Persons										
		105 074	104 692	107 552	110 703	114 255	112 519	114 901	120 990	127 645
	Homes for the Aged	59 884	55 516	107 552	59 132	62 684	60 948	60 409	63 501	66 994
	Service Centres & Lunch Clubs	34 778	38 846	-	39 666	39 666	39 666	41 914	44 219	46 651
	Welfare Organisations	10 412	10 330	-	11 905	11 905	11 905	12 578	13 270	14 000
Serv. to Persons with Disabilities										
		67 274	71 188	72 020	73 297	73 297	76 849	76 519	80 550	84 980
	Homes for the Disabled	38 794	12 912	72 020	39 415	39 415	42 967	40 692	42 753	45 104
	Protective Workshops	10 105	38 053	-	12 022	12 022	12 022	12 712	13 411	14 149
	Welfare Organisations	18 375	20 223	-	21 860	21 860	21 860	23 115	24 386	25 727
HIV and AIDS										
		66 679	57 574	94 843	63 280	65 096	63 280	65 497	68 977	72 771
	Home Community-Based Care	66 679	57 574	94 843	63 280	65 096	63 280	65 497	68 977	72 771
Management and Support										
		-	-	88	-	-	-	-	-	-
	Management and Support			88						
Care and Services to Families										
		3 310	4 963	4 960	8 344	8 344	8 344	8 344	8 803	9 287
	Welfare Organisations	3 310	4 963	4 960	8 344	8 344	8 344	8 344	8 803	9 287
Child Care and Protection										
		80 776	80 529	77 886	80 031	81 766	81 016	124 829	131 609	138 848
	NAWANGO Court Case Judgement	-	-	-	-	-	-	45 126	47 504	50 117
	Private Places of Safety	77 466	75 566	77 886	71 687	73 422	79 282	77 872	82 173	86 693
	Welfare Organisations	3 310	4 963	-	8 344	8 344	1 734	1 831	1 932	2 038
ECD and Partial Care										
		280 357	295 546	379 827	386 606	406 565	410 031	434 835	457 355	482 511
	ECD Centres	280 357	295 546	379 827	386 606	406 565	410 031	434 835	457 355	482 511
Child and Youth Care										
		98 142	100 903	101 518	90 779	102 779	103 924	92 031	97 023	102 359
	Children's Homes	88 021	92 170	101 518	81 732	93 732	94 877	82 477	86 944	91 726
	Shelters for Children	10 121	8 733	-	9 047	9 047	9 047	9 554	10 079	10 633
Com-based Care Serv for Children										
		26 878	46 413	1 314	31 045	-	(1)	-	-	-
	Isibindi	26 878	46 413	1 314	31 045	-	(1)	-	-	-
Crime Prevention and Support										
		18 967	18 224	5 664	17 220	12 796	10 203	10 422	11 369	11 994
	Welfare Organisations	18 967	18 224	5 664	17 220	12 796	10 203	10 422	11 369	11 994
Victim Empowerment										
		14 122	17 331	17 340	62 022	30 649	32 604	34 456	36 780	38 802
	Shelters for Women	14 122	17 331	17 340	10 020	6 020	7 975	5 345	5 896	6 220
	Shelters for Victims of GBV	-	-	-	52 002	24 629	24 629	29 111	30 884	32 582
Substance Abuse Prev and Rehab										
		14 543	14 106	14 369	17 714	19 431	17 631	17 701	18 676	19 704
	Outpatients Clinics	463	510	-	1 738	1 738	1 738	1 811	1 911	2 016
	Treatment Centres	2 690	2 820	-	3 958	3 958	3 958	4 180	4 410	4 653
	Welfare Organisations	11 390	10 776	14 369	12 018	13 735	11 935	11 710	12 355	13 035
Development and Research										
		27 647	58 162	43 926	50 326	40 945	39 523	38 045	40 137	42 344
	Community Projects	8 108	26 724	18 041	19 540	10 159	6 648	7 259	7 658	8 079
	Youth Development Centres	19 539	31 438	25 885	30 786	30 786	32 875	30 786	32 479	34 265
Total										
		803 769	869 631	921 784	991 367	955 923	955 923	1 017 580	1 072 269	1 131 245

7.8 Transfers to local government – Nil

7.9 Transfers and subsidies

Table 13.10 is a summary of spending on *Transfers and subsidies* by programme and main category. The table reflects an increasing trend from 2015/16 to 2021/22 for the category as a whole, as explained before and after the table.

Note that the 2019/20 MTEF provides for the carry-through costs of the 6 per cent increase to NPOs where funding from the provincial fiscus ended in 2017/18, as well as the carry-through costs of the 5 per cent increase given to certain NPOs in 2018/19.

- *Households* in all programmes relates to staff exit costs, apart from Programme 2, which includes social relief transfers made to cater for items such as food parcels. This latter item is reclassified under *Goods and services* from the 2018/19 Adjusted Appropriation onwards, in line with National Treasury Classification Circular no. 21, and prior years' figures are not restated. The 2019/20 MTEF growth is inflationary only.
- *Provinces and municipalities* in Programme 1 reflects the payment of motor vehicle licences, which is centralised under Programme 1. The 2019/20 MTEF provides for inflationary increases.
- *Departmental agencies and accounts* relates to transfers to the HWSETA, which is centralised under Programme 1. The budget over the MTEF provides for inflationary growth.

Table 13.10 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
1. Administration	6 861	8 027	6 591	9 397	10 051	6 956	10 628	11 175	11 790
Provinces and municipalities	566	664	-	938	938	757	991	1 046	1 104
Motor vehicle licences	566	664	-	938	938	757	991	1 046	1 104
Departmental agencies and accounts	3 350	3 637	4 425	3 842	4 496	4 489	4 761	4 984	5 258
HWSETA	3 350	3 637	4 425	3 842	4 496	4 489	4 761	4 984	5 258
Households	2 945	3 726	2 166	4 617	4 617	1 710	4 876	5 145	5 428
Staff exit costs	2 803	2 868	1 999	4 617	4 617	1 710	4 876	5 145	5 428
Other transfers to households	142	858	167	-	-	-	-	-	-
2. Social Welfare Services	254 447	253 348	276 647	266 152	255 548	256 035	259 979	273 747	288 804
Departmental agencies and accounts	-	67	56	-	-	-	-	-	-
Dept. agencies (non-business entities)	-	67	56	-	-	-	-	-	-
Non-profit institutions	239 027	233 454	274 892	247 280	252 648	252 648	256 917	270 517	285 396
Management and Support	-	-	477	-	-	-	-	-	-
Care and Services to Older Persons	105 074	104 692	107 552	110 703	114 255	112 519	114 901	120 990	127 645
Services to Persons with Disabilities	67 274	71 188	72 020	73 297	73 297	76 849	76 519	80 550	84 980
HIV and AIDS	66 679	57 574	94 843	63 280	65 096	63 280	65 497	68 977	72 771
Households	15 420	19 827	1 699	18 872	2 900	3 387	3 062	3 230	3 408
Staff exit costs	861	2 467	1 470	2 900	2 900	3 387	3 062	3 230	3 408
Social relief	14 559	17 360	229	15 972	-	-	-	-	-
3. Children and Families	490 273	530 148	567 767	597 469	600 118	604 510	660 740	695 530	733 786
Departmental agencies and accounts	-	4	-	-	-	7	-	-	-
Dept. agencies (non-business entities)	-	4	-	-	-	7	-	-	-
Non-profit institutions	489 463	528 354	565 593	596 805	599 454	603 314	660 039	694 790	733 005
Management and support	-	-	88	-	-	-	-	-	-
Care and Services to Families	3 310	4 963	4 960	8 344	8 344	8 344	8 344	8 803	9 287
Child Care and Protection	80 776	80 529	77 886	80 031	81 766	81 016	124 829	131 609	138 848
ECD and Partial Care	280 357	295 546	379 827	386 606	406 565	410 031	434 835	457 355	482 511
Child and Youth Care	98 142	100 903	101 518	90 779	102 779	103 924	92 031	97 023	102 359
Community-Based Care Serv. for Children	26 878	46 413	1 314	31 045	-	(1)	-	-	-
Households	810	1 790	2 174	664	664	1 189	701	740	781
Staff exit costs	810	1 788	2 174	664	664	1 189	701	740	781
Other transfers to households	-	2	-	-	-	-	-	-	-
4. Restorative Services	48 290	49 940	37 950	97 119	63 039	60 608	62 751	67 006	70 691
Non-profit institutions	47 632	49 661	37 373	96 956	62 876	60 438	62 579	66 825	70 500
Crime Prevention and Support	18 967	18 224	5 664	17 220	12 796	10 203	10 422	11 369	11 994
Victim Empowerment	14 122	17 331	17 340	62 022	30 649	32 604	34 456	36 780	38 802
Substance Abuse, Prevention and Rehab.	14 543	14 106	14 369	17 714	19 431	17 631	17 701	18 676	19 704
Households	658	279	577	163	163	170	172	181	191
Staff exit costs	658	279	577	163	163	170	172	181	191
5. Development and Research	27 681	73 269	43 982	50 990	41 609	39 768	38 746	40 877	43 125
Departmental agencies and accounts	-	15 051	-	-	-	-	-	-	-
National Development Agency	-	15 051	-	-	-	-	-	-	-
Non-profit institutions	27 647	58 162	43 926	50 326	40 945	39 523	38 045	40 137	42 344
Poverty Allev. and Sustainable Livelihoods	6 279	15 873	11 317	12 281	-	-	-	-	-
Youth Development	19 539	31 438	25 885	30 786	30 786	32 875	30 786	32 479	34 265
Women Development	1 829	7 851	6 724	7 259	10 159	6 648	7 259	7 658	8 079
Institutional Capacity Building for NPOs	-	3 000	-	-	-	-	-	-	-
Households	34	56	56	664	664	245	701	740	781
Staff exit costs	34	56	56	664	664	245	701	740	781
Total	827 552	914 732	932 937	1 021 127	970 365	967 877	1 032 844	1 088 335	1 148 196

- *Non-profit institutions* in Programme 2 shows an increase in the 2018/19 Adjusted Appropriation due to the 5 per cent increase given to organisations under Care and Services to Older Persons and Services to Persons with Disabilities in 2018/19. The low growth over the 2019/20 MTEF is due to the impact of the rationalisation process but provides for the carry-through costs of the 6 per cent increase to NPOs where funding from the provincial fiscus ended in 2017/18, as well as the carry-through costs of the 5 per cent increase given to certain NPOs in 2018/19, which is funded through internal reprioritisation.
- The increase in the 2018/19 Adjusted Appropriation against *Non-profit institutions* in Programme 3 was mainly due to the unanticipated increase in the number of children in ECD centres, as well as the increase in the number of children accessing CYCCs. The 2019/20 MTEF shows an increase due to the additional allocation in respect of the NAWANGO court case ruling that was made in

2018/19, but with effect from 2019/20, to support organisations that provide statutory social welfare services on behalf of the department, with R45.126 million, R47.504 million and R50.117 million allocated in 2019/20, 2020/21, and 2021/22, respectively. In addition, the MTEF allocations provide for the carry-through costs of the 6 per cent increase to NPOs, as well as the carry-through costs of the 5 per cent increase given to certain NPOs in 2018/19.

- Under *Non-profit institutions* in Programme 4, the decrease in the 2018/19 Adjusted Appropriation was mainly as a result of delays in the appointment of a new service provider to render Social Crime Prevention programmes, and the delay in transferring funds to the appointed NPOs to implement prevention and early intervention programmes to fight abuse of women and children, due to the non-implementation of the Khuseleka One-Stop-Centre in Inanda. These funds were moved to Programme 3 for the ECD and Partial Care and Child and Youth Care, as mentioned. The decrease under this category is due to the directive by national DSD, to move a portion of funds that were originally allocated for No Violence Against Women under Victim Empowerment, to Community-Based Care Services for Children for the expansion of the Isibindi model. This category increases marginally over the 2019/20 MTEF due to the carry-through costs for prevention and early intervention programmes to fight the abuse of women and children, with R60.183 million, R63.355 million and R66.840 million, respectively, allocated over the 2019/20 MTEF. In addition, the MTEF allocation provides for the carry-through costs of the 6 per cent increase to NPOs where funding from the provincial fiscus ended in 2017/18, as well as the carry-through costs of the 5 per cent increase given to certain NPOs in 2018/19.
- In Programme 5 in 2016/17, funds were transferred against *Departmental agencies and accounts* to the National Development Agency (NDA) for the capacitation of NGOs.
- Also against Programme 5, the budget for *Non-profit institutions* increased in the 2018/19 Adjusted Appropriation due to the reclassification of funds from this category to *Goods and services*, in terms of the National Treasury Classification Circular no. 21, as mentioned. The decrease in 2019/20 will be reviewed in the next budget process and the growth in the two outer years is inflationary only.

8. Programme description

The services rendered by this department are categorised under five programmes, details of which are presented in *Annexure – Vote 13: Social Development*. The department complies fully with the uniform budget and programme structure for the Social Development sector.

8.1 Programme 1: Administration

Programme 1 mainly provides overall strategic management and support services to the department, political and legislative interface between government, civil society and all relevant stakeholders, address policy interpretation and the strategic direction of the department and provide support with regard to corporate management, human resource management, logistics, communication, finance, and legal services, etc.

Tables 13.11 and 13.12 summarise payments and budgeted estimates relating to Programme 1. The department was liable for the repayment of previous year's over-expenditure, resulting in a first charge of R1.271 million and R1.314 million against this programme in 2015/16 and 2016/17, respectively. This is reflected against *Payments for financial assets*, and the amount available for spending in 2015/16 and 2016/17 was reduced by the instalment amounts in the Corporate Management Services sub-programme.

Table 13.11 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Office of the MEC	10 932	10 801	12 299	13 746	13 746	13 227	13 655	14 971	15 822
2. Corporate Management Services	212 662	252 279	244 093	331 999	351 999	315 147	325 136	345 540	364 043
3. District Management	295 554	197 868	190 479	174 101	174 101	234 959	210 759	223 306	235 588
Total	519 148	460 948	446 871	519 846	539 846	563 333	549 550	583 817	615 453
Unauth. Exp. (1st charge) not available for spending	(1 271)	(1 314)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	517 877	459 634	446 871	519 846	539 846	563 333	549 550	583 817	615 453

Table 13.12 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	484 165	413 461	414 461	459 491	478 837	510 649	513 322	545 457	575 483
Compensation of employees	334 273	239 049	228 474	267 135	265 781	268 147	295 722	320 190	337 326
Goods and services	149 804	174 093	185 817	192 231	212 931	242 441	217 593	225 253	238 142
Interest and rent on land	88	319	170	125	125	61	7	14	15
Transfers and subsidies to:	6 861	8 027	6 591	9 397	10 051	6 956	10 628	11 175	11 790
Provinces and municipalities	566	664	-	938	938	757	991	1 046	1 104
Departmental agencies and accounts	3 350	3 637	4 425	3 842	4 496	4 489	4 761	4 984	5 258
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 945	3 726	2 166	4 617	4 617	1 710	4 876	5 145	5 428
Payments for capital assets	26 851	27 735	25 819	50 958	50 958	45 728	25 600	27 185	28 180
Buildings and other fixed structures	472	-	-	-	-	-	-	-	-
Machinery and equipment	26 379	27 735	25 819	50 958	50 958	45 728	25 600	27 185	28 180
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	1 271	11 725	-	-	-	-	-	-	-
Total	519 148	460 948	446 871	519 846	539 846	563 333	549 550	583 817	615 453
Unauth. Exp. (1st charge) not available for spending	(1 271)	(1 314)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	517 877	459 634	446 871	519 846	539 846	563 333	549 550	583 817	615 453

In 2019/20, the department plans to fill 61 critical vacant posts across most sub-programmes, and this is discussed in detail below.

The sub-programme: Office of the MEC aims to provide political and legislative interface between government, civil society and all other relevant stakeholders and includes the provision of executive and parliamentary support, as well as public and media relations. The 2019/20 MTEF shows steady growth accounting for inflationary increases only. Note that, in 2019/20, the department is not budgeting for an increase in respect of the MEC's salary, as discussed in Section 7.2.

The sub-programme: Corporate Management Services provides for the strategic direction and the overall management and administration of the department, including human resources, financial management and facility management (office accommodation and other facilities, as well as land and buildings). The increase in the 2018/19 Adjusted Appropriation relates to irregular expenditure investigations that were implemented. The decrease from the 2018/19 Adjusted Appropriation to the Revised Estimate is due to internal delays in the filling of vacant posts as a result of lengthy recruitment processes, as mentioned. The low allocation in 2019/20 compared to the 2018/19 Main Appropriation is due to reprioritisation from this sub-programme to the District Management sub-programme, to cater for property payments costs due to the security services contracts. The funds over the 2019/20 MTEF will be used to fill vacant posts, such as Corporate Support Officer and IT Specialist, as well as the functions mentioned above.

The sub-programme: District Management provides for the decentralisation, management and administration of services at district level within the department. The increase from the 2018/19 Adjusted Appropriation to the Revised Estimate is due to high cost of security services and an increase in running costs. The low allocation in 2019/20 compared to the 2018/19 Revised Estimate will be reviewed in-year if necessary, to cater for the increased costs of security services. The increases in the two outer years cater for filling of posts such as Deputy Director: Property Management, among others.

Compensation of employees relates to the carry-through costs of the various wage agreements, as well as implementation of the district management model. The decrease in the 2018/19 Adjusted Appropriation relates to internal delays in filling funded posts, as mentioned. Influencing the 2019/20 MTEF is the department's plans to fill 61 vacant posts such as Deputy Director-General: Social Welfare Services and State Accountants, etc, as mentioned. Note that these posts are all planned to be filled in 2019/20. The growth over the MTEF is 10.3, 8.3 and 7.4 per cent, respectively. While the growth in 2019/20 is sufficient for the planned appointments, the carry-through budget is marginally low, and will be reviewed in the next budget process, taking into account progress made with the filling of the 61 vacant posts.

Goods and services provides for audit fees, legal fees, forensic investigations and operating expenditure such as security services, municipal services and travel and subsistence, as well as the department's IT connectivity to create an enabling environment for e-governance initiatives and to promote the use of ICT tools and services for effective and efficient services. The increase in the 2018/19 Adjusted Appropriation and further increase in the Revised Estimate relates to irregular expenditure investigations undertaken, as explained. The MTEF caters for the new three-year security services contracts for the different offices.

Interest and rent on land relates to rent paid to the Msunduzi Municipality in respect of a park-home at Camperdown which was used as a temporary office. The decrease over the MTEF is due to the department no longer renting this facility, as alternative accommodation was found. The allocation over the MTEF caters for payment of interest on overdue accounts.

Transfers and subsidies to: Provinces and municipalities caters for motor vehicle licences.

Transfers and subsidies to: Departmental agencies and accounts caters for payments to HWSETA. The increase in the 2018/19 Adjusted Appropriation relates to invoices that were higher than anticipated. The budget over the MTEF provides for inflationary growth.

Transfers and subsidies to: Households relates to staff exit costs.

Machinery and equipment is in respect of computer equipment, office furniture and motor vehicles, of which the latter is the largest contributor to this category. The department will review the low Revised Estimate in the January IYM. The decrease in 2019/20 and the low growth in the two outer years relates to the previous year's purchase of tools of trade and vehicles, as well as a portion of the R55 million that was suspended in 2017/18 and reallocated against this category in 2018/19.

Payments for financial assets relates to the write-off of irrecoverable staff debts, and the previously mentioned first charge against the department for previous years' unauthorised expenditure.

Service delivery measures: Administration

Table 13.13 lists the main service delivery measures pertinent to this programme. The department's measures are aligned to those of the Social Development sector. Note that some of the sector measures were changed in 2019/20.

Table 13.13 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. Corporate Management Services					
	• No. of EPWP work opportunities created	10 818	12 000	12 600	13 230

8.2 Programme 2: Social Welfare Services

Programme 2 caters for the provision of developmental social welfare services. These services are either provided directly by the department or by subsidised welfare organisations, and include the following:

- Design and implement integrated services for the care, support and protection of older persons.
- Design and implement integrated community-based care programmes and services aimed at mitigating the social and economic impact of HIV and AIDS.
- Respond to emergency needs identified in communities affected by disasters not declared, and/or any other social condition resulting in undue hardship.

Tables 13.14 and 13.15 reflect a summary for this programme. Contributing to the overall increases is the Social Sector EPWP Incentive Grant for Provinces conditional grant which is allocated to 2019/20, at this stage. The grant mainly caters for the appointment of CCGs.

As explained, the department was liable for the repayment of previous year's over-expenditure, resulting in a first charge of R1.441 million in 2015/16 and R1.476 million in 2016/17 against this programme. This is reflected against *Payments for financial assets*, and the amount available for spending in 2015/16 and 2016/17 was reduced by the instalment amounts in the sub-programme: Management and Support.

Table 13.14 : Summary of payments and estimates by sub-programme: Social Welfare Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Management and Support	138 101	168 316	178 765	214 892	235 345	258 861	184 210	195 567	206 325
2. Services to Older Persons	151 062	157 838	165 869	163 473	165 289	177 797	185 163	194 870	205 588
3. Services to Persons with Disabilities	129 166	138 953	145 271	143 063	146 615	156 528	146 585	158 189	170 890
4. HIV and AIDS	202 211	191 351	235 605	234 953	229 585	207 414	266 067	247 570	257 186
5. Social Relief	14 316	16 900	12 052	15 972	15 972	18 061	16 866	17 794	18 773
Total	634 856	673 358	737 562	772 353	792 806	818 661	798 891	813 990	858 762
Unauth. Exp. (1st charge) not available for spending	(1 441)	(1 476)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	633 415	671 882	737 562	772 353	792 806	818 661	798 891	813 990	858 762

Table 13.15 : Summary of payments and estimates by economic classification: Social Welfare Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	331 689	342 978	395 798	422 534	433 138	435 901	472 352	491 485	518 518
Compensation of employees	247 086	275 316	297 216	343 601	328 233	312 829	360 492	352 832	367 239
Goods and services	84 603	67 662	98 555	78 933	104 905	123 064	111 860	138 653	151 279
Interest and rent on land	-	-	27	-	-	8	-	-	-
Transfers and subsidies to:	254 447	253 348	276 647	266 152	255 548	256 035	259 979	273 747	288 804
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	67	56	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	239 027	233 454	274 892	247 280	252 648	252 648	256 917	270 517	285 396
Households	15 420	19 827	1 699	18 872	2 900	3 387	3 062	3 230	3 408
Payments for capital assets	47 279	75 556	65 117	83 667	104 120	126 725	66 560	48 758	51 440
Buildings and other fixed structures	42 305	71 875	42 819	80 383	100 836	118 614	64 292	46 300	48 846
Machinery and equipment	4 974	3 681	22 298	3 284	3 284	8 111	2 268	2 458	2 594
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	1 441	1 476	-	-	-	-	-	-	-
Total	634 856	673 358	737 562	772 353	792 806	818 661	798 891	813 990	858 762
Unauth. Exp. (1st charge) not available for spending	(1 441)	(1 476)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	633 415	671 882	737 562	772 353	792 806	818 661	798 891	813 990	858 762

In 2019/20, the department plans to fill 79 vacant posts in respect of Programme 2, as detailed below.

The Management and Support sub-programme provides for the payment of salaries and administration costs of the management and support staff who provide support services to social workers across all sub-programmes of this programme. The increase in the 2018/19 Adjusted Appropriation relates to the roll-over that was allocated for various infrastructure projects and the additional funding that was allocated to deal with flood disaster damage at various facilities, as mentioned. The increase from the 2018/19 Adjusted Appropriation to the Revised Estimate is largely due to high cost of security services contracts. The negative growth in 2019/20 relates to the once-off allocation of R21 million for infrastructure projects in 2018/19, which was part of the R55 million suspended from 2017/18. The allocation in the two outer years is inflationary only.

The sub-programme: Services to Older Persons aims to design and implement integrated services for the care, support and protection of older persons. This includes the management of government facilities, as well as providing financial support to NPOs. The increase in the 2018/19 Adjusted Appropriation and further increase in the Revised Estimate relates to the 5 per cent tariff increase given to certain NPOs in the 2018/19 Adjustments Estimate. The increase over the MTEF is a result of the planned filling of posts and the carry-through costs of the 5 per cent tariff increase. Also budgeted for is provision of 24-hour care and support services in residential facilities and community-based care and support services in service centres.

The Services to Persons with Disabilities sub-programme provides for the design and implementation of integrated programmes and provides services that facilitate the promotion of the well-being and the socio-economic empowerment of persons with disabilities. This includes education and awareness programmes on disability, as well as the development and implementation of community-based programmes. The increase in the 2018/19 Adjusted Appropriation and further increase in the Revised Estimate relates to the 5 per cent tariff increase given to certain NPOs in 2018/19, as mentioned. The decrease in 2019/20 is as a result of reprioritisation from *Compensation of employees* as there are no posts planned to be filled under this sub-programme, to cater for the increased security services contracts in other programmes. The department plans to continue to intensify and expand various care and support services to persons with disabilities. These include awareness programmes on the rights of persons with disabilities, prevention programmes for people with albinism across all districts and expansion of community-based rehabilitation programmes in three additional districts over the 2019/20 MTEF. The two outer years of the MTEF mainly provide for an inflationary increase.

The HIV and AIDS sub-programme provides for the design and implementation of integrated community-based care programmes and services aimed at mitigating the social and economic impact of HIV and AIDS. This includes the establishment and maintenance of HCBC and support services, as well as financial support to NPOs. The decrease in the 2018/19 Adjusted Appropriation and the further decrease in the Revised Estimate relates to internal delays in the filling of funded vacant posts, to cater for the 5 per cent tariff increase under the Services to Older Persons and Services to Persons with Disabilities sub-programmes, as mentioned. The increase in 2019/20 is for the filling of various posts, including Social Workers. Note that *Compensation of employees* under this sub-programme grows by 34 per cent in 2019/20 and also provides for the filling of CCG posts. The decrease in 2020/21 is due to the Social Sector EPWP Incentive Grant for Provinces conditional grant which is allocated up to 2019/20 only at this stage, as mentioned. The increase in allocation in 2021/22 is inflationary only.

The Social Relief sub-programme makes provision in the event of a natural disaster occurring in the province, accounting for the fluctuations, and also provides for the distribution of SRD to eligible households and beneficiaries. The increase from the 2018/19 Adjusted Appropriation to the Revised Estimate is due to prior year's commitments for relief goods paid for in 2018/19. Over the 2019/20 MTEF, the department will continue to work closely with SAFDA and is planning to expand the number of service providers in this area going forward.

Compensation of employees was reduced in the 2018/19 Adjusted Appropriation and the further decrease in the Revised Estimate is due to internal delays in the filling of funded vacant posts, with these funds used to cater for the 5 per cent tariff increase to certain NPOs, as explained. In 2019/20, the department plans to fill 79 vacant posts, such as Social Workers, Social Worker Supervisors and Professional Nurses, Chief Director: Developmental Welfare Services, Service Office Manager, etc. Note that these posts exclude the 656 CCGs which are planned to be employed through the Social Sector EPWP Incentive Grant for Provinces. Though the growth in this category is sufficient in 2019/20 for filling posts (15.2 per cent), the growth in the two outer years is not sufficient for the carry-through costs as it declines to negative 2.1 per cent in 2020/21 and 4.1 per cent in 2021/22. Note that the negative rate in 2020/21 is due to the Social Sector EPWP Incentive Grant for Provinces which is allocated up until 2019/20 at this stage, as mentioned. The low growth in the outer year will be addressed by the department in the next budget process. According to the department, reprioritisation was undertaken from this category to fund the carry-through costs of the increases given to NPOs, but this will not have a negative impact on the filling of vacant posts due to the fact that most posts are filled internally, thus creating further vacancies.

Goods and services relates mainly to the payment for cleaning and security services at the district offices, as well as property maintenance. The increase in the 2018/19 Adjusted Appropriation is due to the reclassification of funds that were allocated to cater for SRD from *Transfers and subsidies to: Households* to this category, in line with National Treasury Classification Circular no. 21. The increase from the 2018/19 Adjusted Appropriation to the Revised Estimate is attributed to the high costs of security services. The MTEF provides for the planned maintenance of service offices and the reclassification of SRD funds to *Goods and services*. In addition, the department has budgeted to

intensify and expand various care and support services to persons with disabilities and this is expected to have an influence on expenditure over the MTEF and this is shown in the above-inflation growth.

With regard to *Transfers and subsidies to: Non-profit institutions*, the increase in the 2018/19 Adjusted Appropriation relates to the 5 per cent tariff increase under the Services to Older Persons and Services to Persons with Disabilities sub-programmes, as mentioned. The department budgeted for the carry-through costs of the 6 per cent increase granted to NPOs in 2015/16 as additional funding from the provincial fiscus which ended in 2017/18. The department also provided for the carry-through costs of the 5 per cent tariff increase given to some organisations in 2018/19.

Transfers and subsidies to: Households relates to staff exit costs, as well as disaster and social relief transfers, such as food parcels, school uniforms for learners, etc. Note that the decrease in the 2018/19 Adjusted Appropriation relates to the reclassification of transfers for SRD to *Goods and services*, as mentioned. The MTEF allocations provide for inflation and cater for staff exit costs.

Buildings and other fixed structures relates to the refurbishment and upgrade of existing service offices, as well as state facilities. The significant increase in 2018/19 was due to numerous projects initiated by the department, such as the upgrading of the KwaMashu Service Office, with carry-through costs, and the upgrade of the Izingolweni staff residence, among others. The increase in the 2018/19 Adjusted Appropriation also relates to an approved roll-over for various capital projects, such as the King Cetshwayo District Office, as well as the Ndwedwe, Hlanganani, Osizweni and Inanda Service Offices, among others. In addition, the increase is due to the additional allocation for flood disaster relief in response to the flood which occurred in the province, as mentioned. The increase from the 2018/19 Adjusted Appropriation to the Revised Estimate is due to spending in respect of infrastructure projects such as the eThekweni Cluster office building and Ndwedwe Service Office, as well as payment for prior year's commitments relating to these projects, as mentioned. The decrease over the MTEF is due to completion of some of the projects, such as the Underberg and Maphumolo Services Offices. In addition, the negative growth over the 2019/20 MTEF relates to the reprioritisation undertaken by the department in 2017/18, with carry-through, in order to address the shortfall against *Compensation of employees* resulting from the 2016/17 budget cuts.

With regard to *Machinery and equipment*, the significant decrease in 2019/20 relates to the previous year's purchase of tools of trade and the MTEF provides for inflationary increases only.

Payments for financial assets relates to the previously mentioned first charge against the department for previous year's unauthorised expenditure.

Service delivery measures: Social Welfare Services

Table 13.16 lists the main service delivery measures pertinent to this programme. The department's measures are aligned to those of the Social Development sector. Note that some of the sector measures were changed and a new measure is introduced in 2019/20 and this is labelled "New" in the 2018/19 column. In total, three sector measures were removed in 2019/20 and one new measure introduced.

Table 13.16 : Service delivery measures: Social Welfare Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. Services to older persons					
	• No. of older persons accessing residential facilities	2 568	2 568	2 696	2 831
	• No. of older persons accessing community-based care and support services	17 681	18 010	18 910	19 856
2. Services to persons with disabilities					
	• No. of persons with disabilities accessing residential facilities	1 216	1 216	1 277	1 341
	• No. of persons with disabilities accessing services in funded protective workshops	2 444	2 546	2 673	2 807
3. HIV and AIDS					
	• No. of implementers trained on social and behaviour change programmes	New	1 128	1 184	1 243
	• No. of beneficiaries reached through social and behaviour change programmes	179 782	185 000	194 250	203 963
	• No. of beneficiaries receiving psycho-social support services	145 240	145 240	152 502	160 127

8.3 Programme 3: Children and Families

The purpose of this programme is to provide comprehensive child and family care and support services to communities in partnerships with stakeholders and civil society organisations. The activities of the programme include the following:

- Provide programmes and services that promote functional families and prevent their vulnerability.
- Design and implement integrated programmes and services that provide for the development, care and protection of the rights of children.
- Provide comprehensive ECD services.
- Provide alternative care and support to vulnerable children.
- Provide protection, care and support to vulnerable children in communities.

Tables 13.17 and 13.18 reflect a summary of payments and estimates by programme and economic classification. As explained previously, the department is liable for the repayment of previous year's over-expenditure, resulting in a first and second instalment of R2.718 million and R2.594 million, respectively, against this programme in 2015/16 and 2016/17. This is reflected against *Payments for financial assets*, and the amount available for spending in 2015/16 and 2016/17 was reduced by the instalment amounts in the sub-programmes: Management and Support and Child Care and Protection.

Table 13.17 : Summary of payments and estimates by sub-programme: Children and Families

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Management and Support	69 072	132 892	147 281	121 690	121 690	142 079	129 416	144 433	154 378
2. Care and Services to Families	10 473	9 268	11 951	16 059	16 059	18 716	17 211	18 270	19 273
3. Child Care and Protection	326 448	349 824	373 748	440 687	440 687	425 944	471 743	525 215	550 934
4. ECD and Partial Care	374 016	414 723	505 128	534 449	545 048	552 325	610 044	641 308	674 648
5. Child and Youth Care Centres	133 757	133 234	156 670	155 516	164 516	162 460	180 565	195 530	206 281
6. Community-Based Care Services for Children	90 148	101 308	75 600	122 688	125 570	88 800	134 065	119 478	126 050
Total	1 003 914	1 141 249	1 270 378	1 391 089	1 413 570	1 390 324	1 543 044	1 644 234	1 731 564
Unauth. Exp. (1st charge) not available for spending	(2 718)	(2 594)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	1 001 196	1 138 655	1 270 378	1 391 089	1 413 570	1 390 324	1 543 044	1 644 234	1 731 564

Table 13.18 : Summary of payments and estimates by economic classification: Children and Families

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	475 250	569 631	672 287	767 916	786 748	753 815	860 109	925 082	972 856
Compensation of employees	408 471	482 976	541 269	673 895	638 160	607 316	688 656	713 212	741 686
Goods and services	66 779	86 655	130 986	94 021	148 588	146 492	171 453	211 870	231 170
Interest and rent on land	-	-	32	-	-	7	-	-	-
Transfers and subsidies to:	490 273	530 148	567 767	597 469	600 118	604 510	660 740	695 530	733 786
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	4	-	-	-	7	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	489 463	528 354	565 593	596 805	599 454	603 314	660 039	694 790	733 005
Households	810	1 790	2 174	664	664	1 189	701	740	781
Payments for capital assets	27 214	38 876	30 324	25 704	26 704	31 999	22 195	23 622	24 922
Buildings and other fixed structures	24 544	38 033	27 527	19 157	20 157	29 929	19 031	20 078	21 183
Machinery and equipment	2 670	843	2 797	6 547	6 547	2 070	3 164	3 544	3 739
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	11 177	2 594	-	-	-	-	-	-	-
Total	1 003 914	1 141 249	1 270 378	1 391 089	1 413 570	1 390 324	1 543 044	1 644 234	1 731 564
Unauth. Exp. (1st charge) not available for spending	(2 718)	(2 594)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	1 001 196	1 138 655	1 270 378	1 391 089	1 413 570	1 390 324	1 543 044	1 644 234	1 731 564

In 2019/20, the department plans to fill 104 vacant posts in respect of Programme 3, such as CYCWs, Child and Youth Care Supervisors, as well as Professional Nurses, among others.

The sub-programme: Management and Support provides for the payment of salaries and administration costs of the management and support staff who provide services across all sub-programmes of this programme. The increase from the 2018/19 Adjusted Appropriation to the Revised Estimate is attributed to property payments costs which have escalated. The increase over the MTEF is inflationary.

The sub-programme: Care and Services to Families provides programmes and services that promote functional families and prevent their vulnerability including the promotion of healthy family life, family preservation and strengthening, parenting skills, as well as fatherhood programmes. The 2019/20 MTEF shows inflationary growth.

The sub-programme: Child Care and Protection aims to design and implement integrated programmes and services that provide for the development, care and protection of the rights of children. This includes increasing the role of parents and the community at large in the protection of children and ensuring compliance to Chapter 8 of the Children's Act. The decrease from the 2018/19 Adjusted Appropriation to the Revised Estimate is attributed to internal delays in filling vacant funded posts, as mentioned. The 2019/20 MTEF shows inflationary growth .

The sub-programme: ECD and Partial Care provides comprehensive ECD services, as well as funding for ECD sites. The increase in the 2018/19 Adjusted Appropriation was due to reprioritisation from Programme 4 to address in-year spending pressures experienced as a result of the increase in the number of children at the ECD centres. The growth over the MTEF relates mainly to the ECD grant, which is aimed at increasing access to ECD services and assisting existing conditionally registered partial care facilities to meet set norms and standards so that they move to full registration status, as well as the mobile ECD programme which will be implemented in the Ugu and uMkhanyakude Districts.

The sub-programme: Child and Youth Care Centres provides alternative care and support to vulnerable children including the registration of CYCCs, as well as monitoring and evaluation of facilities. The growth in 2017/18 relates to the funding of NPOs providing CYCC services. The department will also strengthen the monitoring of all children in CYCCs, and strengthen support to children doing matric. To ensure the achievement of this goal, the department will continue to undertake numerous projects over the MTEF such as the rehabilitation of infrastructure at the Ocean View Place of Safety which is expected to be completed in 2019/20, and the Umlazi Place of Safety which is at re-advertisement stage. The increase in the 2018/19 Adjusted Appropriation relates to pressure in respect of the increase in the number of children accessing CYCCs, as well as the additional allocation for disaster relief relating to the flood disaster which occurred in the province, as mentioned. The growth over the 2019/20 MTEF is due to inflationary increases.

The Community-Based Care Services for Children sub-programme provides protection, care and support to vulnerable children in communities. The focus is on children living and working in the streets and getting them into places of safety/care and back to school. The increase in the 2018/19 Adjusted Appropriation relates to the directive from national DSD to move a portion of the additional funding from the Victim Empowerment sub-programme where it was originally allocated, to this sub-programme for the expansion of the Isibindi model, which is carried through over the MTEF. The decrease from the 2018/19 Adjusted Appropriation to the Revised Estimate will be reviewed by the department in-year. The growth in 2019/20 is inflationary only and the department shifted funding from *Transfers and subsidies to: Non-profit institutions to Goods and services* to comply with National Treasury Classification Circular no. 21 and this is carried through over the MTEF. The decrease in 2020/21 will be reviewed in the next budget process. The growth in 2021/22 is inflationary.

The decrease in the 2018/19 Adjusted Appropriation against *Compensation of employees* is as a result of internal delays in filling vacant funded posts. These funds were allocated to *Goods and services*, to cater for spending pressures on property payments, in respect of security services due to price escalations of new contracts, as well as to cater for pressure emanating from investigations on irregular expenditure that were undertaken by the department under Programme 1. Also, in the 2018/19 Adjustments Estimate, funds were reprioritised from *Compensation of employees* to *Transfers and subsidies to: Non-profit institutions* to provide for the 5 per cent tariff increase to certain NPOs. The decrease from the 2018/19 Adjusted Appropriation to the Revised Estimate is due to internal delays in filling vacant posts, as

mentioned. Among the vacant posts that the department plans to fill are Social Worker and Social Worker Supervisor posts, CYCWs, Team Leaders, Staff Nurse, Nursing Assistant and a Professional Nurse, among others. The category grows by 13.4, 3.6 and 4 per cent over the 2019/20 MTEF, which is adequate to fund the planned filling of posts in 2019/20 but inadequate to provide for the carry-through costs in the two outer years. The low growth in the two outer years of the MTEF will be reviewed in the next budget process and is dependent on the progress made with regard to the filling of 104 posts. According to the department, reprioritisation was undertaken from this category to fund the carry-through costs of the increases given to NPOs, and this will not have a negative impact on the filling of vacant posts due to the fact that most posts are filled internally, thus creating further vacancies, as explained.

Goods and services increases steadily over the period under review. The increase in the 2018/19 Adjusted Appropriation relates to the instruction from the national DSD to move these funds from the Victim Empowerment sub-programme where it was originally allocated, for the expansion of the Isibindi model. The increase is also due to the reclassification of funds from *Transfers and subsidies to: Non-profit institutions* under the sub-programme: Community-Based Care Services for Children, to *Goods and services* under the same sub-programme, to comply with the National Treasury Classification Circular no. 21. In terms of this circular, transfers to NACCW, which was appointed by the department to roll-out the Isibindi model and provide training to capacitate CYCWs to implement services to children, should be classified under *Goods and services*. In addition, the increase is due to the reprioritisation from *Compensation of employees* as a result of spending pressures on property payments in respect of security services due to price escalations in respect of the new contracts, as explained. The substantial increase over the MTEF is due to the reclassification of *Transfers and subsidies to: Non-profit institutions* under the Community-Based Care Services for Children to *Goods and services*, as explained.

Transfers and subsidies to: Non-profit institutions grows steadily over the period under review. The increase from the 2018/19 Main to Adjusted Appropriation mainly relates to reprioritisation from other programmes to address in-year spending pressures experienced as a result of the increase in the number of children at ECD centres and CYCCs, as well as to fund the 5 per cent tariff increase in 2018/19. The growth in 2019/20 relates to additional funding in respect of the NAWANGO court case ruling, which was allocated in the 2018/19 MTEF but with effect from 2019/20, with carry-through for the provision of support to organisations that provide statutory social welfare services on behalf of the department. In addition, the increase over the MTEF provides for the carry-through costs of the 6 per cent increase to NPOs where funding from the provincial fiscus ended in 2017/18, as well as the carry-through costs of the 5 per cent increase given to certain NPOs in 2018/19. Also, growth in the 2019/20 MTEF is due to the ECD grant, as well as funding to cater for the pressure under ECD centres and CYCCs due to the increase in the number of children accessing these facilities.

Transfers and subsidies to: Households relates to staff exit costs.

Buildings and other fixed structures reflects a fluctuating trend. The negative growth in 2018/19 was aligned to the infrastructure plans for the department, with a number of projects scheduled for completion, including the Umlazi Place of Safety. The increase from the 2018/19 Main to Adjusted Appropriation is due to the additional allocation for disaster relief relating to the flood disaster which occurred in the province, as mentioned. The increase from the 2018/19 Adjusted Appropriation to Revised Estimate is due to fast-tracking the completion of projects such as the Ocean View Place of Safety. Over the MTEF, new infrastructure projects are planned, such as the upgrade of the Excelsior Place of Safety, which is at planning stage and construction is expected to commence in 2019/20.

Machinery and equipment caters for the purchase of tools of trade for the social work graduates employed against the Social Worker Employment grant, and includes office furniture and computer equipment. The low growth during the 2019/20 MTEF is attributable to reprioritisation from this category to *Transfers and subsidies to: Non-profit institutions* to cater for pressure under ECD due to the unanticipated increase in the number of children at various centres.

Payments for financial assets relates to the previously mentioned first charge instalments against the department for the previous year's unauthorised expenditure. Note that the amount in 2015/16 includes the write-off of thefts and losses.

Service delivery measures: Children and Families

Table 13.19 illustrates service delivery measures for Programme 3. As with Programme 2, the measures are aligned with those of the Social Development sector.

Note that there are changes to the sector measures and various sector measures are introduced in 2019/20, and these are labelled “New” in the 2018/19 column. In total, four sector measures were removed in 2019/20 and four new measures introduced.

Table 13.19 : Service delivery measures: Children and Families

Outputs	Performance indicator	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. Care and services to families					
	• No. of families participating in family preservation services	69 937	91 094	95 649	100 431
	• No. of family members re-united with their families	3 399	3 482	3 656	3 839
	• No. of families participating in parenting skills programmes	74 645	79 685	83 669	87 852
2. Child care and protection					
	• No. of children placed in foster care	6 866	8 450	8 873	9 317
3. ECD and partial care					
	• No. of children subsidised through the equitable share	New	80 849	84 892	89 137
	• No. of ECD programmes registered	1 380	2 913	3 059	3 212
	• No. of children subsidised through the ECD grant	New	25 378	26 647	27 979
	• No. of conditionally registered ECD centres	1 632	1 850	1 942	2 039
	• No. of conditionally registered ECD programmes	115 436	116 123	121 929	128 026
	• No. of children with disabilities accessing registered ECD programmes	New	145	152	160
	• No. of fully registered ECD centres	1 360	1 490	1 565	1 643
4. Child and youth care centres					
	• No. of children in need of care and protection in funded CYCCs	3 670	3 670	3 854	4 046
5. Community-based care services for children					
	• No. of children reached through comm.-based prev. and early intervention programmes	New	95 645	100 427	105 448

8.4 Programme 4: Restorative Services

The purpose of this programme is to provide integrated developmental social crime prevention and anti-substance abuse services to the most vulnerable in partnership with stakeholders and civil society organisations. The activities of the programme include the following:

- Develop and implement social crime prevention programmes and provide probation services targeting children, youth and adult offenders and victims within the criminal justice process.
- Design and implement integrated programmes and services to support, care and empower victims of violence and crime, in particular women and children.
- Design and implement integrated services for substance abuse, prevention, treatment and rehabilitation.

Tables 13.20 and 13.21 reflect a summary of payments and estimates by programme and economic classification.

As explained, the department was liable for the repayment of previous year’s over-expenditure, resulting in first charge instalments of R792 000 and R800 000 against this programme in 2015/16 and 2016/17. This is reflected against *Payments for financial assets*, and the amount available for 2015/16 and 2016/17 was reduced by the instalment amounts in the sub-programme: Crime Prevention and Support.

