

VOTE 12

Transport

| | |
|---------------------------------|--|
| Operational budget | R11 633 508 205 |
| MEC remuneration | R 1 977 795 |
| Total amount to be appropriated | R11 635 486 000 |
| Responsible MEC | MEC for Transport and Community Safety and Liaison |
| Administering department | Transport |
| Accounting officer | Head: Transport |

1. Overview

Vision

The department's vision is: *An enabling transportation gateway to Africa and the world.*

Mission statement

The department's mission is: *To strive to provide mobility through an affordable transportation system that is safe, integrated, regulated and efficient to support the movement of goods and people and that enables the socio-economic development needs of the province and its citizens.*

Strategic objectives

The new framework for SPs and APPs has shifted from a goal-focused approach to an impact-focused approach. As such, the implementation of the new framework resulted in the phasing out of strategic objectives and the introduction of outcomes. The Department of Transport (DOT)'s strategic policy direction is to:

- Support economic growth, rural development, socio-economic transformation, poverty alleviation and job creation as the department builds and maintains transport infrastructure.
- Provide safe, integrated, reliable and affordable public transportation systems.
- Create a safe road environment for all road users while managing traffic.

The department strives to achieve this through the following outcomes:

- Good governance – through improved audit outcomes, improved project management, improved organisational effectiveness, effective engagements with other spheres of government and strategic partners and effective communication.
- Responsive transport infrastructure – through improved road network condition and a balanced and equitable road network.
- Integrated, safe and efficient transport – through an integrated public transport ticketing and scheduling system, intermodal public transport facilities, and the movement of targeted commodities from road to rail culminating in a reduction in fatal road crashes.
- Sustainable public transport – through a reduction in percentage income spend on public transport for targeted groups and increased use of public transport.

Core functions

Turning the vision of the department into reality can only be achieved by focusing the attention and energy of all employees and relevant stakeholders on the performance of its core functions, namely:

Construct, maintain and repair the provincial road network

The department's mandate is to construct and maintain a balanced road network that meets the mobility needs of the citizens of KZN and supports the national and provincial growth and development plans and strategies.

Plan, regulate and provide an integrated transportation system

The department's mandate is to regulate public transport and ensure access to safe, efficient and affordable public transport. The department is further mandated to facilitate development in the freight transport industry and the minimisation of negative externalities resultant from the transport of freight.

Manage road traffic

The department's mandate is to create a safe road environment, through the reduction of road accidents. The main services rendered include road traffic enforcement, road safety education, and the registration and licensing of vehicles.

Legislative mandates

The key legislative mandates of the department are derived mainly from the following legislation:

- Administrative Adjudication of Road Traffic Offences, 1998 (Act No. 46 of 1998)
- African Union (AU) Agenda, 2063
- Annual Division of Revenue Act (DORA)
- Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)
- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Criminal Procedure Act, 1977 (Act No. 51 of 1977)
- Cross-border Road Transport Act, 1998 (Act No. 4 of 1998)
- Department of Public Service and Administration's (DPSA) Determination on Reasonable Accommodation and Assistive Devices for Employees with Disabilities in Public Service, July 2015
- DPSA's Directive on Consultation of Departments' Organisational Structure (2015)
- Draft National Scholar Transport Policy, 2014
- Draft Non-Motorised Transport Policy, December 2008
- Employment Equity Act (Act No. 55 of 1998)
- Integrated Sustainable Rural Development Strategy, November 2005
- Inter-governmental Relations (IGR) Framework Act (Act No. 13 of 2005)
- KZN Provincial Minibus Taxi Act (Act No. 4 of 1998). Only Chapter 10 is applicable, as the Act has been repealed
- KZN Provincial Roads Act (Act No. 4 of 2001)
- KZN Provincial Supply Chain Management (SCM) Policy Framework (2006)
- KZN Road Traffic Act (Act No. 7 of 1997)
- KZN White Paper on Freight Transport Policy (October 2004)
- Local Roads for Rural Development in KwaZulu-Natal, March 1997
- Medium Term Strategic Framework, 2019-2024
- National Development Plan, 2030
- National Freight Logistics Strategy (October 2005)
- National Infrastructure Plan, 2014
- National Land Transport Act, 2009 (Act No. 5 of 2009)
- National Land Transport Strategic Framework (2017-2022)

- National Road Safety Strategy 2016-2030 (Road Safety)
- National Road Traffic Act, 1996 (Act No. 93 of 1996)
- National Treasury Standard for Infrastructure Procurement and Delivery Management SIPDM – First Edition (October 2015)
- New Growth Path Framework, 2011
- Occupational Health and Safety Amendment Act (Act No. 181 of 1993)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Promotion of Administrative Justice Act (Act No. 3 of 2000)
- Provincial Growth and Development Plan, 2014
- Provincial Growth and Development Plan/Strategy (PGDP/S) (2018)
- Provincial Spatial Economic Development Strategy, October 2006
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- Public Service Act (Act No. 103 of 1994) and Regulations
- Public Transport Strategy and Action Plan, 2007
- Road Infrastructure Strategic Framework for South Africa (October 2006)
- Road Traffic Act, 1989 (Act No. 29 of 1989)
- Road Traffic Management Corporation Act, 1999 (Act No. 20 of 1999)
- Rural Transport Strategy for South Africa 2007
- Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) (SPLUMA)
- The Construction Regulations, 2014, Gazette 37305 to the Occupational Health and Safety Act, 1993 (Act No 85 of 1993)
- The National Land Transport Strategic Framework, (2017-2022)
- The National Spatial Development Perspective, (2006)
- The National Water Amendment Act, 2014 (Act No. 27 of 2014) and the accompanying Draft Regulations Regarding the Procedural Requirements for Licence Applications in terms of Section 26(1) (k) of the National Water Act, 1998 (Act No. 36 of 1998)
- Transforming our World: The 2030 Agenda for Sustainable Development, 2015
- White Paper on National Transport Policy, 1996
- White Paper on the Rights of Persons with Disabilities, March 2016

2. Review of the 2019/20 financial year

Section 2 provides a review of 2019/20, 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.

Transport infrastructure

The departmental Operation KuShunquthuli and African Renaissance Roads Upgrading Programme (ARRUP) continued to focus on road infrastructure development in rural areas. The department continued with the construction of roads that link rural communities to provincial hubs of activity in order to achieve the strategic goal of providing access and mobility within the province. The department continued with the upgrading and rehabilitation of the provincial road network to improve and prolong the lifespan of the provincial infrastructure network, and this included the following projects:

- Upgrade of Main Road P601-2 in uMzimkhulu. The upgrade of the road is currently in progress, and three kilometres were completed, with the remaining two kilometres anticipated to be completed by March 2020.

- Upgrade of District Road D1886 in Jozini. The upgrade of three kilometres is anticipated to be completed by February 2020.
- Upgrade of District Road D1925 in Dumbe. The upgrade of three kilometres is anticipated to be completed by February 2020.

The following are some of the bridges that are anticipated to be completed in 2019/20:

- Mpolweni Vehicle River Bridge in uMshwathi will provide safe vehicular access over the Mpolweni River for residents in the Mpolweni community with the construction of a two-lane bridge and a pedestrian walk way due to high traffic. This bridge is anticipated to be completed by March 2020.
- Maphophoma Vehicle River Bridge in Ulundi will serve the Ulundi community by providing safe, all weather access to a mobile clinic, a crèche and the Landulwazi Primary School. Construction is currently in progress and is anticipated to be completed by March 2020.
- Mfule Pedestrian River Bridge on P534 in uMhlathuze will serve the Emasangweni and Ncwane communities by providing access to several schools, a mobile clinic, Shandu Store pension pay point and various places of worship. This bridge is anticipated to be completed by March 2020.
- Mahambuma, Phethu and KwaSitholane Vehicle River Bridges in Nongoma will serve the Nongoma community by providing safe, all weather access to mobile clinics, crèches and local schools. The bridges are anticipated to be completed by March 2020.

The following are some of the rehabilitation projects completed in 2019/20:

- District Road D870 (54 627 square metres), and Main Roads P577-1 (139 212 square metres) and P1-1 (166 807 square metres) in the eThekweni Metro.
- Main Roads P14-1 (52 440 square metres), P27-3 (72 000 square metres), P21-1 (30 192 square metres) and P63 (15 685 square metres) in Msunduzi.
- Main Road P5-2 (49 880 square metres) in uMzimkhulu.

Transport operations

The department commenced with the negotiation process with the mainstream operators of subsidised bus contracts in 2015/16 to ensure that the participation of black South African-owned bus operators is increased to at least 50 per cent of the subsidised public transport contracts. The negotiations were completed in 2016/17 and the implementation of Phase 1 started with contracts operating at King Cetshwayo. To date, this transformation programme has enabled the department to have 11 contracts that are purely owned and managed by historically disadvantaged individuals/groups, of which most beneficiaries are taxi associations and small bus operators who were previously not receiving a subsidy. These contracts are fully operational and the department has signed seven-year contracts with them. The department then commenced and completed the service design for the implementation of Phase 2 of the transformation programme in August 2019, which was to include contracts under uMgungundlovu. However, Phase 2 was not implemented due to A-G audit findings in 2018/19 that determined that the “Negotiated Contract” approach used by the department was not in compliance with the PFMA. As such, the department is going to open tender, and the process is expected to be completed in September 2020.

Learner transport services

The department continued to administer learner transport services. The department went out to open tender in April 2019 in order to procure new service providers. However, the appointment of new service providers is still pending due to appeals, and are anticipated to be finalised in March 2020. As such, the department is still using the existing contractors. The total number of contracts for learner transport is 73 for the duration of five years. The total number of learners transported in 2019/20 was 58 908 from 332 schools including the additional 2 933 learners in the Nquthu area. The department was allocated an additional R130 million during the 2019/20 Adjustments Estimate to cater for the shortfall in respect of existing learner transport services. The allocation was in line with the request for additional funding submitted by DOT in conjunction with the Department of Education (DOE) and fully compensated the department for the shortfall. This made the total allocation for the services R348.201 million in 2019/20.

Road safety

The department created and promoted a safe road environment through education and awareness by achieving the following:

- Reached 1 246 schools through the implementation of learner education projects.
- Conducted six awareness programmes across the province, including pedestrian, passenger and driver safety programmes, and education with enforcement, stakeholder engagement and mass campaigns.
- Maintained 174 employment opportunities created through the school crossing patrol services project.

Expanded Public Works Programme (EPWP)

The department used labour-intensive construction methods to achieve 44 980 work opportunities in 2019/20, through focusing on R200 million worth of projects in order to ensure a positive impact on livelihoods and the achievement of job creation targets. During 2019/20, the department also implemented the Youth Vukayibambe Routine Road Maintenance Programme, where 3 200 youth employment work opportunities were created to participate in various routine road maintenance projects across the province. The focus areas for EPWP include safety maintenance, routine maintenance and special maintenance. The type of work performed by the EPWP participants includes construction road works and routine road maintenance activities such as installation of road studs, guardrails, gabions, signs, markers, clearing and grubbing, grass cutting along the road verge, pothole patching, road safety assistance, pipe de-silting and pipe installation. In 2019/20, the department created 4 370 000 person days of employment, equating to 58 260 jobs created, which includes 42 000 women and 9 000 youth.

3. Outlook for the 2020/21 financial year

Section 3 looks at the key focus areas of 2020/21, outlining what the department is hoping to achieve, as well as briefly looking at challenges and proposed new developments. The bulk of the department's budget is for the construction of roads, and the maintenance of the provincial road network. In 2020/21, the department will continue with construction and maintenance projects, the provision of subsidised bus services and learner transport services, and undertake law enforcement campaigns to promote road safety.