Table 13.20 : Summary of payments and estimates by sub-programme: Restorative Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Management and Support	57 623	41 976	60 533	80 764	71 047	54 755	91 018	91 797	96 845
2. Crime Prevention and Support	117 339	113 103	105 268	132 757	128 333	119 012	132 638	142 534	150 374
3. Victim Empowerment	28 277	32 277	31 748	80 047	48 674	47 694	57 635	61 553	64 938
4. Substance Abuse, Prevention and Rehabilitation	79 823	85 992	85 335	99 525	101 242	102 661	103 554	115 974	122 354
Total	283 062	273 348	282 884	393 093	349 296	324 122	384 845	411 858	434 511
Unauth. Exp. (1st charge) not available for spending	(792)	(800)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	282 270	272 548	282 884	393 093	349 296	324 122	384 845	411 858	434 511

Table 13.21 : Summary of payments and estimates by economic classification: Restorative Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	200 929	218 040	235 158	293 832	284 115	252 989	320 832	343 466	362 358
Compensation of employees	152 576	186 088	194 704	246 755	227 038	212 404	245 699	287 572	303 388
Goods and services	48 353	31 952	40 442	47 077	57 077	40 584	75 133	55 894	58 970
Interest and rent on land	-	-	12	-	-	1	-	-	-
Transfers and subsidies to:	48 290	49 940	37 950	97 119	63 039	60 608	62 751	67 006	70 691
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	47 632	49 661	37 373	96 956	62 876	60 438	62 579	66 825	70 500
Households	658	279	577	163	163	170	172	181	191
Payments for capital assets	33 051	4 568	1 735	2 142	2 142	10 525	1 262	1 386	1 462
Buildings and other fixed structures	30 893	3 990	311	-	-	9 310	-	-	-
Machinery and equipment	2 158	578	1 424	2 142	2 142	1 215	1 262	1 386	1 462
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	792	800	8 041	-	-	-	-	-	-
Total	283 062	273 348	282 884	393 093	349 296	324 122	384 845	411 858	434 511
Unauth. Exp. (1st charge) not available for spending	(792)	(800)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	282 270	272 548	282 884	393 093	349 296	324 122	384 845	411 858	434 511

In 2019/20, the department intends to fill three vacant OSD posts under Programme 4 and this is discussed in more detail below.

The sub-programme: Management and Support provides for the payment of salaries and the administration costs of the management and support staff who provide services across all sub-programmes of this programme. The decrease in the 2018/19 Adjusted Appropriation and further decrease in the Revised Estimate relates to savings under *Compensation of employees* due to lengthy internal recruitment processes in the filling of posts. Growth over the MTEF is inflationary only.

The sub-programme: Crime Prevention and Support aims to develop and implement Social Crime Prevention programmes and provide probation services targeting children, youth and adult offenders, as well as victims within the criminal justice process. The decrease in the 2018/19 Adjusted Appropriation and the further decrease in the Revised Estimate is due to the late appointment of a service provider to render Social Crime Prevention programmes. The increase over the 2019/20 MTEF provides for the full implementation of the integrated Social Crime Prevention strategy in hotspot areas that have the highest crime rate spread across five districts in the province.

The Victim Empowerment sub-programme aims to design and implement integrated programmes and services to support, care and empower victims of violence and crime, in particular women and children. In 2019/20, the department will accredit shelters for victims of human trafficking programmes in four districts, bringing the total number of accredited shelters to 38. The decrease from the 2018/19 Main to Adjusted Appropriation relates to the directive from national DSD to move R22.882 million that was originally allocated under this sub-programme for No Violence Against Women, to the Community-Based Care Services for Children sub-programme under Programme 3 for the expansion of the Isibindi model, as explained. The decrease is also due to delays in transferring funds to the appointed NPOs to

implement prevention and early intervention programmes to fight abuse of women and children, due to the non-implementation of the Khuseleka One-Stop-Centre in Inanda. The growth over the MTEF is due to the carry-through costs of the additional funding allocated in 2018/19 for prevention and early intervention programmes to fight the abuse of women and children, the Provincial Gender-based Violence and Femicide Summit, fully functional therapy rooms, as well as increasing the number of White Door Centres of Hope.

The sub-programme: Substance Abuse, Prevention and Rehabilitation provides for the design and implementation of integrated services for substance abuse, prevention, treatment and rehabilitation. This includes the prevention of substance abuse, the registration of treatment centres, as well as the establishment and support of the provincial Substance Abuse Forums and local drug action committees. The department advertised a call for proposal in 2018/19 to pilot the community-based treatment model in five districts, namely eThekweni South, Ugu, uMgungundlovu, uMkhanyakude and uThukela. The increase from the 2018/19 Main to Adjusted Appropriation is to cater for the 5 per cent increase to certain NPOs in 2018/19. Growth over the MTEF provides for the prevention programmes, including launching the Ke Moja and outreach programmes in institutions of higher learning, re-launching of WACs, as well as developing the Provincial Drug Master Plan, in line with the approved National Drug Master Plan (2018-2022).

Compensation of employees reflects an upward trend over the period, due to the filling of vacant funded posts, as well as the absorption of Social Worker graduates. The decrease from the 2018/19 Main to Adjusted Appropriation and further decrease in the Revised Estimate is as a result of the non-filling of vacant posts due to lengthy internal recruitment processes. The department plans to fill three vacant posts, namely two Social Workers and Social Work Policy Developer. The growth in 2019/20 is adequate for the appointment of these additional staff at 15.7 per cent and the growth of 17 per cent in 2020/21 is sufficient for the carry-through costs of these appointments. The high allocation in 2019/20 will be reprioritised to other categories in the 2019/20 Adjustments Estimate, should it be necessary. However, the outer year's growth is only 5.5 per cent, and is thus insufficient to cover the carry-through costs, and will be addressed in the next budget process.

Goods and services shows a decrease in 2016/17 due to extensive reprioritisation and internal cost-containment to offset pressures against *Compensation of employees*. The increase in the 2018/19 Adjusted Appropriation is due to reprioritisation from *Compensation of employees* within the programme to provide for security services due to price escalations of the new contracts. The decrease from the 2018/19 Adjusted Appropriation to the Revised Estimate is due to cost-cutting on non-core items such as catering. The decrease over the 2019/20 MTEF relates to reprioritisation against minor assets to *Compensation of employees* in line with the posts that are planned to be filled.

The increase against *Transfers and subsidies to: Non-profit institutions* in 2018/19 relates to the additional funding for prevention and early intervention programmes to fight the abuse of women and children, as mentioned. The decrease from the 2018/19 Main to Adjusted Appropriation relates to the directive from national DSD to move R22.882 million originally allocated under this sub-programme for No Violence Against Women, to the Community-Based Care Services for Children sub-programme for the expansion of the Isibindi model, as explained. The decrease is also due to delays in transferring funds to the appointed NPOs to implement prevention and early intervention programmes to fight abuse of women and children, due to the non-implementation of the Khuseleka One-Stop-Centre in Inanda, as explained above. The increase over the 2019/20 MTEF provides for the carry-through costs of the 6 per cent increase to NPOs where funding from the provincial fiscus ended in 2017/18, as well as the carry-through costs of the 5 per cent increase given to certain NPOs in 2018/19.

Transfers and subsidies to: Households relates to staff exit costs.

With regard to *Buildings and other fixed structures*, there was no budget allocated in 2018/19 and this relates to reprioritisation by the department which was conducted in 2017/18, with carry-through, in order to address the shortfall against *Compensation of employees* resulting from the 2016/17 budget cuts. The expenditure against no budget reflected in the Revised Estimate relates to payment of prior year's

commitments in respect of the Madadeni Rehabilitation Centre. No allocation is made over the MTEF and this will be reviewed in the next budget process.

Machinery and equipment relates to the purchase of office equipment and furniture. The low increase over the 2019/20 MTEF is due to the previous year's purchase of tools of trade, including office furniture and computer equipment in anticipation of posts to be filled.

The amount against *Payments for financial assets* relates to the previously mentioned instalments of the first charge against the department, for prior year's unauthorised expenditure.

Service delivery measures: Restorative Services

Table 13.22 illustrates service delivery measures for Programme 4. The measures are aligned with those of the Social Development sector. Note that there are changes to the sector measures and various sector measures are introduced in 2019/20, and these are labelled "New" in the 2018/19 column. In total, nine sector measures were removed in 2019/20 and two new measures introduced.

Table 13.22 : Service delivery measures: Restorative Services

Outputs	Performance indicator	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. Crime prevention and support					
	• No. of persons reached through social crime prevention programmes	New	99 930	104 925	110 172
	• No. of children in conflict with the law who completed diversion programmes	1 140	1 109	1 197	1 257
2. Victim empowerment					
	• No. of victims of crime and violence accessing services from funded VE service centres	5 210	12 757	13 395	14 065
	• No. of human trafficking victims who accessed social services	62	35	37	39
3. Substance abuse, prevention and rehabilitation					
	• No. of service users who accessed Substance Use Disorder (SUD) treatment services	New	3 520	3 695	3 880
	• No. of people (18 and above) reached through substance abuse prevention programmes	217 570	320 650	336 681	353 516

8.5 Programme 5: Development and Research

The purpose of this programme is to provide sustainable development programmes which facilitate empowerment of communities, based on empirical research and demographic information. The activities of the programme include the following:

- Build safe and sustainable communities through the creation of strong community networks, based on principles of trust and respect for local diversity, and nurturing a sense of belonging and confidence in local people.
- Support NPO registration and compliance monitoring, NPO stakeholder liaison and communication, provide institutional capacity building, manage NPO funding and monitoring and create a conducive environment for all NPOs to flourish.
- Manage Social Facilitation and Poverty for Sustainable Livelihood programmes (including EPWP).
- Provide communities an opportunity to learn about the life and conditions of their locality and uplift the challenges and concerns facing their communities, as well as their strengths and assets to be leveraged to address their challenges.
- Create an environment to help young people, and women to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities.

- Promote the implementation of the Population Policy within all spheres of government and civil society through population research, advocacy, and capacity building and by monitoring and evaluating the implementation of the policy.

Tables 13.23 and 13.24 reflect a summary of payments and estimates by programme and economic classification. As explained, the department was liable for the repayment of previous year's over-expenditure, resulting in first charge instalments of R758 000 and R795 000 each against this programme in 2015/16 and 2016/17. This is reflected against *Payments for financial assets* in the sub-programme: Institutional Capacity Building and Support for NPOs, and the amount available for spending was reduced by these instalment amounts.

Table 13.23 : Summary of payments and estimates by sub-programme: Development and Research

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Management and Support	122 610	112 924	120 761	107 570	107 570	128 567	136 290	142 255	150 079
2. Community Mobilisation	759	538	647	2 310	2 310	915	2 254	2 390	2 522
3. Institutional Capacity Building and Support for NPOs	15 014	30 906	2 380	34 232	28 775	8 628	16 386	21 644	22 837
4. Poverty Alleviation and Sustainable Livelihoods	6 280	15 937	14 601	12 281	15 654	15 941	20 278	27 857	29 389
5. Community-Based Research and Planning	50	169	215	-	1 500	1 596	928	978	1 032
6. Youth Development	20 429	35 607	31 376	43 574	43 574	48 554	54 953	57 974	61 162
7. Women Development	1 850	7 851	6 724	7 259	10 159	6 648	7 259	7 658	8 079
8. Population Policy Promotion	2 385	1 242	1 811	4 275	4 275	2 046	4 465	4 710	4 970
Total	169 377	205 174	178 515	211 501	213 817	212 895	242 813	265 466	280 070
Unauth. Exp. (1st charge) not available for spending	(758)	(795)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	168 619	204 379	178 515	211 501	213 817	212 895	242 813	265 466	280 070

Table 13.24 : Summary of payments and estimates by economic classification: Development and Research

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	122 664	127 597	128 852	147 985	159 682	159 526	185 598	204 994	216 273
Compensation of employees	96 144	103 544	105 934	117 444	111 987	114 479	128 717	133 678	136 031
Goods and services	26 520	24 053	22 916	30 541	47 695	45 047	56 881	71 316	80 242
Interest and rent on land	-	-	2	-	-	-	-	-	-
Transfers and subsidies to:	27 681	73 269	43 982	50 990	41 609	39 768	38 746	40 877	43 125
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	15 051	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	27 647	58 162	43 926	50 326	40 945	39 523	38 045	40 137	42 344
Households	34	56	56	664	664	245	701	740	781
Payments for capital assets	18 274	3 513	5 681	12 526	12 526	13 601	18 469	19 595	20 672
Buildings and other fixed structures	15 294	2 648	4 652	8 762	8 762	12 107	16 494	17 401	18 358
Machinery and equipment	2 980	865	1 029	3 764	3 764	1 494	1 975	2 194	2 314
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	758	795	-	-	-	-	-	-	-
Total	169 377	205 174	178 515	211 501	213 817	212 895	242 813	265 466	280 070
Unauth. Exp. (1st charge) not available for spending	(758)	(795)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	168 619	204 379	178 515	211 501	213 817	212 895	242 813	265 466	280 070

The increase in 2019/20 is largely in respect of the filling of 17 posts, such as Community Development Practitioners, Community Development Supervisors, and Data Capturers, among others. Also planned is capacity training for NPOs to be rolled out across all districts.

The sub-programme: Management and Support provides for the payment of salaries and administration costs of the management and support staff who provide services across all sub-programmes of this programme. The increase from the 2018/19 Adjusted Appropriation to the Revised Estimate is attributed to misclassification of expenditure that relates to the Capacity Building and Support for NPOs sub-programme to this sub-programme and this will be corrected by journal in-year. The increase over the 2019/20 MTEF is largely in respect of inflation.

The Community Mobilisation sub-programme aims to build safe and sustainable communities through the creation of strong community networks, based on principles of trust and respect for local diversity, and nurturing a sense of belonging and confidence in local people. Growth over the MTEF is for inflation and the department will continue to mobilise stakeholders such as schools, youth and community leaders in the quest for the reduction of social ills and to impact on poverty, inequality and unemployment through mobilisation programmes.

The Institutional Capacity Building and Support for NPOs sub-programme aims to support NPO registration and compliance monitoring, NPO stakeholder liaison and communication, provide institutional capacity building, manage NPO funding and monitoring and create a conducive environment for all NPOs to flourish. The decrease from the 2018/19 Main to Adjusted Appropriation is due to internal delays in filling vacant posts. The decrease from the 2018/19 Adjusted Appropriation to the Revised Estimate is attributed to the misclassification of expenditure to the Management and Support sub-programme and this will be corrected by journal in-year, as explained. The decrease in 2019/20 is due to reprioritisation from *Goods and services* within the sub-programme to cater for the carry-through costs of the 5 per cent tariff increase to NPOs given in 2018/19 in the other sub-programmes. The growth over the two outer years of the 2019/20 MTEF is for inflation only and will fund ongoing support for NPO registration and compliance monitoring and capacity building to funded NPOs, as well as the roll-out of NPO help-desks in the 10 districts. In addition, the department plans to intensify numerous training programmes, such as resource mobilisation and project management. Furthermore, NPO roadshows will be rolled out throughout the province.

The sub-programme: Poverty Alleviation and Sustainable Livelihoods seeks to manage social facilitation and Poverty for Sustainable Livelihood programmes. The increase from the 2018/19 Main to Adjusted Appropriation is to correct an error that occurred during the preparation of the 2018/19 *EPRE*, whereby the budget for the Poverty Alleviation and Sustainable Livelihoods sub-programme was erroneously reduced. The increase in 2019/20 is inflationary and will cater for service providers for CNDCs and priority will be on procuring food from local producers in line with the RASET programme. The increase from 2020/21 is due to the additional allocation from national DSD which has ceded the contracts it has with the food distribution centres and CNDCs in the province to the department, as mentioned.

The sub-programme: Community-Based Research and Planning aims to afford communities the opportunity to learn about the conditions of their locality and uplift the challenges and concerns facing their communities, as well as the strengths and assets to be leveraged to address their challenges. The increase from the 2018/19 Main to Adjusted Appropriation is to correct an error that occurred during the preparation of the 2018/19 *EPRE*, as mentioned. The MTEF growth is inflationary.

The sub-programme: Youth Development aims to create an environment to help young people develop constructive, affirmative and sustainable relationships, while concurrently providing opportunities for them to build their competencies and the skills needed to engage as partners in their own development and that of their communities. The 2019/20 MTEF includes planned new infrastructure projects, such as the Wentworth Youth Development Centre and the Hibiscus Coast Youth Academy, among others. Furthermore, the department will collaborate with EDTEA and other stakeholders in the implementation of high impact skills development programmes in the Harry Gwala District.

The sub-programme: Women Development aims to create an environment to help women to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and the skills needed to engage as partners in their own development and that of their communities. The increase from the 2018/19 Main to Adjusted Appropriation relates to the implementation of women development programmes such as women empowerment, which is part of RASET.

The sub-programme: Population Policy Promotion aims to promote the implementation of the Population Policy within all spheres of government and civil society through population research, advocacy, and capacity building and by monitoring and evaluating the implementation of the policy. The significant growth in 2018/19 is due to low spending in 2017/18, as some commitments were only paid for in 2018/19. The 2019/20 MTEF provides for inflationary increments.

Compensation of employees shows steady growth from 2015/16 to 2017/18 due to the filling of posts. This category grows by 12.4 per cent in 2019/20, 3.9 per cent in 2020/21 and 1.8 per cent in 2021/22. Note that National Treasury recommended wage adjustment of 7.8, 8 and 8 per cent, including the 1.5 per cent pay progression for the 2019/20 MTEF. The growth in the two outer years is insufficient to provide for the filling of 17 posts, as well as for the carry-through costs and this will be addressed by the department in the next budget process. The department plans to fill vacant posts such as Community Development Practitioners, Community Development Supervisors, and Data Capturers, among others.

Goods and services grows steadily in the 2018/19 Adjusted Appropriation and over the 2019/20 MTEF due to the reclassification of funds from *Transfers and subsidies to: Non-profit institutions* to this category, in line with National Treasury Classification Circular no. 21. In addition, the increase from 2020/21 is due to the additional allocation from national DSD which has ceded the contracts it has with the food distribution centres and the CNDCs in the province to the department, as mentioned.

Although growth is minimal against *Transfers and subsidies to: Non-profit institutions*, the department plans to meet with NPOs to pilot innovative youth development programmes in the Harry Gwala District, as well as establish income generating projects to benefit existing CNDC beneficiaries. The decrease from the 2018/19 Main to Adjusted Appropriation relates to the reclassification of funds from this category to *Goods and services*, in terms of National Treasury Classification Circular no. 21, as mentioned. The increase over the MTEF is inflationary.

Transfers and subsidies to: Households relates to staff exit costs.

Buildings and other fixed structures shows an increase from the 2018/19 Adjusted Appropriation to the Revised Estimate due to the fast-tracking of projects such as the Vuma Youth Development Centre. The increase over the 2019/20 MTEF relates to the Wentworth and Ray Nkonyeni Youth Development Centres, which are both currently under construction.

Machinery and equipment caters for the purchase of replacement furniture, machinery and equipment for office accommodation and community centres.

Payments for financial assets relates to the first charge for previous year's unauthorised expenditure.

Service delivery measures: Development and Research

Table 13.25 illustrates service delivery measures for Programme 5. The measures are aligned with those of the Social Development sector.

Note that there are two changes to the sector measures and various sector measures are introduced in 2019/20, and these are labelled "New" in the 2018/19 column.

Table 13.25 : Service delivery measures: Development and Research

Outputs	Performance indicator	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
1. Community mobilisation					
	• No. of people reached through community mobilisation programmes	228 135	228 135	239 542	251 519
2. Institutional capacity building and support for NPOs					
	• No. of co-operatives linked to economic opportunities	New	12	13	14
	• No. of NPOs capacitated according to the capacity building guideline	6 673	6 984	7 333	7 700
3. Poverty alleviation and sustainable livelihoods					
	• No. of people benefitting from poverty reduction initiatives	16 784	16 784	17 623	18 504
	• No. of households accessing food through DSD food security programmes	4 275	5 456	5 729	6 015
	• No. of people accessing food through DSD feeding programmes (centre based)	150 496	176 783	185 622	194 903
4. Community-based research and planning					
	• No. of households profiled	1 800	1 932	2 029	2 130
	• No. of community-based plans developed	24	26	27	28

Table 13.25 : Service delivery measures: Development and Research

Outputs	Performance indicator	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
5. Youth development					
	• No. of youth development structures supported	595	613	644	676
	• No. of funded NPOs rendering youth services	New	42	44	46
	• No. of youth participating in skills development programmes	9 743	9 743	10 230	10 742
	• No. of youth participating in youth mobilisation programmes	96 192	96 192	101 002	106 052
6. Women development					
	• No. of women participating in empowerment programmes	49 500	51 144	53 701	56 386
7. Population policy promotion					
	• No. of population capacity development sessions conducted	15	20	21	22
	• No. of population advocacy, information, education and communication activities implemented	55	60	63	66
	• No. of population policy monitoring and evaluation reports produced	1	1	1	1
	• No. of research demographic profile projects completed	3	11	12	13

9. Other programme information

9.1 Personnel numbers and costs

Table 13.26 presents personnel numbers and costs relating to the department over the seven-year period.

Table 13.26 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2018/19 - 2021/22		
	2015/16		2016/17		2017/18		2018/19				2019/20		2020/21		2021/22		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Add. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs			
R thousands																			
Salary level																			
1 – 6	1 365	272 741	1 340	284 418	1 194	236 960	(1 129)	2 380	1 251	323 851	1 328	351 391	1 328	364 432	1 328	377 446	2.0%	5.2%	20.5%
7 – 10	2 184	695 666	2 117	709 396	2 241	800 000	420	1 639	2 059	841 527	2 409	1 027 821	2 409	1 135 331	2 409	1 192 157	5.4%	12.3%	60.8%
11 – 12	157	100 351	170	143 892	174	138 837	81	83	164	147 039	196	173 096	196	181 602	196	182 218	6.1%	7.4%	9.8%
13 – 16	44	45 385	47	48 832	50	55 568	32	13	45	54 772	48	54 983	48	39 848	48	27 280	2.2%	(20.7%)	2.3%
Other	5 305	124 407	4 075	100 435	4 262	136 232	3 201	-	3 201	147 986	3 659	111 995	3 659	86 271	3 659	106 569	4.6%	(10.4%)	6.5%
Total	9 055	1 238 550	7 749	1 286 973	7 921	1 367 597	2 605	4 115	6 720	1 515 175	7 640	1 719 286	7 640	1 807 484	7 640	1 885 670	4.4%	7.6%	100.0%
Programme																			
1. Administration	1 542	334 273	1 021	239 049	1 024	228 474	222	899	1 121	268 147	1 182	295 722	1 182	320 190	1 182	337 326	1.8%	8.0%	17.8%
2. Social Welfare Services	3 265	247 086	3 142	275 316	3 142	297 216	2 269	772	3 041	312 829	3 776	360 492	3 776	352 832	3 776	366 628	7.5%	5.4%	19.8%
3. Children and Families	3 385	408 471	2 596	482 976	2 781	541 269	73	1 609	1 682	607 316	1 786	688 656	1 786	713 212	1 786	741 686	2.0%	6.9%	39.6%
4. Restorative Services	551	152 576	690	186 088	690	194 704	227	377	604	212 404	607	245 699	607	287 572	607	303 388	0.2%	12.6%	15.4%
5. Development and Research	312	96 144	300	103 544	284	105 934	(186)	458	272	114 479	289	128 717	289	133 678	289	136 642	2.0%	6.1%	7.4%
Total	9 055	1 238 550	7 749	1 286 973	7 921	1 367 597	2 605	4 115	6 720	1 515 175	7 640	1 719 286	7 640	1 807 484	7 640	1 885 670	4.4%	7.6%	100.0%
Employee dispensation																			
PSA appointees not covered by OSDs	1 240	378 679	1 197	408 971	1 243	463 687	615	500	1 115	497 266	1 127	620 173	1 127	624 974	1 127	677 508	0.4%	10.9%	34.6%
Prof. Nurses, Staff Nurses & Nursing	22	6 680	35	11 992	35	12 713	38	-	38	14 443	38	15 312	38	16 716	38	17 635	0.0%	6.9%	0.9%
Legal Professionals	5	2 707	5	3 049	5	2 605	8	-	8	5 259	8	5 549	8	5 569	8	6 765	0.0%	8.8%	0.3%
Social Services Professions	2 483	726 077	2 453	757 776	2 431	777 088	1 580	778	2 358	870 928	2 808	947 836	2 808	1 025 311	2 808	1 038 334	6.0%	6.0%	56.3%
Others (interns, EPWP, learnerships)	5 305	124 407	4 059	105 185	4 207	111 504	364	2 837	3 201	127 279	3 659	130 416	3 659	134 914	3 659	145 428	4.6%	4.5%	7.8%
Total	9 055	1 238 550	7 749	1 286 973	7 921	1 367 597	2 605	4 115	6 720	1 515 175	7 640	1 719 286	7 640	1 807 484	7 640	1 885 670	4.4%	7.6%	100.0%

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

The personnel numbers show an increase over the period, due to the revision of the departmental structure in an attempt to cope with policy changes such as the implementation of SCM and the district management model to improve service delivery. Although there is a general increase in staffing levels from 2015/16, the fluctuations in personnel numbers at programme level relate to adjustments on PERSAL linking staff to the relevant programmes, in line with the change in budget structure.

Also contributing to the escalating personnel costs are the increased number of social work staff, the Social Worker retention strategy (salary upgrades) and the annual salary improvements.

The department plans to fill 264 vacant posts in 2019/20 across all programmes, and 92 of these posts are at advertisement stage and the remainder are to be advertised before the end of 2018/19 or early in 2019/20. Note that these posts exclude the 656 CCGs which are planned to be employed through the

Social Sector EPWP Incentive Grant for Provinces, as mentioned. As discussed in the report, the budget does not increase sufficiently in the two outer years, at this stage, and this will be addressed in the next budget process. As mentioned, the department has been allocated an additional above-budget wage amount of R34.974 million for 2020/21. Note that provision should have been made for an inflationary wage adjustment of 6.3, 6.5 and 6.5 per cent for each of the three years of the 2019/20 MTEF, as well as for the 1.5 per cent pay progression. The department has complied with this in 2019/20 (13.5 per cent), with a shortfall in 2020/21 (5.1 per cent) and 2021/22 (4.3 per cent) which will be addressed in the next budget process, taking into account progress made with regard to the filling of vacant posts in 2019/20.

9.2 Training

Table 13.27 gives a summary of departmental spending and information on training. Training includes short courses for in-house staff, as well as internships in the various programmes.

The costs reflected include the costs of staff and other running costs, as well as bursary payments for staff, and the total cost is the same as that reflected against *Training and development* and *Bursaries: Employees* in Annexure 13.B. In addition, the department receives training funded by the HWSETA as part of the benefits of the annual skills levy, but the value is not shown in Table 13.27, and the department plans to continue providing in-house training on relevant legislative and policy mandates including training to improve SCM over the MTEF.

Table 13.27 : Information on training: Social Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Number of staff	9 055	7 749	7 921	6 720	6 720	6 720	7 640	7 640	7 640
Number of personnel trained	1 788	2 472	3 758	3 800	3 800	3 800	3 890	4 104	4 104
of which									
Male	465	946	925	950	950	950	970	1 023	1 023
Female	1 323	1 526	2 833	2 850	2 850	2 850	2 920	3 081	3 081
Number of training opportunities	598	718	515	540	540	540	575	607	607
of which									
Tertiary	265	270	125	115	115	115	130	137	137
Workshops	235	308	340	350	350	350	360	380	380
Seminars	98	140	50	75	75	75	85	90	90
Other	-	-	-	-	-	-	-	-	-
Number of bursaries offered	54	55	60	50	50	50	50	53	53
Number of interns appointed	94	92	140	145	145	145	150	158	158
Number of learnerships appointed	12	12	-	-	-	-	-	-	-
Number of days spent on training	-	-	-	-	-	-	-	-	-
Payments on training by programme									
1. Administration	4 968	6 411	4 203	5 780	6 480	5 369	6 159	6 498	6 856
2. Social Welfare Services	310	154	89	225	225	1 493	569	280	295
3. Children and Families	8	524	35 878	70	70	35	52	56	59
4. Restorative Services	-	374	225	-	-	-	157	165	174
5. Development and Research	3 132	2 904	1 247	1 573	1 573	5 288	2 819	2 965	3 129
Total	8 418	10 367	41 642	7 648	8 348	12 185	9 756	9 964	10 513

Note: The department also utilises the HWSETA for training at no cost, as part of the benefits from its annual skills levy

ANNEXURE – VOTE 13: SOCIAL DEVELOPMENT

Table 13.A : Details of departmental receipts: Social Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	5 698	5 644	5 863	6 832	6 832	6 076	7 068	7 456	7 866
Sale of goods and services produced by department (excluding capital assets)	5 698	5 644	5 863	6 832	6 832	6 076	7 068	7 456	7 866
Sale by market establishments	3 616	3 779	3 710	4 719	4 719	4 099	4 769	5 031	5 308
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	2 082	1 865	2 153	2 113	2 113	1 977	2 299	2 425	2 558
<i>Of which</i>									
<i>Commission</i>	1 373	1 430	1 507	1 690	1 690	1 696	1 690	1 783	1 881
<i>Tender documents</i>	660	327	558	-	-	-	-	-	-
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	10	-	-	-
Interest, dividends and rent on land	9	1 044	202	31	31	39	31	33	35
Interest	9	1 044	202	31	31	39	31	33	35
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	2 377	4 784	592	592	4 207	592	625	659
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	2 377	4 784	592	592	4 207	592	625	659
Transactions in financial assets and liabilities	1 151	15 879	1 355	1 255	1 255	458	1 255	1 324	1 397
Total	6 858	24 944	12 204	8 710	8 710	10 790	8 946	9 438	9 957

Estimates of Provincial Revenue and Expenditure

Table 13.B : Payments and estimates by economic classification: Social Development

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	1 614 697	1 671 707	1 846 556	2 091 758	2 142 520	2 112 880	2 352 213	2 510 484	2 645 488
Compensation of employees	1 238 550	1 286 973	1 367 597	1 648 830	1 571 199	1 515 175	1 719 286	1 807 484	1 885 670
Salaries and wages	1 062 822	1 101 037	1 166 740	1 164 770	1 133 820	1 287 527	1 420 446	1 493 583	1 557 503
Social contributions	175 728	185 936	200 857	484 060	437 379	227 648	298 840	313 901	328 167
Goods and services	376 059	384 415	478 716	442 803	571 196	597 628	632 920	702 986	759 803
Administrative fees	1 056	1 986	3 325	2 056	2 056	3 875	2 383	2 502	2 638
Advertising	2 089	2 681	4 598	5 351	5 351	3 131	2 838	2 812	2 966
Minor assets	10 978	3 568	4 680	13 148	13 148	4 117	10 133	12 393	13 077
Audit cost: External	5 631	5 972	7 126	5 555	25 555	25 555	5 847	6 169	6 508
Bursaries: Employees	2 200	2 873	2 422	2 927	2 927	2 661	3 166	3 340	3 524
Catering: Departmental activities	4 150	4 516	4 206	6 413	6 533	7 484	8 406	8 874	9 363
Communication (G&S)	30 125	33 533	28 310	25 845	25 845	27 287	27 083	31 646	33 386
Computer services	21 798	25 378	31 090	32 430	32 430	35 807	33 206	26 170	27 609
Cons & prof serv: Business and advisory services	4 450	1 315	6 181	8 853	10 233	4 152	9 479	10 078	10 632
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	632	1 090	371	1 375	1 375	651	1 452	1 532	1 616
Contractors	31 667	3 234	1 464	33 945	78 512	59 637	100 514	112 090	118 255
Agency and support / outsourced services	13 002	16 105	34 828	19 032	19 032	19 163	23 959	25 274	26 665
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	38 795	39 326	35 123	44 547	44 547	47 675	45 403	45 414	47 912
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	226	800	1 499	-	-	-	281	293	309
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	277	278	161	364	31 990	7 720	32 856	41 119	43 381
Inventory: Fuel, oil and gas	90	-	-	40	40	21	134	140	148
Inventory: Learner and teacher support material	-	-	-	212	212	108	-	-	-
Inventory: Materials and supplies	340	419	628	625	625	285	464	500	528
Inventory: Medical supplies	389	321	-	687	687	297	601	635	669
Inventory: Medicine	139	-	-	112	112	57	58	62	66
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	1 773	1 773	2 414	2 142	2 240	2 364
Consumable supplies	8 132	10 567	15 310	14 391	14 391	43 921	15 653	15 943	16 820
Consumable: Stationery, printing and office supplies	10 300	7 088	10 910	16 737	16 737	15 175	15 794	15 721	16 585
Operating leases	36 849	44 242	46 405	45 173	45 173	46 143	63 871	82 012	86 522
Property payments	88 120	121 038	144 622	96 852	126 852	158 809	159 199	184 974	213 297
Transport provided: Departmental activity	3 106	2 923	2 315	2 939	2 939	2 348	2 564	2 745	2 897
Travel and subsistence	46 157	40 893	45 212	46 616	46 616	59 346	48 015	50 725	53 514
Training and development	6 218	7 494	39 220	4 721	5 421	9 524	6 590	6 624	6 989
Operating payments	3 505	3 149	3 583	4 972	4 972	5 442	5 628	5 532	5 838
Venues and facilities	2 391	544	2 648	3 018	3 018	1 757	3 007	3 084	3 253
Rental and hiring	3 247	3 082	2 479	2 094	2 094	3 066	2 194	2 343	2 472
Interest and rent on land	88	319	243	125	125	77	7	14	15
Interest	1	232	76	-	-	30	-	-	-
Rent on land	87	87	167	125	125	47	7	14	15
Transfers and subsidies	827 552	914 732	932 937	1 021 127	970 365	967 877	1 032 844	1 088 335	1 148 196
Provinces and municipalities	566	664	-	938	938	757	991	1 046	1 104
Provinces	566	664	-	938	938	757	991	1 046	1 104
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	566	664	-	938	938	757	991	1 046	1 104
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	3 350	18 759	4 481	3 842	4 496	4 496	4 761	4 984	5 258
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	3 350	18 759	4 481	3 842	4 496	4 496	4 761	4 984	5 258
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	803 769	869 631	921 784	991 367	955 923	955 923	1 017 580	1 072 269	1 131 245
Households	19 867	25 678	6 672	24 980	9 008	6 701	9 512	10 036	10 589
Social benefits	5 166	7 458	6 276	9 008	9 008	6 701	9 512	10 036	10 589
Other transfers to households	14 701	18 220	396	15 972	-	-	-	-	-
Payments for capital assets	152 669	150 248	128 676	174 997	196 450	228 578	134 086	120 546	126 676
Buildings and other fixed structures	113 508	116 546	75 309	108 302	129 755	169 960	99 817	83 779	88 387
Buildings	109 544	116 546	75 309	108 302	129 755	169 960	99 817	83 779	88 387
Other fixed structures	3 964	-	-	-	-	-	-	-	-
Machinery and equipment	39 161	33 702	53 367	66 695	66 695	58 618	34 269	36 767	38 289
Transport equipment	17 519	18 122	18 205	32 025	32 025	32 025	22 721	23 971	25 289
Other machinery and equipment	21 642	15 580	35 162	34 670	34 670	26 593	11 548	12 796	13 000
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	15 439	17 390	8 041	-	-	-	-	-	-
Total	2 610 357	2 754 077	2 916 210	3 287 882	3 309 335	3 309 335	3 519 143	3 719 365	3 920 360
Unauth. Exp. (1st charge) not available for spending	(6 980)	(6 979)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	2 603 377	2 747 098	2 916 210	3 287 882	3 309 335	3 309 335	3 519 143	3 719 365	3 920 360

Table 13.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	484 165	413 461	414 461	459 491	478 837	510 649	513 322	545 457	575 483
Compensation of employees	334 273	239 049	228 474	267 135	265 781	268 147	295 722	320 190	337 326
Salaries and wages	288 739	208 130	198 881	200 547	200 547	231 218	251 372	271 561	286 023
Social contributions	45 534	30 919	29 593	66 588	65 234	36 929	44 350	48 629	51 303
Goods and services	149 804	174 093	185 917	192 231	212 931	242 441	217 593	225 253	238 142
Administrative fees	949	900	1 688	894	894	1 927	803	848	895
Advertising	1 005	1 049	1 782	2 113	2 113	1 631	1 472	1 287	1 358
Minor assets	1 438	162	2 221	4 515	4 515	1 988	2 438	3 709	3 914
Audit cost: External	5 631	5 972	7 126	5 555	25 555	25 555	5 847	6 169	6 508
Bursaries: Employees	2 197	2 894	2 422	2 927	2 927	2 669	3 166	3 340	3 524
Catering: Departmental activities	695	511	1 508	990	990	2 263	1 025	1 081	1 141
Communication (G&S)	10 471	16 120	12 099	13 991	13 991	12 127	14 843	18 809	19 843
Computer services	21 274	23 351	25 474	32 430	32 430	35 807	33 187	26 151	27 589
Cons & prof serv: Business and advisory services	1 515	460	5 428	885	885	473	935	986	1 040
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	632	1 090	371	1 375	1 375	651	1 452	1 532	1 616
Contractors	113	706	282	930	930	541	997	1 318	1 390
Agency and support / outsourced services	875	564	905	194	194	492	201	212	224
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	12 239	15 819	15 791	22 960	22 960	25 095	20 905	17 637	18 607
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	4	220	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	60	-	-	-	-	-	-	4	4
Inventory: Fuel, oil and gas	20	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	56	-	-	-	-	-	-	-	-
Inventory: Medical supplies	9	-	-	-	-	-	-	-	-
Inventory: Medicine	7	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 535	4 246	4 268	4 164	4 164	7 072	4 341	4 082	4 306
Consumable: Stationery, printing and office supplies	6 104	4 271	5 678	7 561	7 561	8 198	7 113	6 657	7 023
Operating leases	27 312	40 205	36 224	31 150	31 150	33 681	44 612	58 982	62 226
Property payments	24 935	31 576	38 456	32 483	32 483	47 887	46 101	43 372	46 257
Transport provided: Departmental activity	-	157	19	10	10	22	10	11	12
Travel and subsistence	24 917	19 068	20 394	20 738	20 738	28 559	21 312	22 501	23 738
Training and development	2 771	3 517	1 781	2 853	3 553	2 700	2 993	3 158	3 332
Operating payments	1 254	760	1 352	2 750	2 750	2 208	3 178	2 941	3 103
Venues and facilities	354	299	242	614	614	627	631	433	457
Rental and hiring	432	176	306	149	149	268	31	33	35
Interest and rent on land	88	319	170	125	125	61	7	14	15
Interest	1	232	3	-	-	-	14	-	-
Rent on land	87	87	167	125	125	47	7	14	15
Transfers and subsidies	6 861	8 027	6 591	9 397	10 051	6 956	10 628	11 175	11 790
Provinces and municipalities	566	664	-	938	938	757	991	1 046	1 104
Provinces	566	664	-	938	938	757	991	1 046	1 104
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	566	664	-	938	938	757	991	1 046	1 104
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	3 350	3 637	4 425	3 842	4 496	4 489	4 761	4 984	5 258
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	3 350	3 637	4 425	3 842	4 496	4 489	4 761	4 984	5 258
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 945	3 726	2 166	4 617	4 617	1 710	4 876	5 145	5 428
Social benefits	2 803	2 868	1 999	4 617	4 617	1 710	4 876	5 145	5 428
Other transfers to households	142	858	167	-	-	-	-	-	-
Payments for capital assets	26 851	27 735	25 819	50 958	50 958	45 728	25 600	27 185	28 180
Buildings and other fixed structures	472	-	-	-	-	-	-	-	-
Buildings	472	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	26 379	27 735	25 819	50 958	50 958	45 728	25 600	27 185	28 180
Transport equipment	17 519	18 122	18 205	32 025	32 025	32 025	22 721	23 971	25 289
Other machinery and equipment	8 860	9 613	7 614	18 933	18 933	13 703	2 879	3 214	2 891
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	1 271	11 725	-	-	-	-	-	-	-
Total	519 148	460 948	446 871	519 846	539 846	563 333	549 550	583 817	615 453
Unauth. Exp. (1st charge) not available for spending	(1 271)	(1 314)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	517 877	459 634	446 871	519 846	539 846	563 333	549 550	583 817	615 453

Estimates of Provincial Revenue and Expenditure

Table 13.D : Payments and estimates by economic classification: Social Welfare Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	331 689	342 978	395 798	422 534	433 138	435 901	472 352	491 485	518 518
Compensation of employees	247 086	275 316	297 216	343 601	328 233	312 829	360 492	352 832	367 239
Salaries and wages	218 707	240 571	259 715	238 863	238 863	272 192	314 961	300 717	312 257
Social contributions	28 379	34 745	37 501	104 738	89 370	40 637	45 531	52 115	54 982
Goods and services	84 603	67 662	98 555	78 933	104 905	123 064	111 860	138 653	151 279
Administrative fees	107	658	793	421	421	979	1 010	1 061	1 119
Advertising	437	202	218	591	591	243	6	6	6
Minor assets	4 270	613	753	3 078	3 078	774	2 027	2 469	2 604
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	3	-	-	-	-	(8)	-	-	-
Catering: Departmental activities	1 243	634	968	807	807	1 458	1 295	1 395	1 472
Communication (G&S)	5 303	4 875	3 762	3 191	3 191	4 575	3 504	3 638	3 839
Computer services	285	-	5 616	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	10	-	15	579	579	593	603	636	671
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	16 469	485	313	16 751	16 751	3 894	16 998	17 944	18 931
Agency and support / outsourced services	1 998	2 361	15 239	6 655	6 655	3 934	8 359	8 904	9 394
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	8 302	7 256	6 539	5 475	5 475	7 283	5 321	6 104	6 440
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	2	-	-	-	15 972	-	16 866	17 794	18 773
Inventory: Fuel, oil and gas	23	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	208	-	-	268	268	128	72	78	82
Inventory: Medical supplies	118	103	-	-	-	-	-	-	-
Inventory: Medicine	32	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	115	115	490	115	121	128
Consumable supplies	1 750	1 072	6 789	2 543	2 543	21 708	4 226	4 386	4 627
Consumable: Stationery, printing and office supplies	2 249	1 220	2 471	2 628	2 628	3 246	2 902	3 069	3 239
Operating leases	1 617	2 173	8 072	5 783	5 783	8 500	11 947	12 096	12 761
Property payments	29 433	38 220	37 270	22 735	32 735	51 819	26 769	48 792	56 474
Transport provided: Departmental activity	1 542	570	609	388	388	401	413	440	464
Travel and subsistence	6 935	5 643	6 560	5 785	5 785	10 373	7 770	8 287	8 743
Training and development	307	154	89	225	225	1 501	569	280	295
Operating payments	752	702	590	644	644	675	787	834	880
Venues and facilities	238	-	1 122	31	31	15	68	72	76
Rental and hiring	970	721	767	240	240	483	233	247	261
Interest and rent on land	-	-	27	-	-	8	-	-	-
Interest	-	-	27	-	-	8	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	254 447	253 348	276 647	266 152	255 548	256 035	259 979	273 747	288 804
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	67	56	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	67	56	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	239 027	233 454	274 892	247 280	252 648	252 648	256 917	270 517	285 396
Households	15 420	19 827	1 699	18 872	2 900	3 387	3 062	3 230	3 408
Social benefits	861	2 467	1 470	2 900	2 900	3 387	3 062	3 230	3 408
Other transfers to households	14 559	17 360	229	15 972	-	-	-	-	-
Payments for capital assets	47 279	75 556	65 117	83 667	104 120	126 725	66 560	48 758	51 440
Buildings and other fixed structures	42 305	71 875	42 819	80 383	100 836	118 614	64 292	46 300	48 846
Buildings	42 305	71 875	42 819	80 383	100 836	118 614	64 292	46 300	48 846
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 974	3 681	22 298	3 284	3 284	8 111	2 268	2 458	2 594
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	4 974	3 681	22 298	3 284	3 284	8 111	2 268	2 458	2 594
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	1 441	1 476	-	-	-	-	-	-	-
Total	634 856	673 358	737 562	772 353	792 806	818 661	798 891	813 990	858 762
Unauth. Exp. (1st charge) not available for spending	(1 441)	(1 476)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	633 415	671 882	737 562	772 353	792 806	818 661	798 891	813 990	858 762

Table 13.E : Payments and estimates by economic classification: Children and Families

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	475 250	569 631	672 287	767 916	786 748	753 815	860 109	925 082	972 856
Compensation of employees	408 471	482 976	541 269	673 895	638 160	607 316	688 656	713 212	741 686
Salaries and wages	345 210	407 022	454 644	483 736	462 501	510 817	546 425	578 895	602 981
Social contributions	63 261	75 954	86 625	190 159	175 659	96 499	142 231	134 317	138 705
Goods and services	66 779	86 655	130 986	94 021	148 588	146 492	171 453	211 870	231 170
Administrative fees	-	252	328	317	317	320	415	433	456
Advertising	511	1 013	867	1 858	1 858	834	832	942	993
Minor assets	1 973	1 587	1 056	2 052	2 052	574	1 824	2 014	2 124
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	(21)	-	-	-	-	-	-	-
Catering: Departmental activities	238	829	100	971	971	982	620	677	714
Communication (G&S)	4 402	6 828	8 186	4 868	4 868	6 377	5 732	6 030	6 362
Computer services	217	2 027	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	33	-	-	68	68	38	34	38	40
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	7 773	816	290	13 577	58 144	53 509	80 993	91 178	96 193
Agency and support / outsourced services	5 675	7 003	10 785	7 256	7 256	8 225	7 960	8 377	8 838
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	12 836	8 820	6 196	11 107	11 107	8 731	13 550	14 743	15 553
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	480	1 499	-	-	-	145	145	153
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	215	278	161	334	334	334	573	592	625
Inventory: Fuel, oil and gas	11	-	-	40	40	21	19	19	20
Inventory: Learner and teacher support material	-	-	-	212	212	108	-	-	-
Inventory: Materials and supplies	56	364	628	225	225	106	207	221	233
Inventory: Medical supplies	242	198	-	587	587	247	601	635	669
Inventory: Medicine	26	-	-	60	60	30	58	62	66
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	1 454	1 454	1 541	1 588	1 668	1 760
Consumable supplies	2 652	2 871	2 891	4 034	4 034	4 338	3 707	3 954	4 172
Consumable: Stationery, printing and office supplies	849	689	1 704	1 928	1 928	1 820	1 979	2 048	2 160
Operating leases	1 062	1 066	1 430	6 087	6 087	2 733	4 487	7 940	8 376
Property payments	20 101	39 579	49 443	26 754	36 754	43 577	37 301	60 829	71 826
Transport provided: Departmental activity	824	912	44	908	908	732	577	631	666
Travel and subsistence	4 941	8 455	7 995	6 770	6 770	8 223	6 635	6 927	7 307
Training and development	8	545	35 878	70	70	35	52	56	59
Operating payments	715	963	893	773	773	1 392	706	751	793
Venues and facilities	-	39	-	728	728	340	307	351	370
Rental and hiring	1 419	1 062	612	983	983	1 325	551	609	642
Interest and rent on land	-	-	32	-	-	7	-	-	-
Interest	-	-	32	-	-	7	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	490 273	530 148	567 767	597 469	600 118	604 510	660 740	695 530	733 786
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	4	-	-	-	7	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	4	-	-	-	7	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	489 463	528 354	565 593	596 805	599 454	603 314	660 039	694 790	733 005
Households	810	1 790	2 174	664	664	1 189	701	740	781
Social benefits	810	1 788	2 174	664	664	1 189	701	740	781
Other transfers to households	-	2	-	-	-	-	-	-	-
Payments for capital assets	27 214	38 876	30 324	25 704	26 704	31 999	22 195	23 622	24 922
Buildings and other fixed structures	24 544	38 033	27 527	19 157	20 157	29 929	19 031	20 078	21 183
Buildings	20 580	38 033	27 527	19 157	20 157	29 929	19 031	20 078	21 183
Other fixed structures	3 964	-	-	-	-	-	-	-	-
Machinery and equipment	2 670	843	2 797	6 547	6 547	2 070	3 164	3 544	3 739
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	2 670	843	2 797	6 547	6 547	2 070	3 164	3 544	3 739
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	11 177	2 594	-	-	-	-	-	-	-
Total	1 003 914	1 141 249	1 270 378	1 391 089	1 413 570	1 390 324	1 543 044	1 644 234	1 731 564
Unauth. Exp. (1st charge) not available for spending	(2 718)	(2 594)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	1 001 196	1 138 655	1 270 378	1 391 089	1 413 570	1 390 324	1 543 044	1 644 234	1 731 564