Transport infrastructure

The department will continue to use Operation KuShunquthuli and ARRUP to focus on road infrastructure development in rural areas. The planning for rehabilitation and maintenance programmes to be implemented over the 2020/21 MTEF and onward will be based on the results from an assessment that was done in 2018 as part of the Road Asset Management System (RAMS) requirements. The assessment indicated that the condition of the "poor" to "very poor" category of roads in KZN has moved from 30 per cent to 57 per cent, which is a concern that must be addressed by the department. These are some of the projects that will be implemented in 2020/21:

- Upgrade of 4.5 kilometres of the Main Road P700 corridor between Ulundi and Empangeni, Hluhluwe and uMfolozi Game Park. The road provides access and an opportunity for economic activities between these city centres. The upgrade of the road was delayed due to work stopped by the local farmers due to land expropriation issues, as well as budget overruns due to design changes as the road in some instance had to be redirected as local farmers demanded exorbitant land expropriation prices. The contractor submitted variation orders to the department requesting additional funding, but the decision is pending based on an outcome from an independent investigator who is reviewing the events that have occurred during the design and construction stages.
- Upgrade of 7.4 kilometres of Main Road P318-1 in Harry Gwala at the foot of the Drakensberg Mountains in the Sani Pass area. One of the main objectives of upgrading the road is to improve access between South Africa (KZN) and Lesotho and thereby stimulating economic growth in the two regions. The road is currently under construction and the upgrade of 11.4 kilometres was anticipated to be completed in 2019/20, however, due to delays from environmental, labour and financial constraints, only five kilometres will be completed by the end of 2019/20, and the balance of 7.4 kilometres will be completed by April 2021. The contractor requested for a variation order, and extension of time, which was approved in October 2019. The upgrade of the road was significantly

affected by adverse weather conditions due to the sensitive nature of the land, as well as delays relating to applications in respect of environmental issues (including cutting down of trees), etc.

- Upgrade of 4.92 kilometres of Main Road P711 in Maphumulo, which serves about nine secondary and primary schools, three crèches, two health facilities including the Mtandeni Hospital, four places of worship, as well as agricultural land. Main Road P711 is also an important feeder road to the R74, which serves as an important link between the towns of Maphumulo and Stanger. The upgrade of the road was not done in 2019/20 due to slow progress on site by the main contractor facing financial challenges and the department is in the process of terminating the contract with him. A new contractor is being appointed to upgrade the road and the road is anticipated to be completed in 2020/21.
- Upgrade of District Road D880 in uMhlathuze. The upgrade of five kilometres is anticipated to be completed by December 2020.
- Various other roads will be rehabilitated in 2020/21 including Main Roads P492 in KwaDukuza (37 400 square metres), P395 in Ray Nkonyeni (212 500 square metres), P601-1 in uMzimkhulu (110 500 square metres), P46-2 in AbaQulusi (110 500 square metres), among others.

The following bridges are to be completed in 2020/21:

- Construction of the Mhlalane Pedestrian River Bridge, a 150 metre pedestrian bridge crossing over the Mhlalane River. The bridge is in the vicinity of the Kameelhoek Primary School, the Trustfeed Creche, the New Hanover Pre-Primary School and the New Hanover Farm School.
- Construction of the Nseleni Vehicle River Bridge in Ulundi, which serves the Ntambanana and Nseleni communities and improves access to the Sivananda Wellness Centre.
- Construction of the Mngeni Pedestrian Bridge over the Mngeni River will facilitate the safe passage of residents and school children to the Inhlanhlabebehuze High and the Phangindawo Primary schools.

The following projects are to be completed over the 2020/21 MTEF:

- Construction of the uMzimkhulu Vehicle Bridge over the Centocow River. The proposed structure is located approximately 24 kilometres from the town of Bulwer and serves as a link between Mpumulwane and Maqoleni villages. The bridge will assist the communities to access schools, clinics, and the closest towns, such as Bulwer, Underberg, Creighton and uMzimkhulu.
- Construction of the Mdloti Vehicle Bridge on Municipal Road M102, over the Mdloti River in the eThekweni Metro. This bridge will provide access to the Thubalethu Secondary School.
- Construction of the Gumatane River Bridge in the Gumatane area, will serve as a direct link between KwaCele area, in uMzumbe and KwaMbotho area in uMuziwabantu. This bridge will reduce travelling distances to important amenities, etc.
- Construction of the Matimane new gravel road in Ward 1 in Nongoma. Three kilometres of earthworks is scheduled to take place in 2021/22.
- Construction of the Kwabayeni new gravel road in Ward 6 in Nongoma. This road is off Main Road P704, and 1.5 kilometres of earthworks is scheduled to take place in 2021/22.

Transport operations

The department will continue to provide public transport services in respect of the subsidised bus contracts in the province. Furthermore, as the tender process is anticipated to close in May 2020 for the implementation of Phase 2 of the transformation programme which includes uMgungundlovu, the department will endeavour to adhere to the principle of transformation in order to ensure the inclusion of historically disadvantaged individuals. The ultimate objective is to have a public transport system that reflects the demographics of the province in terms of ownership.

Learner transport services

The department will continue to administer the learner transport services. After the appeal process is finalised in March 2020, new service providers will be appointed for the transportation of learners. The department was allocated an additional R136.630 million in 2020/21 to cater for the shortfall in respect of existing learner transport services with no further carry-through provided at this stage. This takes the total

allocation for the service to R366.832 million in 2020/21. The department will continue to provide transport to 332 schools and 58 908 learners.

Road safety

The department will continue to create and promote a safe road environment through education and awareness by achieving the following:

- Reach 1 246 schools through the implementation of learner education projects.
- Conduct six awareness programmes across the province, including pedestrian, passenger and driver safety programmes, and education with enforcement, stakeholder engagement and mass campaigns.
- Maintain 174 employment opportunities created through the school crossing patrol services project.

Expanded Public Works Programme (EPWP)

The department plans to create 4 600 000 person days of employment, equating to 58 260 jobs to be created, which includes 42 000 women and 9 000 youth. This programme contributes to the alleviation of poverty and the creation of meaningful employment opportunities for the unemployed. The department will continue to implement the Youth Vukayibambe Routine Road Maintenance Programme, where 3 200 youth employment work opportunities were created to participate in various routine road maintenance projects across the province. The focus areas for EPWP include safety maintenance, routine maintenance and special maintenance.

4. Reprioritisation

The department was not in a position to undertake any significant reprioritisation due to the substantial budget cuts in respect of the department's equitable share allocation of R64.583 million, R165.802 million and R208.276 million over the 2020/21 MTEF. The cuts resulted from the data updates to the PES formula, fiscal consolidation cuts, the budget cuts due to low *Compensation of employees* spending, as well as budget cuts to *Compensation of employees* due to the revised CPI inflation projections. Also, the Provincial Roads Maintenance grant (PRMG) sees a reduction of R167.292 million and R79.404 million in the two outer years of the MTEF, as well as a reduction of R5.609 million against the Public Transport Operations grant (PTOG) in 2022/23. As such, the following minor reprioritisation was undertaken over the 2020/21 MTEF, with the details of the equitable share budget cuts provided under Section 7.2:

- R22.354 million in 2020/21 and R21.249 million in 2021/22 were reprioritised from Programme 2: Transport Infrastructure under the sub-programme: Maintenance, mainly against *Compensation of employees* and *Goods and services*.
- The funds of R22.354 million in 2020/21 and R21.249 million in 2021/22 were moved to Programme 1: Administration against the sub-programme: Corporate Support, mainly as follows:
 - R13.394 million in 2020/21 and R13.871 million in 2021/22 were moved to *Compensation of employees* which was previously under-budgeted for.
 - R8.028 million in 2020/21 and R6.230 million in 2021/22 were moved to *Goods and services* in respect of computer services and external audit costs that were under-budgeted for.

5. Procurement

The department will continue to ensure the correct implementation of the Preferential Procurement Policy Framework Act, particularly the "subcontracting as condition of tender" aspect, which requires that 30 per cent of the value of contracts above R30 million must be subcontracted to an Exempted Micro Enterprise (EME) or Qualifying Small-business Enterprise (QSE).

The learner transport contracts are capital intensive, as prospective bidders are required to purchase buses and other assets to provide the service efficiently and effectively. As such, giving short-term contracts affects the bidders as the repayments of all the assets (buses) become unaffordable if the contracts come to an end while they still owe on the buses. Thus, five-year contracts will be awarded to provide the bidders sufficient time to repay their capital outlay.

6. Receipts and financing

6.1 Summary of receipts

Table 12.1 gives the sources of funding of Vote 12 over the seven-year period from 2016/17 to 2022/23. 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 for the maintenance and construction of road infrastructure, the subsidisation of bus transport in the province and creating job opportunities through EPWP projects. The conditional grants received over the period are the PRMG, the PTOG and the EPWP Integrated Grant for Provinces.

Table 12.1 shows that there is generally steady growth in the department's budget over the period, despite the substantial budget cuts in both the equitable share and conditional grant allocations in prior years, as well as over the 2020/21 MTEF.

Table 12.1 : Summary of receipts and financing

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--|------------------|------------------|-------------------|--------------------|------------------------|-------------------|-----------------------|-------------------|-------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2019/20 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
| Equitable share | 6 579 461 | 6 864 970 | 7 052 586 | 7 714 519 | 7 714 519 | 7 714 519 | 8 112 829 | 8 461 395 | 8 850 281 |
| Conditional grants | 2 992 479 | 2 934 054 | 3 009 461 | 3 122 557 | 3 122 557 | 3 122 557 | 3 386 027 | 3 157 903 | 3 240 182 |
| Provincial Roads Maintenance grant | 1 925 378 | 1 828 970 | 1 826 745 | 1 882 781 | 1 882 781 | 1 882 781 | 2 076 547 | 1 842 991 | 1 930 879 |
| Public Transport Operations grant | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| EPWP Integrated Grant for Provinces | 56 055 | 33 645 | 76 562 | 71 677 | 71 677 | 71 677 | 63 118 | - | - |
| Total receipts | 9 571 940 | 9 799 024 | 10 062 047 | 10 837 076 | 10 837 076 | 10 837 076 | 11 498 856 | 11 619 298 | 12 090 463 |
| Total payments | 9 549 691 | 9 824 270 | 10 329 366 | 10 837 076 | 10 969 545 | 10 392 545 | 11 635 486 | 11 619 298 | 12 090 463 |
| Surplus/(Deficit) before financing | 22 249 | (25 246) | (267 319) | - | (132 469) | 444 531 | (136 630) | - | - |
| Financing | | | | | | | | | |
| of which | | | | | | | | | |
| Provincial roll-overs | - | 27 246 | 222 000 | - | 2 469 | 2 469 | - | - | - |
| Provincial cash resources | 5 680 | 248 000 | 281 630 | - | 130 000 | 130 000 | 136 630 | - | - |
| Surplus/(Deficit) after financing | 27 929 | 250 000 | 236 311 | - | - | 577 000 | - | - | - |

In 2016/17, the department received R5.680 million mainly for the above-budget 2016 wage adjustment (R3.680 million), as well as R2 million to commence with the planning of the cross-border crime fighting structure between KZN and Mozambique. The department ended 2016/17 with under-expenditure of R27.929 million, of which R25.246 million was for the construction of bus lanes on Main Road P577 in the eThekweni Metro. The project was implemented by the department and co-funded by the Metro. Also, the R2 million, which was allocated for the planning of the cross-border crime fighting structure, was under-spent due to non-submission of invoices by service providers. The balance of R683 000 was surrendered to the Provincial Revenue Fund, as it was not committed.