Estimates of Provincial Revenue and Expenditure

Table 13.F : Payments and estimates by economic classification: Restorative Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	200 929	218 040	235 158	293 832	284 115	252 989	320 832	343 466	362 358
Compensation of employees	152 576	186 088	194 704	246 755	227 038	212 404	245 699	287 572	303 388
Salaries and wages	127 347	156 118	163 028	171 027	161 312	175 786	199 087	230 554	243 234
Social contributions	25 229	29 970	31 676	75 728	65 726	36 618	46 612	57 018	60 154
Goods and services	48 353	31 952	40 442	47 077	57 077	40 584	75 133	55 894	58 970
Administrative fees	-	42	321	382	382	354	153	158	166
Advertising	-	357	1 110	564	564	243	344	381	402
Minor assets	2 372	1 033	403	2 364	2 364	508	2 315	2 550	2 692
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	673	352	89	673	673	812	799	854	901
Communication (G&S)	7 692	3 486	2 888	2 935	2 935	3 070	1 997	2 112	2 228
Computer services	22	-	-	-	-	-	19	19	20
Cons & prof serv: Business and advisory services	19	-	-	374	374	188	902	964	1 017
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	7 149	822	299	2 347	2 347	1 329	1 127	1 228	1 296
Agency and support / outsourced services	3 613	4 289	4 441	3 873	3 873	5 785	5 138	5 344	5 638
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	3 822	3 915	4 108	3 467	3 467	3 530	4 120	5 157	5 441
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	222	100	-	-	-	-	136	148	156
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	36	-	-	-	-	-	115	121	128
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	14	55	-	132	132	51	158	173	183
Inventory: Medical supplies	20	20	-	100	100	50	-	-	-
Inventory: Medicine	74	-	-	52	52	27	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	204	204	204	439	451	476
Consumable supplies	1 142	2 202	1 105	3 174	3 174	1 875	2 715	2 823	2 978
Consumable: Stationery, printing and office supplies	430	609	856	1 982	1 982	1 120	1 377	1 471	1 551
Operating leases	6 178	329	339	1 810	1 810	932	2 351	2 492	2 629
Property payments	11 594	9 932	17 237	14 143	24 143	12 641	42 129	20 010	21 111
Transport provided: Departmental activity	618	602	750	904	904	655	722	774	817
Travel and subsistence	1 934	2 360	4 863	6 009	6 009	5 672	5 378	5 705	6 019
Training and development	-	374	225	-	-	-	157	165	174
Operating payments	324	480	335	398	398	448	353	369	389
Venues and facilities	90	56	700	745	745	445	1 064	1 239	1 307
Rental and hiring	315	537	373	445	445	645	1 125	1 186	1 251
Interest and rent on land	-	-	12	-	-	1	-	-	-
Interest	-	-	12	-	-	1	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	48 290	49 940	37 950	97 119	63 039	60 608	62 751	67 006	70 691
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	47 632	49 661	37 373	96 956	62 876	60 438	62 579	66 825	70 500
Households	658	279	577	163	163	170	172	181	191
Social benefits	658	279	577	163	163	170	172	181	191
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	33 051	4 568	1 735	2 142	2 142	10 525	1 262	1 386	1 462
Buildings and other fixed structures	30 893	3 990	311	-	-	9 310	-	-	-
Buildings	30 893	3 990	311	-	-	9 310	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 158	578	1 424	2 142	2 142	1 215	1 262	1 386	1 462
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	2 158	578	1 424	2 142	2 142	1 215	1 262	1 386	1 462
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	792	800	8 041	-	-	-	-	-	-
Total	283 062	273 348	282 884	393 093	349 296	324 122	384 845	411 858	434 511
Unauth. Exp. (1st charge) not available for spending	(792)	(800)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	282 270	272 548	282 884	393 093	349 296	324 122	384 845	411 858	434 511

Table 13.G : Payments and estimates by economic classification: Development and Research

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	122 664	127 597	128 852	147 985	159 682	159 526	185 598	204 994	216 273
Compensation of employees	96 144	103 544	105 934	117 444	111 987	114 479	128 717	133 678	136 031
Salaries and wages	82 819	89 196	90 472	70 597	70 597	97 514	108 601	111 856	113 008
Social contributions	13 325	14 348	15 462	46 847	41 390	16 965	20 116	21 822	23 023
Goods and services	26 520	24 053	22 916	30 541	47 695	45 047	56 881	71 316	80 242
Administrative fees	-	134	195	42	42	295	2	2	2
Advertising	136	60	621	225	225	180	184	196	207
Minor assets	925	173	247	1 139	1 139	273	1 529	1 651	1 743
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 301	2 190	1 541	2 972	3 092	1 969	4 667	4 867	5 135
Communication (G&S)	2 257	2 224	1 375	860	860	1 138	1 007	1 057	1 114
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	2 873	855	738	6 947	8 327	2 860	7 005	7 454	7 864
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	163	405	280	340	340	364	399	422	445
Agency and support / outsourced services	841	1 888	3 458	1 054	1 054	727	2 301	2 437	2 571
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	1 596	3 516	2 489	1 538	1 538	3 036	1 507	1 773	1 871
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	30	15 684	7 386	15 417	22 729	23 979
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	6	-	-	-	-	-	27	28	30
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	179	-	-	-
Consumable supplies	53	176	257	476	476	8 928	664	698	737
Consumable: Stationery, printing and office supplies	668	299	201	2 638	2 638	791	2 423	2 476	2 612
Operating leases	680	469	340	343	343	297	474	502	530
Property payments	2 057	1 731	2 216	737	737	2 885	6 899	11 971	17 629
Transport provided: Departmental activity	122	682	893	729	729	538	842	889	938
Travel and subsistence	7 430	5 367	5 400	7 314	7 314	6 519	6 920	7 305	7 707
Training and development	3 132	2 904	1 247	1 573	1 573	5 288	2 819	2 965	3 129
Operating payments	460	244	413	407	407	719	604	637	673
Venues and facilities	1 709	150	584	900	900	330	937	989	1 043
Rental and hiring	111	586	421	277	277	345	254	268	283
Interest and rent on land	-	-	2	-	-	-	-	-	-
Interest	-	-	2	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	27 681	73 269	43 982	50 990	41 609	39 768	38 746	40 877	43 125
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	15 051	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	15 051	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	27 647	58 162	43 926	50 326	40 945	39 523	38 045	40 137	42 344
Households	34	56	56	664	664	245	701	740	781
Social benefits	34	56	56	664	664	245	701	740	781
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	18 274	3 513	5 681	12 526	12 526	13 601	18 469	19 595	20 672
Buildings and other fixed structures	15 294	2 648	4 652	8 762	8 762	12 107	16 494	17 401	18 358
Buildings	15 294	2 648	4 652	8 762	8 762	12 107	16 494	17 401	18 358
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 980	865	1 029	3 764	3 764	1 494	1 975	2 194	2 314
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	2 980	865	1 029	3 764	3 764	1 494	1 975	2 194	2 314
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	758	795	-	-	-	-	-	-	-
Total	169 377	205 174	178 515	211 501	213 817	212 895	242 813	265 466	280 070
Unauth. Exp. (1st charge) not available for spending	(758)	(795)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	168 619	204 379	178 515	211 501	213 817	212 895	242 813	265 466	280 070

Table 13.H : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	3 000	3 958	55 948	84 910	84 910	84 910	50 469	16 441	17 345
Compensation of employees	3 000	3 958	55 948	73 589	73 589	73 589	36 968	2 394	2 525
Salaries and wages	3 000	3 958	55 948	73 589	73 589	73 589	36 968	2 394	2 525
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	11 321	11 321	11 321	13 501	14 047	14 820
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	11 321	11 321	11 321	13 162	14 047	14 820
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	36	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	303	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	71 879	93 978	93 978	93 978	100 479	107 366	113 271
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	71 879	93 978	93 978	93 978	100 479	107 366	113 271
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	4 976	4 976	-	-	-
Buildings and other fixed structures	-	-	-	-	4 976	4 976	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	4 976	4 976	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 000	3 958	127 827	178 888	183 864	183 864	150 948	123 807	130 616

Table 13.I : Payments and estimates by economic classification: Social Sector EPWP Incentive Grant for Prov. (Prog 2: Social Welfare Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	3 000	3 958	19 498	13 490	13 490	13 490	34 913	-	-
Compensation of employees	3 000	3 958	19 498	13 490	13 490	13 490	34 574	-	-
Salaries and wages	3 000	3 958	19 498	13 490	13 490	13 490	34 574	-	-
Goods and services	-	-	-	-	-	-	339	-	-
Operating leases	-	-	-	-	-	-	36	-	-
Training and development	-	-	-	-	-	-	303	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 000	3 958	19 498	13 490	13 490	13 490	34 913	-	-

Table 13.J : Payments and estimates by economic classification: Early Childhood Development grant (Programme 3: Children and Families)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	-	13 565	13 565	13 565	15 556	16 441	17 345
Compensation of employees	-	-	-	2 244	2 244	2 244	2 394	2 394	2 525
Salaries and wages	-	-	-	2 244	2 244	2 244	2 394	2 394	2 525
Goods and services	-	-	-	11 321	11 321	11 321	13 162	14 047	14 820
Contractors	-	-	-	11 321	11 321	11 321	13 162	14 047	14 820
Transfers and subsidies	-	-	71 879	93 978	93 978	93 978	100 479	107 366	113 271
Non-profit institutions	-	-	71 879	93 978	93 978	93 978	100 479	107 366	113 271
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	71 879	107 543	107 543	107 543	116 035	123 807	130 616

Table 13.K : Payments and estimates by economic classification: Social Worker Employment grant (Programme 3: Children and Families)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	36 450	57 855	57 855	57 855	-	-	-
Compensation of employees	-	-	36 450	57 855	57 855	57 855	-	-	-
Salaries and wages	-	-	36 450	57 855	57 855	57 855	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	36 450	57 855	57 855	57 855	-	-	-

Table 13.L : Payments and estimates by economic classification: Provincial Disaster Recovery grant (Programme 2 and Programme 3)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	4 976	4 976	-	-	-
Buildings and other fixed structures	-	-	-	-	4 976	4 976	-	-	-
Other fixed structures	-	-	-	-	4 976	4 976	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	4 976	4 976	-	-	-

VOTE 14

Public Works

Operational budget	R1 683 339 205
MEC remuneration	R 1 977 795
Total amount to be appropriated	R1 685 317 000
Responsible MEC	MEC for Human Settlements and Public Works
Administering department	Public Works
Accounting officer	Head: Public Works

1. Overview

Vision

The department's vision is: *An inclusive economy through sustainable infrastructure development and property management.*

Mission statement

The department's mission is: *To improve the life of the people in KZN through sustainable infrastructure development and property management.*

Strategic objectives

Strategic policy direction: The Department of Public Works (DOPW) was restructured to be a capable implementing agent of choice for the client departments requiring building infrastructure services and property management such as office accommodation. The department has a responsibility to deliver on certain key social issues in consultation with the client departments. The department does not only deliver social infrastructure such as schools, clinics and hospitals, but it also co-ordinates the provincial infrastructure cluster. These are the core business functions of the department which are in line with the outcome based strategic goals and objectives in the 5-year strategic plan (2015-2020) of the department.

Core functions

In carrying out its mandate, the department undertakes the following core functions:

- The acquisition of public buildings and land.
- The construction of public buildings, involving the physical erection or major improvements in respect of infrastructure in the building environment.
- The maintenance of public buildings and land, including performing the necessary work to keep the required level of operation and the payment of property rates.
- The alienation of public buildings and land, including the disposal of fixed assets by selling, demolition, exchanging and donation.

Legislative mandate

Within the broad statutory mandates of government institutions, the following mandates guide the department's core functions:

- Constitution of the Republic of South Africa (No. 108 of 1996)
- Public Service Act (No. 30 of 2007)
- Public Finance Management Act (No. 1 of 1999, as amended) and the Treasury Regulations

- Government Immovable Asset Management Act (No. 19 of 2007)
- Local Government: Municipal Rates Act (No. 6 of 2004)
- Construction Industry Development Board Act (No. 38 of 2000)
- National Building Regulations and Building Standards Act (No. 103 of 1977)
- Occupational Health and Safety Act (No. 85 of 1993)
- State Land Disposal Act (No. 48 of 1961)
- Prevention of Eviction from and Unlawful Occupation of Land Act (No. 19 of 1998)
- KwaZulu-Natal Land Administration Act (No. 3 of 2003)
- KwaZulu-Natal Heritage Act (No. 10 of 1997)
- Broad Based Black Economic Empowerment Act (No. 53 of 2004)
- Labour Relations Act (No. 66 of 1995)
- Employment Equity Act (No. 55 of 1995)
- Skills Development Act (No. 97 of 1998)
- Basic Conditions of Employment Act (No. 75 of 1997)
- Intergovernmental Relations Framework Act (No. 13 of 2005)
- Preferential Procurement Policy Framework Act (No. 5 of 2000)
- Cross-Boundary Municipalities Laws Repeal and Related Matters Act, as amended (No. 8 of 2009)
- Council for the Built Environment Act (No. 43 of 2000)
- Engineering Profession Act (No. 46 of 2000)
- Architectural Profession Act (No. 44 of 2000)
- Quantity Surveying Profession Act (No. 49 of 2000)
- Project and Construction Management Professions Act (No. 48 of 2000)
- Occupational Injuries and Diseases Act (No. 130 of 1993)
- Deeds Registry Act (No. 47 of 1937)
- Expropriation Act (No. 63 of 1975)
- Environmental Act (No. 107 of 1998)
- Promotion of Administrative Justice Act (No. 53 of 2002)
- Promotion of Access to Information Act (No. 54 of 2006)
- Skills Development Qualification Act (No. 58 of 1995)
- KwaZulu-Natal Ingonyama Trust Amendment Act (No. 9 of 1997)
- South African Schools Act (No. 84 of 1996)
- Cross-boundary Municipalities Laws Repeal Related Matters Act (No. 23 of 2005)
- KwaZulu-Natal Planning and Development Act (No. 6 of 2008)

2. Review of the 2018/19 financial year

Section 2 provides a review of 2018/19, outlining the main achievements and progress made by the department, as well as providing a brief discussion on challenges and new developments.

Delivery of building infrastructure and accommodation

It was resolved that an infrastructure implementation plan for the province, which is in line with the IDMS processes, should be developed. The development of the plan will be driven by Provincial Treasury, with input from the department, and is anticipated to be finalised in the fourth quarter of 2018/19.

Expanded Public Works Programme (EPWP)

EPWP is a nationwide programme that aims to provide unemployed people with work opportunities and training so that they increase their capacity to earn an income. The department set targets of 6 000 work

opportunities and 600 Full-Time Equivalents (FTEs) for 2018/19. A total of 3 589 work opportunities and 703 FTEs were created from April 2018 to December 2018 against the third quarter targets of 4 000 work opportunities and 250 FTEs. However, the programme is still underway and it is envisaged that the set targets will be attained by year-end.

EPWP schools maintenance programme

The EPWP schools maintenance programme commenced in May 2018. It is aimed at assisting poor, non-fee paying schools with basic maintenance of school grounds and buildings to ensure children are able to learn in conducive and clean environments. This is done through the employment of mostly youth beneficiaries at more than 1 500 schools in the province. These people are recruited through the OSS structures and assigned to schools identified by DOE.

The activities of the programme include basic technical maintenance of the schools and repairs to school infrastructure, repairs to door locks, painting, repairs to roof leakages and broken windows, school yard maintenance such as grass cutting, gardening, etc, cleaning of classrooms and offices, vegetable gardens, recycling, tree propagating, as well as waste collection and community development services.

The department implemented the EPWP schools maintenance programme across KZN, which created 2 972 work opportunities in 2018/19. A total of 185 unemployed youth were trained and thereafter deployed to schools. The training, which related to the plant production skills programme and took place in the uThukela district, covered a number of modules, such as how to:

- Manage soil fertility and plant nutrition.
- Monitor pests, diseases and weeds on crops.
- Monitor and co-ordinate the harvesting of agricultural products
- Assist in farm planning and layout for conservation and rainwater harvesting.

EPWP provincial co-ordination and monitoring

The department continued with the provincial co-ordination and monitoring of the EPWP and supported 66 public bodies, made up of 54 municipalities and 12 provincial departments reporting on EPWP in 2018/19. The department also implemented three interventions to date against the target of four interventions, to assist public bodies. The interventions implemented were the EPWP DORA workshop, KZN EPWP *Indaba* and the EPWP focus week. The outstanding intervention will be implemented in the fourth quarter of 2018/19.

The department continued to have constant engagements with all participating provincial departments and municipalities to ensure that set targets are achieved. A number of strategies to optimise job creation in the province were agreed upon and adopted by all public bodies, and it is anticipated that more employment opportunities will be created.

Fixed asset register

The department continued to enhance the immovable asset register to comply with revised National Treasury minimum requirements. This is an ongoing project.

Finalisation of R293 properties

Over the years, the department has taken transfer of 890 state domestic facilities (SDFs) from various municipalities. In 2018/19, the transfer of 26 properties from uMhlathuze was finalised.

Surveying and sub-divisions of SDFs on tribal land and farms

The project of surveying and sub-division remains a challenge to execute. This is due to limited human resources within the department. In an attempt to improvise, the department engaged with COGTA for secondment of land surveyors to assist. The approval for the secondment of only one land surveyor was obtained from the Accounting Officers of both departments.

Condition assessments

The department undertook condition assessments of 194 facilities in 2018/19. The facilities assessed were 24 Road Traffic Inspectorate (RTI) offices for DOT and 170 primary and secondary school facilities for DOE. The assessments were done by a combined team from head office and the 11 district offices. Maintenance plans are in accordance with the National Education Infrastructure Management System (NEIMS) guidelines for schools and GIAMA guidelines for DOT facilities.

Izandla Ziyagezana programme

The department continued to contribute to the creation of sustainable jobs through the Izandla Ziyagezana programme. The department continued to employ 470 beneficiaries, of which eight had disabilities in 2017/18. In 2018/19, the department managed to recruit a further 11 beneficiaries living with disabilities. A further three new sites in the uMkhanyakude district were added, and this contributed positively to poverty alleviation.

Administration: Internal capacity building

The department awarded 33 external and 35 internal new bursaries for the 2018 academic year in professional disciplines – i.e. civil, electrical and mechanical engineering.

KwaZulu-Natal Infrastructure Master Plan (KZN-IMP)

The hosting environment for the consolidated data platform was initially planned to be located in the Nerve Centre hosted by OTP but there were challenges that resulted in delays in the preparation of the environment. A diligence review revealed that the optimum hosting environment is within the department and this is expected to be completed by February 2019.

Engagements with the Action Work Group (AWG) convenors and selected stakeholders to ensure the progressive maturity of the institutionalisation of the data collection for monitoring and co-ordinating programmes/projects were undertaken in the first three quarters of 2018/19, and further sessions are planned for the fourth quarter of 2018/19. Support and inputs were provided for built environment elements of the Provincial Spatial Development Framework review. Sections of the revision of the KZN-IMP document were finalised and presented to the Provincial Planning Commission (PPC). A further technical session has been requested by the PPC. The department will continue to register and capture catalytic projects for monitoring on a quarterly basis.

Mayville conference centre dining facility

The Mayville conference centre dining facility project was split into three projects, being the Mayville conference centre: acoustic treatment of iLembe hall, conference hall dining facility (tent), as well as conversion of an existing workshop to a dining facility. The tent project was stopped at the award stage due to high cost, and was thereafter suspended. The acoustic treatment of iLembe hall and the dining facility conversion are both at tender stage. There were delays in the first six months of 2018/19 due to amendments that had to be effected to ensure that the tender documents complied with departmental requirements. Both iLembe hall and the dining facility conversion project were awarded in December 2018 and site handover is planned for February 2019.

KZN Entrepreneurial Development Centre

There were delays in the KZN Entrepreneurial Development Centre project due to the appointment of a Safety Agent, as well as additional scope requirements, which resulted in the Southern region doing site visit research with other private institutions. This facility will consist of workshops and training rooms which will be used to provide various training and skills development services to small and medium business enterprises in the province. The KZN Entrepreneurial Development Centre project was approved in August 2018 and is anticipated to be at tender stage in February 2019. The budget for this project is R7.189 million, R6.088 million and R12.549 million for each year of the MTEF, and the project is anticipated to be completed in October 2021.

New auditorium and conference centre in the Southern region

The department was overwhelmed with the excessive bookings of the Mayville conference centre since its inception and could not meet all requests received to book the centre. As a result, the department decided to embark on providing another conference centre in Pietermaritzburg in order to mitigate these challenges, hence the new auditorium and conference centre project in the Southern region. This project is anticipated to be completed in August 2020.

3. Outlook for the 2019/20 financial year

Section 3 looks at the key focus areas of 2019/20, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. The bulk of the budget in Programme 2 is to cater for property rates, as well as continuing with the implementation of GIAMA and fixed asset register projects. The budget against Programme 3 largely caters for various

infrastructure projects such as the new administration wing in the uMgungundlovu district office, the Southern region auditorium, the KZN Entrepreneurial Development Centre in the uMgungundlovu district office, construction of the new iLembe district offices, the Mayville conference centre dining facility, Amawele building in Umlazi, Newcastle offices and upgrading of the Vryheid office workshops, as well as other projects including condition assessments of various properties and infrastructure.

Delivery of building infrastructure and accommodation

All infrastructure to be delivered will be planned and implemented in line with the IDMS processes. The department is also expected to roll out the implementation of the Infrastructure Progression Model Implementation Plan, as prescribed by National Treasury.

Expanded Public Works Programme

The department will continue to ensure that EPWP generates more work opportunities and FTEs towards creating sustainable jobs, which will contribute meaningfully to poverty alleviation. The programme will be extended to more beneficiaries with disabilities. The department has set a target of 6 000 work opportunities and 600 FTEs for 2019/20. The department has set a target of three beneficiary empowerment interventions through training in respect of this programme in 2019/20. These interventions include accredited and non-accredited training, and assisting beneficiaries in establishing co-operatives.

EPWP schools maintenance programme

The EPWP schools maintenance programme was originally established to benefit 4 000 beneficiaries in five district municipalities. It has since grown and intends to support more than 5 000 beneficiaries in over 2 000 schools across all eleven district municipalities in 2019/20.

EPWP provincial co-ordination and monitoring

The department will continue with the provincial co-ordination and monitoring of EPWP, including being a support function to provincial departments and municipalities. In order to achieve the provincial EPWP work opportunities targets, the department as the provincial co-ordinator of EPWP in the province, will ensure that a targeted number of 66 public bodies, which is made up of 54 municipalities and 12 provincial departments, are reporting on EPWP in 2019/20.

The department will also provide support to departments and municipalities to ensure that their set EPWP job creation targets are attained. The department will increase the interventions of the public bodies from four to eight interventions, including holding the EPWP DORA workshop and KZN EPWP *Indaba*, improved EPWP reporting system training, quarterly data quality sessions, an annual strategic planning session, EPWP focus week, district forums, etc. The department will begin to implement EPWP phase four in 2019/20, in line with the new targets for the phase that are currently still under review. The EPWP phase four entails the continuation of the EPWP programme with new five-year targets.

Finalisation of R293 properties:

The department will continue to attend to the transfer of R293 properties from the names of the municipalities to the name of the KZN provincial government. In 2019/20, the department plans to finalise transfers for the remaining three municipalities, namely eNdameni, Nkandla and the Big Five Hlabisa.

Finalisation of surveying and sub-divisions of SDFs on tribal land and farms:

The SDFs include schools, clinics, offices and hospitals built on tribal land or on farms not owned by government. This project aims to address the challenges in respect of SDFs built on land that is not surveyed or not sub-divided. The execution of this project remains a challenge, due to limited financial and human resources within the department. The department is currently engaging with COGTA for the secondment of further land surveyors, over and above the one that was seconded in 2018/19. The plan of action is being finalised between the departments.

Condition assessments

Condition assessments of 337 facilities are planned for 2019/20. These will comprise 12 DOT offices and 325 schools under DOE.

Izandla Ziyagezana programme

The department will continue to ensure that the Izandla Ziyagezana programme increases the number of beneficiaries with disabilities, through engaging with institutions that look after people with disabilities. The department will investigate the possibility of extending the programme to the cleaning of schools.

KwaZulu-Natal Infrastructure Master Plan (KZN-IMP)

The department will continue implementing the KZN-IMP utilising its Infrastructure Programme Management unit. The department will maintain and update the consolidated data relating to infrastructure on a virtual spatial platform, which will be hosted in a publicly accessible platform to assist decision makers. The department will undertake follow-up engagements with AWG convenors and selected stakeholders to ensure the progressive maturity of the institutionalisation of the data collection for monitoring and co-ordinating programmes/projects, including a review of the Provincial Spatial Development Framework. The department will continue to register and capture catalytic projects for monitoring on a quarterly basis, and will undertake an annual review of the KZN-IMP.

Mayville conference centre dining facility

In 2019/20, the acoustic treatment of iLembe hall and the conference hall dining facility projects will be at construction stage and is anticipated to be completed in 2019/20.

KZN Entrepreneurial Development Centre

In 2019/20, this project will be at construction stage and it is anticipated to be completed in 2020/21. This facility will consist of workshops and training rooms which will be used to provide various training and skills development services to small and medium business enterprises in the province.

New auditorium and conference centre in the Southern region

In 2019/20, this project will be at the final design stage, tender documentation and construction stage. The project is anticipated to be completed in 2020/21. This project consists of a main auditorium hall, seating approximately 700 people, as well as three breakaway rooms, seating 50 to 100 people.

4. Reprioritisation

The department undertook reprioritisation across programmes and economic classifications over the MTEF. The net effect shows that funds were reprioritised, with carry-through costs, from Programme 1, *Goods and services* to Programme 3: Provision of Buildings, Structures and Equipment to cater for increasing marketing related costs and security services. The department also centralised the training and development budget under Programme 1, from Programmes 2 and 3.

5. Procurement

The department will continue to develop and implement procurement plans for 2019/20 to ensure that the needs of the organisation are in line with the pillars underpinning the department's strategy, as well as the budget allocated to the department.

The major projects for DOPW for 2019/20 include capital infrastructure projects such as the completion of the new administration wing in the uMgungundlovu district office, the new iLembe district office, rehabilitation and refurbishment of an existing building to convert it to the new KZN Entrepreneurial Development Centre and the implementation of GIAMA projects, including condition assessments conducted on state owned buildings, property valuations, clearing of vacant sites, and provision of security services in respect of unutilised buildings.

6. Receipts and financing

6.1 Summary of receipts

Table 14.1 indicates the sources of funding for Vote 14 for the period 2015/16 to 2021/22. The table also compares actual and budgeted receipts against actual and budgeted payments. The department receives a provincial allocation in the form of an equitable share, and a national conditional grant allocation in respect of the EPWP Integrated Grant for Provinces. The department's baseline has increased from R1.403 billion to R1.876 billion over the seven-year period, and shows a steady trend. The department receives R4.726 million in respect of the EPWP Integrated Grant for Provinces in 2019/20. There is no allocation for the two outer years of the MTEF, at this stage.

Table 14.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Equitable share	1 399 466	1 428 137	1 495 587	1 581 909	1 581 909	1 581 909	1 680 591	1 788 060	1 876 430
Conditional grants	3 056	4 471	6 588	6 023	6 023	6 023	4 726	-	-
EPWP Integrated Grant for Provinces	3 056	4 471	6 588	6 023	6 023	6 023	4 726	-	-
Total receipts	1 402 522	1 432 608	1 502 175	1 587 932	1 587 932	1 587 932	1 685 317	1 788 060	1 876 430
Total payments	1 406 247	1 454 165	1 536 631	1 587 932	1 681 011	1 888 511	1 685 317	1 788 060	1 876 430
Surplus/(Deficit) before financing	(3 725)	(21 557)	(34 456)	-	(93 079)	(300 579)	-	-	-
Financing									
of which									
Provincial roll-overs	-	974	5 866	-	1 079	1 079	-	-	-
Provincial cash resources	10 416	27 106	34 776	-	92 000	92 000	-	-	-
Surplus/(Deficit) after financing	6 691	6 523	6 186	-	-	(207 500)	-	-	-

In 2015/16:

- The department received provincial cash resources of R10.416 million as follows:
 - R9.934 million was suspended from 2013/14 for the Fixed Asset Management tool.
 - R482 000 for the Richmond Community Development programme was suspended from 2014/15.
- The department under-spent by R6.691 million mainly attributed to delays in appointing service providers for the GIAMA projects, and the KZN-IMP was under-spent due to delays in the finalisation of the tender process.

In 2016/17:

- A roll-over of R974 000 was received for the KZN-IMP relating to the prior year's commitments.
- The department received provincial cash resources of R27.106 million, as follows:
 - R19.220 million for the above-budget 2016 wage adjustment.
 - R7.886 million for the development of the KZN-IMP.
- The 2016/17 budget was under-spent by R6.523 million, largely due to delays in filling posts.

In 2017/18:

- The department received a roll-over of R5.866 million from 2016/17 relating to commitments associated with the development of the KZN-IMP.
- The department received provincial cash resources of R34.776 million, as follows:
 - R4.776 million for the Mayville conference centre for sound-proofing the main facility, and for the conversion of an existing building on the premises into a dining facility. This additional funding was once-off in 2017/18.
 - R30 million to assist with pressures in the payment of property rates. The pressures arose due to high increases in municipal rates by some municipalities, as well as the upgrading of various government buildings, which attract higher property rates.
- The department under-spent by R6.186 million in 2017/18, largely relating to specifically and exclusively appropriated funds in respect of GIAMA projects, the Fixed Asset Register, the Mayville conference centre dining facility, as well as KZN-IMP due to delays in the implementation of these projects. Also contributing was under-spending against capital infrastructure projects. Mitigating the under-spending to some extent was over-spending due to pressures in respect of property rates, as well as *Payments for financial assets* relating to thefts and losses, which were not budgeted for.

In 2018/19:

- A roll-over of R1.079 million was received from 2017/18 relating to commitments associated with the development of the KZN-IMP.
- In the 2018/19 Adjusted Appropriation, the department received provincial cash resources of R92 million to assist with the pressures in the payment of property rates and in respect of outstanding government debt. In this regard, R43.500 million was allocated to settle the shortfall in respect of Section 14 schools relating to 2017 invoices and R48.500 million for outstanding government debts as at 31 March 2015.

- As per the December IYM, the department is projecting to over-spend its 2018/19 budget by R207.500 million due to spending pressures resulting from outstanding property rates for 2017/18, property rates for FET/TVET colleges, as well as the estimated shortfall in respect of 2018/19 property rates. As part of a turnaround plan, the department is currently engaging with the National Department of Public Works (NDOPW) to assist with the pressures in respect of property rates.

6.2 Departmental receipts collection

Table 14.2 reflects the estimated departmental receipts for Vote 14. The department is a service provider to other provincial departments, and it is therefore not a major revenue generating entity. The main sources of revenue are of a domestic nature and include housing rent, parking, etc. Details are provided in the *Annexure – Vote 14: Public Works*.

Table 14.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and service other than capital assets	8 433	9 079	5 844	9 261	9 261	9 465	7 376	7 844	8 105
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	378	1 874	1 954	302	302	1 048	485	488	501
Sale of capital assets	2 697	3 781	720	1 215	1 215	2 628	1 500	630	677
Transactions in financial assets and liabilities	1 488	1 381	513	862	862	862	903	944	946
Total	12 996	16 115	9 031	11 640	11 640	14 003	10 264	9 906	10 229

Sale of goods and services other than capital assets comprises parking and state-owned property rentals, tender fees, as well as commission received on PERSAL deductions such as insurance premiums and garnishee orders. The high collection in 2015/16 and 2016/17 is mainly attributed to a payover received from SASSA on behalf of the department for the collection of rental for state accommodation from their employees. Revenue growth over the MTEF is largely inflationary.

Interest, dividends and rent on land relates mainly to interest earned on outstanding staff debts, interest from trust accounts, as well as the rental from Vodacom for the use of government land to install network towers. The substantial collection from 2016/17 to the 2018/19 Revised Estimate is due to interest received from the sale of St Aidan's Hospital, which is being held in an interest bearing trust account until the transfer of ownership and the conveyancing process is finalised. Furthermore, the high collection in the 2018/19 Revised Estimate includes interest recovered from staff debts and a prepaid annual rental from Vodacom for the use of government land where network towers are installed. The revenue budget grows slowly over the MTEF as a result of difficulty in budgeting for interest on staff debts.

Sale of capital assets relates to the sale of redundant motor vehicles, equipment, and the sale of land and buildings. The high revenue in 2015/16 and 2016/17 includes the sale of redundant motor vehicles and equipment. The 2016/17 collection includes land that was sold to the South African National Roads Agency Limited (SANRAL). The collection in 2017/18 relates to the sale of redundant motor vehicles. The bulk of the revenue collected in the 2018/19 Revised Estimate relates to the sale of land in Ulundi to the NDOPW. This amount also includes revenue from the sale of a residential building in Ulundi to a private organisation. Budgeting over the MTEF is in line with the planned disposal of motor vehicles.

Transactions in financial assets and liabilities relates to recoveries of outstanding staff debts from prior years, as well as recoveries from previous years' expenditure, such as over-payments to suppliers. A fluctuating trend is reflected from 2015/16 to 2018/19. The conservative budgeting over the MTEF is due to the uncertain nature of recovering debts from previous years.

6.3 Donor funding – Nil

7. Payment summary

This section reflects payments and budgeted estimates in terms of programmes and economic classification. Details are given in *Annexure – Vote 14: Public Works*.

7.1 Key assumptions

The following key assumptions have been used to determine the budget:

- In terms of National Treasury guidelines, departments should have catered for carry-through costs of the above-budget 2018 wage adjustment and an inflationary wage adjustment of 6.3, 6.5 and 6.5 per cent for each of the three years of the 2019/20 MTEF, respectively, as well as the 1.5 per cent pay progression. The department's *Compensation of employees* budget grows at a rate of 12.2, 8.6 and 6.2 per cent inclusive of the 1.5 per cent annual pay progression for each of the three years of the 2019/20 MTEF, respectively. This means that the budget largely provides for existing staff, as well as the filling of 60 critical vacant posts in 2019/20. The 6.2 per cent growth in the outer year is below National Treasury guidelines and will need to be reviewed in the next budget process.
- All inflation related increases are based on CPI projections.
- The updated cost-cutting measures, as re-issued by Provincial Treasury in 2018/19, will continue to be adhered to over the 2019/20 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.
- The capital budget is based on the department's infrastructure plan.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 14.3 shows additional provincial and equitable share funding received over the 2017/18, 2018/19 and 2019/20 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2021/22) are based on the incremental percentage used in the 2019/20 MTEF.

Table 14.3 : Summary of additional provincial and equitable share allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	(3 343)	(9 086)	1 143	1 206	1 272
Mayville Conference Centre - Dining facility	4 776	-	-	-	-
PES and Provincial Own Revenue reductions	(5 893)	(6 737)	(11 950)	(12 607)	(13 300)
Budget cuts to fund the remuneration of <i>Izinduna</i>	(2 226)	(2 349)	(2 478)	(2 614)	(2 758)
Additional funding from National Treasury	-	-	15 571	16 427	17 330
2018/19 MTEF period				15 040	15 867
Above-budget wage agreement				15 040	15 867
2019/20 MTEF period					
Budget cut for remuneration of public office bearers			(643)	(682)	(692)
Total	(3 343)	(9 086)	500	15 564	16 447

In 2017/18, the department received R4.776 million for the Mayville conference centre renovations, as mentioned. On the other hand, the department's baseline was reduced as follows:

- The department's PES allocation was reduced due to data updates of the PES formula, as well as fiscal framework reductions. As such, R5.893 million, with carry-through was reduced.
- The Provincial Executive Council determined that, in accordance with Presidential proclamations, the *Izinduna* must be remunerated, hence the budget was reduced by R2.226 million with carry-through.
- The department receives additional funding of R15.571 million with carry-through from National Treasury effective from 2019/20, which offset the budget cuts in 2017/18.

Over the 2018/19 MTEF, the department received additional funding of R15.040 million in 2020/21 with carry-through. This additional funding was allocated by National Treasury to provide for the above-budget wage agreement and was proportionately allocated to all 15 Votes.

Over the MTEF, the department's budget was further cut by R643 000, R682 000 and R692 000 in 2019/20, 2020/21 and 2021/22 respectively, in line with a determination made by the Honourable President for the remuneration of public office bearers. In this regard, the President announced that there

would be minimal or no annual salary increases in 2018/19 for public office bearers. In the case of provincial executives, Premiers, MECs and Speakers did not receive salary increases, while MPLs received a 2.5 per cent increase.

Note that additional funding was allocated in the 2012/13 MTEF for improving infrastructure support. Although no longer visible in Table 14.3, this funding was specifically and exclusively appropriated and the department has not yet completed the implementation of its revised infrastructure staffing structure that this funding was intended for. Thus, amounts of R25.481 million, R26.883 million and R28.362 million in 2019/20, 2020/21 and 2021/22, respectively, remain ring-fenced for this purpose.

7.3 Summary by programme and economic classification

Tables 14.4 and 14.5 provide a summary of the Vote's expenditure and budgeted estimates over the MTEF by programme and economic classification, respectively. The department's structure is currently not in line with the uniform budget and programme structure for the Public Works sector. All programmes are different from the uniform structure except Programme 1 which largely conforms with the programme structure. The department will engage with National Treasury for approval to deviate from the budget structure upon finalisation of their structure. The budget shows steady growth over the 2019/20 MTEF.

Table 14.4 : Summary of payments and estimates by programme: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	353 689	370 859	384 513	406 788	406 788	409 232	438 080	473 237	499 672
2. Property Management	637 046	661 556	700 814	683 593	775 593	995 593	722 248	763 009	801 688
3. Provision of Buildings, Structures and Equipment	415 512	421 750	451 304	497 551	498 630	483 686	524 989	551 814	575 070
Total	1 406 247	1 454 165	1 536 631	1 587 932	1 681 011	1 888 511	1 685 317	1 788 060	1 876 430

Table 14.5 : Summary of payments and estimates by economic classification: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	778 916	825 838	836 119	922 348	924 270	900 241	972 816	1 049 328	1 098 016
Compensation of employees	537 353	583 373	581 342	666 946	651 719	637 414	715 107	776 628	824 446
Goods and services	241 563	242 462	254 776	255 402	272 551	262 827	257 709	272 700	273 570
Interest and rent on land	-	3	1	-	-	-	-	-	-
Transfers and subsidies to:	534 777	563 612	639 553	599 828	702 589	934 118	637 811	673 278	706 560
Provinces and municipalities	524 828	553 579	627 881	594 712	690 934	918 934	629 201	663 675	696 594
Departmental agencies and accounts	480	396	415	488	517	512	590	638	658
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	34	88	95	-	95	95	-	-	-
Households	9 435	9 549	11 162	4 628	11 043	14 577	8 020	8 965	9 308
Payments for capital assets	91 484	54 284	59 872	65 756	54 152	54 152	74 690	65 454	71 854
Buildings and other fixed structures	73 207	32 872	39 546	46 049	34 445	32 151	54 466	46 130	51 897
Machinery and equipment	12 399	13 114	13 764	15 707	15 707	17 623	14 724	13 324	13 605
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 878	8 298	6 562	4 000	4 000	4 378	5 500	6 000	6 352
Payments for financial assets	1 070	10 431	1 087	-	-	-	-	-	-
Total	1 406 247	1 454 165	1 536 631	1 587 932	1 681 011	1 888 511	1 685 317	1 788 060	1 876 430

Programme 1: Administration reflects a slight increase in 2016/17 ascribed mainly to higher than anticipated software licence payments as a result of new users. The slight increase in 2017/18 was due to the purchase of new computer equipment for existing staff. The slight increase in the 2018/19 Revised Estimate is mainly due to staff exit costs, as well as higher than anticipated costs for telecommunication equipment. The budget over the MTEF shows steady growth.

Programme 2: Property Management reflects a slight increase in 2016/17 mainly attributed to the pressures in respect of the payment of property rates. The high spending in 2017/18 relates to increased property rates in the eThekweni region, as per the new valuation roll published in 2017. In the 2018/19 Adjusted Appropriation, additional funding of R92 million was allocated to address spending pressures in

respect of outstanding municipal property rates. Of this amount, R43.500 million was allocated for Section 14 schools relating to 2017 invoices and the balance of R48.500 million was in respect of government debt to municipalities as at March 2015. This explains the substantial increase in the 2018/19 Adjusted Appropriation and the 2018/19 Revised Estimate. The bulk of the MTEF budget caters for municipal property rates, as well as the implementation of GIAMA projects such as maintenance, the clearing of vacant sites, the provision of security services to unutilised buildings, as well as property valuations. The property valuations will result in pressures as the amounts charged by the municipalities exceed the budget. To mitigate this, the department is disposing of properties no longer needed.

Programme 3: Provision of Buildings, Structures and Equipment was slightly high in 2016/17, largely relating to various losses written off against thefts and losses. The significant increase in 2017/18 was mainly due to the shifting of expenditure in respect of GIAMA projects from Programme 2 for condition assessment valuations. The slight decrease in the 2018/19 Revised Estimate can be ascribed to lengthy recruitment processes in the filling of professional posts, as well as slower than anticipated progress on capital infrastructure projects, such as the new iLembe district office project due to slow progress by the contractor. Further to this, the slow spending was also due to the KZN Entrepreneurial Development Centre project, as a result of delays in approving designs, as well as the Legislature Assembly (LA) Complex building in Ulundi and urgent building-related emergency works, due to delays in awarding the contract. The budget over the MTEF caters mainly for infrastructure projects, as explained in Section 7.5.

The increasing trend against *Compensation of employees* from 2015/16 onward is influenced by the carry-through costs of the above-budget wage adjustments, as well as provision for improving infrastructure support. Also contributing was reprioritisation from other categories to cater for various posts. The low spending in 2017/18 was largely as a result of lengthy recruitment processes in the filling of posts and this also explains the decrease in the 2018/19 Adjusted Appropriation and Revised Estimate. Savings were moved mainly from Programme 1 to address pressures in respect of external bursaries, due to the strategic direction of funding more external female bursary holders studying towards qualifications in professional disciplines such as engineering, architecture and quantity surveying. Funding was also moved to cater for higher than anticipated staff exit costs. Further to this, savings were moved from Programme 3 to cater for spending pressures against *Goods and services* for the creation of an additional 1 710 EPWP beneficiary work opportunities and for continued work on the KZN-IMP, as well as to cater for increased costs against property payments relating to electricity and water for shared services in the North Coast region. The department receives additional funding in 2020/21 with carry-through to cater for the above-budget wage agreement. The department has budgeted for the inflationary wage adjustment in line with National Treasury guidelines except for the outer year, as well as for the filling of 60 critical vacant posts. Of these posts, 43 relate to improving infrastructure support in Programme 3. The department's *Compensation of employees* budget grows at a rate of 12.2, 8.6 and 6.2 per cent inclusive of the 1.5 per cent annual pay progression for each of the three years of the MTEF, as previously mentioned.

Goods and services in 2015/16 includes payments in respect of the Richmond Community Development programme and the completion of the KZN-IMP. In 2016/17, the increase relates to savings moved from *Compensation of employees* to cater mainly for increased costs of SITA datalines. The substantial increase in 2017/18 was mainly due to increased costs of current infrastructure projects. The increase in the 2018/19 Adjusted Appropriation was for the creation of an additional 1 710 EPWP beneficiary work opportunities, the continued development of the KZN-IMP, and for increased costs in property payments relating to electricity and water for shared services in the LA Complex building. The low spending in the 2018/19 Revised Estimate is mainly due to lower than anticipated costs as a result of cost-cutting by the department. The allocations in 2018/19 and 2019/20 include R6.023 million and R4.726 million respectively, in respect of the EPWP Integrated Grant for Provinces. The budget over the MTEF shows a steady trend. The low increase in 2021/22 is due to the completion of the Mayville conference centre projects, as well as the landscape project at the LA Complex building in Ulundi in 2020/21.

The spending against *Interest and rent on land* relates to interest on finance leases, as well as interest paid on overdue water and electricity accounts.

Transfers and subsidies to: Provinces and municipalities shows a fluctuating trend which relates to the payment of property rates. The high spending in 2017/18 was mainly in respect of property rates in the

eThekweni region due to increased property values as per the new valuation roll published in 2017. Additional funding of R92 million was allocated in the 2018/19 Adjusted Appropriation to address spending pressures relating to the payment of property rates. These pressures arose due to higher than anticipated increases in municipal rates, as well as the upgrading of various government buildings, which then attract higher property rates. The significantly high spending in the 2018/19 Revised Estimate is attributed to previous year debts in respect of property rates. This category increases steadily over the MTEF, and caters mainly for the payment of property rates, as well as motor vehicle licences.

The erratic trend against *Transfers and subsidies to: Departmental agencies and accounts* is largely driven by workmen's compensation payments, which are based on claims related to injuries on duty.