In 2017/18, the department received a further R48 million against provincial cash resources for the construction of the cross-border crime fighting structure. Also, during the 2017/18 Adjusted Appropriation, the department received R200 million for disaster relief in respect of the flood damage that occurred in the province on 10 October 2017, and a roll-over of R27.246 million in respect of its 2016/17 under-expenditure, as explained above. The department ended 2017/18 with an under-expenditure of R250 million relating to the flood disaster funds (R200 million) and the construction of the cross-border crime fighting structure (R50 million).

In 2018/19, the department received a roll-over of R222 million in respect of the flood disaster funds (R172 million) and the construction of the cross-border crime fighting structure (R50 million). Also in 2018/19, the department received R206.630 million in respect of the learner transport services which was moved from DOE in line with a Provincial Executive Council decision. Furthermore, an additional once-off amount of R125 million was allocated for the learner transport services. Also, the approved R50 million roll-over relating to the cross-border crime fighting structure, as explained above, was suspended from the department and held in the Provincial Revenue Fund until such time as a MOA is signed between the province and other national bodies responsible for border control. This is in line with a request by the department. However, Provincial Treasury has since received a letter dated 20 December 2019 from the national Department of Public Works and Infrastructure (DPWI) indicating that they will be

reimbursing the province the amount of R50 million for the project. Provincial Treasury has requested DOT to contact national DPWI to start the process of discussion to determine how these funds will flow to the province. In this regard, Provincial Treasury will no longer be allocating this R50 million to DOT, as the funds have now been committed by national DPWI.

The department under-spent at the end of 2018/19 by R236.311 million against Programme 2, as follows:

- R2.469 million against *Goods and services* relating to the EPWP Integrated Grant for Provinces. This was due to the late receipt of invoices for March for the construction of local road L1578 in eThekweni.
- R233.842 million against *Goods and services* (R27.438 million) and *Buildings and other fixed structures* (R206.404 million) relating to the equitable share roll-over. This was due to delays in the awarding of contracts relating to reseal and rehabilitation projects due to large volumes from applicants, which took longer than anticipated to be finalised.

In the 2019/20 Adjustments Estimate, the department received an additional amount of R130 million to cater for the shortfall in respect of existing learner transport services, as mentioned. In addition, the department received a roll-over of R2.469 million from 2018/19 in respect of the EPWP Integrated Grant for Provinces. This amount is reflected against provincial roll-overs, as the funds were not surrendered to National Treasury.

As at the end of December 2019, the department is projecting to under-spend its 2019/20 Adjusted Appropriation by R577 million, against Programme 2, as follows:

- *Compensation of employees* due to delays with the approval of the revised organisational structure, lengthy recruitment processes, difficulty in finding suitable candidates, high staff turnover, as well as internal promotions, which resulted in further vacancies. The posts include Control Engineering Technicians, Driver Operators, Director: Engineering Services, Deputy Directors: Regional Mechanics, Drivers (extra heavy motor vehicles), Road Workers, Chief Provincial Inspectors, Administrative Officers, Principal Provincial Inspectors, Vehicle Technical Compliance Officers, etc.
- *Goods and services* due to the suspension of the Vukuzakhe Emerging Contractor Development Programme. The programme was developed to allow for the award of small contracts to emerging contractors at a local level. However, the A-G found the process to be non-compliant with the Preferential Procurement Policy Framework Act (PPPFA) and these transactions were recorded as irregular. The department then suspended the programme in July 2019 while it reviews the policy to align the programme to the Construction Industry Development Board (CIDB) and the National Contractor Developing Programme Framework and Guidelines. Poor performance by contractors facing financial difficulties and thus not delivering on project milestones, as well as challenges with access to quarries due to disputes with the Ingonyama Trust, also contributed to the low spending.
- *Buildings and other fixed structures* due to delays with the finalisation and approval of the implementation manuals, designs and specifications for planned rehabilitation projects. In addition, the department experienced poor performance by contractors who abandon sites due to financial difficulties. The department had to cancel some of these non-performing contracts, and then re-advertise the tenders and this resulted in delays.

Over the 2020/21 MTEF, the budget for the Vote as a whole shows good growth despite the budget cuts. The growth is mainly due to inflationary increments, as well as additional funds of R136.630 million allocated in 2020/21 only at this stage to cater for the learner transport pressures. The budget provides for the carry-through allocations of construction and maintenance projects, provision of learner transport services and bus subsidisation, continuation of the computerised licence testing project, law enforcement and road safety campaigns, among others.

The department received the EPWP Integrated Grant for Provinces allocation for 2020/21, amounting to R63.118 million. This grant is allocated on the previous year's performance and reporting, and is allocated annually. As such, the two outer years' funds have not been allocated, at this stage. The PTOG was reduced by R5.609 million in 2022/23 due to National Treasury's fiscal consolidation efforts. The PRMG,

on the other hand grows by R209.524 million in 2020/21 due to the incentive nature of the grant, with the allocations made being based on the 2019/20 performance data. However, the grant sees a reduction of R167.292 million in 2021/22 and R79.404 million in 2022/23 due to fiscal consolidation.

6.2 Departmental receipts collection

Table 12.2 indicates the estimated departmental receipts for Vote 12. Details of departmental receipts are presented in *Annexure – Vote 12: Transport*. Table 12.2 shows a general increase in the total amount of revenue collected by the department over the seven-year period.

Table 12.2 : Summary of departmental receipts collection

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Tax receipts | 1 599 531 | 1 658 031 | 1 763 535 | 1 783 000 | 1 783 000 | 1 863 383 | 1 880 000 | 1 955 000 | 2 033 000 |
| Casino taxes | - | - | - | - | - | - | - | - | - |
| Horse racing taxes | - | - | - | - | - | - | - | - | - |
| Liquor licences | - | - | - | - | - | - | - | - | - |
| Motor vehicle licences | 1 599 531 | 1 658 031 | 1 763 535 | 1 783 000 | 1 783 000 | 1 863 383 | 1 880 000 | 1 955 000 | 2 033 000 |
| Sale of goods and services other than capital assets | 107 078 | 106 378 | 105 916 | 102 304 | 102 304 | 80 448 | 103 199 | 104 133 | 109 125 |
| Transfers received | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | 47 257 | 38 164 | 40 353 | 42 957 | 42 957 | 43 589 | 45 792 | 48 723 | 51 062 |
| Interest, dividends and rent on land | 230 | 54 | 69 | 187 | 187 | 174 | 198 | 210 | 220 |
| Sale of capital assets | 27 205 | 5 034 | - | 1 425 | 1 425 | 3 232 | 1 519 | 1 616 | 1 694 |
| Transactions in financial assets and liabilities | 2 928 | 25 677 | 3 693 | 1 698 | 1 698 | 3 162 | 1 810 | 1 926 | 2 018 |
| Total | 1 784 229 | 1 833 338 | 1 913 566 | 1 931 571 | 1 931 571 | 1 993 988 | 2 032 518 | 2 111 608 | 2 197 119 |

The bulk of the department's revenue is derived from *Tax receipts (Motor vehicle licences)* collected in terms of the Road Traffic Act. These receipts remain the largest contributor of revenue to the provincial fiscus. The growth over the MTEF is derived from a general 4 per cent increase in licence fees, as per agreement with Provincial Treasury, to enhance the competitiveness of the provincial tariffs. Another factor contributing to this trend is the general population increase in vehicle classes, such as motor cars and minibuses. The growth in revenue of 5.4 per cent in 2020/21 appears to have taken these factors into account, however, the growth of 4 per cent each in the two outer years of the MTEF does not reflect the increase in the vehicle population in KZN, and this will be reviewed in-year by the department.

Sale of goods and services other than capital assets consists of motor vehicle registration, sale of personalised and specific number plates, applications for learners' and drivers' licences, as well as the registration of classification of vehicles, such as abnormal loads and special vehicles. Additional to these revenue sources are boarding fees, course fees related to the Traffic Training College, commission on PERSAL deductions, etc. The low 2019/20 Revised Estimate is due to the lower than anticipated applications for learners' and drivers' licences, as well as conversions of drivers' licences. This is as a result of the difficulty in projecting for revenue from this source as it depends on the demand of the public for such services. The 2020/21 MTEF revenue projections exclude the effect of changing from town specific number plates to KZN registration numbers. This process has been put on hold by the department pending National Department of Transport (NDOT) promulgation of legislation relating to the implementation of a new national number plate, which the department will have to adopt.

Fines, penalties and forfeits largely reflects the collection of traffic fines resulting from road transgressions. The collection in 2017/18 excludes an amount of R16.216 million which was incorrectly recorded under *Transactions in financial assets and liabilities*. The fluctuating trend relates to the unpredictable nature of this category as it depends on the public paying fines. Also, offenders sometimes negotiate the fine amount with the Department of Justice and some fines are cancelled by the court. The MTEF growth is mainly inflationary.

Interest, dividends and rent on land is derived mainly from interest on staff debts. This category is conservatively budgeted for over the MTEF because of its unpredictable nature.

Sale of capital assets reflects revenue from the sale of redundant vehicles and mechanical plant. The high collection in 2016/17 was due to the high volume of fleet sold, including plant. The low collection in 2017/18 was due to a decision taken by the department to transfer 192 of its redundant motor vehicles to

Msunduzi instead of auctioning them as the municipality could not afford to procure motor vehicles due to financial constraints. No revenue was collected in 2018/19 as the planned auction was postponed because of the low number of motor vehicles to be sold. Also contributing to fewer vehicles being auctioned was the decision to dispose of motor vehicles based on mileage rather than age. Also, the department decided to reduce the number of mechanical plant procured. The increase in the 2019/20 Revised Estimate is due to an increase in the number of vehicles to be auctioned. The conservative budgeting over the MTEF is due to a decision taken by the department to reduce the number of motor vehicles and plant procured. The intention is to realign the department's available plant to the number of operators, to avoid over-supply in relation to the limited operators. Also, the department took a decision not to purchase more vehicles and plant, as these will be shared among the regions, thus less equipment will be available for sale.

Transactions in financial assets and liabilities reflects monies received from stale cheques, recoveries from previous years' expenditure such as staff debts, over-payment to suppliers, etc. The high amount of R25.677 million in 2017/18 consists largely of R16.216 million that should have been allocated to *Fines, penalties and forfeits*, as mentioned. In this regard, the Department of Justice incorrectly used the department's banking details instead of the banking details relating to the payment of fines. Also, an amount of R7.323 million in 2017/18 relates to a reversed payment due to incorrect banking information provided by a supplier. The increase in the 2019/20 Revised Estimate is as a result of staff debt collections being higher than anticipated. The revenue budget over the 2020/21 MTEF is fairly conservative.

6.3 Agency funding

Tables 12.3 and 12.4 present details of agency funding that is received by the department.