Transfers and subsidies to: Non-profit institutions relates to donations made to schools and war-rooms in respect of OSS and these are made by the Office of the MEC as per his discretion.

Transfers and subsidies to: Households caters for external bursaries, staff exit costs, as well as injury on duty costs and shows a fluctuating trend due to the unpredictable nature of these costs. The increase in 2017/18 was due to higher than anticipated staff exit costs. The increase in the 2018/19 Adjusted Appropriation was to address pressures in respect of external bursaries, due to the department's strategic direction of funding more external female bursary holders studying towards qualifications in professional disciplines such as engineering, architecture and quantity surveying. Further to this, funding was moved to cater for higher than anticipated staff exit costs. The substantially high spending in the 2018/19 Revised Estimate is mainly attributed to higher than anticipated staff exit costs and unanticipated increases in the number of external bursaries awarded to female students studying towards qualifications in the professional disciplines, as mentioned. The budget increases steadily over the MTEF.

Buildings and other fixed structures fluctuates over the seven years, as it is based on actual capital infrastructure requirements. The decrease in 2016/17 was due to slower than anticipated progress in respect of the upgrade to the Vryheid depot, as well as the shifting of funds from this category to *Goods and services* in respect of the maintenance of buildings. The high spending in 2017/18 was due to space planning in the Amawele building, as well as for the provision of a generator for the Midlands regional office. These projects were not budgeted for in 2017/18. The decrease in the 2018/19 Adjusted Appropriation is due to slower than anticipated progress, mainly attributed to poor contractor performance, exacerbated by design co-ordination issues and inclement weather, which collectively added to delays in respect of the Durban regional office, which was damaged by floods, as well as the new iLembe district office building. There were also delays in awarding various projects within the LA Complex building in Ulundi, due to delays encountered while trying to secure consultants for emergency work to be undertaken. Savings were also identified as a result of delays in the landscaping project at the LA Complex building, as well as the late awarding of electrical and mechanical contracts at this complex. This explains the slow spending in the 2018/19 Revised Estimate. The MTEF allocations provide for the completion of the new administration wing in the uMgungundlovu district office, the new iLembe district office, as well as the rehabilitation and refurbishment of an existing building into the new KZN Entrepreneurial Development Centre in the uMgungundlovu district, construction of the Southern region auditorium, construction of the new CBD office in Newcastle, the replacement of air-conditioning in the eThekweni region, refurbishment of the existing eThekweni regional office, the Mayville conference centre projects, upgrading of the carpenter workshop in Vryheid and the refurbishment of the Amawele building.

Machinery and equipment shows a slight increase in 2016/17 as a result of expenditure relating to telecommunications equipment for the new Tugela Ferry offices. The spending in 2017/18 caters for telecommunication and computer equipment for the department. The high spending in the 2018/19 Revised Estimate relates to the procurement of telecommunication equipment in respect of networking and information technology security switches. The fluctuating trend over the 2019/20 MTEF is in line with the department's actual requirements and provides for telephone network equipment and computer hardware.

Software and other intangible assets for 2018/19 and over the MTEF provides for the purchase of COGNOS user licences, Microsoft software licences and datalines.

The department wrote off various losses against *Payments for financial assets*.

7.4 Summary of conditional grant payments and estimates

Tables 14.6 and 14.7 relate to the summary of conditional grants receipts and payments. Note that the historical figures set out in Table 14.6 reflect actual expenditure per grant, and should not be compared to those reflected in Table 14.1, which represent the actual receipts for each grant. Further details are provided in the *Annexure – Vote 14: Public Works*. The department received funding for the EPWP Integrated Grant for Provinces. This grant is utilised for the EPWP maintenance programme. The department receives R4.726 million in 2019/20 and the allocation is performance based. The budget for this grant is allocated against *Goods and services* under training and development in Programme 3.

Table 14.6 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
EPWP Integrated Grant for Provinces	3 057	4 471	6 588	6 023	6 023	6 023	4 726	-	-
Total	3 057	4 471	6 588	6 023	6 023	6 023	4 726	-	-

Table 14.7 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited 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	3 057	4 471	6 588	6 023	6 023	6 023	4 726	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	3 057	4 471	6 588	6 023	6 023	6 023	4 726	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 057	4 471	6 588	6 023	6 023	6 023	4 726	-	-

7.5 Summary of infrastructure payments and estimates

Table 14.8 presents a summary of infrastructure payments and estimates by category for the Vote. Detailed information on infrastructure is provided in the *2019/20 Estimates of Capital Expenditure*.

Table 14.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Existing infrastructure assets	73 501	45 512	58 600	42 106	37 312	42 784	39 767	51 913	44 664
Maintenance and repair: Current	7 118	17 685	23 421	15 090	12 836	16 625	15 940	25 376	15 800
Upgrades and additions: Capital	51 385	21 349	28 035	12 064	12 064	17 010	9 500	8 346	7 815
Refurbishment and rehabilitation: Capital	14 998	6 478	7 144	14 952	12 412	9 149	14 327	18 191	21 049
New infrastructure assets: Capital	6 824	5 045	4 367	19 033	9 969	5 992	30 639	19 593	23 033
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Non infrastructure¹	-	-	-	-	-	-	-	-	-
Total	80 325	50 557	62 967	61 139	47 281	48 776	70 406	71 506	67 697
<i>Capital infrastructure</i>	73 207	32 872	39 546	46 049	34 445	32 151	54 466	46 130	51 897
<i>Current infrastructure</i>	7 118	17 685	23 421	15 090	12 836	16 625	15 940	25 376	15 800

1. *Non infrastructure* is a stand-alone item, and is therefore excluded from *Capital infrastructure* and *Current infrastructure*, but it is included in the overall total

Maintenance and repair: Current shows a significant increase in 2016/17 which relates to the maintenance and repair of dilapidated buildings. The increase in 2017/18 was to cater for the higher than anticipated costs of unplanned day-to-day general repairs and maintenance work of dilapidated departmental buildings in the eThekweni region. The decrease in the 2018/19 Adjusted Appropriation is due to savings realised and moved within *Goods and services* to cater for increased costs against property payments relating to electricity and water for shared services in the LA Complex building. Funding was also moved to cater for increased costs related to protective clothing required for the creation of the additional 1 710 EPWP beneficiary work opportunities. The increased spending in the 2018/19 Revised Estimate is as a result of periodic maintenance contracts. The budget fluctuates over the MTEF due to planned general maintenance and repairs of buildings in the eThekweni region, the LA Complex building in Ulundi and the Alfred Duma offices in Ladysmith. The negative growth from 2020/21 to 2021/22 is due to the completion of the Mayville conference centre projects, as well as the landscape project in the LA Complex building in 2020/21.

Upgrades and additions: Capital fluctuates over the period. The 2015/16 spending was mainly ascribed to the head office, uThukela district office and Vryheid depot projects. The significant decrease in 2016/17 was due to delays in infrastructure projects such as the Vryheid depot, the provision of water tanks in the North Coast region and the completion of the head office project. The higher spending in 2017/18 relates to the finalisation of space planning in the Amawele building, as well as the provision of a generator for the Midlands regional office. The increase in the 2018/19 Revised Estimate relates to unanticipated spending on infrastructure projects. Over the MTEF, the budget is based on the department's actual capital requirements, and includes upgrades to the Vryheid carpenter workshop, Amawele building, as well as existing buildings in the eThekweni region.

Refurbishment and rehabilitation: Capital shows a significant decrease in 2016/17 which was due to reprioritisation to cater for current maintenance and repair of dilapidated buildings. The slight decrease in the 2018/19 Adjusted Appropriation is as a result of delays in awarding various projects within the LA Complex building, due to delays in the process encountered while trying to appoint specialised consultants for all work undertaken at this complex. The savings were moved to *Goods and services* to fund continued work on the KZN-IMP and this further explains the decrease in the 2018/19 Revised Estimate. The fluctuating trend over the MTEF mainly relates to new projects such as the rehabilitation and refurbishment of existing facilities in respect of the KZN Entrepreneurial Development Centre, water supply system and internal roads and parking facilities in the LA Complex, and the refurbishment of the Mayville conference centre projects in the eThekweni region.

The spending against *New infrastructure assets: Capital* in 2015/16 was due to reprioritisation undertaken from *Maintenance and repair: Current*, and *Upgrades and additions: Capital* to fund the construction of the uThukela and the new iLembe district offices, as well as the new canteen in the Southern region. The spending in 2016/17 was mainly attributed to drought relief initiatives. The slightly low spending in 2017/18 was mainly due to slower than anticipated progress in the finalisation of the subdivision and zoning of land in respect of the new iLembe district office. The decrease in the 2018/19 Adjusted Appropriation is due to savings realised as a result of the slow progress in the construction of the new eThekweni regional office building, as well as the new iLembe district office building. This further explains the decrease in the 2018/19 Revised Estimate. The fluctuating trend over the 2019/20 MTEF is based on the department's actual capital infrastructure requirements including continuing with the construction of the new iLembe district offices, the new administration wing in the uMgungundlovu district office, the new auditorium and conference centre in the Southern region and the construction of the new CBD offices in Newcastle.

7.6 Public Private Partnerships (PPPs) – Nil

7.7 Transfers to public entities (listed i.t.o Schedule 3 of PFMA) and other entities – Nil

7.8 Transfers to local government

Tables 14.9 and 14.10 indicate transfers to local government.

The transfers are in respect of the payment of property rates to municipalities. Further details of these transfers per category are presented in *Annexure – Vote 14: Public Works*. It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence these are excluded from the tables. The amounts indicated as *Unallocated* relate to property rates for properties owned by the KZN provincial government, but located in other provinces.

Table 14.9 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Category A	250 408	254 328	288 527	263 458	284 606	406 606	278 802	294 136	306 605
Category B	274 118	298 954	339 196	330 937	405 961	512 021	350 131	369 388	389 703
Category C	-	-	-	-	-	-	-	-	-
Unallocated	17	12	(2)	60	60	-	-	-	-
Total	524 543	553 294	627 721	594 455	690 627	918 627	628 933	663 524	696 308

Table 14.10 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Property rates	Person. & Admin Related	524 543	553 294	627 721	594 455	690 627	918 627	628 933	663 524	696 308
Total		524 543	553 294	627 721	594 455	690 627	918 627	628 933	663 524	696 308

The spending in 2015/16 includes arrear payments of newly identified properties by municipalities in respect of property rates for the eThekweni Metro, uMgungundlovu, uThukela, uMzinyathi, Amajuba, Zululand, King Cetshwayo, iLembe and Harry Gwala District Municipalities. The slightly higher spending in 2016/17 is ascribed to arrear payments in respect of property rates for the eThekweni Metro, uMzinyathi, uMkhanyakude, Zululand, King Cetshwayo, iLembe, Amajuba, and Harry Gwala District Municipalities. The significant increase in 2017/18 was due to pressures in respect of property rates in the eThekweni region, as mentioned previously.

Additional funding was allocated in the 2018/19 Adjusted Appropriation to address spending pressures relating to the payment of property rates. These pressures arose due to higher than anticipated increases in municipal property rates, as well as the upgrading of various government buildings, which then attract higher property rates. The substantially high spending in the 2018/19 Revised Estimate is attributed to previous year debts in respect of property rates. The department is currently engaging with the NDOPW, as this is an issue that also affects other provinces, to assist with the pressures in the payment of property rates over the MTEF. As such, provision for the payments of property rates increases at an inflationary rate over the MTEF. This will be reviewed in-year taking into account the outcome of the engagement with NDOPW.

7.9 Transfers and subsidies

Table 14.11 is a summary of *Transfers and subsidies* per programme. It should be noted that the amounts reflected against *Departmental agencies and accounts* under Programme 1 in the Adjusted Appropriation column in Table 14.11 do not balance to the same column in Table 14.14 of the 2018/19 *Adjustments Estimate of Provincial Revenue and Expenditure* due to an error made in respect of *Social security funds – Comp. Commissioner* and *Skills development levy* when preparing the Adjustments Estimate.

Provinces and municipalities in Programme 1 reflects the payment of motor vehicle licences.

Departmental agencies and accounts in all programmes relates to workmen's compensation, with no payments shown in the prior years due to no relevant incidents occurring. The allocation in Programme 1 also caters for the skills development levy transfer to PSETA.

Spending against *Non-profit institutions* under Programme 1 relates to donations made to schools and war-rooms in respect of OSS and these are made by the Office of the MEC as per his discretion. The budget over the MTEF will be reviewed in year.

Table 14.11 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
1. Administration	6 731	5 894	8 365	4 164	8 647	10 957	7 620	7 763	8 326
Provinces and municipalities	285	285	160	257	307	307	268	151	286
Motor vehicle licences	285	285	160	257	307	307	268	151	286
Departmental agencies and accounts	480	396	415	459	502	502	529	575	597
Social security funds - Comp. Commissioner	-	-	-	44	14	14	14	8	24
Skills development levy	480	396	415	415	488	488	515	567	573
Non-profit institutions	34	88	95	-	95	95	-	-	-
NPI: Donations and gifts	34	88	95	-	95	95	-	-	-
Households	5 932	5 125	7 695	3 448	7 743	10 053	6 823	7 037	7 443
Bursaries: Non employees	2 788	2 485	4 964	2 718	5 918	7 796	6 214	6 525	6 851
Staff exit costs	3 144	2 640	2 731	730	1 825	2 257	609	512	592
2. Property Management	524 578	553 398	627 878	594 536	690 974	918 981	628 968	663 559	696 340
Provinces and municipalities	524 543	553 294	627 721	594 455	690 627	918 627	628 933	663 524	696 308
Municipalities - Property rates	524 543	553 294	627 721	594 455	690 627	918 627	628 933	663 524	696 308
Departmental agencies and accounts	-	-	-	5	5	-	5	5	-
Social security funds - Comp. Commissioner	-	-	-	5	5	-	5	5	-
Households	35	104	157	76	342	354	30	30	32
Staff exit costs	35	104	157	76	342	354	30	30	32
3. Provision of Buildings, Structures and Equipment	3 468	4 320	3 310	1 128	2 968	4 180	1 223	1 956	1 894
Departmental agencies and accounts	-	-	-	24	10	10	56	58	61
Social security funds - Comp. Commissioner	-	-	-	24	10	10	56	58	61
Households	3 468	4 320	3 310	1 104	2 958	4 170	1 167	1 898	1 833
Staff exit costs	3 466	4 122	3 310	1 104	2 958	4 170	1 167	1 898	1 833
Injury on duty	2	198	-	-	-	-	-	-	-
Total	534 777	563 612	639 553	599 828	702 589	934 118	637 811	673 278	706 560

The fluctuating trend against *Households* in all programmes can be ascribed to unpredictable staff exit costs. The significant increase in 2017/18 is due to spending pressures as a result of the strategic decision to fund more bursaries. The significant increase in the 2018/19 Adjusted Appropriation and Revised Estimate is to address pressures in respect of external bursaries due to the strategic decision to fund more bursaries, as well as to provide for unanticipated staff exit costs. The budget over the MTEF increases steadily and includes an allocation for external bursaries, as well as a provision for staff exit costs.

The high amount against *Provinces and municipalities* in 2016/17 in respect of Programme 2 was due to arrear payments in respect of property rates, as mentioned previously. The pressures arose due to high increases in municipal rates by some municipalities, as well as the upgrading of various government buildings, which attract higher property rates. The high spending in 2017/18 and the 2018/19 Revised Estimate is mainly attributed to property rates in the eThekweni region due to increased values of property rates as per the new valuation roll published in 2017. The increase in the 2018/19 Adjusted Appropriation, and the substantial increase in the 2018/19 Revised Estimate, relate to higher than anticipated increases in property rates, as well as upgrading of various government buildings which attract higher property rates. The department could not adequately budget for the pressures due to limited available funding. The department received additional funding of R92 million in the Adjustments Estimate to assist with the property rates pressures. The department is still engaging with NDOPW to assist with the property rates pressures over the MTEF and the budget will be reviewed in-year, following the discussions.

8. Programme description

The services rendered by the department are categorised under three programmes, the details of which are provided below. The information for each programme is summarised in terms of sub-programmes and economic classification. As mentioned, the department's structure is currently not in line with the uniform budget and programme structure for the Public Works sector. Programme 1 largely conforms to the uniform budget and programme structure, but Programmes 2 and 3 do not conform. Details according to the economic classification are given in the *Annexure – Vote 14: Public Works*.

8.1 Programme 1: Administration

The main objectives are to provide strategic leadership and management support to the MEC, to build a positive corporate culture, to render support and advice in terms of human resource practices, all legal

matters, security and logistics and effective communication and information management systems, render sound financial management services, risk management and supply chain management. Tables 14.12 and 14.13 summarise expenditure and budgeted estimates relating to Programme 1: Administration, for the financial years 2015/16 to 2021/22.

Table 14.12 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Minister Support	13 858	14 772	11 070	13 356	12 811	10 311	13 527	14 491	15 259
2. Management	339 831	356 087	373 443	393 432	393 977	398 921	424 553	458 746	484 413
Total	353 689	370 859	384 513	406 788	406 788	409 232	438 080	473 237	499 672

Table 14.13 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	329 527	344 810	355 776	384 678	380 195	378 035	411 399	446 762	471 651
Compensation of employees	254 491	272 618	284 716	306 398	301 915	302 065	332 152	364 115	385 330
Goods and services	75 036	72 189	71 059	78 280	78 280	75 970	79 247	82 647	86 321
Interest and rent on land	-	3	1	-	-	-	-	-	-
Transfers and subsidies to:	6 731	5 894	8 365	4 164	8 647	10 957	7 620	7 763	8 326
Provinces and municipalities	285	285	160	257	307	307	268	151	286
Departmental agencies and accounts	480	396	415	459	502	502	529	575	597
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	34	88	95	-	95	95	-	-	-
Households	5 932	5 125	7 695	3 448	7 743	10 053	6 823	7 037	7 443
Payments for capital assets	17 431	20 109	20 238	17 946	17 946	20 240	19 061	18 712	19 695
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 553	11 811	13 676	13 946	13 946	15 862	13 561	12 712	13 343
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 878	8 298	6 562	4 000	4 000	4 378	5 500	6 000	6 352
Payments for financial assets	-	46	134	-	-	-	-	-	-
Total	353 689	370 859	384 513	406 788	406 788	409 232	438 080	473 237	499 672

The sub-programme: Minister Support provides support including administrative, operations, protocol, security, parliamentary liaison and communication to the MEC. The department shares a joint ministry with Vote 8: Human Settlements. The budget over the 2019/20 MTEF provides for operational costs, as well as marketing costs mainly in respect of SABC media, newspaper advertisements costs, and printing costs. This sub-programme reflects steady growth over the MTEF.

The sub-programme: Management includes financial management services, risk management, SCM and corporate services. These units provide support and advice in terms of human resource practices, all legal matters, security and logistics, as well as communication and information management systems. This sub-programme shows steady growth over the MTEF.

With regard to *Compensation of employees*, the MTEF growth is at 10 per cent, 9.6 per cent and 5.8 per cent, which is slightly higher than the amount prescribed by National Treasury in 2019/20 and 2020/21 only, and includes the 1.5 per cent pay progression, which means that the department has effectively budgeted for the wage increment in 2019/20 and 2020/21. The 5.8 per cent growth in the outer year is below the growth prescribed by National Treasury and will need to be reviewed. Programme 1 receives additional funding of R7.052 million in 2020/21 to cater for the above-budget wage agreement, hence the high increase in that year. The department has adequately budgeted to fill 16 vacant posts in 2019/20 under Programme 1.

Goods and services caters for the operational costs for this programme, including computer services for SITA costs in respect of network maintenance, communication, fleet services cost for fuel and oil, repairs for departmental vehicles, agency and support/outourced services and the appointment of service providers to provide project management. In addition, this category includes the appointment of

consultants to assist the department in the preparation of their immovable asset register and financial statements, audit costs, as well as training and development. The MTEF caters for the above activities.

Transfers and subsidies to: Provinces and municipalities caters for motor vehicle licence fees.

Transfers and subsidies to: Departmental agencies and accounts caters for the skills development levy and workmen's compensation.

Transfers and subsidies to: Non-profit institutions relates to donations made to schools and war-rooms in respect of OSS and these are made by the Office of the MEC as per his discretion.

Transfers and subsidies to: Households provides for staff exit costs and external bursaries.

Machinery and equipment increases in the 2018/19 Revised Estimate, mainly due to telecommunication in respect of networking and information technology security switches. This explains the decrease over the MTEF, which provides for telecommunication and computer hardware equipment, as mentioned.

Software and other intangible assets provides for the purchase of COGNOS user licences, Microsoft software licences and datalines.

8.2 Programme 2: Property Management

The main purpose of Programme 2 is to provide and facilitate the provision of accommodation and integrated property management services to clients through planned property life cycle (acquisition, management, maintenance and disposal), optimal utilisation of immovable assets, land valuation, maintenance of fixed asset register, payment of property rates and integrated service delivery. Programme 2 also includes the leasing of buildings. Tables 14.14 and 14.15 summarise payments and budgeted estimates from 2015/16 to 2021/22.

Table 14.14 : Summary of payments and estimates by sub-programme: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Personnel and Admin Related	631 195	659 343	700 746	683 248	775 248	995 362	721 959	762 610	801 266
2. Hiring	5 609	2 115	28	-	-	-	-	-	-
3. Acquisition of Land, Control and Disposal	242	98	40	345	345	231	289	399	422
Total	637 046	661 556	700 814	683 593	775 593	995 593	722 248	763 009	801 688

Table 14.15 : Summary of payments and estimates by economic classification: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	112 416	107 623	72 936	88 820	84 382	76 375	93 230	99 450	105 348
Compensation of employees	45 647	49 106	52 195	56 684	56 418	54 853	60 115	64 613	68 802
Goods and services	66 769	58 517	20 741	32 136	27 964	21 522	33 115	34 837	36 546
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	524 578	553 398	627 878	594 536	690 974	918 981	628 968	663 559	696 340
Provinces and municipalities	524 543	553 294	627 721	594 455	690 627	918 627	628 933	663 524	696 308
Departmental agencies and accounts	-	-	-	5	5	-	5	5	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	35	104	157	76	342	354	30	30	32
Payments for capital assets	52	44	-	237	237	237	50	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	52	44	-	237	237	237	50	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	491	-	-	-	-	-	-	-
Total	637 046	661 556	700 814	683 593	775 593	995 593	722 248	763 009	801 688

The sub-programme: Personnel and Admin Related provides for the management of immovable assets in terms of GIAMA and manages the payment of property rates. The MTEF allocations cater for property

rates, the Fixed Asset Register project, as well as the continued implementation of GIAMA projects including clearing of vacant sites, provision of security services to unutilised buildings, as well as property valuations. The department is engaging with the NDOPW to assist with spending pressures, as mentioned previously. This sub-programme shows steady growth over the 2019/20 MTEF.

The sub-programme: Hiring facilitates the provision of hired accommodation for the department. This sub-programme has no allocation over the MTEF due to the completion of the uMzinyathi district office in 2017/18. Currently, all office buildings are state-owned.

The sub-programme: Acquisition of Land, Control and Disposal manages property needs for provincial departments with respect to property acquisitions, disposal and lettings. The budget caters for business and advisory service costs incurred when acquiring or disposing of property.

Compensation of employees growth is at 9.6, 7.5 and 6.5 per cent over the MTEF, which is largely in line with the growth prescribed by National Treasury and the 1.5 per cent pay progression in 2019/20 and 2020/21 only. The department intends to fill one vacant post under Programme 2, which means that the department has effectively budgeted for salary increases for the existing staff and the filling of the vacant post in 2019/20 and 2020/21. Thereafter, the growth for this category will be reviewed by the department in 2021/22. It is noted that the department allocated R1.251 million to this programme in 2020/21, being a portion of the additional allocation for the above-budget wage agreement.

Goods and services includes the budget for the implementation of GIAMA projects such as property valuations, clearing of vacant sites, as well as the provision of security services to unutilised buildings. This category shows healthy growth over the MTEF.

Transfers and subsidies to: Provinces and municipalities relates to property rates to be paid to municipalities. The allocation over the MTEF does not cater for the increased pressure in the payment of property rates. However, the department is engaging with the NDOPW, as mentioned previously. This budget will be reviewed in-year to cater for these pressures, pending the outcome of the engagements.

Transfers and subsidies to: Departmental agencies and accounts is for the payment of workmen's compensation, and is linked to claims received.

Transfers and subsidies to: Households provides for staff exit costs.

Machinery and equipment in 2019/20 is linked to actual requirements in respect of computer equipment.

Service delivery measures: Property Management

Table 14.16 reflects the service delivery measures for Programme 2. The department provided internal service delivery measures for Programme 2, which are a mix of sectoral and non-sectoral measures. It is noted that the targets are different from the 2018/19 *EPRE*, however, these targets were amended in the 2018/19 Adjustments Estimate to match the APP.

Table 14.16 : Service delivery measures: Property Management

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. Effectively manage immovable assets in terms of GIAMA	• No. of immovable assets verified in the Immovable Asset Register in accordance with the mandatory requirements of National Treasury	1 022	191	200	200
	• User-Asset Management Plans completed and submitted to Provincial Treasury in accordance with GIAMA	1	-	-	-
	• Custodian Asset Management Plan completed and submitted to Provincial Treasury in accordance with GIAMA	1	-	-	-
	• No. of properties registered into the name of the KZN provincial government	228	237	200	200
	• % of total budget spent on approved property rates invoices from municipalities	100% (R594m)	100% (R629m)	100% (R664m)	100% (R696m)
2. Effectively provide accommodation needs for provincial departments	• No. of lease agreements concluded	120	80	100	100
	• No. of properties acquired	15	15	15	15

8.3 Programme 3: Provision of Buildings, Structures and Equipment

The main purpose of this programme is the erection and/or acquisition of buildings, structures and engineering works and the maintenance of buildings to client specifications. The core services are:

- Improving integrated service delivery in the provision of buildings and structures.
- Creating jobs through the EPWP initiatives, as well as provincial co-ordination of EPWP.
- Creating an enabling environment for affirmable business enterprises.
- Initiating and co-ordinating strategic partnerships.
- Co-ordinating and aligning operational activities in line with municipal demarcations.

Tables 14.17 and 14.18 summarise payments and budgeted estimates relating to Programme 3 for the period 2015/16 to 2021/22.

Table 14.17 : Summary of payments and estimates by sub-programme: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Personnel and Admin Related	335 187	361 664	387 335	436 383	451 320	434 806	454 552	480 275	507 338
2. Buildings and Structures	80 325	60 086	63 969	61 168	47 310	48 880	70 437	71 539	67 732
Total	415 512	421 750	451 304	497 551	498 630	483 686	524 989	551 814	575 070

Table 14.18 : Summary of payments and estimates by economic classification: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	336 973	373 405	407 407	448 850	459 693	445 831	468 187	503 116	521 017
Compensation of employees	237 215	261 649	244 431	303 864	293 386	280 496	322 840	347 900	370 314
Goods and services	99 758	111 756	162 976	144 986	166 307	165 335	145 347	155 216	150 703
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 468	4 320	3 310	1 128	2 968	4 180	1 223	1 956	1 894
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	24	10	10	56	58	61
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 468	4 320	3 310	1 104	2 958	4 170	1 167	1 898	1 833
Payments for capital assets	74 001	34 131	39 634	47 573	35 969	33 675	55 579	46 742	52 159
Buildings and other fixed structures	73 207	32 872	39 546	46 049	34 445	32 151	54 466	46 130	51 897
Machinery and equipment	794	1 259	88	1 524	1 524	1 524	1 113	612	262
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	1 070	9 894	953	-	-	-	-	-	-
Total	415 512	421 750	451 304	497 551	498 630	483 686	524 989	551 814	575 070

The sub-programme: Personnel and Admin Related provides for the maintenance of the department's buildings and the maintenance of buildings to client specification, and includes the GIAMA conditional assessments budget. The MTEF allocations grow steadily and include the funds ring-fenced for improving infrastructure support. Also catered for is the EPWP maintenance programme, Youth Environmental Service programme and provincial co-ordination and monitoring of the EPWP.

The sub-programme: Buildings and Structures deals with the construction, upgrading or refurbishment of the department's capital infrastructure. The budget shows a fluctuating trend over the MTEF, as it is based on the department's actual capital infrastructure requirements, including new and carry-through costs of certain projects such as the construction of the new iLembe district office, the construction of the new administration wing in the uMgungundlovu district office, as well as the construction of the new auditorium and conference centre in the Southern region. It also caters for the refurbishment of an existing building into the KZN Entrepreneurial Development Centre in the uMgungundlovu district, construction of the new CBD office in Newcastle, the replacement of air-conditioning in the eThekweni region, the refurbishment of the existing eThekweni regional office and the Mayville conference centre projects, upgrading of the carpenter workshop in Vryheid, as well as the refurbishment of the Amawele building.

The department received once-off additional funding of R4.776 million in 2017/18 for the Mayville conference centre, and this project is anticipated to be completed in 2019/20, as mentioned.

The budget for *Compensation of employees* grows steadily at 15.1, 7.8 and 6.4 per cent for each of the three years of the 2019/20 MTEF, respectively. The allocation includes improving infrastructure support funding, where amounts of R25.481 million, R26.883 million and R28.630 million in 2019/20, 2020/21 and 2021/22 respectively, remain ring-fenced for this purpose. The department is planning to fill 43 posts, including professional posts related to infrastructure support. The programme receives additional funding of R6.737 million in 2020/21 to cater for the above-budget wage agreement.

Goods and services includes provision for the maintenance and repairs of the department's infrastructure. The department received R6.023 million for the EPWP Integrated Grant for Provinces in 2018/19 and R4.726 million in 2019/20. Provision is also made for the EPWP co-ordination programme, property payments for security services, and water and electricity costs. The negative growth from 2020/21 to 2021/22 is due to the completion of the Mayville conference centre projects, as well as the landscape project in the LA Complex building in Ulundi in 2020/21.

Transfers and subsidies to: Departmental agencies and accounts relates to workmen's compensation.

Transfers and subsidies to: Households is largely ascribed to staff exit costs.

Buildings and other fixed structures shows fluctuates over the MTEF, based on actual infrastructure requirements, and provides for the construction of the new iLembe district office, the new administration wing in the uMgungundlovu district office, the new auditorium and conference centre in the Southern region, as well as the refurbishment of an existing building into the KZN Entrepreneurial Development Centre in the uMgungundlovu district. It also caters for the construction of the new CBD office in Newcastle, the replacement of air-conditioning in the eThekweni region, the refurbishment of the existing eThekweni regional office, the Mayville conference centre projects, upgrading of the carpenter workshop in Vryheid, as well as the refurbishment of the Amawele building in Umlazi, as previously mentioned.

Machinery and equipment fluctuates, and this is based on requirements for both head office and districts. The high growth in 2018/19 is in line with the anticipated filling of posts and provision of computer equipment for new staff. The budget over the MTEF caters for the replacement of computer equipment.

Service delivery measures: Provision of Buildings, Structures and Equipment

The department has provided several service delivery measures for Programme 3, which are a mix of sectoral and non-sectoral measures, reflected in Table 14.19.

Table 14.19 : Service delivery measures: Provision of Buildings, Structures and Equipment

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
1. Effectively manage the operation of facilities in terms of GIAMA	• No. of condition assessments conducted on state owned buildings	194	337	151	243
2. Effective planning and implementation of infrastructure plans	• No. of infrastructure designs ready for tender	21	13	21	23
3. Timeous completion of capital and maintenance projects	• No. of capital infrastructure projects completed within agreed time period	33	24	35	40
	• No. of capital infrastructure projects completed within agreed budget	92	54	50	50
	• No. of planned maintenance projects completed within agreed contract period	16	15	35	40
	• No. of planned maintenance projects completed within agreed budget	29	32	35	40
	• No. of planned maintenance projects awarded	13	31	40	60
	• No. of EPWP work opportunities created by the provincial DOPW	6 000	6 000	6 000	6 000
4. Creation of work opportunities	• No. of FTEs created by the provincial DOPW	600	600	600	600
5. Creation of FTEs	• No. of public bodies reporting on EPWP targets within the province	66	66	66	66
6. Effective co-ordination of EPWP	• No. of work opportunities reported in the EPWP – reporting system by public bodies aligned to the approved EPWP Phase II business plan	191 423	195 000	190 000	205 000
	• No. of interventions implemented to support public bodies in the creation of targeted number of work opportunities in the province	4	4	4	4
7. Effective empowerment of EPWP beneficiaries	• No. of beneficiary empowerment interventions	3	3	3	3

9. Other programme information

9.1 Personnel numbers and costs

Table 14.20 illustrates the detail of the department's approved establishment and personnel numbers and gives a breakdown of employee dispensation classification. The decline from 2015/16 to 2017/18 relates to delays in the filling of vacant critical posts, as well as the moratorium on the filling of non-critical posts. The department anticipates to fill 60 vacant OSD posts such as Engineers, Quantity Surveyors and other critical vacant posts in 2019/20. The *Compensation of employees* budget grows at 12.2, 8.6 and 6.2 per cent, inclusive of the 1.5 per cent annual pay progression, for each of the three years of the MTEF, respectively, and provides for existing staff, as well as the filling of 60 critical vacant posts. The growth in the outer year is below National Treasury guidelines and will be reviewed in the next budget process.

Table 14.20 : Summary of departmental personnel numbers and costs by component

R thousands	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF		
	2015/16		2016/17		2017/18		2018/19				2019/20		2020/21		2021/22		2018/19 - 2021/22		
	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers nos ¹	Costs	Filled posts	Addit. posts	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers. growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 6	1 146	221 442	1 038	204 461	970	200 636	899	-	899	229 200	905	255 177	905	278 637	905	295 074	0.2%	8.8%	35.9%
7 – 10	512	212 918	534	214 141	501	230 571	532	-	532	245 894	545	274 827	545	301 462	545	320 657	0.8%	9.3%	38.8%
11 – 12	157	64 383	151	109 516	111	91 327	144	-	144	121 484	184	142 221	184	150 376	184	159 188	8.5%	9.4%	19.3%
13 – 16	29	36 986	31	33 240	28	31 526	30	-	30	37 370	31	39 252	31	42 336	31	45 513	1.1%	6.8%	5.6%
Other	8	1 624	6	22 015	96	27 282	52	-	52	3 466	52	3 630	52	3 817	52	4 014	0.0%	5.0%	0.5%
Total	1 852	537 353	1 760	583 373	1 706	581 342	1 657	-	1 657	637 414	1 717	715 107	1 717	776 628	1 717	824 446	1.2%	9.0%	100.0%
Programme																			
1. Administration	917	254 491	894	272 618	880	284 716	867	-	867	302 065	883	332 152	883	364 115	883	385 330	0.6%	8.5%	47.0%
2. Property Management	112	45 647	122	49 106	124	52 195	119	-	119	54 853	120	60 115	120	64 613	120	68 802	0.3%	7.8%	8.4%
3. Prov. of Buildings, Structures & Equip.	823	237 215	744	261 649	702	244 431	671	-	671	280 496	714	322 840	714	347 900	714	370 314	2.1%	9.7%	44.6%
Total	1 852	537 353	1 760	583 373	1 706	581 342	1 657	-	1 657	637 414	1 717	715 107	1 717	776 628	1 717	824 446	1.2%	9.0%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	1 802	508 816	1 710	546 103	1 609	523 271	1 560	-	1 560	574 184	1 619	647 577	1 619	704 506	1 619	747 420	1.2%	9.2%	90.5%
Legal Prof.	7	2 889	7	3 511	7	3 090	6	-	6	3 741	7	3 995	7	4 267	7	4 557	5.3%	6.8%	0.6%
Engineering Prof. and related occupations	43	25 648	43	33 759	90	54 981	91	-	91	59 489	91	63 534	91	67 855	91	72 469	0.0%	6.8%	8.9%
Total	1 852	537 353	1 760	583 373	1 706	581 342	1 657	-	1 657	637 414	1 717	715 107	1 717	776 628	1 717	824 446	1.2%	9.0%	100.0%

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

9.2 Training

Table 14.21 gives a summary of departmental spending and information on training per programme. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expenses on staff training, to cater for human resource development. The fluctuating trend from 2015/16 to 2017/18 was due to training and staff development costs. The budget increases at an inflationary rate over the MTEF. Training includes short courses for in-house staff, as well as internships. The table excludes the EPWP Integrated Grant for Provinces budget, hence the budget for Programme 3 is lower than the training and development figures in Tables 14.B and 14.E. It is also noted that the budget for Programme 1 includes external bursaries, hence it is higher than the training and development budget in Table 14.C.

Table 14.21 : Information on training: Public Works

R thousand	Audited 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	1 852	1 760	1 706	1 657	1 657	1 657	1 717	1 717
Number of personnel trained	1 118	1 161	954	1 279	981	981	1 279	1 279	1 279
of which									
Male	614	447	516	650	420	420	650	650	650
Female	504	714	438	629	561	561	629	629	629
Number of training opportunities	41	34	74	55	118	118	92	92	92
of which									
Tertiary	14	15	15	20	69	69	57	57	57
Workshops	23	11	32	15	9	9	15	15	15
Seminars	2	3	17	10	2	2	10	10	10
Other	2	5	10	10	38	38	10	10	10
Number of bursaries offered	22	17	69	53	139	139	111	111	111
Number of interns appointed	30	83	37	42	14	14	42	42	42
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	819	2 431	560	1 500	307	307	307	307	307
Payments on training by programme									
1. Administration	5 490	4 711	7 809	6 577	9 795	9 467	14 556	15 345	15 677
2. Property Management	43	336	19	562	562	575	-	-	-
3. Provision of Buildings, Structures and Equipment	1 664	293	2 131	2 912	2 912	1 962	-	-	-
Total	7 197	5 340	9 959	10 051	13 269	12 004	14 556	15 345	15 677

ANNEXURE – VOTE 14: PUBLIC WORKS

Table 14.A : Details of departmental receipts: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	8 433	9 079	5 844	9 261	9 261	9 465	7 376	7 844	8 105
Sale of goods and services produced by department (excluding capital assets)	8 426	8 921	5 791	9 258	9 258	9 258	7 373	7 841	8 102
Sale by market establishments	6 278	5 593	4 367	5 991	5 991	5 991	5 052	5 371	5 498
Administrative fees	-	-	-	-	-	1	-	-	-
Other sales	2 148	3 328	1 424	3 267	3 267	3 266	2 321	2 470	2 604
<i>Of which</i>									
<i>Commission</i>	517	522	532	673	673	680	674	674	674
<i>Tender documents</i>	1 617	2 792	883	2 579	2 579	2 579	1 632	1 781	1 895
<i>Replacement of security card</i>	2	2	1	2	2	2	2	2	2
<i>Transport fees</i>	12	12	8	13	13	5	13	13	13
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	7	158	53	3	3	207	3	3	3
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	378	1 874	1 954	302	302	1 048	485	488	501
Interest	110	1 587	1 252	42	42	488	48	50	51
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	268	287	702	260	260	560	437	438	450
Sale of capital assets	2 697	3 781	720	1 215	1 215	2 628	1 500	630	677
Land and sub-soil assets	-	867	56	-	-	1 190	-	-	-
Other capital assets	2 697	2 914	664	1 215	1 215	1 438	1 500	630	677
Transactions in financial assets and liabilities	1 488	1 381	513	862	862	862	903	944	946
Total	12 996	16 115	9 031	11 640	11 640	14 003	10 264	9 906	10 229

Table 14.B : Payments and estimates by economic classification: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	778 916	825 838	836 119	922 348	924 270	900 241	972 816	1 049 328	1 098 016
Compensation of employees	537 353	583 373	581 342	666 946	651 719	637 414	715 107	776 628	824 446
Salaries and wages	458 954	500 215	495 712	573 371	562 516	548 481	619 941	677 304	720 285
Social contributions	78 399	83 158	85 630	93 575	89 203	88 933	95 166	99 324	104 161
Goods and services	241 563	242 462	254 776	255 402	272 551	262 827	257 709	272 700	273 570
Administrative fees	1 016	1 062	1 295	1 004	2 103	2 492	1 491	1 545	1 605
Advertising	9 455	8 283	5 882	6 228	6 228	6 946	5 975	6 257	6 448
Minor assets	1 120	507	786	971	919	794	451	439	462
Audit cost: External	7 088	6 295	8 420	4 727	7 911	8 361	4 983	5 257	5 726
Bursaries: Employees	390	237	926	300	945	990	992	1 042	1 094
Catering: Departmental activities	983	1 376	557	411	447	471	514	545	553
Communication (G&S)	10 481	10 801	9 543	10 257	9 974	8 438	10 438	10 876	11 214
Computer services	22 738	21 079	23 600	28 375	24 203	23 885	30 073	31 852	33 399
Cons & prof serv: Business and advisory services	382	586	32 514	34 131	34 159	34 728	36 035	38 114	39 603
Infrastructure and planning	-	16	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 073	2 150	882	1 713	2 676	4 268	1 730	1 771	1 771
Contractors	8 849	20 621	914	17 043	1 823	1 569	1 808	1 912	2 273
Agency and support / outsourced services	63 428	50 680	24 036	21 504	19 527	16 148	16 591	16 693	18 017
Entertainment	197	157	42	124	124	39	126	134	134
Fleet services (including govt. motor transport)	9 403	11 946	11 897	12 802	12 919	13 068	13 090	13 649	14 006
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	3 544	4 223	4 359	5 319	6 242	5 412	5 154	5 399	5 598
Consumable: Stationery, printing and office supplies	3 432	3 874	2 934	5 134	5 069	4 273	4 944	5 182	5 400
Operating leases	3 474	3 813	4 280	4 670	4 682	4 797	4 715	4 970	5 168
Property payments	61 775	61 873	95 564	70 777	94 219	90 770	89 825	101 912	95 658
Transport provided: Departmental activity	507	607	48	-	117	159	-	-	-
Travel and subsistence	13 676	11 976	11 966	15 235	14 852	13 456	15 227	15 851	16 121
Training and development	9 580	15 471	12 505	12 641	21 005	19 039	11 561	7 211	7 159
Operating payments	2 869	2 003	1 515	1 725	2 096	2 358	1 801	1 893	1 958
Venues and facilities	-	53	-	179	179	152	45	48	47
Rental and hiring	6 103	2 773	311	132	132	259	140	148	156
Interest and rent on land	-	3	1	-	-	-	-	-	-
Interest	-	3	1	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	534 777	563 612	639 553	599 828	702 589	934 118	637 811	673 278	706 560
Provinces and municipalities	524 828	553 579	627 881	594 712	690 934	918 934	629 201	663 675	696 594
Provinces	285	285	160	257	307	307	268	151	286
Provincial Revenue Funds	285	285	-	257	307	307	268	151	286
Provincial agencies and funds	-	-	160	-	-	-	-	-	-
Municipalities	524 543	553 294	627 721	594 455	690 627	918 627	628 933	663 524	696 308
Municipalities	524 543	553 294	627 721	594 455	690 627	918 627	628 933	663 524	696 308
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	480	396	415	488	517	512	590	638	658
Social security funds	-	-	-	73	29	24	75	71	85
Entities receiving transfers	480	396	415	415	488	488	515	567	573
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	34	88	95	-	95	95	-	-	-
Households	9 435	9 549	11 162	4 628	11 043	14 577	8 020	8 965	9 308
Social benefits	6 645	6 866	6 198	1 910	5 125	6 781	1 806	2 440	2 457
Other transfers to households	2 790	2 683	4 964	2 718	5 918	7 796	6 214	6 525	6 851
Payments for capital assets	91 484	54 284	59 872	65 756	54 152	54 152	74 690	65 454	71 854
Buildings and other fixed structures	73 207	32 872	39 546	46 049	34 445	32 151	54 466	46 130	51 897
Buildings	73 207	32 872	39 546	46 049	34 445	32 151	54 466	46 130	51 897
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	12 399	13 114	13 764	15 707	15 707	17 623	14 724	13 324	13 605
Transport equipment	4 494	4 636	6 031	6 871	6 871	6 871	6 910	6 983	7 344
Other machinery and equipment	7 905	8 478	7 733	8 836	8 836	10 752	7 814	6 341	6 261
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 878	8 298	6 562	4 000	4 000	4 378	5 500	6 000	6 352
Payments for financial assets	1 070	10 431	1 087	-	-	-	-	-	-
Total	1 406 247	1 454 165	1 536 631	1 587 932	1 681 011	1 888 511	1 685 317	1 788 060	1 876 430