Table 12.3 : Details of agency receipts

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|-----------------|-----------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|----------|----------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Agency receipt | 35 024 | 18 631 | 17 504 | - | - | 12 564 | - | - | - |
| SANRAL | 6 073 | - | - | - | - | - | - | - | - |
| RTMC | 20 710 | 18 390 | 17 263 | - | - | 12 323 | - | - | - |
| eThekweni Metro | 8 241 | 241 | 241 | - | - | 241 | - | - | - |
| Total | 35 024 | 18 631 | 17 504 | - | - | 12 564 | - | - | - |

Table 12.4 : Details of payments and estimates of agency receipts

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|-----------------|-----------------|--------------|--------------|--------------------|------------------------|------------------|-----------------------|----------|----------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Agency receipt | 16 393 | 1 127 | 4 940 | - | - | 12 564 | - | - | - |
| SANRAL | 6 073 | - | - | - | - | - | - | - | - |
| RTMC | 2 320 | 1 127 | 4 940 | - | - | 12 323 | - | - | - |
| eThekweni Metro | 8 000 | - | - | - | - | 241 | - | - | - |
| Total | 16 393 | 1 127 | 4 940 | - | - | 12 564 | - | - | - |

The department received agency funding from the South African National Roads Agency Limited (SANRAL) for the extended overload control function on the national road network in the province. The department's contract with SANRAL is reviewed and renewed every two years. The two-year contract, signed in 2014/15 expired in 2017/18, as the department could not reach an agreement with SANRAL. Again, the department is not anticipating to receive any funds in 2019/20 as the contract was not signed at the time of writing this report, and this explains the fact that there are no estimates over the 2020/21 MTEF. It is noted that the funds received from SANRAL only cater for extended services (i.e. overtime).

The department received R40 million from the Road Traffic Management Corporation (RTMC) in the latter part of 2014/15 in respect of the road safety improvement programme for the improvement of road safety and law enforcement campaigns due to the high level of accidents on the roads. The unspent balance of the R40 million is R12.323 million, which was rolled over to 2019/20 and is anticipated to be spent in the latter part of the financial year.

The department received R18.536 million from the eThekweni Metro for provincial public transport infrastructure for the construction of taxi ranks, toward the latter part of 2013/14 for spending from 2014/15 onward. To date, R18.295 million was spent and the balance of R241 000 was rolled over to 2019/20, and is anticipated to be spent in the latter part of the financial year.

7. Payment summary

This section summarises the payments and budget estimates for the Vote in terms of programmes and economic classification. Details of the economic classification per programme are presented in *Annexure – Vote 12: Transport*.

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 7.3 per cent in 2020/21 and 2021/22 and 7.2 per cent in 2022/23, including the 1.5 per cent pay progression. The department has 1 822 vacant posts in 2020/21 in terms of the full structure. However, the department plans to fill 732 posts over the 2020/21 MTEF, with 204 posts in 2020/21, 302 posts in 2021/22 and 226 posts in 2022/23. In this regard, the department provided for growth in *Compensation of employees* of 13.2 per cent in 2020/21, 7.3 per cent in 2021/22 and 5.5 per cent in 2022/23. The high growth in 2020/21 can be ascribed to the planned filling of posts. The growth of 7.3 per cent in 2021/22 is in line with the guidelines. However, the growth of 5.5 per cent in 2022/23 is below the guidelines and, this will be reviewed by the department in 2022/23, as the growth appears not to have fully catered for the 1.5 per cent pay progression. The growth in the outer years will need to be reviewed taking into account the progress with regard to the filling of posts in-year.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2019/20 will continue to be adhered to over the 2020/21 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.

7.2 Amendments to provincial and equitable share funding: 2018/19 to 2020/21 MTEF

Table 12.5 shows amendments to the provincial and equitable share funding received over the 2018/19, 2019/20 and 2020/21 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2022/23) are based on the incremental percentage used in the 2020/21 MTEF.

Table 12.5 : Summary of amendments to provincial and equitable share allocations for the 2018/19 to 2020/21 MTEF

| R thousand | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
|--|------------------|------------------|------------------|------------------|------------------|
| 2018/19 MTEF period | (206 630) | (218 201) | (191 604) | (202 142) | (212 249) |
| Learner transport funds shift to DOE | (206 630) | (218 201) | (230 202) | (242 863) | (255 006) |
| Above-budget wage agreement | - | - | 38 598 | 40 721 | 42 757 |
| 2019/20 MTEF period | | 217 558 | 229 520 | 242 171 | 254 279 |
| Learner transport funds shift from DOE | | 218 201 | 230 202 | 242 863 | 255 006 |
| Budget cuts for remuneration of public office bearers | | (643) | (682) | (692) | (727) |
| 2020/21 MTEF period | | | 72 047 | (165 802) | (208 276) |
| Fiscal consolidation and PES formula updates budget cut | | | (25 742) | (126 123) | (181 579) |
| Budget cut due to low COE spending | | | (26 697) | (26 697) | (26 697) |
| Adjustment to COE (due to revised CPI inflation projections) | | | (12 144) | (12 982) | - |
| Learner transport services | | | 136 630 | - | - |
| Total | (206 630) | (643) | 109 963 | (125 773) | (166 246) |

In the 2018/19 MTEF, the learner transport services function was shifted back to DOE, hence the reduction reflected in Table 12.5. Also, National Treasury allocated additional funding to provinces in the outer year of the 2018/19 MTEF. This amount was proportionately allocated to all 15 Votes to cater for the above-budget wage agreement, hence an allocation of R38.598 million in 2020/21 with carry-through.

In the 2019/20 MTEF, the learner transport services function was shifted back to DOT and the budget was shifted from 2019/20 onward. This was offset by the department's budget being cut 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.

In the 2020/21 MTEF, the following adjustments are made:

- R136.630 million was allocated in 2020/21 only in respect of learner transport services to cater for the shortfall in the budget. This is allocated to Programme 3, under the sub-programme: Public Transport Services, and against *Goods and services*.
- R25.742 million, R126.123 million and R181.579 million were cut over the 2020/21 MTEF as a result of the data updates to the PES formula and the fiscal consolidation cuts, aimed at reducing spending levels across all three spheres of government. These cuts were effected as follows:
 - R13.209 million, R110.395 million and R162.697 million were cut over the 2020/21 MTEF under Programme 2, under the sub-programme: Maintenance, and against *Compensation of employees*.
 - R12.533 million, R15.728 million and R18.882 million were cut over the 2020/21 MTEF under Programme 4: Transport Regulation, under the sub-programme: Law Enforcement, and against *Goods and services*.
- R26.697 million was cut in each year of the 2020/21 MTEF, and relates to the budget cut due to the department's low *Compensation of employees* spending. The cuts were effected under Programme 3, under the sub-programme: Public Transport Services, against *Goods and services*.
- R12.144 million in 2020/21 and R12.982 million in 2021/22 were cut against the department's *Compensation of employees*' budget under Programme 2, under the sub-programme: Maintenance. The cut relates to lowering the CPI projections which influence the growth in *Compensation of employees* where this CPI rate was previously set at 5.5 per cent but has been lowered to 4.8 per cent.

It should be noted that the cuts against Programmes 3 and 4 will be reviewed by the department as these cuts should have been effected against the *Compensation of employees*' budget. The cuts will be reviewed taking into account the progress with filling of posts.

7.3 Summary by programme and economic classification

The services rendered by the department are categorised under five programmes, which are largely aligned to the uniform budget and programme structure of the Transport sector. The department's mission is to provide the public with integrated and accessible road and public transport infrastructure and to promote road and public transport safety, through the interaction of these five programmes. Tables 12.6 and 12.7 provide a summary of the Vote's payments and budgeted estimates over the seven-year period, by programme and economic classification, respectively. The department was liable for the repayment of over-expenditure from 2013/14, which is reflected in the footnote of Tables 12.6 and 12.7.

Table 12.6 : Summary of payments and estimates by programme: Transport

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|------------------|------------------|-------------------|--------------------|------------------------|-------------------|-----------------------|-------------------|-------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| 1. Administration | 314 310 | 328 127 | 391 945 | 412 788 | 412 788 | 412 788 | 459 785 | 485 691 | 513 115 |
| 2. Transport Infrastructure | 7 054 362 | 7 101 857 | 7 102 727 | 7 824 765 | 7 827 234 | 7 250 234 | 8 316 704 | 8 255 871 | 8 612 450 |
| 3. Transport Operations | 1 370 460 | 1 510 365 | 1 891 303 | 1 572 919 | 1 739 396 | 1 739 396 | 1 784 593 | 1 740 942 | 1 758 731 |
| 4. Transport Regulation | 778 062 | 849 640 | 890 785 | 987 413 | 950 936 | 950 936 | 1 032 810 | 1 092 610 | 1 159 538 |
| 5. Community Based Programmes | 32 497 | 34 281 | 52 606 | 39 191 | 39 191 | 39 191 | 41 594 | 44 184 | 46 629 |
| Total | 9 549 691 | 9 824 270 | 10 329 366 | 10 837 076 | 10 969 545 | 10 392 545 | 11 635 486 | 11 619 298 | 12 090 463 |
| Unauth. Exp. (1st charge) not available for spending | (4 553) | - | - | - | - | - | - | - | - |
| Baseline available for spending after 1st charge | 9 545 138 | 9 824 270 | 10 329 366 | 10 837 076 | 10 969 545 | 10 392 545 | 11 635 486 | 11 619 298 | 12 090 463 |

Table 12.7 : Summary of payments and estimates by economic classification: Transport

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|------------------|------------------|-------------------|--------------------|------------------------|-------------------|-----------------------|-------------------|-------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 4 797 234 | 4 844 856 | 5 787 763 | 6 029 778 | 6 039 624 | 5 839 503 | 6 380 869 | 5 953 151 | 6 138 434 |
| Compensation of employees | 1 265 911 | 1 340 605 | 1 409 789 | 1 871 946 | 1 670 715 | 1 569 254 | 1 776 170 | 1 904 991 | 2 010 214 |
| Goods and services | 3 531 323 | 3 504 251 | 4 377 974 | 4 157 832 | 4 368 909 | 4 270 249 | 4 604 699 | 4 048 160 | 4 128 220 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies to: | 1 033 393 | 1 138 246 | 1 416 716 | 1 195 658 | 1 317 867 | 1 317 878 | 1 278 775 | 1 349 186 | 1 345 138 |
| Provinces and municipalities | 5 093 | 5 896 | 6 174 | 6 076 | 6 076 | 6 087 | 6 408 | 6 755 | 7 073 |
| Departmental agencies and accounts | 3 986 | 4 493 | 4 564 | 4 810 | 5 251 | 5 251 | 6 006 | 6 496 | 6 808 |
| Higher education institutions | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | 1 011 085 | 1 113 227 | 1 390 894 | 1 168 099 | 1 288 099 | 1 288 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Non-profit institutions | - | - | - | - | 2 209 | 2 209 | 2 315 | 2 426 | 2 542 |
| Households | 13 229 | 14 630 | 15 084 | 16 673 | 16 232 | 16 232 | 17 684 | 18 597 | 19 412 |
| Payments for capital assets | 3 712 163 | 3 840 234 | 3 122 501 | 3 611 640 | 3 611 697 | 3 234 286 | 3 975 842 | 4 316 961 | 4 606 891 |
| Buildings and other fixed structures | 3 530 726 | 3 639 907 | 2 935 171 | 3 423 709 | 3 423 709 | 3 045 505 | 3 786 184 | 4 125 651 | 4 414 072 |
| Machinery and equipment | 180 095 | 199 956 | 185 079 | 186 016 | 186 073 | 186 866 | 187 636 | 189 179 | 190 588 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | 1 342 | 371 | 2 251 | 1 915 | 1 915 | 1 915 | 2 022 | 2 131 | 2 231 |
| Payments for financial assets | 6 901 | 934 | 2 386 | - | 357 | 878 | - | - | - |
| Total | 9 549 691 | 9 824 270 | 10 329 366 | 10 837 076 | 10 969 545 | 10 392 545 | 11 635 486 | 11 619 298 | 12 090 463 |
| Unauth. Exp. (1st charge) not available for spending | (4 553) | - | - | - | - | - | - | - | - |
| Baseline available for spending after 1st charge | 9 545 138 | 9 824 270 | 10 329 366 | 10 837 076 | 10 969 545 | 10 392 545 | 11 635 486 | 11 619 298 | 12 090 463 |

The expenditure and budget over the period under review reflects healthy growth, mainly attributed to inflationary increments, as well as once-off allocations to the conditional grants. However, the growth is mitigated by the previously mentioned budget cuts.