Table 14.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	329 527	344 810	355 776	384 678	380 195	378 035	411 399	446 762	471 651
Compensation of employees	254 491	272 618	284 716	306 398	301 915	302 065	332 152	364 115	385 330
Salaries and wages	214 595	229 902	239 969	259 567	255 087	255 243	283 425	313 527	332 379
Social contributions	39 896	42 716	44 747	46 831	46 828	46 822	48 727	50 588	52 951
Goods and services	75 036	72 189	71 059	78 280	78 280	75 970	79 247	82 647	86 321
Administrative fees	234	380	230	127	1 148	1 498	326	336	343
Advertising	4 837	2 827	3 286	3 694	3 694	2 633	3 418	3 589	3 694
Minor assets	963	307	693	221	169	412	77	80	75
Audit cost: External	7 088	6 295	8 420	4 727	7 911	8 361	4 983	5 257	5 726
Bursaries: Employees	390	237	926	300	945	945	992	1 042	1 094
Catering: Departmental activities	679	1 100	428	191	227	186	194	204	211
Communication (G&S)	9 197	9 551	8 741	8 169	7 964	7 648	8 333	8 935	9 190
Computer services	20 716	19 077	19 875	20 463	20 463	20 041	21 564	22 842	23 962
Cons & prof serv: Business and advisory services	140	25	68	30	52	50	33	38	55
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	708	1 348	703	1 063	2 026	2 336	1 080	1 085	1 085
Contractors	1 591	2 088	672	1 650	1 520	1 287	1 674	1 605	1 963
Agency and support / outsourced services	3 428	2 558	898	6 796	1 200	224	2 056	1 672	2 105
Entertainment	148	113	42	124	124	39	126	134	134
Fleet services (including govt. motor transport)	6 334	8 327	8 376	9 364	9 481	9 710	9 664	10 057	10 303
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 203	1 414	1 591	1 349	1 386	1 270	1 243	1 299	1 302
Consumable: Stationery, printing and office supplies	2 943	3 258	2 487	4 273	4 208	3 784	4 061	4 264	4 458
Operating leases	2 836	3 064	3 632	3 908	3 920	3 893	3 957	4 174	4 336
Property payments	1 552	1 736	2 131	1 534	2 134	2 435	1 622	1 674	1 762
Transport provided: Departmental activity	507	498	48	-	117	159	-	-	-
Travel and subsistence	5 130	4 260	4 729	5 677	5 507	5 419	5 490	5 557	5 721
Training and development	1 888	1 652	1 593	3 144	2 444	1 619	6 835	7 211	7 159
Operating payments	2 068	1 567	1 216	1 430	1 594	1 866	1 474	1 544	1 596
Venues and facilities	-	53	-	46	46	19	45	48	47
Rental and hiring	456	454	274	-	-	136	-	-	-
Interest and rent on land	-	3	1	-	-	-	-	-	-
Interest	-	3	1	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	6 731	5 894	8 365	4 164	8 647	10 957	7 620	7 763	8 326
Provinces and municipalities	285	285	160	257	307	307	268	151	286
Provinces	285	285	160	257	307	307	268	151	286
Provincial Revenue Funds	285	285	-	257	307	307	268	151	286
Provincial agencies and funds	-	-	160	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	480	396	415	459	502	502	529	575	597
Social security funds	-	-	-	44	14	14	14	8	24
Entities receiving transfers	480	396	415	415	488	488	515	567	573
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	34	88	95	-	95	95	-	-	-
Households	5 932	5 125	7 695	3 448	7 743	10 053	6 823	7 037	7 443
Social benefits	3 144	2 640	2 731	730	1 825	2 257	609	512	592
Other transfers to households	2 788	2 485	4 964	2 718	5 918	7 796	6 214	6 525	6 851
Payments for capital assets	17 431	20 109	20 238	17 946	17 946	20 240	19 061	18 712	19 695
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 553	11 811	13 676	13 946	13 946	15 862	13 561	12 712	13 343
Transport equipment	4 494	4 636	6 031	6 871	6 871	6 871	6 910	6 983	7 344
Other machinery and equipment	7 059	7 175	7 645	7 075	7 075	8 991	6 651	5 729	5 999
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 878	8 298	6 562	4 000	4 000	4 378	5 500	6 000	6 352
Payments for financial assets	-	46	134	-	-	-	-	-	-
Total	353 689	370 859	384 513	406 788	406 788	409 232	438 080	473 237	499 672

Table 14.D : Payments and estimates by economic classification: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	112 416	107 623	72 936	88 820	84 382	76 375	93 230	99 450	105 348
Compensation of employees	45 647	49 106	52 195	56 684	56 418	54 853	60 115	64 613	68 802
Salaries and wages	38 948	41 916	44 632	48 471	48 471	46 952	51 547	55 628	59 366
Social contributions	6 699	7 190	7 563	8 213	7 947	7 901	8 568	8 985	9 436
Goods and services	66 769	58 517	20 741	32 136	27 964	21 522	33 115	34 837	36 546
Administrative fees	765	654	907	866	878	898	966	1 007	1 058
Advertising	150	403	217	307	307	241	313	325	330
Minor assets	27	4	39	57	57	3	30	32	32
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	20	42	17	20	20	16	20	21	22
Communication (G&S)	221	213	210	503	491	141	521	367	367
Computer services	-	182	-	4 422	250	-	4 669	4 926	5 187
Cons & prof serv: Business and advisory services	242	561	75	342	348	242	284	394	417
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	365	780	179	650	650	1 932	650	686	686
Contractors	11	501	-	-	-	-	-	-	-
Agency and support / outsourced services	44 698	36 864	3 826	2 459	2 459	1 177	2 532	2 671	2 937
Entertainment	25	22	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	23	31	82	105	105	68	117	126	126
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	342	288	425	658	658	307	668	704	741
Consumable: Stationery, printing and office supplies	41	14	12	45	45	1	39	40	41
Operating leases	266	183	166	188	188	262	200	212	222
Property payments	11 994	13 603	13 285	18 926	18 926	14 085	20 025	21 128	22 254
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 740	1 641	1 234	1 984	1 960	1 511	2 039	2 154	2 080
Training and development	43	336	19	562	562	575	-	-	-
Operating payments	187	80	48	42	60	63	42	44	46
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	5 609	2 115	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	524 578	553 398	627 878	594 536	690 974	918 981	628 968	663 559	696 340
Provinces and municipalities	524 543	553 294	627 721	594 455	690 627	918 627	628 933	663 524	696 308
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	524 543	553 294	627 721	594 455	690 627	918 627	628 933	663 524	696 308
Municipalities	524 543	553 294	627 721	594 455	690 627	918 627	628 933	663 524	696 308
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	5	5	-	5	5	-
Social security funds	-	-	-	5	5	-	5	5	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	35	104	157	76	342	354	30	30	32
Social benefits	35	104	157	76	342	354	30	30	32
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	52	44	-	237	237	237	50	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	52	44	-	237	237	237	50	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	52	44	-	237	237	237	50	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	491	-	-	-	-	-	-	-
Total	637 046	661 556	700 814	683 593	775 593	995 593	722 248	763 009	801 688

Table 14.E : Payments and estimates by economic classification: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	336 973	373 405	407 407	448 850	459 693	445 831	468 187	503 116	521 017
Compensation of employees	237 215	261 649	244 431	303 864	293 386	280 496	322 840	347 900	370 314
Salaries and wages	205 411	228 397	211 111	265 333	258 958	246 286	284 969	308 149	328 540
Social contributions	31 804	33 252	33 320	38 531	34 428	34 210	37 871	39 751	41 774
Goods and services	99 758	111 756	162 976	144 986	166 307	165 335	145 347	155 216	150 703
Administrative fees	17	28	158	11	77	96	199	202	204
Advertising	4 468	5 053	2 379	2 227	2 227	4 072	2 244	2 343	2 424
Minor assets	130	196	54	693	693	379	344	327	355
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	284	234	112	200	200	269	300	320	320
Communication (G&S)	1 063	1 037	592	1 585	1 519	649	1 584	1 574	1 657
Computer services	2 022	1 820	3 725	3 490	3 490	3 844	3 840	4 084	4 250
Cons & prof serv: Business and advisory services	-	-	32 371	33 759	33 759	34 436	35 718	37 682	39 131
Infrastructure and planning	-	16	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	22	-	-	-	-	-	-	-
Contractors	7 247	18 032	242	15 393	303	282	134	307	310
Agency and support / outsourced services	15 302	11 258	19 312	12 249	15 868	14 747	12 003	12 350	12 975
Entertainment	24	22	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	3 046	3 588	3 439	3 333	3 333	3 290	3 309	3 466	3 577
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 999	2 521	2 343	3 312	4 198	3 835	3 243	3 396	3 555
Consumable: Stationery, printing and office supplies	448	602	435	816	816	488	844	878	901
Operating leases	372	566	482	574	574	642	558	584	610
Property payments	48 229	46 534	80 148	50 317	73 159	74 250	68 178	79 110	71 642
Transport provided: Departmental activity	-	109	-	-	-	-	-	-	-
Travel and subsistence	6 806	6 075	6 003	7 574	7 385	6 526	7 698	8 140	8 320
Training and development	7 649	13 483	10 893	8 935	17 999	16 845	4 726	-	-
Operating payments	614	356	251	253	442	429	285	305	316
Venues and facilities	-	-	-	133	133	133	-	-	-
Rental and hiring	38	204	37	132	132	123	140	148	156
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 468	4 320	3 310	1 128	2 968	4 180	1 223	1 956	1 894
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	24	10	10	56	58	61
Social security funds	-	-	-	24	10	10	56	58	61
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 468	4 320	3 310	1 104	2 958	4 170	1 167	1 898	1 833
Social benefits	3 466	4 122	3 310	1 104	2 958	4 170	1 167	1 898	1 833
Other transfers to households	2	198	-	-	-	-	-	-	-
Payments for capital assets	74 001	34 131	39 634	47 573	35 969	33 675	55 579	46 742	52 159
Buildings and other fixed structures	73 207	32 872	39 546	46 049	34 445	32 151	54 466	46 130	51 897
Buildings	73 207	32 872	39 546	46 049	34 445	32 151	54 466	46 130	51 897
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	794	1 259	88	1 524	1 524	1 524	1 113	612	262
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	794	1 259	88	1 524	1 524	1 524	1 113	612	262
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	1 070	9 894	953	-	-	-	-	-	-
Total	415 512	421 750	451 304	497 551	498 630	483 686	524 989	551 814	575 070

Table 14.F : Payments and estimates by economic classification: Conditional grant (Programme 2: Property Management)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	3 057	4 471	6 588	6 023	6 023	6 023	4 726	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	3 057	4 471	6 588	6 023	6 023	6 023	4 726	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	3 057	4 471	6 588	6 023	6 023	6 023	4 726	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 057	4 471	6 588	6 023	6 023	6 023	4 726	-	-

Table 14.G : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekweni	250 408	254 328	288 527	263 458	284 606	406 606	278 802	294 136	306 605
Total: Ugu Municipalities	13 151	11 129	20 747	16 993	19 122	20 475	17 979	18 968	20 011
B KZN212 uMdoni	4 321	2 504	3 806	3 401	3 718	6 581	3 598	3 796	4 005
B KZN213 uMzombe	2 486	1 955	1 770	4 121	4 705	5 577	4 360	4 600	4 853
B KZN214 uMuziwabantu	2 853	3 065	4 026	5 067	5 873	5 757	5 361	5 656	5 967
B KZN216 Ray Nkonyeni	3 491	3 605	11 145	4 404	4 826	2 560	4 660	4 916	5 186
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	77 301	69 176	72 842	96 918	106 008	98 833	92 540	98 180	103 581
B KZN221 uMshwathi	6 018	6 114	7 849	19 833	20 555	6 967	10 983	12 137	12 805
B KZN222 uMngeni	2 263	2 657	951	8 573	8 775	3 361	9 070	9 569	10 095
B KZN223 Mpofana	583	458	356	115	900	1 023	122	129	136
B KZN224 iMpindle	703	749	903	306	376	1 033	324	342	361
B KZN225 Msunduzi	66 854	58 282	61 646	67 337	72 185	84 857	71 243	75 161	79 295
B KZN226 Mkhambathini	429	455	535	693	833	777	733	773	816
B KZN227 Richmond	451	461	602	61	2 384	815	65	69	73
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	36 914	34 059	42 511	45 684	47 225	63 212	48 333	50 991	53 795
B KZN235 Okhahlamba	1 661	-	2 193	5 879	6 203	3 730	6 220	6 562	6 923
B KZN237 iNkosi Langaibalele	14 672	12 367	19 087	19 029	20 032	22 172	20 132	21 239	22 407
B KZN238 Alfred Duma	20 581	21 692	21 231	20 776	20 990	37 310	21 981	23 190	24 465
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	20 992	28 552	35 216	30 441	39 467	52 734	32 206	33 977	35 846
B KZN241 eNdumeni	6 748	8 387	11 851	9 162	9 912	13 989	9 693	10 226	10 788
B KZN242 Nquthu	7 985	9 205	8 203	9 875	10 068	22 381	10 448	11 023	11 629
B KZN244 uMsinga	1 082	5 734	8 893	5 140	12 687	9 082	5 438	5 737	6 053
B KZN245 uMvoti	5 177	5 226	6 269	6 264	6 800	7 282	6 627	6 991	7 376
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	12 583	11 723	13 420	12 464	21 965	29 848	13 186	13 911	14 675
B KZN252 Newcastle	4 892	3 546	4 109	4 778	4 818	14 650	5 055	5 333	5 626
B KZN253 eMadlangeni	1 941	2 005	2 156	3 005	9 022	6 325	3 179	3 354	3 538
B KZN254 Dannhauser	5 750	6 172	7 155	4 681	8 125	8 873	4 952	5 224	5 511
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	39 365	51 826	48 140	43 928	54 821	73 519	46 476	49 032	51 729
B KZN261 eDumbe	2 248	7 047	5 638	3 467	4 976	15 338	3 668	3 870	4 083
B KZN262 uPhongolo	2 901	3 272	3 305	3 702	5 243	6 206	3 917	4 132	4 359
B KZN263 AbaQulusi	7 260	8 467	7 981	7 349	9 076	9 707	7 775	8 203	8 654
B KZN265 Nongoma	6 507	7 775	7 204	6 124	7 932	10 372	6 479	6 835	7 211
B KZN266 Ulundi	20 449	25 265	24 012	23 286	27 594	31 896	24 637	25 992	27 422
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	19 267	23 051	22 658	26 429	33 430	39 083	27 961	29 498	31 121
B KZN271 uMhlabuyalingana	8 156	10 062	9 874	11 982	11 982	13 355	12 677	13 374	14 110
B KZN272 Jozini	7 328	8 999	4 763	6 126	11 569	11 569	6 481	6 837	7 213
B KZN275 Mtubatuba	1 462	3 990	3 693	2 542	3 584	7 365	6 114	6 450	2 993
B KZN276 Big Five Hlabisa	2 321	-	4 328	5 779	6 295	6 794	2 689	2 837	6 805
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	28 740	33 230	40 450	27 316	38 236	71 024	38 902	40 491	42 718
B KZN281 uMfolozi	94	166	2 569	572	604	6 428	605	638	673
B KZN282 uMhlathuze	14 938	14 321	16 574	13 420	14 758	21 949	24 199	24 980	26 354
B KZN284 uMlalazi	3 235	4 586	7 331	3 699	12 013	16 845	3 914	4 129	4 356
B KZN285 Mthonjaneni	-	399	334	2 889	3 106	3 713	3 057	3 225	3 402
B KZN286 Nkandla	10 473	13 758	13 642	6 736	7 755	22 089	7 127	7 519	7 933
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	11 531	20 516	23 760	17 561	24 305	34 771	18 579	19 601	20 678
B KZN291 Mandeni	273	181	1 674	833	5 036	10 184	881	929	980
B KZN292 KwaDukuza	3 405	11 146	7 594	6 081	6 204	5 027	6 434	6 788	7 161
B KZN293 Ndwedwe	422	4 674	5 392	1 489	2 270	8 916	1 575	1 662	1 753
B KZN294 Maphumulo	7 431	4 515	9 100	9 158	10 795	10 644	9 689	10 222	10 784
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	14 274	15 692	19 452	13 203	21 382	28 522	13 969	14 739	15 549
B KZN433 Greater Kokstad	7 129	8 460	8 722	898	1 101	10 246	950	1 002	1 057
B KZN434 uBuhlebezwe	2 976	2 204	4 934	4 399	6 928	5 070	4 654	4 910	5 180
B KZN435 uMzimkhulu	3 003	3 243	2 662	4 534	6 150	4 548	4 797	5 063	5 341
B KZN436 Dr Nkosazana Dlamini Zuma	1 166	1 785	3 134	3 372	7 203	8 658	3 568	3 764	3 971
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	17	12	(2)	60	60	-	-	-	-
Total	524 543	553 294	627 721	594 455	690 627	918 627	628 933	663 524	696 308

VOTE 15

Arts and Culture

Operational budget	R1 130 295 205
MEC remuneration	R 1 977 795
Total amount to be appropriated	R1 132 237 000
Responsible MEC	MEC for Arts, Culture, Sport and Recreation
Administering department	Arts and Culture
Accounting officer	Head: Arts and Culture

1. Overview

Vision

The vision of the department is: *Prosperity and social cohesion through arts, culture and heritage.*

Mission statement

The department's mission is: *To provide integrated arts and culture services for the people of KZN by developing and promoting arts and culture in the province and mainstreaming its role in socio-economic development.*

Strategic objectives

Strategic policy direction:

The department's strategic objectives are as follows:

- Ensuring an effective policy and internal control environment.
- Advance stakeholder engagements and forge partnerships in support of the department's mandate.
- Interventions that grow the arts, culture and heritage industry in KZN contributing to job creation and poverty alleviation.
- Advance the 2063 Africa agenda to achieve a socially cohesive society.
- Promote multilingualism and redress past linguistic imbalances.
- Contribute to quality of education in the arts, culture and heritage sector.
- Provision of museum services to drive the transformation agenda.
- Provision of library and information services that are free, equitable and accessible.
- Provision of archival and records management services for records of national and provincial significance.

Core functions

The core functions of the department encompass the development and promotion of arts, culture, museum, archive and library services.

Legislative mandates

The department is governed by the following pieces of legislation and policy directives:

- The Constitution of the Republic of South Africa (Act No. 108 of 1996)

- Culture Promotion Act 1993 (Act No. 35 of 1993)
- Cultural Affairs Act 1989 (Act No. 65 of 1989)
- Cultural Institutions Act 1998 (Act No. 119 of 1998)
- South African Geographical Names Council Act 1998 (Act No. 118 of 1998)
- National Language Policy Framework, 2003
- Pan South African Language Board Act 1995 (Act No. 59 of 1995)
- KwaZulu-Natal Parliamentary Official Languages Act 1998 (Act No. 10 of 1998)
- KwaZulu-Natal Libraries Act 1980 (Act No. 18 of 1980)
- Public Service Act 1994 (Act No. 103 of 1994, as amended) and Public Service Regulations of 2001
- Labour Relations Act 1995 (Act No. 66 of 1995)
- Employment Equity Act 1998 (Act No. 55 of 1998)
- Public Finance Management Act 1999 (Act No. 1 of 1999, as amended), and Treasury Regulations
- KZN Provincial Supply Chain Management Policy Framework of 2006
- Preferential Procurement Policy Framework Act 2000 (Act No. 5 of 2000)
- Intergovernmental Relations Framework Act 2005 (Act No. 13 of 2005)
- Natal Provincial Museum Ordinance (Ordinance 26 of 1973)
- KwaZulu-Natal Archives and Records Services Act 2011 (Act No. 8 of 2011)
- Annual Division of Revenue Act
- KwaZulu-Natal Heritage Act 2008 (Act No. 4 of 2008)
- KwaZulu-Natal Amafa and Research Institute Act 2018 (Act No. 5 of 2018)

The department has put on hold the finalisation of the KZN Provincial Languages Bill until the finalisation of the KZN Provincial Language Policy.

2. Review of the 2018/19 financial year

Section 2 provides a review of 2018/19, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

Arts and culture

The department facilitated the establishment of the Social Cohesion and Moral Regeneration Council, established to drive the development and implementation of the Provincial Social Cohesion and Moral Regeneration Strategy. While this strategy is still at a draft level, the department has commenced with implementation of the Social Cohesion and Moral Regeneration programmes, such as youth camps, community dialogues and other multi-cultural events. In this regard, the department hosted 45 community dialogues across all district municipalities. The Arts, Culture and Heritage Strategy was completed. The purpose of this strategy is to identify, develop and preserve the creative industry sector and heritage sites in order to contribute to the economy through marketing the sites, cultural events and performing and non-performing artists. A draft provincial Indigenous Knowledge Strategy was developed, aimed at identifying heritage practices, medicines and food, as well as ways in which these can be used positively in impacting social cohesion, moral regeneration and transformation. A total of six SMMEs were supported with the objective of implementing different arts and culture projects, such as performing and non-performing arts and film development. The department trained 1 187 artists in various arts and culture disciplines. The main departmental events, such as the Reed Dance, Freedom Day, Africa Day, King Shaka Celebrations and the First Fruit Ceremony were successfully hosted. A working relationship was established with Indoni SA, which provides a platform for artists to showcase their talent and skills, and young community members are taught principles of etiquette, manners and culture which supports social cohesion and moral regeneration. The establishment of the Music Academy in Ladysmith, as well as the renovations to the Winston Churchill Theatre, did not commence due to capacity constraints within the department's infrastructure unit. The allocated funds were suspended to 2019/20.

Language service

The department is in the final stage of reviewing the KZN Provincial Language Policy and is in the process of consulting communities with regard to additional languages to be added into the policy. There are currently only four languages in the policy, namely English, isiZulu, Afrikaans and isiXhosa, and the department is proposing to add two additional languages, Sesotho and isiNdebele. After consultations, the department will then hand it over to the Provincial Executive Council for approval. The department is anticipating this to be done in 2019/20. With regard to renaming places in the province, approximately 100 names were submitted to the National Department of Arts and Culture (NDAC), such as Melmoth renamed to uMthonjaneni, and Sikhaweni renamed to Esikhaleni. A total of 55 geographical place names were reviewed in terms of the KZN Provincial Geographical Names Policy/Framework, such as eMngwenya, eNtunda and uMtshingo. Language policies were developed for four government institutions, such as DOSR, uMlalazi Municipality and iNkosi Langalibalele Municipality. A total of 186 documents were translated. The department hosted the International Mother Tongue Day and the International Translation Day Celebrations. The department supported 69 reading and writing clubs in an effort to develop literature and encourage writers. The department conducted research in collaboration with the Eastern Cape DOE on the “Learn Another Language” campaign for the translation of textbooks.

Museum services

The department supported 40 affiliated museums through transfer payments and these included those managed by Board of Trustees under municipalities. The Port Shepstone Maritime Museum was launched. An exhibition titled “Collection Unearthed” was staged at the Margate Art Gallery. It showcased the visual artworks of great artists that have been kept in storage at the department’s museum service. The Siege Museum in Alfred Duma Municipality and Himeville Museum in Dr Nkosazana Dlamini Zuma Municipality were renovated. The digitisation of artefacts continued, with 3 000 artefacts being digitised. The department digitises artefacts as and when collected and stored and this is an ongoing process. The department conducted 106 outreach programmes using mobile museums with a travelling exhibition of artefacts. This included services for the blind, with information about artefacts provided by way of Braille plates and computer facilities that are specifically adapted for the visually impaired.

Library services

The department continued to develop new libraries to increase access to library information services, and undertook stock collection development, the buying of books, training of public librarians and provision of professional support to librarians. Furthermore, the department continued to procure and supply new library materials to 234 libraries. The department procured and dispatched 46 198 new library materials to all public libraries across the province. In addition, funding was transferred to 43 municipalities for provincialisation of libraries to enable them to provide library services.

Community library services grant

The department constructed 11 new libraries, of which eight were modular. The focus was on previously disadvantaged communities in order to increase their accessibility. To this end, three modular libraries were completed, namely Mnqobokazi (Big 5 Hlabisa), KwaQondile (Jozini) and Hafuleni (uMuziwabantu). The department is expecting five additional modular libraries to be completed, namely oSuthu (Nongoma), Patsoane (Nquthu), Newcastle ward 7, Indaka ward 31 and eMafemfetheni (Okhahlamba). The department completed the construction of the Port Shepstone and Bilanyoni libraries. The department anticipates completing the construction of the Charlestown library by the end of 2018/19. The construction of the Dukuduku (Mtubatuba), Ndaleneni (Richmond), KwaDlangezwa (uMhlathuze), Nquthu and KwaMdakane (Dannhauser) libraries was postponed to 2019/20 due to challenges with regard to capacity within the department’s infrastructure unit. In addition, the department experienced challenges with internet connectivity in libraries, hence the bid was awarded late in the year. Using grant funding, the department undertook the equipping of existing and new libraries, procurement of e-learning kiosks, the establishment of toy libraries, as well as the installation of Radio Frequency Identification (RFID) gates in libraries to improve the safeguarding of government assets.

Archives

The department requested that an amount of R68 million relating to the Archive Repository be suspended from 2018/19 to 2019/20 due to the department experiencing challenges with regard to the completion of

the feasibility study for the construction of the Archive Repository. The feasibility study was completed toward the end of 2018/19 and the project was handed over to DOPW. DOPW has allocated a site of approximately 10 000 square metres for building the repository at the proposed Government Precinct complex in Pietermaritzburg. The departmental oral history project continued.

3. Outlook for the 2019/20 financial year

Section 3 looks at the key focus areas of 2019/20, outlining what the department is hoping to achieve during the year, as well as briefly looking at the challenges and proposed new developments. In 2019/20, the department will continue to uphold its core mandate of ensuring cultural advance of all people in the province through hosting various cultural events and provision of reading and writing material. The department will also continue to provide for the provincialisation of libraries, as well as the construction of new libraries to increase the reach across the province.

In an effort to address the difficulties facing Amafa aKwaZulu-Natali (Amafa), most notably the history of resource constraints, the Premier announced during 2015/16 that the intention is to co-ordinate heritage in the province through the amalgamation of Amafa and the Heritage unit within OTP to form the KZN Amafa and Research Institute. The KZN Amafa and Research Institute Act (No. 5 of 2018) was passed in the Legislature and provincial proclamation No. 5 of 14 December 2018 was issued determining that the new entity will move to the department on 1 April 2019, along with eight personnel. The KZN Amafa and Research Institute is a new public entity under Programme 2: Cultural Affairs within the Heritage Resource Services sub-programme. The audited figures from 2015/16 to 2017/18 relate to the public entity Amafa before the merger, while the 2018/19 transfer is still reflected under OTP. The MTEF allocations to the new entity are provisional, at this stage, and will be reviewed, taking into account transitional arrangements to be undertaken during the year.

Arts and culture

The department will focus on the establishment of the Social Cohesion and Moral Regeneration Council and the development of the Social Cohesion and Moral Regeneration Strategy and implementation plan. Youth programmes will be rolled out in schools to ensure talent identification and development, mass participation in arts and culture programmes, education and skills development, career guidance, and creation of employment opportunities. These programmes will also assist in curbing the high drop-out rates, substance abuse and other social ills that affect the youth. Campaigns and community dialogues will be held to create awareness on malpractice of culture (*ukuthwala*), albinism (against killings for medicinal purposes) and abuse of the elderly. The Winston Churchill Theatre will be renovated and the Osizweni and King Cetshwayo art centres will be upgraded in line with the department's focus on the promotion and development of cultural and creative industries. The department will also commence with the construction of the Music Academy in Ladysmith.

Language services

The department will complete the review of the KZN Provincial Language Policy, and will assist local municipalities with the development of institutional language policies and the promotion of indigenous languages, such as literature development in indigenous languages and the creation of space in public libraries for indigenous literature. The department will continue with the "Learn Another Language" programme and this involves individuals learning another indigenous language (including sign language), particularly public servants and political leaders in KZN, including members of the Provincial Executive Council, at basic and intermediate levels. The reading and writing clubs in respect of both the war-room packages and moral regeneration (correctional centres) will continue. The International Mother Tongue and Translation Day Celebrations will continue to be hosted by the department. Translation, interpreting and editing services will continue to be offered to government departments and statutory bodies.

Museum services

The department will continue to transfer funds to 40 affiliated museums to assist with the staffing and operational costs of services. In addition, funds will be transferred for the construction of the KwaDukuza Museum, as this project has been prioritised. The department digitises artefacts as and when collected and stored and this is an ongoing process. Two exhibitions will be held and the promotion for the love of museums will continue.

Library services

The department will transfer funds to 43 municipalities to enable them to provide library services at a local municipality level. The department will procure 201 000 library materials and books, with a special focus on indigenous languages since 2019 has been declared the International Year of Indigenous Languages as declared by the United Nations. In order to redress spatial inequalities and ensure rural communities have access to information, 12 new libraries and nine modular libraries will be constructed during the 2019/20 MTEF. The renovation of the Library Services building in Pietermaritzburg commenced in 2018/19 and will continue in 2019/20. The department anticipates the renovation to be completed in 2020/21.

KwaZulu-Natal Amafa and Research Institute

The KZN Amafa and Research Institute was established in December 2018 through the merger of the former Amafa and the Heritage unit in OTP. Transitional arrangements, such as the secondment of Heritage staff from OTP to the KZN Amafa and Research Institute, are in the process of being undertaken, and it is envisaged that the new entity will be fully empowered and resourced to identify, conserve, protect, manage and administer Heritage Resource Services and to conduct research within the heritage field in the province.

The entity will renovate the Azaria Mbatha Room (art display room at Shiyane), erect nine commemorative memorials and a statue for the commemoration of Fatima Meer, as well as construct two ancestral markers. Furthermore, the entity will commemorate the uThongati Train Station (eThekweni) and grade it in terms of its historical significance, identify Zulu Kings' grave sites, and create a list of heritage sites in the Ugu District, among others.

With regard to its new research role, the entity plans to conduct research on Dingiswayo (Chief of the Mthethwa clan) and on Ntshingwayo kaMahole (commanding general of King Cetshwayo's Zulu Army), undertake archaeological research in the uMgungundlovu and Ulundi areas, as well as research the contribution of heritage on the district economies, etc.

Community Library Services grant

The planning for numerous libraries, such as uMzumbe and Nquthu, will be finalised and the department will start with the construction of libraries, such as the Dukuduku (Mtubatuba), KwaDlangezwa (uMhlathuze), Nquthu and KwaMdakane (Dannhauser) libraries, which were postponed in 2018/19 due to challenges with regard to capacity within the department's infrastructure unit. The construction of the uMzumbe and the Nquthu libraries will commence once planning has been finalised. An additional 10 modular libraries will be established to address the service delivery gap in terms of the provision of library services. The department will purchase books that support school curricula and tertiary education modules in order to satisfy the demand for educational support in public libraries. The Community Library Services grant will also fund the cost of internet connectivity for 234 libraries and implementation of the Sita Library Information Management System (SLIMS) library control system in all libraries. Funding will be transferred to municipalities in respect of four provincialised libraries, namely Maphumulo, Ndumo, Qhudeni and Nkungumathe, and the function for the provision of library services will be transferred to the respective municipalities. The department will promote the culture of reading through the support of the Family Literacy project. The department will continue to provide specialised services for the blind in partnership with SA Library for the Blind, and will pilot the establishment of one mini-library in a school for the blind, and is awaiting for DOE to indicate which school in this regard.

Archives

The department will continue with the design and will commence with the construction of the Archive Repository in 2019/20. In addition, the department plans to commence with the planning to acquire Information Technology (IT) equipment and systems, such as electronic records management and a document management system. This will be done to test for the most suitable and efficient equipment for the new repository. Records management training for all institutions will continue and oral history projects not currently documented in the repository will be undertaken.

4. Reprioritisation

The department intends to fill 24 critical vacant posts over the MTEF, such as Chief Director: Regional Office Management, Director and Deputy Director: IT, Deputy Director: Asset Management, Deputy Director: Internal Control and Risk Management. The department moved funds from enforced savings under *Goods and services* to *Compensation of employees* in order to provide for the filling of these posts. The reprioritisation resulted in the department scaling down on expenditure related to the hosting of various departmental events, such as the Reed Dance, Freedom Day, Africa Day, King Shaka Celebrations, First Fruit Ceremony and Heritage Day. The *Goods and services* items that were cut included *Advertising, Contractors, Agency and support/outsourced services, Travel and subsistence, Transport provided: Departmental activity, Venues and facilities and Rental and hiring*. There will be no impact on service delivery as the department will continue to host these events, however at a reduced cost. In addition, the department reduced the number of interns appointed over the MTEF. The reprioritisation undertaken is only sufficient for 2019/20, and is not sufficient for existing and new appointments in the outer years and this will be reviewed in the next budget process. In addition, there is a decrease against *Buildings and other fixed structures* as a result of the department finalising most of the construction projects in 2019/20, and prioritising funding toward making new libraries operational.

5. Procurement

In 2019/20, the department will continue to review all its SCM activities in line with Treasury Regulations. The department will also continue to develop and implement procurement plans for procurement exceeding R50 million, and demand management plans for procurement below R50 million as per the revised Preferential Procurement Policy Framework Act, 2017. The department aims to reduce the turnaround time for procuring goods and services. Internal controls, contract management and inventory management will continue to be strengthened.

The department will also intensify its efforts to ensure that suppliers and service providers are paid within 30 days, in line with Treasury Regulations 8.2.3. All quotations and bids will be awarded in a manner which is fair, equitable, transparent, competitive and cost effective.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 15.1 provides the sources of funding for Vote 15 over the seven-year period 2015/16 to 2021/22. The table also compares actual and budgeted receipts against actual and budgeted payments.

Details of departmental receipts are given in *Annexure – Vote 15: Arts and Culture*. The department receives a provincial allocation in the form of equitable share and national conditional grant allocations in respect of the Community Library Services grant and the EPWP Integrated Grant for Provinces.

Table 15.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Equitable share	683 343	670 190	694 453	681 544	689 544	689 544	787 399	846 730	893 327
Conditional grants	158 969	165 162	175 093	176 397	176 397	176 397	186 527	194 572	206 377
Community Library Services grant	157 569	163 162	173 093	174 397	174 397	174 397	184 417	194 572	206 377
EPWP Integrated Grant for Provinces	1 400	2 000	2 000	2 000	2 000	2 000	2 110	-	-
Total receipts	842 312	835 352	869 546	857 941	865 941	865 941	973 926	1 041 302	1 099 704
Total payments	827 819	845 667	868 409	962 571	872 502	872 502	1 132 237	1 067 210	1 099 704
Surplus/(Deficit) before financing	14 493	(10 315)	1 137	(104 630)	(6 561)	(6 561)	(158 311)	(25 908)	-
Financing									
of which									
Provincial roll-overs	19 856	22 952	14 127	-	931	931	-	-	-
Provincial cash resources	10 922	5 500	5 000	104 630	5 630	5 630	158 311	25 908	-
Surplus/(Deficit) after financing	45 271	18 137	20 264	-	-	-	-	-	-

The department received a roll-over of R19.856 million in 2015/16, as follows:

- R500 000 for the Royalty Soapie Awards.
- R5.157 million for the refurbishment of the Pinetown and Dundee library depots.
- R14.199 million for the Community Library Services grant relating to various challenges with the construction and upgrade of a number of libraries.

The increase was offset by a decrease of R727 000 against both conditional grants. National Treasury implemented Section 22(4) of the DORA and removed R127 000 from the Community Library Services grant and R600 000 from the EPWP Integrated Grant for Provinces allocations. These amounts related to funds that were unspent in 2014/15. However, Provincial Treasury allocated back to the department a total of R727 000 from equitable share so that these grants were not compromised by the reduction. This was thus treated as an equitable share allocation to be spent on activities related to the grant.

The department received provincial cash resources of R10.922 million in 2015/16. The department's allocation in respect of the construction of the Arts and Culture Academy was re-scheduled in order to meet the time-frames of the construction plan. This resulted in a decrease of R37 million in 2015/16, from the original allocation of R42.500 million. This R37 million was allocated over the outer years, with R3.500 million allocated in 2016/17 and R33.500 million in 2017/18. The allocation in respect of the academy was also reduced in 2017/18 by R33.500 million and the purpose of the funds was changed, taking into account that the cost of constructing the academy far exceeded the original amount requested, as mentioned below. The balance of the funds against provincial cash resources in 2015/16 related to carry-through funding in respect of The Playhouse Company and the KZN Philharmonic Orchestra, in order to increase their transfers back to their original allocation.

The department under-spent by R45.271 million in 2015/16, mainly as a result of challenges experienced with the construction of the Port Shepstone and the Manyiseni libraries. This amount also includes under-expenditure of R43 000 in respect of the Heritage function which was shifted from OTP, as mentioned.

The 2016/17 equitable share includes carry-through funding in respect of the above-budget 2015 wage agreement. In addition, included in the provincial cash resources is R3.500 million for the construction of the Arts and Culture Academy, with the last tranche being in 2017/18, as mentioned above, before the purpose of the funds was changed, and R2 million for the construction of the Archive Repository. The department did not spend the full allocation in respect of the Archive Repository due to the department's lack of technical expertise to undertake the feasibility study and this was rolled over to 2017/18.

The department received a roll-over of R22.952 million against the Community Library Services grant for the construction of the Port Shepstone library in 2016/17.

The department under-spent by R18.137 million in 2016/17, of which R52 000 related to the Heritage function, which was shifted from OTP. The under-expenditure was mainly as a result of delays in the supply and erection of nine modular libraries. In addition, the feasibility studies for the construction of the Arts and Culture Academy and Archive Repository were not conducted.

In the 2017/18 Main Appropriation, the department was allocated R54.381 million under provincial cash resources for the construction of the Arts and Culture Academy (R33.500 million from 2015/16) and the Archive Repository (R20.881 million). In the 2017/18 Adjusted Appropriation, the department received a roll-over of R14.127 million in respect of the Community Library Services grant (R9.878 million) and the equitable share (R4.249 million). The department's budget was then decreased by R49.381 million in respect of provincial cash resources, resulting in only R5 million being reflected, as follows:

- The allocation for the Arts and Culture Academy was reduced by R33.500 million, as mentioned. This reduction was due to the request for a change in purpose and re-scheduling of these funds, taking into account that the cost of constructing the academy far exceeded the original amount requested. The department requested that R20.500 million of the funds be used for refurbishment of the Winston Churchill Theatre in Pietermaritzburg, and that R13 million be allocated toward the development of a Music Academy in Ladysmith, which is a project to be jointly undertaken with EDTEA. Thus, R2 million was allocated in 2017/18 to be used for the Winston Churchill Theatre and the balance of

the funds of R31.500 million was re-allocated in 2018/19 for completion of the refurbishment of the Winston Churchill Theatre and the establishment of the Music Academy in Ladysmith.

- The allocation for the Archive Repository was reduced by R20.881 million and R3 million was allocated back to the department for the feasibility study due to the department requesting for the re-scheduling of these funds in line with project requirements. The total amount allocated for the feasibility study was R5 million, as the balance of R2 million was funded by the approved roll-over, as mentioned. The balance of the reduction of R17.881 million relating to the Archive Repository was allocated back to the department in 2018/19 and 2019/20.

The department under-spent by R20.264 million in 2017/18, of which R14 000 relates to the Heritage function. The under-expenditure was largely as a result of challenges experienced with various infrastructures projects, such as the uThungulu Art Centre, Winston Churchill Theatre, Port Shepstone Museum and the Archive Repository.

In the 2018/19 Main Appropriation, the department's provincial cash resources of R104.630 million include carry-through funds in respect the refurbishment of the Winston Churchill Theatre, establishment of the Music Academy in Ladysmith, as well as the Archive Repository. In the 2018/19 Adjusted Appropriation, R91 million was suspended to 2019/20, as follows:

- R5 million, allocated as a transfer payment to the Alfred Duma Municipality in respect of the Music Academy in Ladysmith.
- R9 million in respect of the refurbishment of the Winston Churchill Theatre.
- R9 million toward the upgrade and additions of the Osizweni Art Centre.
- R68 million relating to the Archive Repository.

The balance of R5.310 million under provincial cash resources relates to the Winston Churchill Theatre (R500 000) and the establishment of the Archive Repository. It must be noted that the allocations in respect of the Winston Churchill Theatre and the Music Academy in Ladysmith were incorrectly overstated by R9 million and R8 million, respectively, in the above table. These funds were supposed to be allocated to 2019/20. The overstatement was corrected in the 2018/19 Adjustments Estimate. The above decrease was offset by a roll-over of R931 000 in respect of transfers to non-profit organisations.

The department is anticipating a balanced budget as per the December IYM.

In 2019/20, the department's provincial cash resources include R158.311 million allocated for the construction of the Archive Repository, as well as suspended funds from 2018/19 in respect of the Archive Repository, Winston Churchill Theatre, Music Academy in Ladysmith and the Osizweni Art Centre. The allocation in respect of the Archive Repository continues to 2021/22 against provincial cash resources.

As mentioned, the Premier signed a Proclamation determining the movement of the Heritage function from OTP, with effect from 1 April 2019. In terms of the generic budget and programme structure for the Sport, Arts and Culture sector, this funding should be allocated under a separate sub-programme, namely Heritage Resource Services, under Programme 2 and is reflected against the equitable share. In this regard the department received R63.462 million, R66.953 million, and R70.635 million over the 2019/20 MTEF. Of this amount, R35.960 million, R37.938 million and R40.025 million over the MTEF relates to the transfer to the new entity, while the balance remains under *Compensation of employees, Goods and services* and *Heritage assets*, at this stage, during the transitional period.

The Community Library Services grant was increased by R500 000 in 2019/20 and 2020/21, and by R12.305 million in 2021/22 and these increases are largely inflation related. Furthermore, funding was allocated for the EPWP Integrated Grant for Provinces in 2019/20, with no carry-through, at this stage.

6.2 Departmental receipts collection

Table 15.2 indicates the estimated departmental receipts for Vote 15. The main revenue sources of the department are fees in respect of the cultural hall and two campsites which fall under its control, as well

as funds received from public libraries for lost/stolen library material. Details of departmental receipts are presented in *Annexure – Vote 15: Arts and Culture*.

Table 15.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	554	583	534	643	643	643	675	674	711
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	142	82	122	87	87	87	91	81	85
Interest, dividends and rent on land	-	-	16	6	6	36	6	-	-
Sale of capital assets	-	-	-	73	73	-	77	114	120
Transactions in financial assets and liabilities	230	285	1 229	171	171	448	180	134	141
Total	926	950	1 901	980	980	1 214	1 029	1 003	1 057

Sale of goods and services other than capital assets is in respect of rentals for hiring of the department's hall and campsites, rent from officials occupying state houses, parking fees, tender fees, and commission on PERSAL deductions such as insurance premiums and garnishee orders. The department has indicated that the fluctuations over the MTEF will be reviewed.

Fines, penalties and forfeits relates to fines collected from lost library material. The fluctuating trend over the seven-year period is due to the difficulty in predicting the number of lost library books, among others.

Interest, dividends and rent on land is in respect of interest bearing debt, such as staff debt. The high collection in the 2018/19 Revised Estimate was due to interest charged on a debt of R600 000 relating to an over-payment of a supplier. The department will review this category in the next budget process and will provide estimates over the MTEF.

Sale of capital assets derives its revenue from the disposal of redundant assets such as motor vehicles and office equipment. The department decided to include mileage in their disposal policy as a major determinant of when to auction the redundant assets, hence no collection in the 2018/19 Revised Estimate. The budget is expected to increase over the MTEF.

Transactions in financial assets and liabilities relates to the recovery of previous years' expenditure, recovery of staff debt and salary reversals or over-payments to ex-employees. The 2017/18 amount includes an irrecoverable debt of R1.061 million which was subsequently written-off, and the balance relates to staff debts. Also, the 2018/19 Revised Estimate includes an amount of R376 000 being a debt written-off, as a result of an employee being paid on an incorrect notch for two years. The revenue budget decreases in 2020/21 and 2021/22 as the trend of this category is unpredictable, however, the department will review these figures in the budget process.

6.3 Donor funding – Nil

7. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 8 below, as well as in the *Annexure – Vote 15: Arts and Culture*.

7.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- All inflation related increases are based on CPI projections.
- In terms of National Treasury's guidelines, the cost of living adjustment is 7.8 per cent in 2019/20 and 8 per cent in 2020/21 and 2021/22, including the 1.5 per cent pay progression. However, the department provided for growth in *Compensation of employees* of 13 per cent in 2019/20, as well as 6

per cent in both 2020/21 and 2021/22. The high growth in 2019/20 caters for the planned filling of 24 budgeted critical vacant posts. The growth in the outer years is below National Treasury's guidelines, and will be reviewed by the department the next budget process, taking into account progress with regard to the filling of vacant posts.

- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2018/19, will continue to be adhered to over the 2019/20 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.
- Note that historical and MTEF figures in this document have been restated to include the Heritage function shift from OTP.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 15.3 shows the additional provincial and equitable share funding over the 2017/18, 2018/19 and 2019/20 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2021/22) are based on the incremental percentage used in the 2019/20 MTEF.

Table 15.3 : Summary of additional provincial and equitable share allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	17 200	48 805	94 063	548	578
Archive Repository	20 881	52 925	93 544	-	-
PES and Provincial Own Revenue reductions	(2 672)	(3 055)	(5 418)	(5 716)	(6 030)
Budget cuts to fund remuneration of <i>Izinduna</i>	(1 009)	(1 065)	(1 123)	(1 185)	(1 250)
Additional funding from National Treasury	-	-	7 060	7 448	7 858
2018/19 MTEF period		51 705	(26 233)	31 343	5 734
Archive Repository - remove from baseline		(52 925)	(93 544)	-	-
Archive Repository - reschedule over the MTEF		73 130	67 311	25 908	-
Arts and Culture Academy change in purpose - Winston Churchill Theatre		18 500	-	-	-
Arts and Culture Academy change in purpose - Music Academy in Ladysmith		13 000	-	-	-
Above-budget wage agreement		-	-	5 435	5 734
2019/20 MTEF period			154 462	66 953	70 635
Archive Repository - suspended from 2018/19			68 000	-	-
Winston Churchill Theatre funds suspended from 2018/19			9 000	-	-
Music Academy in Ladysmith funds suspended from 2018/19			5 000	-	-
Osizweni Art Centre - funds suspended from 2018/19			9 000	-	-
Heritage function shift from OTP			63 462	66 953	70 635
Budget cut for remuneration of public office bearers			(643)	(682)	(692)
Total	17 200	100 510	222 292	98 844	76 947

In the 2017/18 MTEF, there was a reduction of the PES allocation due to data updates of the PES formula, fiscal framework reductions and a downward revision of the Provincial Own Revenue numbers and the department's budget cut amounted to R2.672 million, R3.055 million, R5.418 million over the 2017/18 MTEF. Funds were suspended to COGTA for the remuneration of *Izinduna* as determined by the Provincial Executive Council, in line with Presidential proclamations in this regard and the department's budget was cut by R1.009 million, R1.065 million and R1.123 million over the MTEF with carry-through. The cuts were offset by additional funding for the construction of the Archive Repository, with carry-through over the MTEF and additional funding from National Treasury.

In 2018/19, the department requested that the funds allocated in previous years for the construction of the Archive Repository be rescheduled over the 2018/19 MTEF (with further funds to be allocated over future MTEFs). Accordingly, R73.130 million was allocated in 2018/19 with carry-through. In addition, the department requested a change in purpose and a suspension of the Arts and Culture Academy funds. As such, R18.500 million was suspended to 2018/19 for the refurbishment of the Winston Churchill Theatre, and R13 million was suspended to 2018/19 for the development of a Music Academy in Ladysmith. Funds received from National Treasury in 2020/21 were proportionally allocated across all Votes for the above-budget wage agreement, hence the department received R5.435 million for this purpose, with carry-through.

In the 2019/20 MTEF, the department was allocated funds suspended from 2018/19 in respect of the Archive Repository (R68 million), the Winston Churchill Theatre (R9 million), the Music Academy (R5 million) and the Osizweni Art Centre (R9 million). In addition, the Heritage function was moved to the department from OTP, including a newly established public entity, the KZN Amafa and Research

Institute. This was done in order to address the difficulties facing Amafa, most notably the history of resource constraints. The increase was marginally offset by a reduction in the department's budget by R643 000, R682 000 and R692 000 over the 2019/20 MTEF with carry-through, in respect of the remuneration of public office bearers in line with a determination made by the Honourable President. In this regard, the President announced that there would be minimal or no annual salary increases in 2018/19 for public office bearers. In the case of provincial executives, Premiers, MECs and Speakers did not receive salary increases, while MPLs received a 2.5 per cent increase. The savings realised from this announcement were cut from provinces in line with fiscal consolidation efforts.

7.3 Summary by programme and economic classification

Tables 15.4 and 15.5 provide a summary of payments and budgeted estimates by programme and economic classification, respectively, for the period 2015/16 to 2021/22.

The programmes of the department are aligned to the uniform programme and budget structure for the Arts and Culture sector. It must be noted that the Heritage function was moved from OTP to the department and includes the newly established public entity, namely the KZN Amafa and Research Institute. The historical and MTEF figures have been included in the department's budget and expenditure under Programme 2, sub-programme: Heritage Resource Services, in line with the uniform programme structure for the sector. The audited figures from 2015/16 to 2017/18 relate to the public entity Amafa before the merger, while the 2018/19 transfer is still reflected under OTP.

The department is liable for the repayment of over-expenditure from 2013/14, resulting in a first charge against the department's budget in 2015/16 and 2016/17, and this is reflected under Programme 1: Administration against *Payments for financial assets*.

Table 15.4 : Summary of payments and estimates by programme: Arts and Culture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	124 731	144 454	145 196	152 667	152 967	152 967	157 335	168 558	176 283
2. Cultural Affairs	260 366	269 447	277 862	255 489	241 520	241 520	329 536	326 100	347 791
3. Library and Archive Services	442 722	431 766	445 351	554 415	478 015	478 015	645 366	572 552	575 630
Total	827 819	845 667	868 409	962 571	872 502	872 502	1 132 237	1 067 210	1 099 704
Unauth. Exp. (1st charge) not available for spending	(3 830)	(3 830)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	823 989	841 837	868 409	962 571	872 502	872 502	1 132 237	1 067 210	1 099 704

Table 15.5 : Summary of payments and estimates by economic classification: Arts and Culture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	386 649	420 680	480 089	450 893	449 056	448 010	502 193	538 136	561 800
Compensation of employees	186 654	203 628	219 660	233 508	233 714	233 661	263 867	279 337	296 138
Goods and services	199 960	217 030	260 302	217 385	215 342	214 334	238 326	258 799	265 662
Interest and rent on land	35	22	127	-	-	15	-	-	-
Transfers and subsidies to:	366 772	323 588	279 806	337 212	333 478	333 740	373 821	390 775	407 285
Provinces and municipalities	273 527	231 797	200 936	270 790	259 134	259 134	276 640	290 892	304 349
Departmental agencies and accounts	42 764	40 815	40 437	8 657	8 657	8 657	45 101	47 582	50 199
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	10 750	11 569	9 045	28 400	33 200	33 200	22 600	22 600	22 600
Non-profit institutions	38 296	36 583	26 995	28 165	29 380	29 380	28 213	28 364	28 727
Households	1 435	2 824	2 393	1 200	3 107	3 369	1 267	1 337	1 410
Payments for capital assets	70 568	96 625	107 388	174 466	89 968	90 171	256 223	138 299	130 619
Buildings and other fixed structures	57 971	83 151	92 505	166 324	76 253	76 253	241 911	123 475	115 254
Machinery and equipment	8 915	12 669	12 493	8 142	13 715	13 918	9 213	9 445	9 690
Heritage assets	3 682	805	2 391	-	-	-	5 099	5 379	5 675
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	(1)	-	-	-	-	-	-
Payments for financial assets	3 830	4 774	1 126	-	-	581	-	-	-
Total	827 819	845 667	868 409	962 571	872 502	872 502	1 132 237	1 067 210	1 099 704
Unauth. Exp. (1st charge) not available for spending	(3 830)	(3 830)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	823 989	841 837	868 409	962 571	872 502	872 502	1 132 237	1 067 210	1 099 704

Spending in 2015/16 against Programme 1: Administration includes additional funding for the above-budget 2015 wage agreement. The increase in 2016/17 is attributed to increased audit costs, as well as programmes initiated by the MEC focusing on youth development. The slight increase in the 2018/19 Adjusted Appropriation relates to reprioritisation from Programme 3 for branding and marketing costs for departmental events which are centralised under Programme 1, such as advertising *via* radio, as these were under-budgeted for. In addition, the department provided for the balance of the shared ministerial operational costs between the department and the DOSR, such as telephone, accommodation, travel and subsistence, which were brought to book from a suspense account in 2018/19. The increase over the MTEF includes provision for the planned filling of critical vacant posts, such as Chief Financial Officer and Director: Internal Control and Risk Management, as well as interns for all programmes. The growth in *Compensation of employees* in 2019/20 is sufficient, however, the growth in 2020/21 and 2021/22 is not sufficient for filling posts. The department will review the *Compensation of employees* budget in-year and in the next budget process.

Spending against Programme 2: Cultural Affairs in 2016/17 included the hosting of the Disability Summit in Pietermaritzburg in collaboration with DOSR, launch of the Essence Festival in Durban, as well as the construction of the Maritime Museum in Port Shepstone. The increase in 2017/18 included programmes initiated by the MEC focusing on youth development, as well as hosting of the Social Cohesion and the Disability Summits. This explains the decrease in 2018/19. The further decrease in the 2018/19 Adjusted Appropriation is attributed to the suspension of funds to 2019/20 in respect of the construction of the Music Academy in Ladysmith, the rehabilitation of the Winston Churchill Theatre and construction of the Osizweni Art Centre, explaining the significant increase in 2019/20. The MTEF allocation includes the Heritage function shift from OTP. The historical and MTEF figures have been restated and are included in the table. The 2018/19 figures remain unchanged and this explains the fluctuating trend. As mentioned, the department reprioritised to fill critical vacant posts over the MTEF. The growth in *Compensation of employees* in 2019/20 is sufficient, however, the growth in 2020/21 and 2021/22 is not sufficient for existing staff, as well as the filling of vacant posts. The department will review the *Compensation of employees* budget in-year and in the next budget process.

The decrease against Programme 3: Library and Archive Services in 2016/17 was largely attributed to a transfer to the Nquthu Municipality being withheld in respect of staffing and operational costs of modular libraries due to the municipality not having a council to regulate or monitor the transfer. In addition, there were delays in the supply and erection of nine modular libraries. Furthermore, the feasibility study for the construction of the Archive Repository in Pietermaritzburg was not conducted as a result of the department's lack of technical expertise. The increase in 2017/18 is attributed to a roll-over of R12.997 million in 2017/18 in respect of the equitable share and the Community Library Services grant. The decrease in the 2018/19 Adjusted Appropriation relates to the suspension of funds in respect of the construction of the Archive Repository, as mentioned. This explains the substantial increase in 2019/20. The feasibility study was completed and the project was handed over to DOPW toward the end of 2018/19 and the approved site is at the proposed Government Precinct complex. The department anticipates that construction will commence in 2019/20. The growth in 2019/20 is not sufficient for existing staff and the filling of vacant posts. The department will review the *Compensation of employees* budget in-year and in the next budget process.

Compensation of employees shows steady growth over the seven-year period. The MTEF allocation includes the Heritage function shift from OTP. The historical figures and MTEF figures include seven employees, but the 2018/19 figures remain unchanged. In terms of National Treasury's guidelines, the cost of living adjustment is 7.8 per cent in 2019/20 and 8 per cent in 2020/21 and 2021/22, including the 1.5 per cent pay progression. However, the department provided for growth in *Compensation of employees* of 13 per cent in 2019/20, 6 per cent in 2020/21 and 2021/22. The high growth in 2019/20 caters for the planned filling of 24 budgeted critical vacant posts. The growth in the outer years is below National Treasury's guidelines, and will be reviewed by the department in the next budget process.

Goods and services includes the costs of the main events hosted by the department and the acquisition of library materials for public libraries. The increase in 2016/17 is attributed to increased audit costs, various MEC programmes focusing on youth development, as well as hosting the Social Cohesion and Disability

Summit. The increase in 2017/18 can be ascribed to an increase in the operational costs for the Office of the MEC, such as travelling and accommodation for the MEC and staff in the execution of the mandates of both departments that fall under the MEC, as well as the reprioritisation of funds from *Transfers and subsidies to: Provinces and municipalities* relating to transfers to the Newcastle Municipality for the Charlestown library under the Community Library Services grant. These funds were used for minor renovations to various libraries, refurbishing, equipping, procurement of e-learning kiosks, among others, within the grant. This change in the Community Library Services grant business plan was approved by the NDAC. This explains the decrease in the 2018/19 Main Appropriation. The slight decrease in the 2018/19 Adjusted Appropriation is due to the department's decision to not host the Annual Languages, Archives and Museums Conference as a result of the conference not being a direct service delivery event. The resultant savings were reprioritised to Programmes 1 and 2. The MTEF allocations include the Community Library Services grant funding in respect of the purchase of library material, connectivity costs for internet access and the costs of implementing the SLIMS library control.

Interest and rent on land relates to overdue accounts in respect of fleet services management accounts.

The high spending against *Transfers and subsidies to: Provinces and municipalities* in 2015/16 provides for motor vehicle licences which were under-budgeted for, incorporation of the Vukani Museum, as well as the appointment of staff and operational costs of the Maqongqo library in the Mkhambathini Municipality and the Aquadene library in the uMhlathuze Municipality. In addition, the high spending included a transfer to the eThekweni Metro which became responsible for the management of the Stable Theatre from that year. The decrease in 2016/17 was due to a transfer to the Msunduzi Municipality in respect of the Tatham Art Gallery not being effected because of non-submission of the required documentation. In addition, the transfer of provincialisation funds to Nquthu Municipality in respect of staffing and operational costs for modular libraries was not effected as a result of the municipality not having a council to regulate or monitor the transfer. In 2017/18, as mentioned under *Goods and services*, the department requested the NDAC to change the Community Library Services grant business plan and this resulted in funds being moved from this category in respect of the Newcastle Municipality for the finalisation of the Charlestown library. These funds were moved to *Goods and services* and *Machinery and equipment* for installation of RFID gates in libraries. The decrease in the 2018/19 Adjusted Appropriation is mainly attributed to the shifting of funds to *Compensation of employees* and *Goods and services* in respect of transfers to the uMhlabuyalingana, Jozini and Nkandla Municipalities for the appointment of staff for provincialised libraries under the Community Library Services grant. The municipalities experienced challenges with regard to the appointment of staff due to lengthy consultations relating to the transfer of staff from municipalities to the province. In addition, the transfer to the Alfred Duma Municipality in respect of the Music Academy in Ladysmith was suspended to 2018/19 due to a decision taken by the department to implement this project in 2019/20 and to do so directly as opposed to *via* the municipality. The increase over the MTEF provides for transfers to municipalities, for the payment of mobile library units and salaries of cyber cadets, as well as inflationary increments.

Transfers and subsidies to: Departmental agencies and accounts reflects transfer payments made to public entities, the Playhouse Company, Amafa and the KZN Amafa and Research Institute. The audited figures from 2015/16 to 2017/18 relate to the public entity Amafa before the merger, while the 2018/19 transfer is still reflected under OTP. The growth against this category is dependent on the agreements between the department and the entities. It must be noted that the MTEF allocations to the new entity are provisional, at this stage, and will be reviewed, taking into account the transitional arrangements.

Transfers and subsidies to: Public corporations and private enterprises reflects transfers to various organisations which assist the department in implementing its arts and culture programmes. The increase in 2017/18 was due to the introduction of transfers in respect of PMB Jazz Festival, International Jazz Extravaganza, Amasiko Ehlangene and KZN Music Imbizo. The increase in the 2018/19 Adjusted Appropriation is largely attributed to an increase and introduction of new transfers to various entities, such as Abaqulusi Maskandi Festival, Amagugu Esizwe Maskandi Music Festival, Durban Cultural Festival and Picnic Day, Gumba Festival, Mazibuye Arts and Cultural Festival, NACMA (Pty) Ltd, Nquthu Gospel Music Festival and The Seven Days War. The allocation over the MTEF is constant at R22.600 million and this relates to transfers to the Beads Festival, the Drakensberg Extravaganza, Nquthu

Gospel Music Festival and Ukhozi Nyusi Volume, which is an annual New Year's Concert held by the Ukhozi FM radio station in various locations around KZN.

Transfers and subsidies to: Non-profit institutions covers transfers made to the KZN Philharmonic Orchestra, arts councils, art centres, as well as museums managed by Boards of Trustees. In addition, support is provided to various art organisations. The decrease in 2017/18 compared to 2016/17 was attributed to non-compliance of various organisations, such as KwaCulture, Usiba Writers' Guild and Die Ventersfees with regard to the submission of the necessary documentation. The increase in the 2018/19 Adjusted Appropriation is attributed to a roll-over of R931 000 from 2017/18 in respect of transfers to non-profit organisations, such as Byrne District Museum, Rorkes Drift Art Centre, art councils, Usiba Writers' Guild, and KwaCulture. The growth over the MTEF provides for continued transfers to the KZN Philharmonic Orchestra, art councils, art centres, museums managed by Boards of Trustees, as well as various art organisations.

Transfers and subsidies to: Households relates to staff exit costs, as well as external bursary payments.

Buildings and other fixed structures increased in 2016/17 due to the roll-over in respect of the construction of the Port Shepstone library. The spending in 2017/18 includes the roll-over of R16.253 million in respect of the delivery of prefabricated offices at the Mbazwana Art Centre, completion of the Port Shepstone Museum and repair of the Library Services head office in Prince Alfred Street in Pietermaritzburg. The decrease in the 2018/19 Adjusted Appropriation is attributed to the suspension of funds in respect of various infrastructure projects due to the department's capacity constraints, such as the Winston Churchill Theatre, Osizweni Art Centre and the Archive Repository. The 2019/20 allocation includes carry-through funding in respect of the construction of the Archive Repository, as well as funds suspended from 2018/19 in respect of this infrastructure project, hence the decrease in the outer years. In addition, the MTEF allocations provide for the construction of new libraries, such as Dukuduku and KwaMdakane, as mentioned. The decrease from 2020/21 is mainly attributed to no additional funding being allocated in respect of various infrastructure projects, such as the Winston Churchill Theatre and the Osizweni Art Centre, as well the department finalising most of the construction projects in 2019/20, and prioritising funding toward making the new libraries operational.

The low spending against *Machinery and equipment* in 2015/16 is attributed to delays in the delivery of motor vehicles ordered, hence payment could not be made by year-end. The increase in 2016/17 was due to the purchase and replacement of computer equipment, as well as the installation of security gates and information kiosks in libraries, as well as vehicles ordered in 2015/16 but paid for in 2016/17. The spending in 2017/18 relates to the purchase of new motor vehicles and the reprioritisation of the Community Library Services grant funds from *Buildings and other fixed structures* due to the change in the business plan, as mentioned. These funds were used for the installation of the RFID gates in existing libraries and modular libraries, explaining the decrease in the 2018/19 Main Appropriation. The increase in the 2018/19 Adjusted Appropriation was for the replacement of some motor vehicles for four regional offices, as well as the purchase of new furniture for completed libraries, such as Port Shepstone, Newcastle extension, and eight modular libraries within the conditional grant. The MTEF allocations increase and provide for the replacement of computers and furniture for staff appointed in prioritised posts, and include the Community Library Services grant allocations for the upgrading of computer equipment in public libraries.

Heritage assets relates to the purchase of museum artefacts and heritage monuments. A large portion of the expenditure against this category is attributed to the inclusion of the Heritage function from OTP, as mentioned. Prior year figures were restated to include expenditure against the Heritage unit, and the MTEF allocations also include these. The low expenditure in 2016/17 was as a result of some planned heritage unveilings of monuments and tombstones of past struggle stalwarts not taking place as anticipated, due to the need to first undertake consultation with relevant stakeholders. The 2019/20 MTEF caters for various tombstones, unveilings of struggle icons and walls of remembrance. It must be noted that the MTEF allocations to the new entity are provisional, at this stage, and will be reviewed after the transitional phase, taking into account the transitional arrangements.

Spending against *Payments for financial assets* relates to the write-off of staff debts. The spending in 2015/16 and 2016/17 is in respect of the first charge and write-off staff debts, as previously explained.

7.4 Summary of conditional grant payments and estimates

Tables 15.6 and 15.7 show the amounts allocated to the department in respect of the Community Library Services grant and the EPWP Integrated Grant for Provinces. Note that the historical figures set out in Table 15.6 reflect actual expenditure per grant, and should not be compared to those reflected in Table 15.1, which represent the actual receipts for each grant. Details of the conditional grants are given in *Annexure – Vote 15: Arts and Culture*.

Table 15.6 : Summary of conditional grant payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Community Library Services grant	132 773	176 198	183 036	174 397	174 397	174 397	184 417	194 572	206 377
EPWP Integrated Grant for Provinces	1 400	2 000	2 000	2 000	2 000	2 000	2 110	-	-
Total	134 173	178 198	185 036	176 397	176 397	176 397	186 527	194 572	206 377

Table 15.7 : Summary of conditional grant payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	39 122	50 128	67 174	45 176	51 532	51 532	46 610	50 991	53 971
Compensation of employees	4 789	7 344	12 398	9 863	11 976	11 976	10 265	8 710	9 302
Goods and services	34 333	42 784	54 776	35 313	39 556	39 556	36 345	42 281	44 669
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	53 249	58 512	32 205	59 527	53 171	53 171	56 317	62 181	66 506
Provinces and municipalities	50 132	55 183	29 608	56 727	50 071	50 071	54 217	60 001	64 242
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	3 117	3 329	2 597	2 800	3 100	3 100	2 100	2 180	2 264
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	41 802	69 558	85 657	71 694	71 694	71 694	83 600	81 400	85 900
Buildings and other fixed structures	39 388	63 469	81 335	67 694	63 694	63 694	78 600	76 400	80 900
Machinery and equipment	2 414	6 089	4 322	4 000	8 000	8 000	5 000	5 000	5 000
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	134 173	178 198	185 036	176 397	176 397	176 397	186 527	194 572	206 377

The Community Library Services grant increases steadily over the seven-year period. Spending in 2015/16 included the roll-over of R14.199 million in respect of the construction and upgrade of various libraries. The increase in 2016/17 is attributed to the roll-over in respect of the construction of the Port Shepstone Library. The increase in 2017/18 is due to a roll-over in respect of staffing and operational costs of libraries in the Nquthu Municipality and the supply and erection of modular libraries. The planning for numerous libraries, such as the uMzumbe and Nquthu library will be finalised and the department will start with the construction of libraries, such as the Dukuduku (Mtubatuba), KwaDlangezwa (uMhlathuze), Nquthu and KwaMdakane (Dannhauser) libraries, which were postponed in 2018/19 due to challenges with regard to capacity within the department's infrastructure unit. Also, the construction of the uMzumbe and Nquthu libraries will commence once the planning has been finalised.

The EPWP Integrated Grant for Provinces was used for the appointment of contract cleaners for the department, museums and libraries under *Goods and services* in 2017/18. The grant was also used for the appointment of arts and culture facilitators who train school children at schools on arts and culture related activities under *Compensation of employees* in 2018/19. This grant allocation is R2.110 million in 2019/20, with no allocation in 2020/21 and 2021/22 at this stage, as this is an incentive based grant.

Compensation of employees caters for the appointment of staff for libraries as part of provincialisation, as well as staff to oversee the administration of the Community Library Services grant. The increase in the

2018/19 Adjusted Appropriation is due to the reprioritisation of funds from *Transfers and subsidies to: Provinces and municipalities* for the appointment of staff in respect of the provincialised libraries, namely uMhlabuyalingana, Jozini and Nkandla libraries. In 2019/20, the department has allocated the EPWP Integrated Grant for Provinces allocation against this category for the appointment of contract workers to assist in various infrastructure projects undertaken by the department, such as construction and maintenance of art centres and museums.

Goods and services spending mainly relates to the purchase of library materials, connectivity costs for internet access and the costs of implementing the SLIMS library control systems from 2015/16 to 2017/18. This category included the EPWP Integrated Grant for Provinces allocation for the appointment of contract cleaners for the department, museums and libraries, as well as arts and culture facilitators who train school children at schools on arts and culture related activities from 2015/16 to 2017/18. The increase in 2017/18 is attributed to the reprioritisation of funds from *Transfers and subsidies to: Provinces and municipalities* for undertaking minor renovations to various libraries, refurbishing, equipping, procurement of e-learning kiosks, and establishment of toy libraries, as mentioned. The increase in the 2018/19 Adjusted Appropriation was for operational costs, such as municipal costs, stationery and printing for provincialised libraries. These funds were moved from *Transfers and subsidies to: Provinces and municipalities* in respect of transfers to uMhlabuyalingana, Jozini and Nkandla. These municipalities experienced challenges with regard to the appointment of staff due to lengthy consultations relating to the transfer of staff from municipalities to the province. The allocations over the MTEF cater for the continuation of the purchase of library materials for existing and new libraries, internet connectivity costs and the operating of SLIMS in libraries.

The increase against *Transfers and subsidies to: Provinces and municipalities* in 2016/17 was due to the reprioritisation of funds from *Compensation of employees* for the appointment of staff for libraries in municipalities. The decrease in 2017/18 was attributed to the movement of funds to *Goods and services* and *Machinery and equipment*. The movement was due to a change in the Community Library Services grant as these funds were originally earmarked for transfer to the Newcastle Municipality for the finalisation of the Charlestown library. The decrease in the 2018/19 Adjusted Appropriation is due to the movement of funds to *Compensation of employees* and *Goods and services* in respect of transfers to uMhlabuyalingana, Jozini and Nkandla for the appointment of staff in respect of provincialised libraries and operational costs, as mentioned. The MTEF allocations provide for transfers to municipalities in respect of four provincialised libraries, namely Maphumulo, Ndumo, Qhudeneni and Nkungumathe.

Transfers and subsidies to: Non-profit institutions caters for transfer payments in respect of the Family Literacy project, SA Library for the Blind and Africa Ignite. The increase in the 2018/19 Adjusted Appropriation is attributed to an increase in the transfer to the SA Library for the Blind for the replacement of outdated equipment and to market the services provided to the visually impaired. The MTEF allocations provide for the continuation of transfers to the SA Library for the Blind, Africa Ignite and Family Literacy Project. The SA Library for the Blind renders a library and information service to blind and visually impaired people through the production of accessible South African reading material in development of a comprehensive library collection, as well as advisory services to promote access to information. Africa Ignite conducts reading and writing programmes on behalf of the department. The MTEF allocations include continued transfers to the SA Library for the Blind and the Family Literacy Project. The project undertaken by Africa Ignite will end in 2018/19.

The increase in *Buildings and other fixed structures* in 2016/17 relates to a roll-over for the Port Shepstone Library. The decrease in the 2018/19 Adjusted Appropriation is attributed to delays in the appointment of project managers to implement and monitor infrastructure projects, such as the Mtubatuba, Ngwelezane and Bhongweni libraries. These funds were moved to *Machinery and equipment*. The MTEF provides for the commencement of the construction of various new libraries, such as Dukuduku and KwaMdakane, as mentioned.

Machinery and equipment fluctuates over the seven-year period and relates to the purchase of mobile library buses and upgrading of computer equipment in libraries. The increase in 2016/17 was due to the reprioritisation of funds from *Goods and services* for installation of security gates and information kiosks in various libraries, as mentioned. The increase in the 2018/19 Adjusted Appropriation is attributed to the

movement of funds from *Buildings and other fixed structures* for the purchase of new furniture for completed libraries, such as the Port Shepstone library, Newcastle extension, as well as eight modular libraries. The MTEF allocations relate to the upgrading of computer equipment in public libraries, as well as the purchase of equipment and four mobile library buses for completed libraries.

7.5 Summary of infrastructure payments and estimates

Table 15.8 shows the amounts allocated by the department in respect of infrastructure spending, including both capital and current expenditure. Further details of the department's infrastructure payments and estimates are presented in the *2019/20 Estimates of Capital Expenditure (ECE)*.

Table 15.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Existing infrastructure assets	17 552	6 053	16 295	27 500	9 500	9 117	21 900	22 067	35 254
Maintenance and repair: Current	-	-	-	-	-	-	-	-	-
Upgrades and additions: Capital	5 666	3 646	4 196	25 500	7 500	7 062	10 000	4 561	11 000
Refurbishment and rehabilitation: Capital	11 886	2 407	12 099	2 000	2 000	2 055	11 900	17 506	24 254
New infrastructure assets: Capital	40 419	77 098	76 210	138 824	66 753	67 136	220 011	101 408	80 000
Infrastructure transfers	30 800	15 000	-	16 000	11 000	10 058	3 000	5 000	2 000
Infrastructure transfers: Current	800	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	30 000	15 000	-	16 000	11 000	10 058	3 000	5 000	2 000
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Non infrastructure ¹	-	-	-	-	-	-	-	-	-
Total	88 771	98 151	92 505	182 324	87 253	86 311	244 911	128 475	117 254
Capital infrastructure	87 971	98 151	92 505	182 324	87 253	86 311	244 911	128 475	117 254
Current infrastructure	800	-	-	-	-	-	-	-	-

1. Non infrastructure is a stand-alone item, and is therefore excluded from Capital infrastructure and Current infrastructure, but it is included in the overall total

The spending against *Upgrades and additions: Capital* in 2016/17 is in respect of the upgrade of various art centres, such as uThungulu, Mbazwana and Osizweni. The decrease in the 2018/19 Adjusted Appropriation is due to the suspension of funds in respect of the refurbishment of the Winston Churchill Theatre and the upgrade and additions of the Osizweni Art Centre. The department was unable to implement these infrastructure projects due to capacity constraints within the department's infrastructure unit. The increase in 2019/20 includes the suspended funds, hence the decrease in the outer years. The MTEF provides for the upgrade of various art centres and libraries, such as Osizweni and uThungulu Art Centres, as well as Utrecht and uMzimkhulu libraries. The decrease from 2020/21 is attributed to no additional funding allocated in respect of the Osizweni Art Centre.

The spending in 2015/16 against *Refurbishment and rehabilitation: Capital* relates to the roll-over for the refurbishment of library depots, such as the Pinetown and Dundee library depots. The increase in 2017/18 was due to the reprioritisation from *Goods and services* for the refurbishment of the Gerhard Bhengu and Mooi River Museums. The substantial allocations over the MTEF provide for the refurbishment of the Winston Churchill Theatre, roof of the Library Head Office and various libraries.

The increase against *New infrastructure assets: Capital* in 2016/17 was due to a roll-over of R22.952 million for the construction of the Port Shepstone library. The decrease in the 2018/19 Adjusted Appropriation is due to the reduction of the Arts and Culture Academy and Archive Repository funds in line with the department's request for a change in purpose and re-scheduling of these funds, taking into account project requirements. In addition, funds were moved from this category due to delays in the appointment of project managers to implement and monitor infrastructure projects, such as the Mtubatuba, Ngwelezane and the Bhongweni libraries, as mentioned. These funds were moved to *Machinery and equipment* for the purchase of motor vehicles, furniture and computers for newly appointed staff and completed libraries. The MTEF provides for the construction of various libraries, such as the Dukuduku and the KwaMdakane libraries, as well as the Archive Repository and the Music Academy in Ladysmith. The funding in respect of the Archive Repository ceases in 2020/21, at this stage. The department may request to re-schedule the 2019/20 allocation, depending on the progress of the project. The department anticipates to complete the construction of the Archive Repository in 2022/23 and, with regard to the Music Academy, the completion date has not been determined, at this stage.

Infrastructure transfers: Current in 2015/16 related to the current maintenance of museum buildings, as well as repairs to the roof of the collection centre in Pietermaritzburg.

Infrastructure transfers: Capital reflects transfers to municipalities for the building of libraries and museums, among others. The transfer in 2015/16 relates to funds transferred to the eThekweni Metro for the construction of the mega-library. In 2016/17, the department discontinued the transfer to the eThekweni Metro in respect of the construction of the mega-library due to various challenges experienced by the Metro. The R15 million transferred in 2016/17 relates to the Newcastle Municipality in respect of construction of the Newcastle and Charlestown libraries. The decrease in the 2018/19 Adjusted Appropriation is attributed to the suspension of funds in respect of the transfer to the Alfred Duma Municipality for the Music Academy in Ladysmith due to capacity constraints within the department's infrastructure unit. The department will no longer be transferring funds to the municipality but will implement the project directly against *New infrastructure assets: Capital*, as discussed. The allocations over the MTEF are in respect of the construction of the KwaDukuza Museum.

7.6 Summary of Public Private Partnerships – Nil

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Table 15.9 indicates transfers to public and other entities, as explained above and below the table.

The department transfers to two public entities over the MTEF, namely the Playhouse Company and the newly established KZN Amafa and Research Institute, which resides under Programme 2 against *Transfers and subsidies to: Departmental agencies and accounts*. The audited figures from 2015/16 to 2017/18 relate to the public entity Amafa before the merger, while the 2018/19 transfer is still reflected under OTP. The other entities fall under *Transfers and subsidies to: Non-profit institutions* and *Transfers and subsidies to: Public corporations and private enterprises*.

Claims against the state

Spending allocated against claims against the state relate to excess payment in respect of a motor vehicle.

The Playhouse Company

The Playhouse Company is a cultural institution promulgated under the Cultural Institutions Act, No. 119 of 1998. Its primary mandate is to develop and promote artistic works that are representative of the diverse South African artistic and cultural heritage. The department entered into an agreement with the entity based on projects undertaken which are linked to the department's mandate, such as promoting arts education and arts development initiatives. The increase over the MTEF is inflationary.

KZN Amafa and Research Institute

The Premier approved the KZN Amafa and Research Institute Act, 2018 (Act No. 5 of 2018), and the Regulations, which merged the activities of the Heritage unit within Vote 1: OTP and Amafa and moved them to the department with effect from 1 April 2018. The audited figures from 2015/16 to 2017/18 relate to the public entity Amafa before the merger, while the 2018/19 transfer is still reflected under OTP. The allocations over the MTEF provide for renovations of buildings, such as the Azaria Mbatha Room (at Shiyane). In addition, the entity will conduct research on Dingiswayo (Chief of the Mthethwa clan) and on Ntshingwayo kaMahole (commanding general of King Cetshwayo's Zulu Army), archaeological research in the uMgungundlovu and Ulundi areas, as well as the contribution of heritage on the district economies, etc.

KZN Philharmonic Orchestra

Funding is provided to the KZN Philharmonic Orchestra, which is a non-profit institution committed to ensuring the development of artists through nurturing of local talent and skills and providing cultural entertainment. The transfer to this organisation remains at R10.700 million over the MTEF in terms of the agreement between the department and the entity.

Table 15.9 : Summary of departmental transfers to public entities (i.t.o Schedule 3 of the PFMA) and other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Transfers to public entities		42 764	40 815	40 437	8 657	8 657	8 657	45 101	47 582	50 199
The Playhouse Company	2.2 Arts and Culture	7 787	7 787	8 174	8 657	8 657	8 657	9 141	9 644	10 174
Amafa	2.5 Heritage Resource Serv.	34 977	33 028	32 263	-	-	-	-	-	-
KZN Amafa and Research Institute	2.5 Heritage Resource Serv.	-	-	-	-	-	-	35 960	37 938	40 025
Transfers to other entities		49 046	48 152	35 650	56 565	62 580	62 580	50 813	50 964	51 327
KZN Philharmonic Orchestra	2.2 Arts and Culture	10 700	10 700	10 700	10 700	10 700	10 700	10 700	10 700	10 700
Claims against the state	1.2 Corporate Serv.	-	-	390	-	-	-	-	-	-
Community art centres		2 227	3 270	4 215	4 815	5 215	5 215	4 815	4 815	4 815
BAT art centre	2.2 Arts and Culture	1 853	1 951	1 951	1 951	1 951	1 951	1 951	1 951	1 951
Catalina Theatre	2.2 Arts and Culture	200	-	-	-	-	-	-	-	-
Ewushini art centre	2.2 Arts and Culture	-	300	300	300	400	400	300	300	300
Gobhela art centre	2.2 Arts and Culture	-	236	236	236	236	236	236	236	236
Jambo art centre	2.2 Arts and Culture	174	183	183	183	183	183	183	183	183
Khula art centre	2.2 Arts and Culture	-	300	-	300	300	300	300	300	300
KZN African Film Festival (Ekhaya)	2.2 Arts and Culture	-	-	1 545	1 545	1 545	1 545	1 545	1 545	1 545
Rorkes Drift art centre	2.2 Arts and Culture	-	300	-	300	600	600	300	300	300
Arts and culture support		30 167	28 463	14 472	34 010	39 510	39 510	27 810	27 890	27 974
Abaqulusi Maskandi Festival	2.2 Arts and Culture	-	-	-	-	1 000	1 000	-	-	-
Africa Ignite	2.2 Arts and Culture	500	-	-	-	-	-	-	-	-
Africa Ignite	3.4 Com. Library Serv	1 625	1 787	1 000	1 000	1 000	1 000	-	-	-
Amagugu Esizwe Maskandi Music Festival	2.2 Arts and Culture	-	-	-	-	2 500	2 500	-	-	-
Amambazo: The Musical	2.2 Arts and Culture	1 000	-	-	-	-	-	-	-	-
Amantsontsho Ka Maskandi	2.2 Arts and Culture	1 600	1 600	-	1 000	1 000	1 000	500	500	500
Amasiko Ehlangene	1.2 Corporate Serv	-	500	-	-	-	-	-	-	-
Amasiko Ehlangene	2.2 Arts and Culture	-	275	4 000	-	-	-	-	-	-
Amasiko Omzinyathi	2.2 Arts and Culture	-	-	-	1 500	1 500	1 500	1 500	1 500	1 500
Armcoo Dam Festival	2.2 Arts and Culture	200	200	500	500	500	500	500	500	500
Art in the Park	2.2 Arts and Culture	50	-	50	60	60	60	60	60	60
Beads Festival	2.2 Arts and Culture	500	500	-	1 100	1 100	1 100	1 100	1 100	1 100
Bhodloza Talent Development Prog.	2.2 Arts and Culture	-	-	1 000	1 000	1 000	1 000	1 000	1 000	1 000
Centre for Creative Arts (UKZN)	2.2 Arts and Culture	100	100	100	100	100	100	300	300	300
Die Ventersfees	2.2 Arts and Culture	250	250	-	-	-	-	-	-	-
Dolosfees Festival	2.2 Arts and Culture	70	70	70	100	100	100	100	100	100
Drakensberg Extravaganza	2.2 Arts and Culture	-	-	-	4 000	4 000	4 000	4 000	4 000	4 000
Durban Cultural Festival and Picnic Day	1.2 Corporate Serv.	-	-	-	-	1 500	1 500	-	-	-
Durban International Blues Festival	2.2 Arts and Culture	100	100	100	100	100	100	100	100	100
Durban Rocks	2.2 Arts and Culture	-	-	-	500	500	500	500	500	500
Durban School of Music	2.2 Arts and Culture	500	650	650	650	650	650	650	650	650
East Giqualand Festival	2.2 Arts and Culture	-	350	350	350	350	350	350	350	350
Essence Festival	2.2 Arts and Culture	-	1 844	-	2 000	-	-	-	-	-
Family Literacy project	3.4 Com. Library Serv	500	500	500	500	500	500	500	500	500
Fodo Cultural Village	2.2 Arts and Culture	80	80	-	-	-	-	-	-	-
Gcina Amasiko	2.2 Arts and Culture	-	-	-	-	-	-	100	100	100
Gcinamafa (Pty) Ltd	2.2 Arts and Culture	-	300	-	-	-	-	-	-	-
Gumba Festival	1.2 Corporate Serv	350	-	-	-	400	400	-	-	-
Hazelmere Dam Jazz Festival	2.2 Arts and Culture	-	-	-	600	600	600	600	600	600
Hilton Arts Festival	2.2 Arts and Culture	100	150	100	100	200	200	100	100	100
Hip Hop Festival	2.2 Arts and Culture	500	-	-	-	-	-	-	-	-
Impucuzeko Maskandi Festival	2.2 Arts and Culture	400	500	-	2 000	2 000	2 000	1 600	1 600	1 600
Indondo Awards	2.2 Arts and Culture	-	100	-	-	-	-	-	-	-
Indoni SA	2.2 Arts and Culture	-	500	-	2 000	2 000	2 000	2 000	2 000	2 000
International Jazz Extravaganza	2.2 Arts and Culture	-	-	2 105	-	-	-	-	-	-
Izingane zoMa	2.2 Arts and Culture	-	1 500	-	-	-	-	-	-	-
Khandampevu Productions	2.2 Arts and Culture	120	-	-	-	-	-	-	-	-
KwaCulture	2.2 Arts and Culture	480	500	-	150	300	300	150	150	150
Kwadabeka Cultural Festival	2.2 Arts and Culture	-	100	-	-	-	-	-	-	-
KZN African Film Festival	2.2 Arts and Culture	600	1 145	-	-	-	-	-	-	-
KZN Music Imbizo	2.2 Arts and Culture	350	-	350	-	-	-	-	-	-
KZN Music House	2.2 Arts and Culture	12 000	8 600	-	-	-	-	-	-	-
KZN Youth Wind Band	2.2 Arts and Culture	-	1 000	150	-	-	-	-	-	-
Love my City	2.2 Arts and Culture	200	-	-	-	-	-	-	-	-
Love to Live	2.2 Arts and Culture	80	-	-	80	80	80	80	80	80
Mazibuye Arts and Cultural Festival	2.2 Arts and Culture	-	-	-	-	2 000	2 000	-	-	-
Midmar Festival	2.2 Arts and Culture	200	200	-	500	-	-	-	-	-
MPF Production	2.2 Arts and Culture	-	-	-	4 000	-	-	-	-	-
NACMA (Pty) Ltd	2.2 Arts and Culture	-	-	-	-	2 000	2 000	-	-	-
Natya Ananda Fine Arts	2.2 Arts and Culture	-	-	150	-	-	-	-	-	-
Newcastle Jazz Festival	2.2 Arts and Culture	-	-	-	1 500	1 500	1 500	1 500	1 500	1 500
Nquthu Gospel Music Festival	2.2 Arts and Culture	-	-	-	-	1 100	1 100	1 100	1 100	1 100
PANSA Young Performers	2.2 Arts and Culture	300	-	-	-	-	-	-	-	-
PMB Jazz Festival	2.2 Arts and Culture	-	1 000	500	500	500	500	500	500	500
Prayer against road accidents	1.2 Corporate Serv.	-	-	-	-	-	-	-	-	-
Royally Soapie Awards	2.1 Arts and Culture	500	-	-	-	500	500	-	-	-
SA Library for the Blind	3.4 Com. Library Serv.	992	1 042	1 097	1 300	1 600	1 600	1 600	1 680	1 764
Sakhisizwe Organisation	2.2 Arts and Culture	-	-	-	220	220	220	220	220	220
Sakhisizwe Organisation	1.2 Corporate Serv	220	220	-	-	-	-	-	-	-
The King and Us	2.2 Arts and Culture	1 000	-	-	-	-	-	-	-	-
The Seven Days War	2.2 Arts and Culture	-	-	-	-	800	800	-	-	-
Ugu Jazz Festival	2.2 Arts and Culture	3 000	1 600	500	500	-	-	500	500	500
Ukhozi Nyusi Volume	2.2 Arts and Culture	-	-	-	1 500	1 500	1 500	1 500	1 500	1 500
Umgababa Youth Festival	2.2 Arts and Culture	-	-	-	500	500	500	500	500	500
Umgababa Youth Festival	1.2 Corporate Serv	250	-	-	-	-	-	-	-	-
Umlalazi Festival Expo	2.2 Arts and Culture	-	-	-	2 000	2 000	2 000	2 000	2 000	2 000
Ushaka Marine	2.2 Arts and Culture	600	300	600	-	-	-	-	-	-
Usiba Writers' Guild	2.2 Arts and Culture	150	150	-	-	150	150	-	-	-
uThungulu Last Dance	1.2 Corporate Serv.	600	600	600	1 100	1 100	1 100	1 100	1 100	1 100
Wagna Project	1.2 Corporate Serv.	-	150	-	-	-	-	-	-	-
Wildfees Festival	2.2 Arts and Culture	100	-	-	-	-	-	-	-	-
Youth Own Your Power	2.2 Arts and Culture	-	-	-	1 000	1 000	1 000	1 500	1 500	1 500

Table 15.9 : Summary of departmental transfers to public entities (i.t.o. Schedule 3 of the PFMA) and other entities - continued

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Art councils	2.2 Arts and Culture	1 669	1 979	1 877	1 988	2 099	2 099	1 988	1 988	1 988
Museum subsidies		4 283	3 740	4 386	5 052	5 056	5 056	5 500	5 571	5 850
1860 Heritage Centre Doc Centre	2.4 Museum Serv	299	314	329	346	346	346	363	381	400
Amazwi Abesifazane	2.4 Museum Serv	-	-	-	183	-	-	192	-	-
Apartheid Museum	2.4 Museum Serv	500	-	-	-	-	-	-	-	-
Baynesfield Museum	2.4 Museum Serv	200	210	220	231	231	231	243	255	268
Comrades House Museum	2.4 Museum Serv	250	262	275	288	288	288	303	318	334
DCO Mafiwane	2.4 Museum Serv	299	314	329	346	346	346	363	381	400
Deutsche Schule Hermannsburg	2.4 Museum Serv	250	262	275	288	288	288	303	318	334
East Griqualand Museum Trust	2.4 Museum Serv	250	262	275	288	288	288	303	318	334
Himeville museum	2.4 Museum Serv	299	314	329	346	346	346	363	381	400
KwaCulture	2.4 Museum Serv	-	-	367	385	385	385	405	425	446
Macrorie House Museum	2.4 Museum Serv	250	-	-	-	-	-	-	-	-
Mazisi Kunene Museum	2.4 Museum Serv	250	262	275	288	288	288	430	318	334
Mpophomeni Community Museum	2.4 Museum Serv	250	262	275	288	288	288	303	318	474
Natal Arts Trust	2.4 Museum Serv	30	-	-	33	-	-	-	-	-
Phansi Museum	2.4 Museum Serv	200	210	220	231	231	231	243	255	268
Prince Mangosuthu Buthelezi Museum	2.4 Museum Serv	-	-	385	405	405	405	425	446	468
Project Gateway	2.4 Museum Serv	158	166	174	183	183	183	192	202	212
Richmond, Byrne and District Museum	2.4 Museum Serv	200	210	-	231	451	451	243	388	268
Ulrecht Museum	2.4 Museum Serv	299	314	329	346	346	346	363	381	400
Vukani Museum	2.4 Museum Serv	299	378	329	346	346	346	463	486	510
Total		91 810	88 967	76 477	65 222	71 237	71 237	95 914	98 546	101 526

Community art centres

The department continues to fund community art centres, which contribute to the development and training of artists. The increase in 2017/18 is attributed to an increased transfer to the KZN African Film Festival (Ekhaya). The increase in the 2018/19 Adjusted Appropriation is attributed to a roll-over received in respect of a transfer to the Rorkes Drift Art Centre and an increase in a transfer to the Ewushini Art Centre, to allow the organisation to support the Botho International Heritage Festival. The MTEF allocations remain constant at the 2018/19 level in terms of the agreement between the department and the art centres.

Arts and culture support

Arts and culture support funding is provided to various organisations to assist in providing a platform for emerging artists. The department enters into MOUs with institutions and detailed business plans are provided. The decrease in 2017/18 was because transfers to various organisations, such as the Beads Festival, Midmar Festival, KwaCulture, Usiba Writers' Guild and Die Ventersfees were not effected as budgeted due to non-compliance to the departmental policy, such as submission of tax clearance forms. The increase in the 2018/19 Adjusted Appropriation is attributed to a roll-over received in respect of transfers to Usiba Writers' Guild and KwaCulture. In addition, various transfers were introduced, such as Abaqulusi Maskandi Festival, Amagugu Esizwe Maskandi Music Festival, Mazibuye Arts and Cultural Festival and The Seven Days War. The transfers to most organisations remain constant over the MTEF.

Art Councils

The amount under Art Councils is transferred to properly constituted arts, culture and craft organisations that develop and preserve arts and culture in the province. The increase in the 2018/19 Adjusted Appropriation is due to a roll-over received in respect of a transfer to the Ezengenkatho Community Art Centre. The budget remains constant over the MTEF.

Museum subsidies

Funding is provided to non-profit institutions to cover operational and staffing costs for museums. The museums listed under this category are managed by a Board of Trustees and a large portion of the funding transferred to them is used for the salaries paid to curators. The decrease in 2016/17 relates to the discontinuation of transfers to the Apartheid and Macrorie House Museums. The increase in 2018/19 is attributed to a roll-over received for the transfer to the Richmond, Byrne and District Museum. The increase was offset by a reduction in transfer to the Natal Arts Trust and Amazwi Abesifazane, due to these entities not complying with the departmental transfer policy, such as submission of tax clearance. The increase over the MTEF is due to inflationary increments.

7.8 Transfers to local government

Tables 15.10 and 15.11 provide a summary of transfers made to local government.

Details of the amounts per grant type and per municipality are given in *Annexure – Vote 15: Arts and Culture*. It is noted that the tables do not include funding for motor vehicle licences, as this funding is not paid to a municipality.

Table 15.10 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	160 534	102 416	72 563	89 737	87 212	87 212	92 302	92 645	97 864
Category B	111 098	127 277	126 319	178 942	169 811	169 811	182 216	196 115	204 341
Category C	1 815	1 911	1 911	1 911	1 911	1 911	1 911	1 911	1 911
Unallocated	-	-	-	-	-	-	-	-	-
Total	273 447	231 604	200 793	270 590	258 934	258 934	276 429	290 671	304 116

Table 15.11 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Art Centres (Operational costs)	2.2 Arts and Culture	2 587	1 911	1 911	1 911	1 911	1 911	1 911	1 911	
Museum subsidies	2.4 Museum Services	8 142	7 759	8 958	8 987	8 987	12 438	14 957	12 402	
Music Academy in Ladysmith	2.2 Arts and Culture	-	-	-	5 000	-	-	-	-	
Provincialisation of libraries	3.2 Library Services	212 586	166 751	160 316	197 965	197 965	207 863	213 802	225 561	
Community Library Services grant	3.2 Library Services	50 132	55 183	29 608	56 727	50 071	54 217	60 001	64 242	
Total		273 447	231 604	200 793	270 590	258 934	258 934	276 429	290 671	304 116

A portion of the Community Library Services grant is paid to municipalities to assist at local level with the costs of cyber cadets and acquisition of library material, hence the transfers under Categories A and B. Transfers to Categories A and B are also aimed at assisting municipalities with the operational and staffing costs of museums. Museum subsidies are allocated over both categories.