Programme 1: Administration reflects steady growth over the period and caters for the maintenance and rehabilitation of departmental buildings, SITA costs, the purchase of departmental fleet, the implementation of IT governance programmes such as the Electronic Content Management (ECM) system, the Government Wide Enterprise Architecture (GWEA) project, etc. These explain the growth in 2019/20, as well as over the 2020/21 MTEF. In addition, the growth caters for the implementation of the Inclusive Growth, Unity and Economic Liberation of Africans (IGULA) radical socio-economic transformation programme, which houses all socio-economic transformation initiatives relating to the department, and entails implementing procurement reforms to achieve empowerment targets for the youth. The growth over the MTEF can also be ascribed to the reprioritisation from Programme 2 to cater for posts that were under-budgeted for, computer services and external audit costs. The department has 233 vacant posts in terms of the full structure in respect of Programme 1. However, the department plans to fill 20 posts in 2020/21 and 46 posts in 2022/23. These posts include Director: Asset Management, Director: Human Resource Administration, Director: Human Resource Development, Director: Labour Relations, Deputy Director: Acquisition Management, Deputy Director: Loss Control Services and Deputy Director: Risk Management, among others. In this regard, the department made provision for growth of 22.5 per cent in 2020/21, 6.9 per cent in 2021/22 and 7.7 per cent in 2022/23. The high growth in 2020/21 is far above the National Treasury guidelines, mainly due to planned posts to be filled. The growth in the two outer years of the MTEF is largely in line with the guidelines and caters for the 1.5 per cent pay progression. The 2016/17 amount included R4.553 million for the department's first charge. This amount is reflected against *Payments for financial assets*. This programme was not affected by the budget cuts.

Programme 2 reflects a steady increase over the seven-year period (with 2021/22 showing a slight decrease), due to the carry-through of the department's investment in the provincial road network in respect of the construction and upgrade of roads, enhancement of law enforcement and road safety campaigns, and maintenance of the provincial road network. The slight increase in the 2019/20 Adjusted Appropriation relates to the R2.469 million rolled over from 2018/19 in respect of the EPWP Integrated Grant for Provinces. The decrease in the 2019/20 Revised Estimate results from non-filling of budgeted vacant posts due to the non-approval of the proposed organisational structure by DPSA, poor performance by contractors facing financial difficulties, challenges with access to quarries due to disputes with the Ingonyama Trust, among others. Programme 2 houses the PRMG and the EPWP Integrated Grant for

Provinces. The allocation for the PRMG increased by R209.524 million in 2020/21 due to the incentive nature of the grant. However, the grant also decreases by R167.292 million in 2021/22 and R79.404 million in 2022/23. The EPWP Integrated Grant for Provinces was allocated R63.118 million in 2020/21 and this allocation is based on the previous year's performance data. The EPWP Integrated Grant for Provinces is allocated annually and, hence, there is no budget in the two outer years of the 2020/21 MTEF, at this stage. These increases were to some extent mitigated by the previously mentioned budget cuts over the 2020/21 MTEF, where R25.353 million, R123.377 million and R162.697 million were effected against *Compensation of employees* in this programme relating to the data updates to the PES formula and fiscal consolidation cuts. The budget cuts will impact on road maintenance projects and some planned projects will have to be deferred to a later period, which could result in worsening of the condition of roads from "poor" to "very poor". The department has 1 311 vacant posts in terms of the full structure in respect of Programme 2. However, the department plans to fill 33 posts in 2020/21, 302 posts in 2021/22 and 100 posts in 2022/23. These posts include Chief Director: Macro Integrated Transport Planning, Director: Engineering Services, Director: Infrastructure Reporting, Director: Project and Programme Management, Finance Manager: Empangeni Region, Road Worker Aids, Control Engineering Technologists, Driver Operators, Artisans, among others. The department made provision for growth of 20 per cent in 2020/21, 7.8 per cent in 2021/22 and 3.6 per cent in 2022/23. The high growth in 2020/21, which is far above the National Treasury guidelines, is mainly to cater for the planned filling of posts. The growth in 2021/22 is in line with the guidelines and caters for the 1.5 per cent pay progression. However, the low growth of 3.6 per cent in 2022/23 will be reviewed in-year by the department. This is the effect of the budget cut discussed, as the cuts are substantial in that year. The department will undertake a thorough review of its budget and reprioritise funds accordingly in that year. The department also reprioritised funds to Programme 1, contributing to the lower than inflationary growth.

Programme 3 reflects fairly healthy growth over the period, with the exception of the 2019/20 Main Appropriation, and this is despite the cuts. The bulk of the allocation against this programme relates to the PTOG for the payment of bus subsidies to bus operators. The programme also caters for the learner transport services function. The high amounts in 2018/19 and the 2019/20 Adjusted Appropriation can be attributed to funds reprioritised from Programmes 2 and 4, to cater for the spending pressures in respect of the PTOG, which has been under-funded since inception, as well as higher re-negotiated fees for bus subsidies paid to bus operators, which were also linked to labour and fuel indices. Also included in the 2019/20 Adjusted Appropriation and in 2020/21, are additional funds of R130 million and R136.630 million, respectively, for the learner transport services to cater for a shortfall in respect of existing learner transport services, as discussed. This explains the low growth in 2021/22 and 2022/23. Furthermore, the PTOG sees a decrease of R5.609 million in 2022/23 due to fiscal consolidation. The department effected portion of the above-mentioned budget cuts of R26.697 million in each year of the 2020/21 MTEF against *Goods and services* in this programme relating to the low *Compensation of employees* cuts. The department has indicated that the cut will affect the under-funded bus subsidies, as the PTOG is a supplementary grant that has been under-funded from its inception. The department has been funding the shortfall from its equitable share in the past. The cuts will mean that the department will not be able to cover the grant shortfall, and this will lead to services being reduced. However, it appears that the department could have effected the cuts against its *Compensation of employees*' budget and, this will be reviewed in-year. The department has 36 vacant posts in terms of the full structure in respect of Programme 3. However, the department plans to fill eight posts in 2020/21 and 20 posts in 2022/23. The posts include Chief Director: Public Transport and Freight Management, Assistant Director: Community Outreach Services, Engineering Technicians, Deputy Director: Transportation Planning and Principal Road Safety Officer, among others. The department made provision for growth of 24.2 per cent in 2020/21, 6.8 per cent in 2021/22 and 6.5 per cent in 2022/23. The high growth in 2020/21, which is far above the National Treasury guidelines, is mainly to cater for the planned filling of posts. The growth in 2021/22 and 2022/23 is largely in line with the guidelines and caters for the 1.5 per cent pay progression.

Programme 4 reflects steady growth over the seven-year period, relating to the investment in a computerised licence testing system and an increase in law enforcement and road safety campaigns. As this programme includes provision for traffic officers, the bulk of the expenditure and budget relates to personnel. The decrease in the 2019/20 Adjusted Appropriation mainly resulted from lower than budgeted

computer services costs, savings realised from lower than budgeted travel and subsistence costs and the maintenance of RTI offices, as well as slower than anticipated filling of posts including the non-purchase of computer equipment, office equipment and motor vehicles for law enforcement officers. The growth over the MTEF is mainly inflationary, but was mitigated to some extent by the above-mentioned budget cuts of R12.533 million, R15.728 million and R18.882 million over the 2020/21 MTEF against *Goods and services* relating to the data updates to the PES formula and fiscal consolidation. The cuts will impact on the additional speed over distance cameras that are used to monitor the provincial network through average speed determination. The reduction will result in the department not being able to implement the additional camera network coverage required to include the N2 North, additional sections of the N3, as well as the M13, which are currently being implemented. This will impact on law enforcement and road safety as drivers' behaviour with regard to traffic offences will not be monitored at the desired level of compliance. The reduction will also affect activities such as patrolling, law enforcement and road safety against this programme that are mostly performed by departmental personnel who travel to sites. This will impact on the Road Traffic Inspectorate as they will not be able to carry out their functions effectively in respect of law enforcement and road safety. However, it seems that the department could have effected the cuts against its *Compensation of employees*' budget and, this will be reviewed in-year by the department. The department has 232 vacant posts in terms of the full structure in respect of Programme 4. However, the department plans to fill 141 posts in 2020/21 and 58 posts in 2022/23. The posts include Director: Public Transport Monitoring and Compliance, Director: Motor Transport Services, Chief Provincial Inspector, Vehicle Technical Compliance Officers and Adjudication Specialists, etc. The department made provision for growth of 23.3 per cent in 2020/21, 6.8 per cent in 2021/22 and 7.2 per cent in 2022/23. The high growth in 2020/21, which is far above the National Treasury guidelines, caters for the filling of posts. The growth in 2021/22 and 2022/23 is largely in line with the National Treasury guidelines and caters for the 1.5 per cent pay progression.

Programme 5: Community Based Programmes reflects steady growth over the period, with the exception of 2018/19, which included spending pressures resulting from the fast-tracking of the pilot pothole patching programme, and payment of outstanding 2017/18 commitments. The growth over the 2020/21 MTEF is mainly inflationary. The department has ten vacant posts in terms of the full structure in respect of Programme 5. However, the department plans to fill two posts in 2020/21 and two posts in 2022/23. The posts include Director: Youth Development, Deputy Director: Women and People with Disabilities, Assistant Director: Data Management, among others. The department made provision of 11.6 per cent in 2020/21, 6.9 per cent in 2021/22 and 6.7 per cent in 2022/23. The high growth in *Compensation of employees* in 2020/21, which is above the National Treasury guidelines, is mainly to cater for the planned filling of posts. The growth in 2021/22 and 2022/23 is largely in line with the guidelines and caters for the 1.5 per cent pay progression. This programme was not affected by the budget cuts.

Compensation of employees shows a steady increase over the seven-year period despite the budget cuts and can be attributed to the filling of vacant posts, as well as the annual wage adjustments, pay progression, performance bonuses, etc. Funds were reprioritised from this category in the 2019/20 Adjusted Appropriation mainly to *Transfers and subsidies to: Public corporations and private enterprises* to cater for pressures in respect of the PTOG, as explained. Also, funds were reprioritised to *Goods and services* in respect of repairs to roads damaged by storms in April 2019 in the eThekweni Metro and Ugu District Municipality, as well as the implementation of the Infrastructure Delivery Management System (IDMS) that was under-budgeted for. The further decrease in the 2019/20 Revised Estimate mainly relates to non-filling of posts. As explained, the department effected a portion of the budget cuts of R25.353 million, R123.377 million and R162.677 million against this category over the MTEF relating to the data updates to the PES formula, fiscal consolidation and the budget cuts due to adjustments to *Compensation of employees* arising from the revised CPI inflation projections. The cuts in this category will impact on the filling of posts, but the impact is not significant at this stage as the department has budgeted for the full budget structure. In terms of filling posts, the department was granted approval to fill 1 021 critical posts between 2016/17 and 2019/20, of which 35 posts have been determined to be duplicates and have been removed from the list. Of the balance of 986 posts, 243 posts have been filled to date, one post is currently receiving applications, 146 posts have been advertised and sifting is being conducted, 54 posts are in short-listing and interview stages, five posts need to be re-advertised, 14 posts

have been interviewed and the department is currently conducting personnel suitability checks on recommended candidates, 205 posts are in the process of being advertised, 302 posts are awaiting implementation of a DPSA benchmarking exercise before being advertised and 16 posts have been placed on hold, awaiting re-evaluation and review of functions before being advertised. The department has 1 822 vacant posts in terms of the full structure. However, the department plans to fill 204 posts in 2020/21, 302 posts in 2021/22 and 226 posts in 2022/23, as discussed under each programme. The filling of these posts will be reviewed by the department in-year. The department made provision for growth of 13.2 per cent in 2020/21, 7.3 per cent in 2021/22 and 5.5 per cent in 2022/23 in this regard. The high growth in 2020/21, which is higher than the National Treasury guidelines, is mainly for the filling of planned posts. The seemingly low growth in 2022/23 will be reviewed by the department in-year.

Goods and services caters for the maintenance of the provincial road network, as well as road safety awareness campaigns, etc., and reflects a generally steady increase over the period. The high 2018/19 amount relates to the approved roll-over in respect of the flood disaster repairs following the floods that occurred in the province in October 2017, reprioritisation from *Compensation of employees* for the implementation of IDMS, as well as additional funding allocated in respect of the shortfall for existing learner transport services. The increase in the 2019/20 Adjusted Appropriation was in respect of additional funds of R130 million for the learner transport services, funds reprioritised from *Compensation of employees* for the repairs of roads damaged by storms in April 2019 in the eThekweni Metro and Ugu District Municipality, the implementation of IDMS, as well as R2.469 million rolled over from 2018/19 in respect of the EPWP Integrated Grant for Provinces. The decrease in the 2019/20 Revised Estimate was from the suspension of the Vukuzakhe Emerging Contractor Development Programme, poor performance by contractors facing financial difficulties, as well as challenges with access to quarries by contractors due to disputes with the Ingonyama Trust, among others. This category houses the PRMG and the EPWP Integrated Grant for Provinces. The allocation for the PRMG increased by R209.524 million in 2020/21 due to the incentive nature of the grant. However, the grant sees a decrease of R167.292 million in 2020/21 and R79.404 million in 2022/23. The EPWP Integrated Grant for Provinces was allocated R63.118 million in 2020/21 and this is based on the previous year's performance. The EPWP Integrated Grant for Provinces is allocated annually and, hence, there is no budget in the two outer years of the 2020/21 MTEF, at this stage. The category shows healthy growth over the 2020/21 MTEF attributed to the continuation of maintenance projects, ongoing implementation of the IDMS, the provision of learner transport services, road safety awareness campaigns, as well as inflationary increments. The high 2020/21 amount is due to the additional funds allocated in respect of the PRMG, the allocation toward the shortfall for learner transport services, and the allocation in respect of the EPWP Integrated Grant for Provinces. These explain the reduction in the two outer years. Funds were also reprioritised to *Buildings and other fixed structures* to cater for rehabilitation projects, as explained, contributing to the low growth. This category was cut by R39.230 million, R42.425 million and R45.579 million in respect of the previously mentioned budget cuts. The impact of the cuts is that the department will not be able to implement the additional camera network coverage required to include the N2 North, which will have an impact on planned law enforcement and road safety programmes. Also, the cuts will impact on road maintenance projects and some planned projects will have to be deferred to a later period, as explained.

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

Transfers and subsidies to: Departmental agencies and accounts mainly relates to the payment to the Construction Education and Training Authority (CETA) and the Transport Education and Training Authority (TETA) levies in terms of the Skills Development Act. The growth over the 2020/21 MTEF is mainly inflationary.

Transfers and subsidies to: Public corporations and private enterprises mainly relates to the PTOG. The increase in 2018/19 was due to funds reprioritised from *Compensation of employees* to this category, to cater for pressures against the PTOG. As this is once-off, it explains the drop in the 2019/20 Main Appropriation. Also, the increase in the 2019/20 Adjusted Appropriation was due to funds that were reprioritised mainly from *Goods and services* to cater for spending pressures against the PTOG. The PTOG sees a decrease of R5.609 million in 2022/23, hence the decrease in that year. The grant has been under-funded since inception and, until the baseline is corrected, the department will continue to

reprioritise funds in-year to fund the spending pressure. At this stage, the department is not able to reprioritise funds to cater for the shortfall over the 2020/21 MTEF due to competing priorities such as catering for road maintenance backlogs, as well as the substantial budget cuts over the 2020/21 MTEF.

Transfers and subsidies to: Non-profit institutions is in respect of operational costs for the South African National Taxi Council (SANTACO) KZN as per the MOA signed between the department and the organisation. SANTACO is the official recognised representative of the mini taxi industry in the province. The transfer is to assist the organisation with the maintenance of 16 SANTACO offices by uplifting its operating and line functioning business standards and creating a more efficient and effective business orientated environment. The funding is in respect of rental, water, lights and maintenance of the 16 offices. This category also included a once-off transfer in 2017/18 in respect of the Vukuzakhe Emerging Contractors Association (VECA) for the monitoring of the Vukuzakhe emerging contractors for compliance to norms and standards. As a result of challenges with reporting from the association, no funds have been allocated from 2018/19 onward, at this stage. The department is liaising with VECA for improved reporting, and will allocate funds accordingly.

Transfers and subsidies to: Households caters mainly for staff exit costs, external bursaries, land expropriation, as well as injury on duty. The fluctuation is due to the unpredictable nature of these items.

Buildings and other fixed structures caters for road construction, upgrades and rehabilitation work. The previous years' amounts are inflated resulting from spending pressures. The low 2018/19 amount was due to funds shifted to *Goods and services* in respect of the implementation of the IDMS, as well as the under-expenditure in that year, as explained. The decrease in the 2019/20 Revised Estimate was due to delays with the finalisation and approval of the procedure manuals, designs and specifications for planned rehabilitation projects, as well as poor performance by contractors who abandon sites due to financial difficulties. The increase over the 2020/21 MTEF is inflationary, and includes funds reprioritised from *Goods and services* to cater for planned rehabilitation projects, as explained. Also, the allocations over the 2020/21 MTEF cater for various construction, upgrade and rehabilitation projects. The details of the projects are provided under Table 12.10. This category was not affected by the cuts.

Machinery and equipment provides for the purchase of trucks and mechanical plant, such as graders and tractors, and office and computer equipment. The low 2018/19 amount was mainly due to delays in ordering subsidised vehicles in that year because NDOT delayed the signing of the national contract in 2017/18 with the company appointed to oversee applications for the subsidised vehicle scheme. This is due to the transversal contract issued by National Treasury that expired in May 2019, and there was no contract between 31 May and 1 July 2019 for departments to use to procure departmental fleet. The 2020/21 MTEF caters for the procurement of new and replacement mechanical plant, motor vehicles, office and computer equipment, etc. This category was not affected by the budget cuts.

Software and other intangible assets relates to the purchase and renewal of software packages such as Microsoft, WinNuwei, SmartWorx Viva data collection, Civil Engineering Designer (CED), etc. The high 2018/19 amount and the 2020/21 MTEF allocations are for the purchase of new and renewal of these software packages.

Payments for financial assets is mainly in respect of claims (removal of vehicles) against the state, dishonoured cheques, salary over-payments, write-off of irrecoverable staff debts, among others. This category is not usually budgeted for due to its uncertain nature, hence there are no allocations over the 2020/21 MTEF. The bulk of the amount in 2016/17 is in respect of the first charge.

7.4 Summary of conditional grant payments and estimates

Tables 12.8 and 12.9 provide a summary of the conditional grant payments and budgeted estimates over the seven-year period, by grant name and economic classification, respectively. Detailed information on the conditional grants is presented in the *Annexure – Vote 12: Transport*. Note that the historical figures in Tables 12.8 and 12.9 reflect actual expenditure per grant, and should not be compared to those figures reflected in Table 12.1, which represent the actual receipts for each grant.

Table 12.8 : Summary of conditional grants payments and estimates by name

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|-------------------------------------|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Provincial Roads Maintenance grant | 1 925 378 | 1 828 970 | 1 826 745 | 1 882 781 | 1 882 781 | 1 882 781 | 2 076 547 | 1 842 991 | 1 930 879 |
| Public Transport Operations grant | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| EPWP Integrated Grant for Provinces | 56 055 | 33 645 | 74 093 | 71 677 | 74 146 | 74 146 | 63 118 | - | - |
| Total | 2 992 479 | 2 934 054 | 3 006 992 | 3 122 557 | 3 125 026 | 3 125 026 | 3 386 027 | 3 157 903 | 3 240 182 |

Table 12.9 : Summary of conditional grants payments and estimates by economic classification

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 1 981 433 | 1 862 615 | 1 900 838 | 1 954 458 | 1 956 927 | 1 956 927 | 2 139 665 | 1 842 991 | 1 930 879 |
| Compensation of employees | - | - | - | - | - | - | - | - | - |
| Goods and services | 1 981 433 | 1 862 615 | 1 900 838 | 1 954 458 | 1 956 927 | 1 956 927 | 2 139 665 | 1 842 991 | 1 930 879 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies to: | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Provinces and municipalities | - | - | - | - | - | - | - | - | - |
| Departmental agencies and accounts | - | - | - | - | - | - | - | - | - |
| Higher education institutions | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| 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 | 2 992 479 | 2 934 054 | 3 006 992 | 3 122 557 | 3 125 026 | 3 125 026 | 3 386 027 | 3 157 903 | 3 240 182 |

The conditional grant allocation reflects a fluctuating trend over the period, as explained per grant:

- *Provincial Roads Maintenance grant*: The grant allocation is reflected under *Goods and services* and relates to maintenance of road infrastructure. The erratic trend is due to the substantial cuts in previous MTEF periods due to fiscal consolidation. The grant received additional funds over the 2019/20 MTEF, with the allocations made being based on the 2018/19 performance data. Over the 2020/21 MTEF, the grant allocation was increased by R209.524 million in 2020/21 due to the incentive nature of the grant, and these additional funds will be used for preventative road maintenance projects in uMgungundlovu, uThukela, Amajuba, King Cetshwayo, etc. However, the grant sees a decrease of R167.292 million in 2020/21 and R79.404 million in 2022/23 due to fiscal consolidation, and projects will be reviewed and prioritised in terms of urgency in these years.
- *Public Transport Operations grant*: Funds are allocated against *Transfers and subsidies to: Public corporations and private enterprises* in respect of the PTOG for the payment of bus subsidies to bus operators. The grant shows inflationary increments over the MTEF, and sees a reduction of R5.609 million in 2022/23 due to fiscal consolidation.
- *EPWP Integrated Grant for Provinces*: Funds are allocated against *Goods and services* in respect of this grant, and are utilised for the creation of EPWP job opportunities through road maintenance projects. This grant is allocated on an annual basis, hence no funds are allocated in the two outer years of the 2020/21 MTEF, at this stage. The fluctuations over the period are largely based on the performance of the grant and effective reporting in previous years. An amount of R2.496 million was rolled over from 2018/19 in respect of this grant, as explained.

7.5 Summary of infrastructure payments and estimates

Table 12.10 presents a summary of infrastructure payments and estimates by category for the Vote. A more detailed list of projects can be found in the *2020/21 Estimates of Capital Expenditure (ECE)*. The department was requested to report on the category *Infrastructure: Leases* from the 2020/21 MTEF onward and the historic figures, including 2019/20, have been restated for comparative purposes.