The allocations to Category A, which relate to transfers to the eThekweni Metro, are for the operational costs of libraries in that area, as well as museum subsidies. The decrease in 2016/17 was attributed to the cancellation of the transfer to the Metro in respect of the management of the Stable Theatre due to the theatre not complying with the departmental transfer policy, such as submission of the audited AFS. In addition, provincialisation funds were reduced from the Metro as a result of spending pressures experienced by the department. The decrease in 2017/18 was due to non-compliance of the Stable Theatre with the departmental transfer policy. The allocations over the MTEF relate to the ongoing transfers to the Metro in respect of the provincialisation of libraries and museums.

Category B consists of transfers to museums and libraries in respect of provincialisation. The increase in 2016/17 was due to the reprioritisation of funds from *Buildings and other fixed structures* for the construction of the Newcastle and Charlestown libraries. The decrease in 2017/18 was attributed to the reprioritisation to *Goods and services* and *Machinery and equipment* due to changes in the Community Library Services grant. The decrease in the 2018/19 Adjusted Appropriation is attributed to the movement of funds to *Compensation of employees*, *Goods and services* and *Transfers and subsidies to: Non-profit institutions* in respect of transfers to uMhlabuyalingana, Jozini and Nkandla Municipalities for the appointment of staff for provincialised libraries under the Community Library Services grant, for operational costs of new modular and provincialised libraries, as well as an increase in a transfer to SA Library for the Blind for the replacement of outdated equipment and to market the services provided to the visually impaired. The MTEF provides for the continued provincialisation of libraries, as well as the construction of the KwaDukuza Museum.

Category C caters for a transfer to the King Cetshwayo District Municipality in respect of museum subsidies and to the Zululand District Municipality in respect of art centre subsidies for the Indonsa Art Centre. The 2019/20 MTEF allocations relate to the transfer to the Zululand District Municipality only, and this amount remains constant over the MTEF.

7.9 Transfers and subsidies

Table 15.12 gives a summary of spending on *Transfers and subsidies* by programme and main category. A brief explanation of the transfers is provided below.

Transfers and subsidies under Programme 1 includes motor vehicle licences (*Provinces and municipalities*) as well as staff exit costs and external bursaries under *Households*.

Table 15.12 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	866	3 019	1 796	1 400	1 454	1 487	1 478	1 558	1 643
Provinces and municipalities	80	193	143	200	200	200	211	221	233
Motor vehicle licences	80	193	143	200	200	200	211	221	233
Public corporations and private enterprises	250	650	390	-	-	-	-	-	-
Amasiko Ehlangene	-	500	-	-	-	-	-	-	-
Wagna Project	-	150	-	-	-	-	-	-	-
Umgababa Youth Festival	250	-	-	-	-	-	-	-	-
Claim against the state	-	-	390	-	-	-	-	-	-
Non-profit institutions	220	220	-	-	-	-	-	-	-
Sakhisizwe Organisation	220	220	-	-	-	-	-	-	-
Households	316	1 956	1 263	1 200	1 254	1 287	1 267	1 337	1 410
Staff exit costs	316	1 353	353	-	54	87	-	-	-
Bursaries to non-employees	-	603	910	1 200	1 200	1 200	1 267	1 337	1 410
2. Cultural Affairs	99 868	94 765	85 122	78 320	80 857	80 900	108 163	113 234	113 575
Provinces and municipalities	10 729	9 670	10 869	15 898	10 898	10 898	14 349	16 868	14 313
Museum subsidies	8 142	7 759	8 958	8 987	8 987	8 987	12 438	14 957	12 402
Operational costs for art centres	2 587	1 911	1 911	1 911	1 911	1 911	1 911	1 911	1 911
Music Academy in Ladysmith	-	-	-	5 000	-	-	-	-	-
Departmental agencies and accounts	42 764	40 815	40 437	8 657	8 657	8 657	45 101	47 582	50 199
The Playhouse Company	7 787	7 787	8 174	8 657	8 657	8 657	9 141	9 644	10 174
Amafa	34 977	33 028	32 263	-	-	-	-	-	-
KZN Amafa and Research Institute	-	-	-	-	-	-	35 960	37 938	40 025
Public corporations and private enterprises	10 500	10 919	8 655	28 400	33 200	33 200	22 600	22 600	22 600
Abaqulusi Maskandi Festival	-	-	-	-	1 000	1 000	-	-	-
Amagugu Esizwe Maskandi Music Festival	-	-	-	-	2 500	2 500	-	-	-
Amambazo: The Musical	1 000	-	-	-	-	-	-	-	-
Amantshontsho Ka Maskandi	1 600	1 600	-	1 000	1 000	1 000	500	500	500
Amasiko Omzinyathi	-	-	-	1 500	1 500	1 500	1 500	1 500	1 500
Amasiko Ehlangene	-	275	4 000	-	-	-	-	-	-
Armco Dam Festival	200	200	500	500	500	500	500	500	500
Beads Festival	500	500	-	1 100	1 100	1 100	1 100	1 100	1 100
Drakensberg Extravaganza	-	-	-	4 000	4 000	4 000	4 000	4 000	4 000
Durban Cultural Festival and Picnic Day	-	-	-	-	1 500	1 500	-	-	-
Durban International Blues Festival	100	100	100	100	100	100	100	100	100
Durban Rocks	-	-	-	500	500	500	500	500	500
Essence Festival	-	1 844	-	2 000	-	-	-	-	-
Gcinamafa (Pty) Ltd	-	300	-	-	-	-	-	-	-
Gumba Festival	350	-	-	-	400	400	-	-	-
Hazelmere Dam Jazz Festival	-	-	-	600	600	600	600	600	600
Hip hop Festival	500	-	-	-	-	-	-	-	-
Impucuzeko Maskandi Festival	400	500	-	2 000	2 000	2 000	1 600	1 600	1 600
Indondo Awards	-	100	-	-	-	-	-	-	-
Indoni SA	-	500	-	2 000	2 000	2 000	2 000	2 000	2 000
Mazibuye Arts and Cultural Festival	-	-	-	-	2 000	2 000	-	-	-
Ingoma yaseMachunwisi	-	-	-	-	-	-	-	-	-
International Jazz Extravaganza	-	-	2 105	-	-	-	-	-	-
Izingane zoMa	-	1 500	-	-	-	-	-	-	-
Kwadabeka Cultural Festival	-	100	-	-	-	-	-	-	-
KZN Music Imbizo	350	-	350	-	-	-	-	-	-
Love my City	200	-	-	-	-	-	-	-	-
Midmar Festival	200	200	-	500	-	-	-	-	-
MPF Production	-	-	-	4 000	-	-	-	-	-
NACMA (Pty) Ltd	-	-	-	-	2 000	2 000	-	-	-
National Choral Music Awards	-	-	-	-	-	-	-	-	-
Newcastle Jazz Festival	-	-	-	1 500	1 500	1 500	1 500	1 500	1 500
Nquthu Gospel Music Festival	-	-	-	-	1 100	1 100	1 100	1 100	1 100
PMB Jazz Festival	-	1 000	500	500	500	500	500	500	500
The Seven Days War	-	-	-	-	800	800	-	-	-
Royalty Soapie Awards	500	-	-	-	500	500	-	-	-
The King and Us	1 000	-	-	-	-	-	-	-	-
Ugu Jazz Festival	3 000	1 600	500	500	-	-	500	500	500
Ukhozi Nyusi Volume	-	-	-	1 500	1 500	1 500	1 500	1 500	1 500
Umgababa Youth Festival	-	-	-	500	500	500	500	500	500
Umlalazi Festival Expo	-	-	-	2 000	2 000	2 000	2 000	2 000	2 000
uThungulu Last Dance	600	600	600	1 100	1 100	1 100	1 100	1 100	1 100
Youth Own Your Power	-	-	-	1 000	1 000	1 000	1 500	1 500	1 500

Table 15.12 : Summary of transfers and subsidies by programme and main category - continued

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/16	2016/17	2017/18				2018/19	2019/20	2020/21
Non-profit institution	34 959	33 034	24 398	25 365	26 280	26 280	26 113	26 184	26 463
KZN Philharmonic Orchestra	10 700	10 700	10 700	10 700	10 700	10 700	10 700	10 700	10 700
Museum subsidies	4 283	3 740	4 386	5 052	5 056	5 056	5 500	5 571	5 850
Transfers to Art Centres	2 227	3 270	4 215	4 815	5 215	5 215	4 815	4 815	4 815
Arts and Culture Support	16 080	13 345	3 220	2 810	3 210	3 210	3 110	3 110	3 110
Africa Ignite	500	-	-	-	-	-	-	-	-
Art in the Park	50	-	50	60	60	60	60	60	60
Bhodloza Talent Development Programme	-	-	1 000	1 000	1 000	1 000	1 000	1 000	1 000
Centre for Creative Arts (UKZN)	100	100	100	100	100	100	300	300	300
Die Ventersfees	250	250	-	-	-	-	-	-	-
Dolosfees Festival	70	70	70	100	100	100	100	100	100
Durban School of Music	500	650	650	650	650	650	650	650	650
East Griqualand Festival	-	350	350	350	350	350	350	350	350
Federation of Community Art Centres	-	-	-	-	-	-	-	-	-
Fodo Cultural Village	80	80	-	-	-	-	-	-	-
Hilton Arts Festival	100	150	100	100	200	200	100	100	100
Inter-cultural food tasting	-	-	-	-	-	-	-	-	-
Khandampevu Productions	120	-	-	-	-	-	-	-	-
KwaCulture	480	500	-	150	300	300	150	150	150
KZN African Film Festival	600	1 145	-	-	-	-	-	-	-
KZN Music House	12 000	8 600	-	-	-	-	-	-	-
KZN Youth Wind Band	-	1 000	150	-	-	-	-	-	-
Love to Live	80	-	-	80	80	80	80	80	80
Natya Ananda Fine Arts	-	-	150	-	-	-	-	-	-
PANSA Young Performers	300	-	-	-	-	-	-	-	-
Sakhisizwe Organisation	-	-	-	220	220	220	220	220	220
Gcina Amasiko	-	-	-	-	-	-	100	100	100
Twist Theatre Development	-	-	-	-	-	-	-	-	-
Ushaka Marine	600	300	600	-	-	-	-	-	-
Usiba Writers' Guild	150	150	-	-	150	150	-	-	-
Wildsfees Festival	100	-	-	-	-	-	-	-	-
Transfers to Art Councils	1 669	1 979	1 877	1 988	2 099	2 099	1 988	1 988	1 988
Households	916	327	763	-	1 822	1 865	-	-	-
Prince Mangosuthu Buthelezi Celebration	-	-	-	-	1 200	1 200	-	-	-
Acts of grace	-	-	-	-	130	170	-	-	-
Staff exit costs	916	327	763	-	492	495	-	-	-
3. Library and Archive Services	266 038	225 804	192 888	257 492	251 167	251 353	264 180	275 983	292 067
Provinces and municipalities	262 718	221 934	189 924	254 692	248 036	248 036	262 080	273 803	289 803
Community Library Services grant	50 132	55 183	29 608	56 727	50 071	50 071	54 217	60 001	64 242
Provincialisation of libraries	212 586	166 751	160 316	197 965	197 965	197 965	207 863	213 802	225 561
Non-profit institutions	3 117	3 329	2 597	2 800	3 100	3 100	2 100	2 180	2 264
Africa Ignite	1 625	1 787	1 000	1 000	1 000	1 000	-	-	-
Family Literacy Project	500	500	500	500	500	500	500	500	500
SA Library for Blind	992	1 042	1 097	1 300	1 600	1 600	1 600	1 680	1 764
Households	203	541	367	-	31	217	-	-	-
Staff exit costs	203	541	367	-	31	217	-	-	-
Total	366 772	323 588	279 806	337 212	333 478	333 740	373 821	390 775	407 285

Transfers and subsidies under Programme 2 fluctuate markedly over the seven-year period, as follows:

- *Provinces and municipalities* relates to subsidies to municipalities for operational costs of museums as part of the provincialisation transfers. The MTEF allocations include provision for the construction of the KwaDukuza Museum.
- *Departmental agencies and accounts* relates to transfers to The Playhouse Company, Amafa and the newly established KZN Amafa and Research Institute. The prior year figures include transfers to Amafa and the MTEF figures include transfers to the new entity. The MTEF allocations to the new entity are provisional, and will be reviewed, taking into account the transitional arrangements.
- *Public corporations and private enterprises* relates to transfers to organisations which do not meet the definition of non-profit organisations in terms of Section 21 of the Companies Act. The MTEF allocations are constant in terms of the agreements between the department and the organisations.
- *Non-profit institutions* covers transfers made to the KZN Philharmonic Orchestra, arts councils, art centres and museums managed by Boards of Trustees, as well as various art organisations.
- *Households* caters for staff exit costs. The department made a donation toward funeral costs for one artist and sponsored the celebration of the life of Prince Mangosuthu Buthelezi in the 2018/19 Adjusted Appropriation.

Transfers and subsidies under Programme 3 fluctuates over the seven-year period, as follows:

- *Provinces and municipalities* relates to a number of transfers made in respect of the provincialisation of libraries and the Community Library Services grant which is used for the construction of libraries,

the expansion of library material collections and greater emphasis placed on ICT and library promotion projects. The increase over the MTEF provides for transfers to municipalities in respect of mobile library units and salaries of cyber cadets.

- *Non-profit institutions* caters for transfer payments to Africa Ignite, the Family Literacy project and SA Library for the Blind. The department will continue to transfer funds to the Family Literacy project and SA Library for the Blind over the 2019/20 MTEF. The department has not budgeted for transfers to Africa Ignite over the MTEF due to the project coming to an end in 2018/19.
- *Households* caters for staff exit costs.

8. Programme description

The services rendered by this department are categorised under three programmes, which are largely aligned to the uniform programme and budget structure of the sector. The Heritage unit was moved from OTP to the department and included the newly established public entity KZN Amafa and Research Institute. The historical and MTEF figures have been included in the department's budget and expenditure under Programme 2. The payments and budgeted estimates for each programme are summarised in terms of economic classification, details of which are given in *Annexure – Vote 15: Arts and Culture*.

8.1 Programme 1: Administration

The purpose of this programme is to provide for effective management and administration of the department and to ensure effective and efficient use of financial and human resources. This programme complies with the structure set for the sector and comprises two sub-programmes. Tables 15.13 and 15.14 summarise payments and estimates for the period 2015/16 to 2021/22.

Table 15.13 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Office of the MEC	19 264	15 446	23 106	16 705	16 905	16 905	18 411	19 676	20 783
2. Corporate Services	105 467	129 008	122 090	135 962	136 062	136 062	138 924	148 882	155 500
Total	124 731	144 454	145 196	152 667	152 967	152 967	157 335	168 558	176 283
Unauth. Exp. (1st charge) not available for spending	(3 830)	(3 830)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	120 901	140 624	145 196	152 667	152 967	152 967	157 335	168 558	176 283

Table 15.14 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	117 908	135 028	138 556	150 998	150 435	149 689	155 102	166 204	173 800
Compensation of employees	64 761	69 197	73 430	84 525	83 141	83 106	90 085	96 069	102 196
Goods and services	53 112	65 820	65 126	66 473	67 294	66 568	65 017	70 135	71 604
Interest and rent on land	35	11	-	-	-	15	-	-	-
Transfers and subsidies to:	866	3 019	1 796	1 400	1 454	1 487	1 478	1 558	1 643
Provinces and municipalities	80	193	143	200	200	200	211	221	233
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	250	650	390	-	-	-	-	-	-
Non-profit institutions	220	220	-	-	-	-	-	-	-
Households	316	1 956	1 263	1 200	1 254	1 287	1 267	1 337	1 410
Payments for capital assets	2 127	1 633	4 296	269	1 078	1 210	755	796	840
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 127	1 633	4 296	269	1 078	1 210	755	796	840
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3 830	4 774	548	-	-	581	-	-	-
Total	124 731	144 454	145 196	152 667	152 967	152 967	157 335	168 558	176 283
Unauth. Exp. (1st charge) not available for spending	(3 830)	(3 830)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	120 901	140 624	145 196	152 667	152 967	152 967	157 335	168 558	176 283

The sub-programme: Office of the MEC caters for the administration of the MEC's office.

The sub-programme: Corporate Services provides for the operational costs of running the department which includes auxiliary services, human resources, financial management and the office of the Head of Department. The department has planned to fill critical vacant posts, such as Deputy Director: Internal Control and Risk Management, Deputy Director: Security Management, Deputy Director: Asset Management and Deputy Director: Budget Control.

Compensation of employees increases over the seven-year period. The increase over the MTEF is due to the planned filling of critical vacant posts. According to the National Treasury guideline, the cost of living adjustment is 7.8 per cent in 2019/20 and 8 per cent in 2020/21 and 2021/22, including the 1.5 per cent pay progression. The growth in 2019/20 is sufficient for the filling of posts, however the growth in the outer years is not sufficient, though, and the department will review the *Compensation of employees* budget in-year and in the next budget process, taking into account progress made with regard to the filling of vacant posts.

Goods and services caters for operational costs of running the department, as well as hosting programmes initiated by the MEC. The increase in the 2018/19 Adjusted Appropriation catered for marketing costs for departmental events, advertising and higher than anticipated external audit costs. The decrease in 2019/20 compared to the 2018/19 Adjusted Appropriation is due to the reprioritisation of funds to *Compensation of employees* for the planned filling of critical vacant posts.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licences.

Transfers and subsidies to: Households caters for staff exit costs, as well as external bursaries.

Machinery and equipment fluctuates over the MTEF and caters mainly for the upgrading and replacement of obsolete computer equipment. The high spending reflected in the 2018/19 Revised Estimate is due to the purchase of new office furniture and equipment for newly appointed staff.

8.2 Programme 2: Cultural Affairs

The purpose of this programme is to provide for projects and interventions in the arts, culture, language and museum services.

The aim is to provide an environment conducive to the celebration, nourishment and growth of these sectors.

The programme is aligned to the uniform programme and budget structure for the Arts and Culture sector. It must be noted that the Heritage unit was moved from OTP to the department and included the newly established public entity, KZN Amafa and Research Institute. The audited figures from 2015/16 to 2017/18 relate to the public entity Amafa before the merger, while the 2018/19 transfer is still reflected under OTP. The MTEF allocations to the new entity are provisional, at this stage, and will be reviewed taking into account the transitional arrangements.

Tables 15.15 and 15.16 summarise payments and estimates from 2015/16 to 2021/22.

Table 15.15 : Summary of payments and estimates by sub-programme: Cultural Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Management	4 681	5 996	5 440	5 546	5 546	5 546	5 025	5 408	5 762
2. Arts and Culture	146 334	153 358	176 339	203 404	190 565	190 565	208 697	196 073	213 821
3. Museum Services	28 482	41 654	28 498	27 999	27 519	27 519	32 743	36 457	35 186
4. Language Services	16 592	16 111	17 740	18 540	17 890	17 890	19 609	21 209	22 387
5. Heritage Resource Services	64 277	52 328	49 845	-	-	-	63 462	66 953	70 635
Total	260 366	269 447	277 862	255 489	241 520	241 520	329 536	326 100	347 791

Table 15.16 : Summary of payments and estimates by economic classification: Cultural Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	142 252	150 587	183 940	156 123	156 924	156 810	192 278	198 874	207 431
Compensation of employees	61 297	70 881	76 287	74 524	74 032	74 032	91 625	95 524	102 003
Goods and services	80 955	79 701	107 526	81 599	82 892	82 778	100 653	103 350	105 428
Interest and rent on land	-	5	127	-	-	-	-	-	-
Transfers and subsidies to:	99 868	94 765	85 122	78 320	80 857	80 900	108 163	113 234	113 575
Provinces and municipalities	10 729	9 670	10 869	15 898	10 898	10 898	14 349	16 868	14 313
Departmental agencies and accounts	42 764	40 815	40 437	8 657	8 657	8 657	45 101	47 582	50 199
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	10 500	10 919	8 655	28 400	33 200	33 200	22 600	22 600	22 600
Non-profit institutions	34 959	33 034	24 398	25 365	26 280	26 280	26 113	26 184	26 463
Households	916	327	763	-	1 822	1 865	-	-	-
Payments for capital assets	18 246	24 095	8 800	21 046	3 739	3 810	29 095	13 992	26 785
Buildings and other fixed structures	11 282	19 512	4 349	19 500	1 429	1 429	23 000	7 561	20 000
Machinery and equipment	3 282	3 778	2 061	1 546	2 310	2 381	996	1 052	1 110
Heritage assets	3 682	805	2 391	-	-	-	5 099	5 379	5 675
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	(1)	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	260 366	269 447	277 862	255 489	241 520	241 520	329 536	326 100	347 791

The sub-programme: Management provides support to the co-ordination and implementation of projects in the arts, culture, museums and language services spheres. The allocation over the MTEF caters for the continued support to the co-ordination and implementation of projects in the arts, culture, museums and language services spheres.

The main aim of the Arts and Culture sub-programme is to ensure cultural diversity and the advancement of artistic disciplines into viable industries. The increase in 2017/18 was due to additional funding in respect of the EPWP Integrated Grant for Provinces, as well as funds reprioritised from Programme 3 from the provincialisation of libraries funding for hosting of the Social Cohesion Summit. The decrease in the 2018/19 Adjusted Appropriation is largely attributed to the suspension of funds from 2018/19 to 2019/20 in respect of transfers to the Alfred Duma Municipality for the construction of the Music Academy in Ladysmith, the refurbishment of the Winston Churchill Theatre and the upgrade of the Osizweni Art Centre. This explains the increase in 2020/21. In addition, the EPWP Integrated Grant for Provinces is allocated in 2019/20 only for the appointment of contract workers to assist in various infrastructure projects undertaken by the department, such as construction and maintenance of art centres and museums. This explains the decrease in 2020/21. The MTEF also caters for hosting departmental events and promotion of arts and culture through events such as the Reed Dance (*uMkhosi Womhlanga*), Freedom Day, Africa Day and King Shaka Day Celebrations, as well as provision of support to reading and writing clubs.

The aim of the Museum Services sub-programme is to act as the custodian of tangible and intangible heritage to preserve, protect, conserve and appreciate for future generations. The sub-programme increases steadily over the MTEF and provides for the ongoing provincialisation of museums.

The focus of the Language Services sub-programme is the promotion of multi-lingualism and development of historically marginalised languages, and the facilitation of access to government information and services through translation, interpretation and ensuring respect for language rights. The sub-programme reflects steady growth over the MTEF and provides for the continuation of support to reading and writing clubs. In addition, the department will complete the review of the KZN Provincial Language Policy, implement the “Learn Another Language” programme, as well as the promotion of indigenous languages. The department will complete the review of the KZN Provincial Language Policy, and will assist local municipalities with the development of institutional language policies and the promotion of indigenous languages, as mentioned.

The Heritage Resource Services sub-programme was moved from OTP. This movement includes the newly established KZN Amafa and Research Institute. The spending from 2015/16 to 2017/18 relates to

Amafa only and is included for comparative purposes. The 2018/19 figures were excluded as they are included under OTP. The MTEF caters for the renovation of Azaria Mbatha Room (at Shiyane), erection of a statue for the commemoration of Fatima Meer, as well as nine commemorative memorials. Furthermore, the entity will conduct research on Dingiswayo and Ntshingwayo kaMahole, as well as archaeological research in the uMgungundlovu and Ulundi areas. It should be noted that the budget of the Heritage Resources unit, the former Amafa, as well as the KZN Amafa and Research Institute have not been merged in the table above as this is currently in a transitional stage of the merger. With regard to the Heritage Resource Services sub-programme, R5.971 million, R6.300 million and R6.710 million is allocated against *Compensation of employees* for eight personnel, R16.432 million, R17.336 million and R18.225 million is allocated against *Goods and services* and R5.099 million, R5.379 million and R5.675 million against *Heritage assets* over the MTEF, at this stage, in line with the transitional arrangements.

Compensation of employees increases as a result of the planned filling of 10 critical vacant posts over the MTEF, such as Chief Director: Regional Office Management, Deputy Director: Amajuba, Zululand and uThungulu, Deputy Director: uMzinyathi District, and Director: Arts Development. The department has budgeted 24, 4.3 and 6.8 per cent growth over the MTEF. The growth in the outer years is not sufficient to cater for existing staff and the filling of vacant posts. The department will review the *Compensation of employees* budget in-year and in the next budget process.

Goods and services reflects a steady increase over the seven-year period. The department will continue to host and promote arts and culture through departmental events, as mentioned.

Transfers and subsidies to: Provinces and municipalities relates to transfers to municipalities in respect of museum subsidies and the operational costs of the Indonsa Art Centre. The MTEF provides for the construction of the KwaDukuza Museum.

Transfers and subsidies to: Departmental agencies and accounts relates to transfers to The Playhouse Company, Amafa and the newly established KZN Amafa and Research Institute. The prior year figures include transfers to Amafa and the MTEF figures include transfers to the KZN Amafa and Research Institute. The 2018/19 figures exclude Amafa as this transfer is reflected under OTP. The increase over the MTEF caters for inflationary increments.

Transfers and subsidies to: Public corporations and private enterprises relates to transfers to organisations which do not meet the definition of non-profit organisations in terms of Section 21 of the Companies Act. The allocations over the MTEF are constant at R26.600 million and this relates to transfers to the Beads Festival, Drakensberg Extravaganza, Indonsa Awards, Nquthu Gospel Music Festival and Ukhozi Nyusi Volume, among others.

Transfers and subsidies to: Non-profit institutions covers transfers to the KZN Philharmonic Orchestra, arts councils, art centres and museums managed by Boards of Trustees. In addition, support is provided to various art organisations. The increase over the MTEF caters for inflationary increments.

Transfers and subsidies to: Households relates to staff exit costs. The department made a donation toward funeral costs for one artist and sponsored the celebration of the life of Prince Mangosuthu Buthelezi and this is shown in the 2018/19 Adjusted Appropriation.

Buildings and other fixed structures provides for the construction of the Music Academy in Ladysmith, as well as upgrades of various art centres and museums, such as the uThungulu and Osizweni Art Centres over the MTEF. The decrease in 2020/21 can be attributed to no additional funding being allocated in that year, as well as the department prioritising to operationalise completed art centres and museums.

Machinery and equipment provides for new computers and furniture for newly appointed staff.

Heritage assets caters for the renovation of Azaria Mbatha Room (at Shiyane), erection of a statue for the commemoration of Fatima Meer, as well as nine commemorative memorials over the MTEF. It must be noted that the MTEF allocations to the new entity are provisional, at this stage, and will be reviewed after the transitional phase.

Service delivery measures: Cultural Affairs

Table 15.17 illustrates the service delivery measures relevant to Programme 2 from 2018/19 to 2021/22. The department has incorporated some sector measures, while the bulk of these measures are non-sector. Further measures to those listed here, are included in the department's 2019/20 APP. The department has included one new performance indicator, reflected as "New" under the 2018/19 estimated performance. Pending the finalisation of the merger of the Heritage unit and Amafa to form the new public entity, the KZN Amafa and Research Institute, no non-financial information is provided, at this stage.

Table 15.17 : Service delivery measures: Cultural Affairs

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2018/19	2019/20	2020/21	2021/22
1 Arts and Culture					
1.1 To advance the 2035 agenda to achieve a socially cohesive society and nation building	<ul style="list-style-type: none"> No. of community structures supported No. of SMMEs funded through creative industry initiatives No. of practitioners benefitting from capacity building opportunities No. of structured Arts, Culture and Heritage (ACH) research that address moral regeneration and social cohesion completed No. of EPWP job opportunities created per annum No. of provincial social cohesion and moral regeneration summits hosted No. of marketing platforms/opportunities provided to ACH practitioners No. community conversations/dialogues conducted No. of national and/or historical days celebrated No. of ACH centres built or renovated No. of war-room intervention package programmes implemented No. of ACH centres built or renovated 	18 24 2 410 4 220 1 52 67 10 2 New 2	16 54 2 290 34 241 1 69 62 11 2 1 2	16 54 2 290 34 261 1 70 62 11 2 1 2	16 54 2 290 34 281 1 71 62 11 2 1 2
2 Language Services					
2.1 To advance the 2035 agenda to achieve a socially cohesive society and nation building	<ul style="list-style-type: none"> No. of language co-ordinating structures supported 	5	2	2	2
3 Museum Services					
3.1 To advance the 2035 agenda to achieve a socially cohesive society and nation building	<ul style="list-style-type: none"> No. of exhibitions staged No. of training sessions offered to museums 	3 2	3 2	3 2	3 2

8.3 Programme 3: Library and Archive Services

The aim of this programme is to provide library and information services, as well as archive services. This programme includes the Community Library Services conditional grant as a sub-programme, which is additional to the sector structure.

Tables 15.18 and 15.19 summarise payments and estimates relating to these functions for the period 2015/16 to 2021/22.

Table 15.18 : Summary of payments and estimates by sub-programme: Library and Archive Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Management	2 141	2 262	2	1 638	1 638	1 638	2 100	2 362	2 639
2. Library Services	283 989	227 314	227 880	273 861	266 461	266 461	289 671	312 914	328 786
3. Archives	23 819	25 992	34 433	104 519	35 519	35 519	169 178	62 704	37 828
4. Community Library Services grant	132 773	176 198	183 036	174 397	174 397	174 397	184 417	194 572	206 377
Total	442 722	431 766	445 351	554 415	478 015	478 015	645 366	572 552	575 630

Table 15.19 : Summary of payments and estimates by economic classification: Library and Archive Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	126 489	135 065	157 593	143 772	141 697	141 511	154 813	173 058	180 569
Compensation of employees	60 596	63 550	69 943	74 459	76 541	76 523	82 157	87 744	91 939
Goods and services	65 893	71 509	87 650	69 313	65 156	64 988	72 656	85 314	88 630
Interest and rent on land	-	6	-	-	-	-	-	-	-
Transfers and subsidies to:	266 038	225 804	192 888	257 492	251 167	251 353	264 180	275 983	292 067
Provinces and municipalities	262 718	221 934	189 924	254 692	248 036	248 036	262 080	273 803	289 803
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	3 117	3 329	2 597	2 800	3 100	3 100	2 100	2 180	2 264
Households	203	541	367	-	31	217	-	-	-
Payments for capital assets	50 195	70 897	94 292	153 151	85 151	85 151	226 373	123 511	102 994
Buildings and other fixed structures	46 689	63 639	88 156	146 824	74 824	74 824	218 911	115 914	95 254
Machinery and equipment	3 506	7 258	6 136	6 327	10 327	10 327	7 462	7 597	7 740
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	578	-	-	-	-	-	-
Total	442 722	431 766	445 351	554 415	478 015	478 015	645 366	572 552	575 630

The Management sub-programme is responsible for monitoring and management of various projects within the sub-programmes. The low spending of only R2 000 in 2017/18 is due to the post of Chief Director: Library and Archive Services not being filled in 2018/19. The MTEF provides for the appointment of librarians, library assistants and Assistant Director: Central Reference.

The Library Services sub-programme caters for the provision of a public library service to affiliated municipal public libraries throughout the province. The aim of this sub-programme is the improvement of libraries, and provision of access to them by all communities, by building, upgrading and automating public libraries, as well as developing and sustaining a reading culture. The sub-programme includes funding received for the provincialisation of public libraries. The increase over the MTEF caters for the continuation of provision of support to public libraries for conducting monitoring, stocktaking, as well as the provision of library materials, such as e-books and audio-visual material. In addition, the department will continue to transfer funds to municipalities in respect of the provincialisation of libraries, which entails provision of staffing and operational costs of libraries.

The central function of the Archives sub-programme is to acquire, preserve and manage public and non-public records in order to ensure public access to the nation's archival heritage. This includes the acquisition and preservation of public records with historical value, ensuring accessibility of records and promotion of their utilisation, the proper management and care of all public records, and the collection of records with potential provincial value and significance. The decrease in the 2018/19 Adjusted Appropriation is attributed to the suspension of funds from 2018/19 to 2019/20 in respect of the construction of the Archive Repository. The department experienced challenges with regard to the completion of the feasibility study and the department also lacked capacity to undertake the construction of the project. This explains the high allocation in 2019/20. The department will continue to implement oral history interviews and the construction of the Archive Repository over the 2019/20 MTEF. The department may request to re-schedule the 2019/20 allocation depending on the progress of the project. The department anticipates to complete construction of the Archive Repository in 2022/23.

The Community Library Services grant increases strongly over the seven-year period. The department will commence with the construction of the Dukuduku and KwaMdakane libraries, as well as staffing and operational costs of provincialised libraries.

Compensation of employees caters for the appointment of staff for libraries as part of provincialisation, as well as staff to oversee the administration of the Community Library Services grant. The department plans to fill 14 critical vacant posts under this programme. The department has budgeted 7.4, 6.8 and 4.8 per cent growth over the MTEF. This growth is not sufficient to cater for existing staff and the filling of

vacant posts. The department will review the *Compensation of employees* budget in-year and in the next budget process.

Goods and services relates to the acquisition of library materials, connectivity costs for internet access and the costs of implementing the SLIMS library control systems. The allocations over the MTEF cater for the continuation of these.

Transfers and subsidies to: Provinces and municipalities reflects an increase over the MTEF due to the provision of transfers to municipalities in respect of mobile library units and salaries of cyber cadets. The MTEF allocations provide for transfers to municipalities in respect of provincialised libraries, such as Maphumulo, Ndumo, Qhudeneni and Nkungumathe.

Transfers and subsidies to: Non-profit institutions caters for transfer payments to the Family Literacy project and SA Library for the Blind. The decrease from 2019/20 can be attributed to the department not budgeting for transfers to Africa Ignite from 2019/20 onward due to the project coming to an end in 2018/19.

Transfers and subsidies to: Households relates to staff exit costs.

Buildings and other fixed structures caters for the construction of the Archive Repository over the MTEF, with a large portion of the funds being allocated in 2019/20. This explains the decrease in the outer years. The MTEF allocations also provide for the commencement of the construction of various new libraries, such as Dukuduku and KwaMdakane

Machinery and equipment fluctuates over the seven-year period and relates to the purchase of mobile library buses and upgrading of computer equipment in libraries. The MTEF relates to the upgrading of computer equipment in public libraries.

Service delivery measures – Programme 3: Library and Archive Services

Table 15.20 reflects service delivery measures for Programme 3. The department has incorporated some sector measures, while the bulk of these measures are non-sector. Further measures to those listed here, are included in the department’s 2019/20 APP.

Table 15.20 : Service delivery measures: Programme 3: Library and Archives Services

Outputs	Performance indicators	Estimated performance			
		2018/19	2019/20	2020/21	2021/22
1 Library Services					
1.1 To advance the 2035 agenda to achieve a socially cohesive society and nation building	<ul style="list-style-type: none"> • No. of library materials procured • No. of new libraries built • No. of existing facilities upgraded for public library purposes 	200 000	201 000	205 000	210 000
		3	1	2	2
		2	2	2	2
2 Archives Services					
2.1 To advance the 2035 agenda to achieve a socially cohesive society and nation building	<ul style="list-style-type: none"> • No. of promotional interventions on promotion of national symbols and orders • No. of govt. bodies receiving records • No. of govt. bodies inspected • No. of oral history interviews undertaken 	27	30	33	36
		24	27	30	33
		4	5	170	170
		4	5	6	7

9. Other programme information

9.1 Personnel numbers and costs

Table 15.21 provides details of the personnel numbers per programme. The table also gives a breakdown of employee dispensation classification.

Table 15.21 : Summary of personnel numbers and costs by component

	Audited Actual						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF		
	2015/16		2016/17		2017/18		2018/19				2019/20		2020/21		2021/22		2018/19 - 2021/22		
	Pers. no. ¹	Costs	Pers. no. ¹	Costs	Pers. no. ¹	Costs	Filled posts	Add. posts	Pers. no. ¹	Costs	Pers. no. ¹	Costs	Pers. no. ¹	Costs	Pers. no. ¹	Costs	Pers. growth rate	Costs growth rate	% of Total
R thousands																			
Salary level																			
1 – 6	173	27 589	210	34 932	169	42 431	198	-	198	38 146	209	44 159	209	47 859	209	51 166	1.8%	10.3%	17.0%
7 – 10	250	58 345	301	95 595	254	103 531	293	-	293	103 720	294	124 654	294	134 214	294	139 605	0.1%	10.4%	46.7%
11 – 12	43	63 402	52	34 632	44	34 963	58	-	58	46 400	48	42 700	48	43 364	48	47 610	(6.1%)	0.9%	17.0%
13 – 16	31	28 942	35	34 029	29	34 355	32	-	32	30 444	33	37 672	33	40 669	33	43 826	1.0%	12.9%	14.2%
Other	88	8 376	74	4 440	95	4 380	88	-	88	14 951	48	14 682	48	13 231	48	13 931	(18.3%)	(2%)	5.2%
Total	585	186 654	672	203 628	591	219 660	669	-	669	233 661	632	263 867	632	279 337	632	296 138	(1.9%)	8.2%	100.0%
Programme																			
1. Administration	200	64 761	229	69 197	222	73 430	253	-	253	86 513	192	90 085	192	96 069	192	102 196	(8.8%)	5.7%	35.2%
2. Cultural Affairs	155	61 297	183	70 881	158	76 287	167	-	167	76 189	177	91 625	177	95 524	177	102 003	2.0%	10.2%	33.8%
3. Library and Archive Services	230	60 596	260	63 550	211	69 943	249	-	249	70 959	263	82 157	263	87 744	263	91 939	1.8%	9.0%	31.0%
Total	585	186 654	672	203 628	591	219 660	669	-	669	233 661	632	263 867	632	279 337	632	296 138	(1.9%)	8.2%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	494	177 593	596	198 399	407	205 258	571	-	571	216 646	581	247 545	581	262 117	581	277 971	0.6%	8.7%	93.5%
Legal Professionals	1	685	2	789	2	1 578	3	-	3	1 711	3	1 849	3	1 951	3	2 058	-	-	-
Others (interns, EPWP, learnerships)	90	8 376	74	4 440	182	12 824	95	-	95	15 304	48	14 473	48	15 269	48	16 109	(20.4%)	1.7%	5.8%
Total	585	186 654	672	203 628	591	219 660	669	-	669	233 661	632	263 867	632	279 337	632	296 138	(1.9%)	8.2%	100.0%

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

According to the department, 669 posts are filled in 2018/18, of which 95 relate to internship posts and contract employees employed under the Office of the MEC. Interns are reflected under *Other* and are centralised under Programme 1 and are paid a stipend of R5 000 per month.

The department indicated that it has reprioritised to fill 24 critical vacant posts in total over the MTEF. However, the department provided for a growth in *Compensation of employees* of 13 per cent in 2019/20, 6 per cent in 2020/21 and 2021/22. The growth in 2019/20 adequately caters for the planned filling of 24 budgeted critical vacant posts. The growth in the outer years is below National Treasury's guidelines, and will be reviewed by the department in the next budget process.

9.2 Training

Table 15.22 provides details of expenditure on training by the department over the seven years. The department is complying with the requirement of the Skills Development Act, which requires that it budgets at least 1 per cent of its salary expenses on training.