Table 12.10 : Summary of infrastructure payments and estimates by category

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Existing infrastructure assets | 5 211 072 | 5 477 404 | 5 038 159 | 5 463 121 | 5 395 590 | 4 765 719 | 5 928 128 | 5 658 934 | 6 191 003 |
| Maintenance and repair: Current | 2 172 428 | 2 403 682 | 2 417 742 | 2 616 223 | 2 548 692 | 2 127 728 | 2 593 409 | 2 159 137 | 2 145 436 |
| Upgrades and additions: Capital | 2 047 014 | 2 289 208 | 1 695 588 | 1 396 402 | 1 396 402 | 1 294 825 | 1 544 647 | 1 631 398 | 2 100 152 |
| Refurbishment and rehabilitation: Capital | 991 630 | 784 514 | 924 829 | 1 450 496 | 1 450 496 | 1 343 166 | 1 790 072 | 1 868 399 | 1 945 415 |
| New infrastructure assets: Capital | 492 082 | 566 185 | 314 754 | 576 811 | 576 811 | 407 514 | 451 465 | 625 854 | 368 505 |
| Infrastructure transfers | - | - | - | - | - | - | - | - | - |
| Infrastructure transfers: Current | - | - | - | - | - | - | - | - | - |
| Infrastructure transfers: Capital | - | - | - | - | - | - | - | - | - |
| Infrastructure: Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Infrastructure: Leases | 2 121 | 2 471 | 2 619 | 2 526 | 2 526 | 2 753 | 2 784 | 2 920 | 3 059 |
| Non infrastructure¹ | 1 060 199 | 697 085 | 1 418 714 | 1 550 924 | 1 620 924 | 1 783 608 | 1 656 191 | 1 694 888 | 1 763 076 |
| Total | 6 765 474 | 6 743 145 | 6 774 246 | 7 593 382 | 7 595 851 | 6 959 594 | 8 038 568 | 7 982 595 | 8 325 644 |
| Capital infrastructure | 3 530 726 | 3 639 907 | 2 935 171 | 3 423 709 | 3 423 709 | 3 045 505 | 3 786 184 | 4 125 651 | 4 414 072 |
| Current infrastructure ² | 2 174 549 | 2 406 153 | 2 420 361 | 2 618 749 | 2 551 218 | 2 130 481 | 2 596 193 | 2 162 057 | 2 148 495 |

Notes:

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

2. Total of Current infrastructure and Non infrastructure is more than total Goods and services in some years, as it includes salaries of staff in all 4 regions that do maintenance work, etc

Maintenance and repair: Current caters for routine, preventative, mechanical and other maintenance. The growth relates to the maintenance of the existing road network, as well as repairs to roads and infrastructure damage caused by floods. The reduction in the 2019/20 Adjusted Appropriation resulted from slow progress with road maintenance projects such as betterment and gravelling, re-gravelling, drain cleaning, and road blading, that were delayed because the panel of service providers took longer than anticipated to be awarded. The delays were caused by appeals and SCM related challenges. The reduction was slightly offset by the roll-over of R2.496 million in respect of the EPWP Integrated Grant for Provinces, as explained. The further reduction in the Revised Estimate is attributed to the suspension of the Vukuzakhe Emerging Contractor Development Programme, poor performance by contractors facing financial difficulties, as well as challenges with access to quarries by contractors due to disputes with the Ingonyama Trust, among others. This category also includes the PRMG and the EPWP Integrated Grant for Provinces. The allocation for the PRMG increased by R209.524 million in 2020/21 due to the incentive nature of the grant. However, the grant also sees a decrease of R167.292 million in 2021/22 and R79.404 million in 2022/23, and projects will be reviewed and prioritised accordingly. The EPWP Integrated Grant for Provinces was allocated R63.118 million in 2020/21 and this is based on the previous year's performance. The EPWP Integrated Grant for Provinces is allocated annually and, hence, there is no budget in the two outer years of the 2020/21 MTEF, at this stage. This category was impacted by the budget cuts, as mentioned previously. In this regard, cuts of R25.353 million, R123.377 million and R162.697 million were effected against the category explaining the marked reduction in 2021/22 and 2022/23 as the cuts were substantial in those years. As explained, the budget cut will impact on maintenance projects which will have to be deferred to a later period, and this could result in worsening of the condition of roads from "poor" to "very poor". Also, funds were reprioritised from this category to Programme 1 for the filling of posts, computer services and external audit costs, contributing to the reduction. The department will undertake various projects over the MTEF, including reseal projects such as Main Roads P750 (from zero to 23.4 kilometres) in uMzimkhulu, P127-1 (from zero to 6 kilometres) in Impendle, P235-1 (from zero to 47.31 kilometres) in Mtubatuba, P374 (from zero to 13 kilometres) in eMadlangeni, P30 (from 2 kilometres to 33.99 kilometres) in Okhahlamba, among others.

Upgrades and additions: Capital caters for the upgrading of gravel roads to surfaced roads. The previous years' expenditure from 2016/17 to 2018/19 is inflated due to spending pressures in those years, which explains the decrease in 2019/20. The decrease in the 2019/20 Revised Estimate is due to delays with the finalisation and approval of the implementation manuals, designs and specifications for planned projects, as well as poor performance by contractors who abandon sites due to financial difficulties. The growth over the MTEF is mainly inflationary, and various projects will be undertaken over the MTEF, such as the upgrade of Main Roads P281 (from 46.4 kilometres to 53.1 kilometres) and P17 (from 39 kilometres to 47 kilometres) in Msinga, P8-3 (from 18 kilometres to 23 kilometres) and P318-1 (from 13.8 kilometres to 25 kilometres) in Dr Nkosazana Dlamini Zuma, P127-2 (from 18 to 21.1 kilometres) in Impendle, etc. This category was not affected by the budget cuts.

Refurbishment and rehabilitation: Capital relates to the rehabilitation of roads. The erratic trend is attributed to the nature of the investments. The reduction in the Revised Estimate is due to delays with the finalisation and approval of the implementation manuals, designs and specifications for planned rehabilitation projects, as well as poor performance by contractors who abandon sites due to financial difficulties. The growth over the 2020/21 MTEF includes reprioritisation from *Maintenance and repair: Current* to cater for rehabilitation projects, of which designs commenced in 2018/19. This is due to the department prioritising rehabilitation projects to deal with the results of recent assessments which indicate that the condition of the “poor” to “very poor” category of roads in KZN has moved from 30 per cent to 57 per cent, which is a concern that must be addressed by the department. The growth is also inflationary. Projects to be undertaken over the MTEF include Main Roads P259 (from 2 kilometres to 17.41 kilometres) in eThekweni, P22-2 (from 29 kilometres to 51.7 kilometres) in uBuhlebezwe, P5-4 (from 3 kilometres to 20 kilometres) in Richmond, P236 (from 6.2 kilometres to 14 kilometres) and P522-1 (from 28.5 kilometres to 37 kilometres) in Jozini, etc. This category was not affected by the cuts.

New infrastructure assets: Capital fluctuates over the period and includes the construction of access roads (to clinics and schools) and bridges. The decrease in 2018/19 was due to funds shifted to *Non infrastructure* for the implementation of IDMS, as explained. The reduction in the Revised Estimate is ascribed to delays with the finalisation and approval of the implementation manuals, designs and specifications for planned projects, and poor performance by contractors who abandon sites due to financial difficulties. Various projects will be undertaken over the MTEF, including the construction of the uMzimkhulu River Bridge in uMzimkhulu, Mdloti River Bridge in eThekweni, Gumatane Vehicle Bridge in uMzumbe, Matimane and Kwabayeni new gravel roads in Nongoma, Mhlalane Pedestrian River Bridge in New Hanover, Nseleni Vehicle River Bridge in Ulundi, Mngeni Pedestrian Bridge in Mngeni, etc. The fluctuations are in line with the department’s project list. This category was not affected by the cuts.

As indicated earlier, the department was requested to report on the category *Infrastructure: Leases* for the first time over the 2020/21 MTEF, and the previous years’ amounts, including 2019/20, have been restated for comparative purposes. It is noted that the payment of leases was undertaken under the category *Non infrastructure* in previous years, and now this is being reported separately. The leases are for buildings such as the Provincial Regulatory Entity (PRE) office accommodation in Msunduzi, PRE Mbazwana Regional office in uMhlabuyalingana, Alverstene Repeater Site in Mkhambathini, Van Reenen Repeater Site in Alfred Duma, etc. This category was not affected by the cuts.

Non infrastructure includes salaries of the Zibambele contractors, the mechanical budget, operational expenditure and administration in relation to maintenance of infrastructure, such as salaries for all four regions and other overhead costs. The substantial increase in the 2019/20 Adjusted Appropriation and a further increase in the Revised Estimate, is to cater for the under-budgeted annual escalation cost for the implementation of IDMS, as explained earlier. The increase over the 2020/21 MTEF relates to funds consolidated against this category to provide for the over-arching management and oversight of maintenance and construction projects, as well as inflationary adjustments. This category was not affected by the budget cuts.

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 12.11 reflects departmental transfers to public entities and other entities. It should be noted that the department does not transfer funds to any public entity.

Table 12.11 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

| Table 12.11: Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the FMA) and other entities | | | | | | | | | | |
|--|------------------------------------|-----------------|-----------|-----------|--------------------|------------------------|------------------|-----------------------|-----------|-----------|
| R thousand | Sub-programme | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
| | | 2016/17 | 2017/18 | 2018/19 | | | | 2019/20 | 2020/21 | 2021/22 |
| Transfers to public entities | | - | - | - | - | - | - | - | - | - |
| Transfers to other entities | | 1 011 085 | 1 113 227 | 1 390 894 | 1 168 099 | 1 290 308 | 1 290 308 | 1 248 677 | 1 317 338 | 1 311 845 |
| Bus operators | 3.2: Public Transport Services | 1 011 085 | 1 112 412 | 1 390 894 | 1 168 099 | 1 288 099 | 1 288 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| SANTACO | 4.3: Operator Licences and Permits | - | - | - | - | 2 209 | 2 209 | 2 315 | 2 426 | 2 542 |
| VECA | 5.3: Innovation and Empowerment | - | 815 | - | - | - | - | - | - | - |
| Total | | 1 011 085 | 1 113 227 | 1 390 894 | 1 168 099 | 1 290 308 | 1 290 308 | 1 248 677 | 1 317 338 | 1 311 845 |

The expenditure and budget against bus operators increases steadily over the period and this relates to the PTOG for the payment of bus subsidies to operators. Spending in the previous years was high due to over-spending against the grant as a result of the under-funding of the grant from inception and higher re-negotiated fees and fuel price increases. The department used its equitable share funding to offset the pressures. As such, the expenditure in the prior years is higher than the grant amounts in those years. Again, in the 2019/20 Adjusted Appropriation, the department reprioritised equitable share funding amounting to R120 million to cater for the increase in the subsidy paid to bus operators, as discussed. The growth over the 2020/21 MTEF is mainly inflationary, but the 2022/23 amount has been reduced by R5.609 million due to fiscal consolidation, and this explains the low 2022/23 amount. This cut is despite the under-funding of the grant, as indicated.

The amounts from the 2019/20 Adjusted Appropriation onward are in respect of operational costs for SANTACO KZN as per the MOA signed between the department and the organisation. The transfer is to assist the organisation with the maintenance of 16 offices by uplifting its operating and line functioning business standards and creating a more efficient and effective business orientated environment. The funding is in respect of rental, water, lights and maintenance of the 16 offices.