Table 15.22 : Information on training: Arts and Culture

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
R thousand									
Number of staff	585	672	591	669	669	669	632	632	632
Number of personnel trained	305	305	305	305	305	305	305	321	321
of which									
Male	115	115	115	115	115	115	115	121	121
Female	190	190	190	190	190	190	190	200	200
Number of training opportunities	296	296	296	296	296	296	296	312	312
of which									
Tertiary	40	40	40	40	40	40	40	42	42
Workshops	50	50	50	50	50	50	50	53	53
Seminars	20	20	20	20	20	20	20	21	21
Other	186	186	186	186	186	186	186	196	196
Number of bursaries offered	63	63	63	63	63	63	63	66	66
Number of interns appointed	51	51	51	51	51	51	51	54	54
Number of learnerships appointed	41	41	41	41	41	41	41	43	43
Number of days spent on training	202	202	202	202	202	202	202	213	213
Payments on training by programme									
1. Administration	1 037	3 761	1 146	2 708	2 708	1 884	2 494	3 159	3 333
2. Cultural Affairs	427	802	439	94	94	104	99	105	111
3. Library and Archive Services	1 295	223	221	1 290	1 074	1 074	1 359	1 431	1 468
Total	2 759	4 786	1 806	4 092	3 876	3 062	3 952	4 695	4 912

ANNEXURE – VOTE 15: ARTS AND CULTURE

Table 15.A : Details of departmental receipts: Arts and Culture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	554	583	534	643	643	643	675	674	711
Sale of goods and services produced by department (excluding capital assets)	554	583	534	643	643	643	675	674	711
Sale by market establishments	317	393	534	483	483	483	515	505	533
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	237	190	-	160	160	160	160	169	178
<i>Of which</i>									
<i>Commission</i>	108	120	-	160	160	160	160	169	178
<i>Tender documents</i>	129	39	-	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	142	82	122	87	87	87	91	81	85
Interest, dividends and rent on land	-	-	16	6	6	36	6	-	-
Interest	-	-	16	6	6	36	6	-	-
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	73	73	-	77	114	120
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	-	-	73	73	-	77	114	120
Transactions in financial assets and liabilities	230	285	1 229	171	171	448	180	134	141
Total	926	950	1 901	980	980	1 214	1 029	1 003	1 057

Table 15.B : Payments and estimates by economic classification: Arts and Culture

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	386 649	420 680	480 089	450 893	449 056	448 010	502 193	538 136	561 800
Compensation of employees	186 654	203 628	219 660	233 508	233 714	233 661	263 867	279 337	296 138
Salaries and wages	161 777	176 287	190 213	203 577	203 783	202 541	228 757	242 246	257 071
Social contributions	24 877	27 341	29 447	29 931	29 931	31 120	35 110	37 091	39 067
Goods and services	199 960	217 030	260 302	217 385	215 342	214 334	238 326	258 799	265 662
Administrative fees	2 002	1 618	2 552	674	675	1 652	937	765	816
Advertising	9 466	8 115	7 052	4 676	4 376	7 114	3 247	4 429	4 669
Minor assets	31 911	30 170	44 394	29 736	30 236	25 745	31 903	40 599	34 374
Audit cost: External	3 192	4 229	4 289	4 410	4 840	4 840	4 539	4 789	5 052
Bursaries: Employees	65	553	218	232	232	232	245	258	272
Catering: Departmental activities	3 803	2 271	1 354	1 959	2 171	3 138	2 345	3 172	3 344
Communication (G&S)	4 660	5 716	4 012	6 240	6 940	6 578	8 676	9 182	9 899
Computer services	14 528	22 682	18 490	19 725	19 155	17 425	24 768	25 073	34 408
Cons. and prof. serv.: Business and advisory services	3 576	2 216	3 538	3 133	3 338	3 098	7 622	9 081	9 290
Infrastructure and planning	-	-	-	250	-	-	1 387	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	311	1 678	2 999	221	221	1 473	233	246	260
Contractors	18 462	21 519	33 271	15 003	14 828	23 346	19 619	20 952	20 890
Agency and support / outsourced services	10 572	10 845	11 840	14 865	14 865	9 462	22 058	18 809	17 472
Entertainment	42	99	127	274	274	240	290	305	321
Fleet services (including government motor transport)	5 780	5 768	8 109	3 311	3 707	8 643	3 097	4 285	4 525
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	7	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	20	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	150	150	150	158	165	165
Inventory: Materials and supplies	-	14	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 004	1 073	3 672	-	-	297	-	-	-
Consumable supplies	3 308	8 775	7 122	12 250	12 178	8 590	9 942	12 624	13 123
Consumable: Stationery, printing and office supplies	7 882	9 469	7 255	8 122	6 962	7 655	6 390	8 784	9 987
Operating leases	10 827	12 643	15 075	14 673	15 173	11 190	14 693	14 590	14 393
Property payments	11 254	14 981	15 559	14 900	15 043	18 020	14 939	15 942	16 407
Transport provided: Departmental activity	14 077	11 173	10 849	17 210	17 694	11 336	17 330	16 637	17 508
Travel and subsistence	25 749	21 008	28 932	20 009	19 413	20 609	26 214	25 197	24 402
Training and development	2 759	4 786	1 806	4 092	3 876	3 062	3 952	4 695	4 912
Operating payments	1 499	1 540	2 439	2 161	2 661	3 704	2 285	2 410	2 543
Venues and facilities	5 415	3 099	2 087	7 482	3 693	231	2 667	6 076	6 397
Rental and hiring	7 816	10 970	23 254	11 627	12 641	16 504	8 790	9 734	10 233
Interest and rent on land	35	22	127	-	-	15	-	-	-
Interest	35	22	127	-	-	15	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	366 772	323 588	279 806	337 212	333 478	333 740	373 821	390 775	407 285
Provinces and municipalities	273 527	231 797	200 936	270 790	259 134	259 134	276 640	290 892	304 349
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	273 527	231 797	200 936	270 790	259 134	259 134	276 640	290 892	304 349
Municipalities	273 527	231 797	200 936	270 790	259 134	259 134	276 640	290 892	304 349
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	42 764	40 815	40 437	8 657	8 657	8 657	45 101	47 582	50 199
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	42 764	40 815	40 437	8 657	8 657	8 657	45 101	47 582	50 199
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	10 750	11 569	9 045	28 400	33 200	33 200	22 600	22 600	22 600
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	10 750	11 569	9 045	28 400	33 200	33 200	22 600	22 600	22 600
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	10 750	11 569	9 045	28 400	33 200	33 200	22 600	22 600	22 600
Non-profit institutions	38 296	36 583	26 995	28 165	29 380	29 380	28 213	28 364	28 727
Households	1 435	2 824	2 393	1 200	3 107	3 369	1 267	1 337	1 410
Social benefits	1 435	2 221	1 483	-	577	799	-	-	-
Other transfers to households	-	603	910	1 200	2 530	2 570	1 267	1 337	1 410
Payments for capital assets	70 568	96 625	107 388	174 466	89 968	90 171	256 223	138 299	130 619
Buildings and other fixed structures	57 971	83 151	92 505	166 324	76 253	76 253	241 911	123 475	115 254
Buildings	57 971	83 151	92 505	166 324	76 253	76 253	241 911	123 475	115 254
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	8 915	12 669	12 493	8 142	13 715	13 918	9 213	9 445	9 690
Transport equipment	3 420	3 884	4 748	-	-	480	-	-	-
Other machinery and equipment	5 495	8 785	7 745	8 142	13 715	13 438	9 213	9 445	9 690
Heritage assets	3 682	805	2 391	-	-	-	5 099	5 379	5 675
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	(1)	-	-	-	-	-	-
Payments for financial assets	3 830	4 774	1 126	-	-	581	-	-	-
Total	827 819	845 667	868 409	962 571	872 502	872 502	1 132 237	1 067 210	1 099 704
Unauth. Exp. (1st charge) not available for spending	(3 830)	(3 830)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	823 989	841 837	868 409	962 571	872 502	872 502	1 132 237	1 067 210	1 099 704

Table 15.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	117 908	135 028	138 556	150 998	150 435	149 689	155 102	166 204	173 800
Compensation of employees	64 761	69 197	73 430	84 525	83 141	83 106	90 085	96 069	102 196
Salaries and wages	56 904	61 199	64 845	74 107	72 723	72 321	78 325	82 172	87 454
Social contributions	7 857	7 998	8 585	10 418	10 418	10 785	11 760	13 897	14 742
Goods and services	53 112	65 820	65 126	66 473	67 294	66 568	65 017	70 135	71 604
Administrative fees	860	732	1 226	294	294	861	311	330	348
Advertising	5 707	3 495	2 522	3 115	3 115	2 754	1 249	1 959	2 067
Minor assets	119	139	283	751	1 251	881	794	847	893
Audit cost: External	3 192	4 229	4 289	4 240	4 840	4 840	4 539	4 789	5 052
Bursaries: Employees	65	553	218	232	232	232	245	258	272
Catering: Departmental activities	241	252	291	390	390	390	412	435	459
Communication (G&S)	2 281	2 768	1 748	3 381	3 581	3 300	3 571	3 767	3 974
Computer services	2 334	9 945	8 472	7 862	6 647	6 648	11 131	10 480	11 601
Cons. and prof. serv.: Business and advisory services	15	1 089	328	909	1 289	1 289	660	686	724
Infrastructure and planning	-	-	-	-	-	-	1 387	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	311	1 678	1 758	221	221	1 473	233	246	260
Contractors	1 597	1 088	1 429	3 537	3 137	3 139	1 035	1 092	1 152
Agency and support / outsourced services	277	118	428	388	388	343	410	432	455
Entertainment	24	52	74	213	213	208	225	237	250
Fleet services (including government motor transport)	3 724	4 247	4 740	1 378	1 274	5 391	955	2 129	2 250
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	95	661	829	457	457	470	509	637	672
Consumable: Stationery, printing and office supplies	1 164	2 042	1 021	1 166	1 166	1 159	732	1 300	1 371
Operating leases	10 282	11 114	14 451	13 444	13 444	9 492	13 393	13 218	12 945
Property payments	8 389	9 198	6 532	11 540	11 990	11 759	11 636	12 192	12 612
Transport provided: Departmental activity	556	29	132	399	399	319	221	444	468
Travel and subsistence	10 340	7 696	11 967	9 173	9 073	8 172	8 117	10 170	9 044
Training and development	1 037	3 761	1 146	2 708	2 708	1 884	2 494	3 159	3 333
Operating payments	296	473	400	422	422	716	445	469	495
Venues and facilities	-	8	14	129	129	129	137	145	153
Rental and hiring	206	453	828	124	634	719	176	714	754
Interest and rent on land	35	11	-	-	-	15	-	-	-
Interest	35	11	-	-	-	15	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	866	3 019	1 796	1 400	1 454	1 487	1 478	1 558	1 643
Provinces and municipalities	80	193	143	200	200	200	211	221	233
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	80	193	143	200	200	200	211	221	233
Municipalities	80	193	143	200	200	200	211	221	233
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	250	650	390	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	250	650	390	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	250	650	390	-	-	-	-	-	-
Non-profit institutions	220	220	-	-	-	-	-	-	-
Households	316	1 956	1 263	1 200	1 254	1 287	1 267	1 337	1 410
Social benefits	316	1 353	353	-	54	87	-	-	-
Other transfers to households	-	603	910	1 200	1 200	1 200	1 267	1 337	1 410
Payments for capital assets	2 127	1 633	4 296	269	1 078	1 210	755	796	840
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 127	1 633	4 296	269	1 078	1 210	755	796	840
Transport equipment	1 543	490	2 772	-	-	480	-	-	-
Other machinery and equipment	584	1 143	1 524	269	1 078	730	755	796	840
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3 830	4 774	548	-	-	581	-	-	-
Total	124 731	144 454	145 196	152 667	152 967	152 967	157 335	168 558	176 283
Unauth. Exp. (1st charge) not available for spending	(3 830)	(3 830)	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	120 901	140 624	145 196	152 667	152 967	152 967	157 335	168 558	176 283

Table 15.D : Payments and estimates by economic classification: Cultural Affairs

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	142 252	150 587	183 940	156 123	156 924	156 810	192 278	198 874	207 431
Compensation of employees	61 297	70 881	76 287	74 524	74 032	74 032	91 625	95 524	102 003
Salaries and wages	53 255	61 457	66 250	64 493	64 001	64 001	78 917	83 226	89 030
Social contributions	8 042	9 424	10 037	10 031	10 031	10 031	12 708	12 298	12 973
Goods and services	80 955	79 701	107 526	81 599	82 892	82 778	100 653	103 350	105 428
Administrative fees	811	692	982	198	199	437	433	231	253
Advertising	2 303	2 356	2 067	1 183	1 183	2 985	1 599	2 050	2 163
Minor assets	536	281	264	1 406	1 406	738	1 510	1 444	1 578
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	3 409	1 894	941	1 181	1 781	2 712	1 575	2 548	2 688
Communication (G&S)	1 208	1 420	815	1 371	1 371	1 337	3 653	4 011	4 544
Computer services	3	561	188	43	31	32	162	65	68
Cons. and prof. serv.: Business and advisory services	3 372	1 127	1 859	2 043	1 868	1 628	6 789	8 213	8 374
Infrastructure and planning	-	-	-	250	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	1 241	-	-	-	-	-	-
Contractors	15 761	17 042	30 476	9 215	9 440	17 951	17 045	17 152	16 890
Agency and support / outsourced services	10 047	9 983	10 627	13 871	13 871	8 505	20 852	17 739	16 368
Entertainment	9	11	15	46	46	22	48	50	52
Fleet services (including government motor transport)	708	697	1 715	1 408	1 408	1 809	1 686	1 570	1 656
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	1	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	404	-	-	-	-	-	-
Consumable supplies	2 841	3 522	4 487	6 205	6 205	4 693	5 021	4 885	5 155
Consumable: Stationery, printing and office supplies	1 263	1 998	1 816	1 644	1 644	1 916	2 058	2 607	2 659
Operating leases	184	1 196	207	498	498	473	525	554	585
Property payments	1 240	1 425	3 303	776	776	1 888	820	866	1 001
Transport provided: Departmental activity	13 356	10 428	10 163	16 199	16 799	10 622	16 466	15 518	16 363
Travel and subsistence	11 423	10 785	12 567	8 425	8 425	8 237	10 036	9 920	10 351
Training and development	427	802	439	94	94	104	99	105	111
Operating payments	431	670	1 177	357	357	1 190	378	399	421
Venues and facilities	4 018	3 071	671	4 764	3 564	102	2 423	5 602	5 897
Rental and hiring	7 605	9 739	21 102	10 422	11 926	15 397	7 475	7 821	8 251
Interest and rent on land	-	5	127	-	-	-	-	-	-
Interest	-	5	127	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	99 868	94 765	85 122	78 320	80 857	80 900	108 163	113 234	113 575
Provinces and municipalities	10 729	9 670	10 869	15 898	10 898	10 898	14 349	16 868	14 313
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	10 729	9 670	10 869	15 898	10 898	10 898	14 349	16 868	14 313
Municipalities	10 729	9 670	10 869	15 898	10 898	10 898	14 349	16 868	14 313
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	42 764	40 815	40 437	8 657	8 657	8 657	45 101	47 582	50 199
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	42 764	40 815	40 437	8 657	8 657	8 657	45 101	47 582	50 199
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	10 500	10 919	8 655	28 400	33 200	33 200	22 600	22 600	22 600
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	10 500	10 919	8 655	28 400	33 200	33 200	22 600	22 600	22 600
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	10 500	10 919	8 655	28 400	33 200	33 200	22 600	22 600	22 600
Non-profit institutions	34 959	33 034	24 398	25 365	26 280	26 280	26 113	26 184	26 463
Households	916	327	763	-	1 822	1 865	-	-	-
Social benefits	916	327	763	-	492	495	-	-	-
Other transfers to households	-	-	-	-	1 330	1 370	-	-	-
Payments for capital assets	18 246	24 095	8 800	21 046	3 739	3 810	29 095	13 992	26 785
Buildings and other fixed structures	11 282	19 512	4 349	19 500	1 429	1 429	23 000	7 561	20 000
Buildings	11 282	19 512	4 349	19 500	1 429	1 429	23 000	7 561	20 000
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 282	3 778	2 061	1 546	2 310	2 381	996	1 052	1 110
Transport equipment	1 389	2 410	909	-	-	-	-	-	-
Other machinery and equipment	1 893	1 368	1 152	1 546	2 310	2 381	996	1 052	1 110
Heritage assets	3 682	805	2 391	-	-	-	5 099	5 379	5 675
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	(1)	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	260 366	269 447	277 862	255 489	241 520	241 520	329 536	326 100	347 791

Table 15.E : Payments and estimates by economic classification: Library and Archive Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	126 489	135 065	157 593	143 772	141 697	141 511	154 813	173 058	180 569
Compensation of employees	60 596	63 550	69 943	74 459	76 541	76 523	82 157	87 744	91 939
Salaries and wages	51 618	53 631	59 118	64 977	67 059	66 219	71 515	76 848	80 587
Social contributions	8 978	9 919	10 825	9 482	9 482	10 304	10 642	10 896	11 352
Goods and services	65 893	71 509	87 650	69 313	65 156	64 988	72 656	85 314	88 630
Administrative fees	331	194	344	182	182	354	193	204	215
Advertising	1 456	2 264	2 463	378	78	1 375	399	420	439
Minor assets	31 256	29 750	43 847	27 579	27 579	24 126	29 599	38 308	31 903
Audit cost: External	-	-	-	170	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	153	125	122	388	-	36	358	189	197
Communication (G&S)	1 171	1 528	1 449	1 488	1 988	1 941	1 452	1 404	1 381
Computer services	12 191	12 176	9 830	11 820	12 477	10 745	13 475	14 528	22 739
Cons. and prof. serv.: Business and advisory services	189	-	1 351	181	181	181	173	182	192
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	1 104	3 389	1 366	2 251	2 251	2 256	1 539	2 708	2 848
Agency and support / outsourced services	248	744	785	606	606	614	796	638	649
Entertainment	9	36	38	15	15	10	17	18	19
Fleet services (including government motor transport)	1 348	824	1 654	525	1 025	1 443	456	586	619
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	7	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	19	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	150	150	150	158	165	165
Inventory: Materials and supplies	-	14	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 004	1 073	3 268	-	-	297	-	-	-
Consumable supplies	372	4 592	1 806	5 588	5 516	3 427	4 412	7 102	7 296
Consumable: Stationery, printing and office supplies	5 455	5 429	4 418	5 312	4 152	4 580	3 600	4 877	5 957
Operating leases	361	333	417	731	1 231	1 225	775	818	863
Property payments	1 625	4 358	5 724	2 584	2 277	4 373	2 483	2 884	2 794
Transport provided: Departmental activity	165	716	554	612	496	395	643	675	677
Travel and subsistence	3 986	2 527	4 398	2 411	1 915	4 200	8 061	5 107	5 007
Training and development	1 295	223	221	1 290	1 074	1 074	1 359	1 431	1 468
Operating payments	772	397	862	1 382	1 882	1 798	1 462	1 542	1 627
Venues and facilities	1 397	20	1 402	2 589	-	-	107	329	347
Rental and hiring	5	778	1 324	1 081	81	388	1 139	1 199	1 228
Interest and rent on land	-	6	-	-	-	-	-	-	-
Interest	-	6	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	266 038	225 804	192 888	257 492	251 167	251 353	264 180	275 983	292 067
Provinces and municipalities	262 718	221 934	189 924	254 692	248 036	248 036	262 080	273 803	289 803
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	262 718	221 934	189 924	254 692	248 036	248 036	262 080	273 803	289 803
Municipalities	262 718	221 934	189 924	254 692	248 036	248 036	262 080	273 803	289 803
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	3 117	3 329	2 597	2 800	3 100	3 100	2 100	2 180	2 264
Households	203	541	367	-	31	217	-	-	-
Social benefits	203	541	367	-	31	217	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	50 195	70 897	94 292	153 151	85 151	85 151	226 373	123 511	102 994
Buildings and other fixed structures	46 689	63 639	88 156	146 824	74 824	74 824	218 911	115 914	95 254
Buildings	46 689	63 639	88 156	146 824	74 824	74 824	218 911	115 914	95 254
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 506	7 258	6 136	6 327	10 327	10 327	7 462	7 597	7 740
Transport equipment	488	984	1 067	-	-	-	-	-	-
Other machinery and equipment	3 018	6 274	5 069	6 327	10 327	10 327	7 462	7 597	7 740
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	578	-	-	-	-	-	-
Total	442 722	431 766	445 351	554 415	478 015	478 015	645 366	572 552	575 630

Table 15.F : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	39 122	50 128	67 174	45 176	51 532	51 532	46 610	50 991	53 971
Compensation of employees	4 789	7 344	12 398	9 863	11 976	11 976	10 265	8 710	9 302
Salaries and wages	4 363	6 259	10 846	8 595	10 708	10 708	9 160	7 531	8 058
Social contributions	426	1 085	1 552	1 268	1 268	1 268	1 105	1 179	1 244
Goods and services	34 333	42 784	54 776	35 313	39 556	39 556	36 345	42 281	44 669
Administrative fees	1	37	25	10	10	10	11	12	12
Advertising	863	524	783	60	60	60	63	66	66
Assets less than the capitalisation threshold	18 965	20 304	31 872	20 633	20 633	20 633	20 931	25 141	25 029
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	42	40	81	40	-	-	42	44	44
Communication (G&S)	-	66	105	-	-	-	-	-	-
Computer services	12 099	12 176	9 822	10 751	10 751	10 751	11 288	11 853	13 853
Cons and prof serv: Business & advisory services	-	-	1 351	-	-	-	-	-	-
Cons and prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons and prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons and prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons and prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	1 592	4 042	927	100	500	500	105	165	165
Agency & support/outourced services	40	388	528	400	400	400	420	441	441
Entertainment	-	13	14	-	-	-	-	-	-
Fleet services (incl. GMT)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	150	150	150	158	165	165
Inventory: Material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	2 408	-	-	-	-	-	-
Consumable supplies	23	1 760	458	50	2 149	2 149	53	355	55
Consumable: Stationery, printing and office supplies	80	13	948	1 000	3 000	3 000	1 050	1 602	2 502
Operating leases	-	4	-	-	-	-	-	-	-
Property payments	457	1 517	2 791	-	500	500	-	-	-
Transport provided: Departmental activity	150	698	525	579	463	463	608	638	638
Travel and subsistence	5	316	386	250	250	250	262	376	276
Training and development	-	124	154	690	690	690	724	761	761
Operating payments	16	-	320	-	-	-	-	-	-
Venues and facilities	-	-	1 278	-	-	-	630	662	662
Rental and hiring	-	762	-	600	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	53 249	58 512	32 205	59 527	53 171	53 171	56 317	62 181	66 506
Provinces and municipalities	50 132	55 183	29 608	56 727	50 071	50 071	54 217	60 001	64 242
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	50 132	55 183	29 608	56 727	50 071	50 071	54 217	60 001	64 242
Municipalities	50 132	55 183	29 608	56 727	50 071	50 071	54 217	60 001	64 242
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	3 117	3 329	2 597	2 800	3 100	3 100	2 100	2 180	2 264
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	41 802	69 558	85 657	71 694	71 694	71 694	83 600	81 400	85 900
Buildings and other fixed structures	39 388	63 469	81 335	67 694	63 694	63 694	78 600	76 400	80 900
Buildings	39 388	63 469	81 335	67 694	63 694	63 694	78 600	76 400	80 900
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 414	6 089	4 322	4 000	8 000	8 000	5 000	5 000	5 000
Transport equipment	-	626	-	-	-	-	-	-	-
Other machinery and equipment	2 414	5 463	4 322	4 000	8 000	8 000	5 000	5 000	5 000
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	134 173	178 198	185 036	176 397	176 397	176 397	186 527	194 572	206 377

Table 15.G : Payments and estimates by economic classification: Community Library Services grant (Prog 3: Library and Archive Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	37 722	48 128	65 174	43 176	49 532	49 532	44 500	50 991	53 971
Compensation of employees	4 789	7 344	10 398	7 863	9 976	9 976	8 155	8 710	9 302
Salaries and wages	4 363	6 259	8 846	6 595	8 708	8 708	7 050	7 531	8 058
Social contributions	426	1 085	1 552	1 268	1 268	1 268	1 105	1 179	1 244
Goods and services	32 933	40 784	54 776	35 313	39 556	39 556	36 345	42 281	44 669
Administrative fees	1	37	25	10	10	107	11	12	12
Advertising	863	524	783	60	60	60	63	66	66
Minor assets	18 965	20 304	31 872	20 633	20 633	20 633	20 931	25 141	25 029
Catering: Departmental activities	42	40	81	40	-	36	42	44	44
Communication (G&S)	-	66	105	-	-	16	-	-	-
Computer services	12 099	12 176	9 822	10 751	10 751	9 209	11 288	11 853	13 853
Cons. and prof. serv.: Business and advisory services	-	-	1 351	-	-	-	-	-	-
Contractors	192	2 042	927	100	500	500	105	165	165
Agency and support / outsourced services	40	388	528	400	400	404	420	441	441
Entertainment	-	13	14	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	150	150	150	158	165	165
Inventory: Other supplies	-	-	2 408	-	-	296	-	-	-
Consumable supplies	23	1 760	458	50	2 149	1 822	53	355	55
Consumable: Stationery, printing and office supplies	80	13	948	1 000	3 000	3 338	1 050	1 602	2 502
Operating leases	-	4	-	-	-	4	-	-	-
Property payments	457	1 517	2 791	-	500	1 482	-	-	-
Transport provided: Departmental activity	150	698	525	579	463	362	608	638	638
Travel and subsistence	5	316	386	250	250	250	262	376	276
Training and development	-	124	154	690	690	690	724	761	761
Operating payments	16	-	320	-	-	23	-	-	-
Rental and hiring	-	762	1 278	600	-	174	630	662	662
Transfers and subsidies	53 249	58 512	32 205	59 527	53 171	53 171	56 317	62 181	66 506
Provinces and municipalities	50 132	55 183	29 608	56 727	50 071	50 071	54 217	60 001	64 242
Municipalities	50 132	55 183	29 608	56 727	50 071	50 071	54 217	60 001	64 242
Municipalities	50 132	55 183	29 608	56 727	50 071	50 071	54 217	60 001	64 242
Non-profit institutions	3 117	3 329	2 597	2 800	3 100	3 100	2 100	2 180	2 264
Payments for capital assets	41 802	69 558	85 657	71 694	71 694	71 694	83 600	81 400	85 900
Buildings and other fixed structures	39 388	63 469	81 335	67 694	63 694	63 694	78 600	76 400	80 900
Buildings	39 388	-	-	67 694	63 694	63 694	78 600	-	-
Other fixed structures	-	63 469	81 335	-	-	-	-	76 400	80 900
Machinery and equipment	2 414	6 089	4 322	4 000	8 000	8 000	5 000	5 000	5 000
Transport equipment	-	626	-	-	-	-	-	-	-
Other machinery and equipment	2 414	5 463	4 322	4 000	8 000	8 000	5 000	5 000	5 000
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	132 773	176 198	183 036	174 397	174 397	174 397	184 417	194 572	206 377

Table 15.H : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces (Prog 2: Cultural Affairs)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	1 400	2 000	2 000	2 000	2 000	2 000	2 110	-	-
Compensation of employees	-	-	2 000	2 000	2 000	2 000	2 110	-	-
Goods and services	1 400	2 000	-	-	-	-	-	-	-
Contractors	1 400	2 000	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 400	2 000	2 000	2 000	2 000	2 000	2 110	-	-

Table 15.I : Summary of transfers to local government

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
A KZN2000 eThekweni	160 534	102 416	72 563	87 212	87 212	87 212	92 302	92 645	97 864
Total: Ugu Municipalities	14 474	14 734	18 204	22 730	22 730	22 730	24 543	25 871	27 373
B KZN212 uMdoni	4 939	5 019	6 141	8 539	8 539	8 539	9 003	9 493	10 048
B KZN213 uMzumbane	-	-	-	-	-	-	-	-	-
B KZN214 uMziwabantu	723	738	771	1 591	1 591	1 591	1 686	1 787	1 899
B KZN216 Ray Nkonyeni	8 812	8 977	11 292	12 600	12 600	12 600	13 854	14 591	15 427
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	31 946	28 010	29 948	34 915	34 915	34 915	36 219	38 610	40 781
B KZN221 uMshwathi	877	894	932	2 711	2 711	2 711	2 851	2 998	3 166
B KZN222 uMngeni	3 142	3 201	3 333	3 938	3 938	3 938	4 144	4 361	4 608
B KZN223 Mpotana	1 094	1 122	1 489	2 065	2 065	2 065	2 173	2 287	2 417
B KZN224 iMpendle	723	738	932	1 873	1 873	1 873	1 971	2 074	2 192
B KZN225 Msunduzi	23 989	19 896	21 535	20 000	20 000	20 000	20 515	22 075	23 301
B KZN226 Mkhambathini	1 244	1 265	795	1 617	1 617	1 617	1 714	1 817	1 931
B KZN227 Richmond	877	894	932	2 711	2 711	2 711	2 851	2 998	3 166
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	9 506	9 682	10 094	20 224	15 224	15 224	16 042	16 909	17 888
B KZN235 Okhahlamba	1 076	1 103	1 152	2 647	2 647	2 647	2 796	2 954	3 130
B KZN237 iNkosi Langalibalele	3 554	3 297	3 785	5 987	5 987	5 987	6 298	6 628	7 003
B KZN238 Alfred Duma	4 876	4 773	5 157	11 590	6 590	6 590	6 948	7 327	7 755
C DC23 uThukela District Municipality	-	509	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	6 936	6 069	10 502	11 103	11 103	11 103	11 720	12 374	13 007
B KZN241 eNdameni	3 507	4 083	4 287	4 743	4 743	4 743	5 000	5 273	5 480
B KZN242 Nquthu	1 488	-	4 143	3 234	3 234	3 234	3 428	3 634	3 862
B KZN244 uMsinga	744	760	795	1 061	1 061	1 061	1 119	1 180	1 249
B KZN245 uMvoti	1 197	1 226	1 277	2 065	2 065	2 065	2 173	2 287	2 416
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	7 900	23 467	8 379	20 819	20 819	20 819	11 869	13 511	14 338
B KZN252 Newcastle	6 454	21 991	6 837	18 749	18 749	18 749	9 092	9 592	10 155
B KZN253 eMadlangeni	723	738	771	1 035	1 035	1 035	1 686	1 787	1 899
B KZN254 Dannhauser	723	738	771	1 035	1 035	1 035	1 091	2 132	2 284
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	9 148	9 874	10 248	13 656	13 656	13 656	15 505	16 285	17 156
B KZN261 eDumbe	1 052	1 073	1 118	2 770	2 770	2 770	2 931	3 101	3 291
B KZN262 uPhongolo	1 313	1 323	1 378	2 070	2 070	2 070	2 182	2 300	2 434
B KZN263 Abaqulusi	3 295	3 860	4 052	4 253	4 253	4 253	4 486	4 732	5 009
B KZN265 Nongoma	723	738	771	1 591	1 591	1 591	2 281	2 424	2 581
B KZN266 Ulundi	950	969	1 018	1 061	1 061	1 061	1 714	1 817	1 931
C DC26 Zululand District Municipality	1 815	1 911	1 911	1 911	1 911	1 911	1 911	1 911	1 911
Total: uMkhanyakude Municipalities	6 955	7 251	9 352	15 252	12 202	12 202	16 829	18 321	19 488
B KZN271 uMhlabuyalingana	1 566	1 592	1 657	3 398	1 873	1 873	3 055	2 711	2 874
B KZN272 Jozini	997	1 016	2 443	5 787	4 262	4 262	6 186	6 591	7 040
B KZN275 Mtubatuba	2 718	2 763	3 278	3 441	3 441	3 441	4 216	5 445	5 777
B KZN276 Big Five Hlabisa	1 674	1 880	1 974	2 626	2 626	2 626	3 372	3 574	3 798
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	14 874	16 698	17 484	23 323	20 273	20 273	25 228	26 658	28 254
B KZN281 uMfolozi	723	1 922	2 007	2 626	2 626	2 626	2 777	2 937	3 116
B KZN282 uMhlatuze	8 145	9 113	9 568	10 043	10 043	10 043	11 174	11 782	12 468
B KZN284 uMlalazi	4 007	3 682	3 837	4 978	4 978	4 978	5 236	5 510	5 819
B KZN285 Mthorjaneni	723	738	771	1 035	1 035	1 035	1 091	1 150	1 217
B KZN286 Nkandla	723	1 243	1 301	4 641	1 591	1 591	4 950	5 279	5 635
C DC28 King Cetshwayo District Municipality	553	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	6 278	7 419	7 756	12 614	12 614	12 614	16 923	19 722	17 612
B KZN291 Mandeni	1 964	2 513	2 639	3 661	3 661	3 661	3 868	4 087	4 332
B KZN292 KwaDukuza	3 570	3 641	3 792	5 811	5 811	5 811	9 114	11 435	8 799
B KZN293 Ndwedwe	744	1 265	1 325	1 617	1 617	1 617	1 714	1 817	1 931
B KZN294 Maphumulo	-	-	-	1 525	1 525	1 525	2 227	2 383	2 550
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	4 896	5 984	6 263	8 742	8 186	8 186	9 249	9 765	10 354
B KZN433 Greater Kokstad	1 654	1 687	1 758	2 070	2 070	2 070	2 777	2 937	3 116
B KZN434 uBuhlebezwe	723	738	771	1 591	1 035	1 035	1 101	1 150	1 217
B KZN435 uMzimkhulu	744	1 265	1 325	1 617	1 617	1 617	1 714	1 817	1 931
B KZN436 Dr Nkosazana Dlamini Zuma	1 775	2 294	2 409	3 464	3 464	3 464	3 657	3 861	4 090
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	273 447	231 604	200 793	270 590	258 934	258 934	276 429	290 671	304 116

Table 15.J : Transfers to local government - Museum subsidies

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	4 390	4 623	4 854	5 097	5 097	5 097	5 352	5 646	5 956
Total: Ugu Municipalities	317	334	350	368	368	368	386	407	429
B KZN216 Ray Nkonyeni	317	334	350	368	368	368	386	407	429
Total: uMgungundlovu Municipalities	712	350	1 186	825	825	825	867	914	965
B KZN222 uMngeni	166	175	183	192	192	192	202	213	225
B KZN223 Mpofana	166	175	183	192	192	192	202	213	225
B KZN225 Msunduzi	380	-	820	441	441	441	463	488	515
Total: uThukela Municipalities	649	684	716	752	752	752	790	833	879
B KZN235 Okhahlamba	166	175	183	192	192	192	202	213	225
B KZN237 iNkosi Langalibalele	317	-	350	368	368	368	386	407	429
B KZN238 Alfred Duma	166	-	183	192	192	192	202	213	225
C DC23 uThukela District Municipality	-	509	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	546	575	603	633	633	633	665	701	640
B KZN241 eNdumeni	380	400	420	441	441	441	463	488	415
B KZN245 uMvoti	166	175	183	192	192	192	202	213	225
Total: Amajuba Municipalities	317	334	350	368	368	368	386	407	429
B KZN252 Newcastle	317	334	350	368	368	368	386	407	429
Total: Zululand Municipalities	166	175	183	192	192	192	202	213	225
B KZN263 Abaqulusi	166	175	183	192	192	192	202	213	225
Total: King Cetshwayo Municipalities	879	509	533	560	560	560	588	622	654
B KZN282 uMhlatuze	166	175	183	192	192	192	202	214	225
B KZN284 uMlalazi	713	334	350	368	368	368	386	408	429
Total: iLembe Municipalities	166	175	183	192	192	192	3 202	5 214	2 225
B KZN292 KwaDukuza	166	175	183	192	192	192	3 202	5 214	2 225
Unallocated	-	-	-	-	-	-	-	-	-
Total	8 142	7 759	8 958	8 987	8 987	8 987	12 438	14 957	12 402

Table 15.K : Transfers to local government - Operational costs at art centres

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	772	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	1 815	1 911	1 911	1 911	1 911	1 911	1 911	1 911	1 911
C DC26 Zululand District Municipality	1 815	1 911	1 911	1 911	1 911	1 911	1 911	1 911	1 911
Unallocated	-	-	-	-	-	-	-	-	-
Total	2 587	1 911	1 911	1 911	1 911	1 911	1 911	1 911	1 911

Table 15.L : Transfers to local government - Music Academy in Ladysmith

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Total: uThukela Municipalities	-	-	-	5 000	-	-	-	-	-
B KZN238 Alfred Duma	-	-	-	5 000	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	-	5 000	-	-	-	-	-

Table 15.M : Transfers to local government - Provincialisation of libraries

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
A KZN2000 eThekweni	119 622	76 738	61 333	75 420	75 420	75 420	79 191	78 697	83 025
Total: Ugu Municipalities	12 331	12 477	14 959	18 436	18 436	18 436	19 358	20 326	21 444
B KZN212 uMdoni	4 429	4 482	4 706	6 704	6 704	6 704	7 039	7 391	7 798
B KZN214 uMuzwabantu	553	559	583	838	838	838	880	924	975
B KZN216 Ray Nkonyeni	7 349	7 436	9 670	10 894	10 894	10 894	11 439	12 011	12 672
Total: uMgungundlovu Municipalities	28 971	25 299	26 810	31 486	31 486	31 486	32 567	34 709	36 618
B KZN221 uMshwathi	707	715	744	2 514	2 514	2 514	2 640	2 772	2 924
B KZN222 uMngeni	2 636	2 668	2 774	3 352	3 352	3 352	3 520	3 696	3 899
B KZN223 Mpofana	758	768	1 118	1 676	1 676	1 676	1 760	1 848	1 950
B KZN224 iMpindle	553	559	744	1 676	1 676	1 676	1 760	1 848	1 950
B KZN225 Msunduzi	23 057	19 315	20 103	18 916	18 916	18 916	19 367	20 849	21 996
B KZN226 Mkhambathini	553	559	583	838	838	838	880	924	975
B KZN227 Richmond	707	715	744	2 514	2 514	2 514	2 640	2 772	2 924
Total: uThukela Municipalities	7 434	7 522	7 826	11 732	11 732	11 732	12 318	12 934	13 645
B KZN235 Okhahlamba	719	727	757	1 676	1 676	1 676	1 760	1 848	1 950
B KZN237 iNkosi Langalibalele	2 727	2 760	2 871	5 028	5 028	5 028	5 279	5 543	5 848
B KZN238 Alfred Duma	3 988	4 035	4 198	5 028	5 028	5 028	5 279	5 543	5 848
Total: uMzinyathi Municipalities	5 307	4 251	6 732	7 542	7 542	7 542	7 920	8 316	8 773
B KZN241 eNdameni	2 787	2 820	2 961	3 352	3 352	3 352	3 520	3 696	3 899
B KZN242 Nquthu	1 106	-	2 282	1 676	1 676	1 676	1 760	1 848	1 950
B KZN244 uMsinga	553	559	583	838	838	838	880	924	975
B KZN245 uMvoti	861	872	906	1 676	1 676	1 676	1 760	1 848	1 950
Total: Amajuba Municipalities	6 733	6 813	7 089	7 910	7 910	7 910	8 306	8 721	9 201
B KZN252 Newcastle	5 627	5 695	5 923	6 234	6 234	6 234	6 546	6 873	7 251
B KZN253 eMadlangeni	553	559	583	838	838	838	880	924	975
B KZN254 Dannhauser	553	559	583	838	838	838	880	924	975
Total: Zululand Municipalities	5 914	5 986	6 260	8 139	8 139	8 139	8 547	8 974	9 468
B KZN261 eDumbe	861	872	906	1 676	1 676	1 676	1 760	1 848	1 950
B KZN262 uPhongolo	952	965	1 002	1 676	1 676	1 676	1 760	1 848	1 950
B KZN263 Abaqulusi	2 789	2 822	2 963	3 111	3 111	3 111	3 267	3 430	3 619
B KZN265 Nongoma	553	559	583	838	838	838	880	924	975
B KZN266 Ulundi	759	768	806	838	838	838	880	924	975
Total: uMkhanyakude Municipalities	6 105	6 177	6 848	7 237	7 237	7 237	8 088	7 979	8 418
B KZN271 uMhlabayalingana	1 396	1 413	1 469	1 676	1 676	1 676	2 249	1 848	1 950
B KZN272 Jozini	827	837	879	838	838	838	880	924	975
B KZN275 Mtubatuba	2 378	2 405	2 902	3 047	3 047	3 047	3 199	3 359	3 544
B KZN276 Big Five Hlabisa	1 504	1 522	1 598	1 676	1 676	1 676	1 760	1 848	1 950
Total: King Cetshwayo Municipalities	11 434	12 651	13 235	15 817	15 817	15 817	16 609	17 439	18 398
B KZN281 uMfolozi	553	1 059	1 101	1 676	1 676	1 676	1 760	1 848	1 950
B KZN282 uMhlathuze	6 289	7 506	7 881	8 275	8 275	8 275	8 689	9 123	9 625
B KZN284 uMlalazi	2 933	2 968	3 087	4 190	4 190	4 190	4 400	4 620	4 874
B KZN285 Mthonjaneni	553	559	583	838	838	838	880	924	975
B KZN286 Nkandla	553	559	583	838	838	838	880	924	975
C DC28 King Cetshwayo District Municipality	553	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	4 901	4 959	5 173	8 380	8 380	8 380	8 799	9 239	9 747
B KZN291 Mandeni	1 454	1 471	1 545	2 514	2 514	2 514	2 640	2 772	2 924
B KZN292 KwaDukuza	2 894	2 929	3 045	5 028	5 028	5 028	5 279	5 543	5 848
B KZN293 Ndwedwe	553	559	583	838	838	838	880	924	975
Total: Harry Gwala Municipalities	3 834	3 878	4 051	5 866	5 866	5 866	6 160	6 468	6 824
B KZN433 Greater Kokstad	1 314	1 329	1 382	1 676	1 676	1 676	1 760	1 848	1 950
B KZN434 uBuhlebezwe	553	559	583	838	838	838	880	924	975
B KZN435 uMzimkhulu	553	559	583	838	838	838	880	924	975
B KZN436 Dr Nkosazana Dlamini Zuma	1 414	1 431	1 503	2 514	2 514	2 514	2 640	2 772	2 924
Unallocated	-	-	-	-	-	-	-	-	-
Total	212 586	166 751	160 316	197 965	197 965	197 965	207 863	213 802	225 561

Table 15.N : Transfers to local government - Community Library Services grant

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2018/19	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
A KZN2000 eThekweni	35 750	21 055	6 376	6 695	6 695	6 695	7 759	8 302	8 883
Total: Ugu Municipalities	1 826	1 923	2 895	3 926	3 926	3 926	4 799	5 138	5 500
B KZN212 uMdoni	510	537	1 435	1 835	1 835	1 835	1 964	2 102	2 250
B KZN214 uMuziwabantu	170	179	188	753	753	753	806	863	924
B KZN216 Ray Nkonyeni	1 146	1 207	1 272	1 338	1 338	1 338	2 029	2 173	2 326
Total: uMgungundlovu Municipalities	2 263	2 361	1 952	2 604	2 604	2 604	2 785	2 987	3 198
B KZN221 uMshwathi	170	179	188	197	197	197	211	226	242
B KZN222 uMngeni	340	358	376	394	394	394	422	452	484
B KZN223 Mpofana	170	179	188	197	197	197	211	226	242
B KZN224 iMpindle	170	179	188	197	197	197	211	226	242
B KZN225 Msunduzi	552	581	612	643	643	643	685	738	790
B KZN226 Mkhambathini	691	706	212	779	779	779	834	893	956
B KZN227 Richmond	170	179	188	197	197	197	211	226	242
Total: uThukela Municipalities	1 423	1 476	1 552	2 740	2 740	2 740	2 934	3 142	3 364
B KZN235 Okhahlamba	191	201	212	779	779	779	834	893	956
B KZN237 iNkosi Langalibalele	510	537	564	591	591	591	633	678	726
B KZN238 Alfred Duma	722	738	776	1 370	1 370	1 370	1 467	1 571	1 682
Total: uMzinyathi Municipalities	1 083	1 243	3 167	2 928	2 928	2 928	3 135	3 357	3 594
B KZN241 eNdumeni	340	863	906	950	950	950	1 017	1 089	1 166
B KZN242 Nquthu	382	-	1 861	1 558	1 558	1 558	1 668	1 786	1 912
B KZN244 uMsinga	191	201	212	223	223	223	239	256	274
B KZN245 uMvoti	170	179	188	197	197	197	211	226	242
Total: Amajuba Municipalities	850	16 320	940	12 541	12 541	12 541	3 177	4 383	4 708
B KZN252 Newcastle	510	15 962	564	12 147	12 147	12 147	2 160	2 312	2 475
B KZN253 eMadlangeni	170	179	188	197	197	197	806	863	924
B KZN254 Dannhauser	170	179	188	197	197	197	211	208	1 309
Total: Zululand Municipalities	1 253	1 802	1 894	3 414	3 414	3 414	4 845	5 187	5 553
B KZN261 eDumbe	191	201	212	1 094	1 094	1 094	1 171	1 253	1 341
B KZN262 uPhongolo	361	358	376	394	394	394	422	452	484
B KZN263 Abaqulusi	340	863	906	950	950	950	1 017	1 089	1 166
B KZN265 Nongoma	170	179	188	753	753	753	1 401	1 500	1 606
B KZN266 Ulundi	191	201	212	223	223	223	834	893	956
Total: uMkhanyakude Municipalities	850	1 074	2 504	8 015	4 965	4 965	8 741	10 342	11 070
B KZN271 uMhlabuyalingana	170	179	188	1 722	197	197	806	863	924
B KZN272 Jozini	170	179	1 564	4 949	3 424	3 424	5 306	5 667	6 065
B KZN275 Mtubatuba	340	358	376	394	394	394	1 017	2 086	2 233
B KZN276 Big Five Hlabisa	170	358	376	950	950	950	1 612	1 726	1 848
Total: King Cetshwayo Municipalities	2 561	3 538	3 716	6 946	3 896	3 896	8 031	8 597	9 202
B KZN281 uMfolozi	170	863	906	950	950	950	1 017	1 089	1 166
B KZN282 uMhlatuze	1 690	1 432	1 504	1 576	1 576	1 576	2 283	2 445	2 618
B KZN284 uMlalazi	361	380	400	420	420	420	450	482	516
B KZN285 Mthonjaneni	170	179	188	197	197	197	211	226	242
B KZN286 Nkandla	170	684	718	3 803	753	753	4 070	4 355	4 660
Total: iLembe Municipalities	1 211	2 285	2 400	4 042	4 042	4 042	4 922	5 269	5 640
B KZN291 Mandeni	510	1 042	1 094	1 147	1 147	1 147	1 228	1 315	1 408
B KZN292 KwaDukuza	510	537	564	591	591	591	633	678	726
B KZN293 Ndwedwe	191	706	742	779	779	779	834	893	956
B KZN294 Maphumulo	-	-	-	1 525	1 525	1 525	2 227	2 383	2 550
Total: Harry Gwala Municipalities	1 062	2 106	2 212	2 876	2 320	2 320	3 089	3 297	3 530
B KZN433 Greater Kokstad	340	358	376	394	394	394	1 017	1 089	1 166
B KZN434 uBuhlebezwe	170	179	188	753	197	197	221	226	242
B KZN435 uMzimkhulu	191	706	742	779	779	779	834	893	956
B KZN436 Dr Nkosazana Dlamini Zuma	361	863	906	950	950	950	1 017	1 089	1 166
Unallocated	-	-	-	-	-	-	-	-	-
Total	50 132	55 183	29 608	56 727	50 071	50 071	54 217	60 001	64 242

Table 15.O : Financial summary for KwaZulu-Natal Amafa and Research Institute

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Revenue									
Tax revenue	-	-	-	-	-	-	-	-	-
Non-tax revenue	37 751	36 767	36 811	40 178	40 178	40 178	39 978	42 287	44 727
Sale of goods and services other than capital assets	1 383	1 513	1 554	1 551	1 551	1 551	1 520	1 600	1 680
Entirety revenue other than sales	1 544	1 872	2 047	600	600	600	570	595	620
Transfers received	34 977	33 028	32 263	37 835	37 835	37 835	37 615	39 805	42 121
Of which:									
DAC**	34 977	33 028	32 263	-	-	-	35 960	37 938	40 025
OTP	-	-	-	33 989	33 989	33 989	-	-	-
Reserves applied	-	-	-	3 846	3 846	3 846	1 655	1 867	2 096
Sale of capital assets	(330)	66	695	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Other non-tax revenue	177	288	252	192	192	192	273	287	306
Total revenue	37 751	36 767	36 811	40 178	40 178	40 178	39 978	42 287	44 727
Expenses									
Programmes									
1. Corporate Services	17 038	14 868	14 961	15 500	15 500	15 500	15 545	16 422	17 350
2. Support Services	5 595	5 407	5 746	6 562	6 562	6 562	6 516	6 896	7 297
3. Ondini Heritage, Collection and Interpretation	6 060	6 157	6 695	7 572	7 572	7 572	7 508	7 945	8 407
4. Emakhosini Opathe Heritage Park	5 704	5 409	5 866	6 650	6 650	6 650	6 586	6 971	7 379
5. Research and Compliance	3 285	3 268	3 332	3 894	3 894	3 894	3 823	4 053	4 294
Total	37 682	35 109	36 600	40 178	40 178	40 178	39 978	42 287	44 727
Economic classification									
Current expenses	35 454	34 626	36 561	40 073	40 073	40 073	39 831	42 227	44 665
Compensation of employees	25 219	26 227	27 222	31 803	31 803	31 803	30 102	31 914	33 833
Goods and services	10 235	8 399	9 339	8 270	8 270	8 270	9 729	10 313	10 832
Interest on rent and land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	2 228	483	39	105	105	105	147	60	62
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total expenses	37 682	35 109	36 600	40 178	40 178	40 178	39 978	42 287	44 727
Surplus / (Deficit)*	69	1 658	211	-	-	-	-	-	-
Adjustments for Surplus / (Deficit)	(69)	(1 658)	(211)	-	-	-	-	-	-
Accumulated reserves	(69)	(1 658)	(211)	-	-	-	-	-	-
Surplus / (Deficit) after adjustments	-	-	-	-	-	-	-	-	-

*Note: The Surplus / (Deficit) relates to the accounting treatment of capital and other non-cash expense items

**Note: The transfer to the KwaZulu-Natal Amafa and Research Institute has not yet factored in the amalgamation of Amafa aKwaZulu-Natali and the Heritage unit under OTP

Table 15.P : Personnel summary for KwaZulu-Natal Amafa and Research Institute

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Board members									
Personnel cost (R thousand)	230	-	-	200	200	200	300	311	337
Personnel numbers (head count)	9	-	-	12	12	12	9	9	9
Unit cost	26	-	-	17	17	17	33	35	37
Executive management									
Personnel cost (R thousand)	854	935	988	1 140	1 140	1 140	1 093	1 159	1 229
of which:									
Chief Financial Officer	854	935	988	1 140	1 140	1 140	1 093	1 159	1 229
Chief Executive Officer	-	-	-	-	-	-	-	-	-
Personnel numbers (head count)	1	1	1	1	1	1	1	1	1
Unit cost	854	935	988	1 140	1 140	1 140	1 093	1 159	1 229
Senior management									
Personnel cost (R thousand)	2 480	2 692	2 531	3 283	3 283	3 283	2 101	2 227	2 361
Personnel numbers (head count)	3	3	3	3	3	3	2	2	2
Unit cost	827	897	844	1 094	1 094	1 094	1 051	1 114	1 181
Middle management									
Personnel cost (R thousand)	6 780	6 984	6 902	8 517	8 517	8 517	7 772	8 238	8 732
Personnel numbers (head count)	16	14	13	16	16	16	13	13	13
Unit cost	424	499	531	532	532	532	598	634	672
Professionals									
Personnel cost (R thousand)	9 758	9 958	8 773	12 142	12 142	12 142	9 939	10 535	11 167
Personnel numbers (head count)	44	42	32	44	44	44	32	32	32
Unit cost	222	237	274	276	276	276	311	329	349
Semi-skilled									
Personnel cost (R thousand)	3 288	3 444	5 199	4 200	4 200	4 200	5 962	6 320	6 699
Personnel numbers (head count)	18	17	24	18	18	18	24	24	24
Unit cost	183	203	217	233	233	233	248	263	279
Very low skilled									
Personnel cost (R thousand)	2 059	2 214	2 829	2 521	2 521	2 521	3 235	3 435	3 645
Personnel numbers (head count)	18	17	18	18	18	18	17	17	17
Unit cost	114	130	157	140	140	140	190	202	214
Total for entity									
Personnel cost (R thousand)*	25 449	26 227	27 222	32 003	32 003	32 003	30 402	32 225	34 170
Personnel numbers (head count)**	109	94	91	112	112	112	98	98	98
Unit cost	233	279	299	286	286	286	310	329	349

*Note: The difference between the Personnel cost and Compensation of employees relates to Board costs, which are paid from Goods and services

**Note: The table reflects the staff of the Amafa aKwaZulu-Natali only, and excludes the staff from the Heritage unit under OTP