The 2017/18 amount against VECA was for the monitoring of the Vukuzakhe emerging contractors for compliance to norms and standards, as explained earlier.

7.8 Transfers to local government – Nil

The department 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 12.12 gives a summary of spending on *Transfers and subsidies* by programme and main category. The category reflects a fluctuating trend over the period, as explained in the paragraphs before the table.

- *Households* under all programmes caters for staff exit costs, injury on duty, as well as external bursaries. The growth over the 2020/21 MTEF is inflationary.
- *Provinces and municipalities* against Programmes 1 to 4 relates to the payment of motor vehicle and mechanical plant licences.
- In Programme 1, *Departmental agencies and accounts* caters for payments to CETA and TETA. The fluctuations are linked to the filling of posts.
- *Departmental agencies and accounts* against Programmes 2, 3 and 4 caters for the payment of TV and radio licences.
- Under Programme 3, *Public corporations and private enterprises* is in respect of bus operators relating to the PTOG for the payment of bus subsidies. Spending in the previous years was inflated by over-spending against the grant. Equitable share funding amounting to R120 million was reprioritised in the 2019/20 Adjusted Appropriation to cater for the increase in the subsidy paid to bus operators, relating to the PTOG, as discussed. The growth over the MTEF is only inflationary, and is mitigated by a reduction of R5.609 million in 2022/23 due to fiscal consolidation. At this stage, the department is not able to reprioritise funds to cater for the shortfall due to competing priorities such as catering for road maintenance backlogs, as well as the substantial budget cuts over the 2020/21 MTEF.
- Under Programme 4, *Non-profit institutions* from the 2019/20 Adjusted Appropriation onward is in respect of the transfer to SANTACO for the payment of rental, water, lights and maintenance of the 16 offices, as explained.
- Under Programme 5, *Public corporations and private enterprises* in 2017/18 is in respect of the transfer to VECA for the monitoring of the Vukuzakhe emerging contractors for compliance to norms and standards.

Table 12.12 : Summary of transfers and subsidies by programme and main category

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| 1. Administration | 8 253 | 8 559 | 8 476 | 10 826 | 10 826 | 10 837 | 12 358 | 13 142 | 13 694 |
| Provinces and municipalities | 369 | 77 | 93 | 87 | 87 | 98 | 93 | 98 | 102 |
| Motor vehicle licences | 369 | 77 | 93 | 87 | 87 | 98 | 93 | 98 | 102 |
| Departmental agencies and accounts | 3 977 | 4 493 | 4 564 | 4 810 | 5 251 | 5 251 | 6 006 | 6 496 | 6 808 |
| CETA and TETA (Skills dev. levies) | 3 977 | 4 493 | 4 564 | 4 810 | 5 251 | 5 251 | 6 006 | 6 496 | 6 808 |
| Households | 3 907 | 3 989 | 3 819 | 5 929 | 5 488 | 5 488 | 6 259 | 6 548 | 6 784 |
| Staff exit costs | 1 287 | 1 821 | 1 286 | 1 852 | 1 407 | 1 407 | 2 009 | 2 119 | 2 142 |
| External bursaries | 2 620 | 2 168 | 2 533 | 4 077 | 4 081 | 4 081 | 4 250 | 4 429 | 4 642 |
| 2. Transport Infrastructure | 10 455 | 12 082 | 14 670 | 12 521 | 12 521 | 12 521 | 13 208 | 13 930 | 14 594 |
| Provinces and municipalities | 4 238 | 5 218 | 5 375 | 5 307 | 5 307 | 5 307 | 5 597 | 5 900 | 6 177 |
| Motor vehicle licences | 4 238 | 5 218 | 5 375 | 5 307 | 5 307 | 5 307 | 5 597 | 5 900 | 6 177 |
| Departmental agencies and accounts | 1 | - | - | - | - | - | - | - | - |
| TV and radio licences | 1 | - | - | - | - | - | - | - | - |
| Households | 6 216 | 6 864 | 9 295 | 7 214 | 7 214 | 7 214 | 7 611 | 8 030 | 8 417 |
| Staff exit costs | 6 187 | 6 826 | 4 553 | 5 545 | 5 545 | 6 008 | 5 850 | 6 172 | 6 469 |
| Claims against the state, land expropr., injury on duty, etc. | 29 | 38 | 4 742 | 1 669 | 1 669 | 1 206 | 1 761 | 1 858 | 1 948 |
| 3. Transport Operations | 1 011 202 | 1 112 468 | 1 390 907 | 1 168 156 | 1 288 156 | 1 288 156 | 1 246 421 | 1 314 974 | 1 309 368 |
| Provinces and municipalities | 11 | - | - | 13 | 13 | 13 | 13 | 13 | 14 |
| Motor vehicle licences | 11 | - | - | 13 | 13 | 13 | 13 | 13 | 14 |
| Departmental agencies and accounts | 4 | - | - | - | - | - | - | - | - |
| TV and radio licences | 4 | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | 1 011 085 | 1 112 412 | 1 390 894 | 1 168 099 | 1 288 099 | 1 288 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Bus operators (PTOG) | 1 011 085 | 1 112 412 | 1 390 894 | 1 168 099 | 1 288 099 | 1 288 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Households | 102 | 56 | 13 | 44 | 44 | 44 | 46 | 49 | 51 |
| Staff exit costs | - | 43 | 1 | - | - | - | - | - | - |
| Injury on duty | 102 | 13 | 12 | 44 | 44 | 44 | 46 | 49 | 51 |
| 4. Transport Regulation | 3 483 | 4 322 | 2 657 | 4 155 | 6 364 | 6 364 | 6 788 | 7 140 | 7 482 |
| Provinces and municipalities | 475 | 601 | 706 | 669 | 669 | 669 | 705 | 744 | 780 |
| Motor vehicle licences | 475 | 601 | 706 | 669 | 669 | 669 | 705 | 744 | 780 |
| Departmental agencies and accounts | 4 | - | - | - | - | - | - | - | - |
| TV and radio licences | 4 | - | - | - | - | - | - | - | - |
| Non-profit institutions | - | - | - | - | 2 209 | 2 209 | 2 315 | 2 426 | 2 542 |
| SANTACO | - | - | - | - | 2 209 | 2 209 | 2 315 | 2 426 | 2 542 |
| Households | 3 004 | 3 721 | 1 951 | 3 486 | 3 486 | 3 486 | 3 768 | 3 970 | 4 160 |
| Staff exit costs | 3 004 | 3 721 | 1 951 | 3 486 | 3 486 | 3 486 | 3 768 | 3 970 | 4 160 |
| 5. Community Based Programmes | - | 815 | 6 | - | - | - | - | - | - |
| Public corporations and private enterprises | - | 815 | - | - | - | - | - | - | - |
| VECA | - | 815 | - | - | - | - | - | - | - |
| Households | - | - | 6 | - | - | - | - | - | - |
| Staff exit costs | - | - | 6 | - | - | - | - | - | - |
| Total | 1 033 393 | 1 138 246 | 1 416 716 | 1 195 658 | 1 317 867 | 1 317 878 | 1 278 775 | 1 349 186 | 1 345 138 |

8. Programme description

The services rendered by the department are categorised under five programmes, which largely conform to the uniform budget and programme structure of the Transport sector. The payments and budgeted estimates for each programme are summarised in terms of economic classification, details of which are presented in the *Annexure – Vote 12: Transport*.

8.1 Programme 1: Administration

The purpose of this programme is to provide overall management and administrative, strategic, financial and corporate support services in order to ensure that the department delivers on its mandate in an integrated, efficient, effective and sustainable manner. This includes goods and services utilised for governance, management, research and administration, as well as for general office services such as cleaning and security services.

Tables 12.13 and 12.14 summarise payments and budgeted estimates relating to Programme 1 from 2016/17 to 2022/23. As indicated, the department was liable for the repayment of over-expenditure from 2013/14, as reflected under the sub-programme: Management of the Department, against *Payments for financial assets*, in the footnote of Tables 12.13 and 12.14. The department fully paid the first charge. No fiscal consolidation cuts were effect against this programme.

Table 12.13 : Summary of payments and estimates by sub-programme: Administration

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|-----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| 1. Office of the MEC | 13 510 | 13 948 | 14 073 | 17 962 | 18 140 | 13 165 | 18 798 | 19 955 | 20 894 |
| 2. Management of the Department | 14 690 | 12 226 | 11 924 | 22 397 | 18 228 | 10 981 | 23 810 | 25 280 | 26 468 |
| 3. Corporate Support | 264 993 | 275 227 | 346 065 | 335 567 | 339 558 | 350 133 | 377 935 | 398 681 | 421 973 |
| 4. Departmental Strategy | 21 117 | 26 726 | 19 883 | 36 862 | 36 862 | 38 509 | 39 242 | 41 775 | 43 780 |
| Total | 314 310 | 328 127 | 391 945 | 412 788 | 412 788 | 412 788 | 459 785 | 485 691 | 513 115 |
| Unauth. Exp. (1st charge) not available for spending | (4 553) | - | - | - | - | - | - | - | - |
| Baseline available for spending after 1st charge | 309 757 | 328 127 | 391 945 | 412 788 | 412 788 | 412 788 | 459 785 | 485 691 | 513 115 |

Table 12.14 : Summary of payments and estimates by economic classification: Administration

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|-----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 279 772 | 309 477 | 344 407 | 382 690 | 382 686 | 382 675 | 428 139 | 453 245 | 480 103 |
| Compensation of employees | 126 930 | 137 414 | 144 658 | 170 717 | 163 040 | 160 281 | 196 277 | 209 821 | 225 891 |
| Goods and services | 152 842 | 172 063 | 199 749 | 211 973 | 219 646 | 222 394 | 231 862 | 243 424 | 254 212 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies to: | 8 253 | 8 559 | 8 476 | 10 826 | 10 826 | 10 837 | 12 358 | 13 142 | 13 694 |
| Provinces and municipalities | 369 | 77 | 93 | 87 | 87 | 98 | 93 | 98 | 102 |
| Departmental agencies and accounts | 3 977 | 4 493 | 4 564 | 4 810 | 5 251 | 5 251 | 6 006 | 6 496 | 6 808 |
| Higher education institutions | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | - | - | - | - | - | - | - | - | - |
| Non-profit institutions | - | - | - | - | - | - | - | - | - |
| Households | 3 907 | 3 989 | 3 819 | 5 929 | 5 488 | 5 488 | 6 259 | 6 548 | 6 784 |
| Payments for capital assets | 21 345 | 10 091 | 39 062 | 19 272 | 19 272 | 19 272 | 19 288 | 19 304 | 19 318 |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 21 339 | 10 091 | 39 062 | 19 272 | 19 272 | 19 272 | 19 288 | 19 304 | 19 318 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | 6 | - | - | - | - | - | - | - | - |
| Payments for financial assets | 4 940 | - | - | - | 4 | 4 | - | - | - |
| Total | 314 310 | 328 127 | 391 945 | 412 788 | 412 788 | 412 788 | 459 785 | 485 691 | 513 115 |
| Unauth. Exp. (1st charge) not available for spending | (4 553) | - | - | - | - | - | - | - | - |
| Baseline available for spending after 1st charge | 309 757 | 328 127 | 391 945 | 412 788 | 412 788 | 412 788 | 459 785 | 485 691 | 513 115 |

The sub-programme: Office of the MEC provides for the effective and efficient rendering of support services including correspondence, management, secretarial and administrative services, as well as the co-ordination of responses to parliamentary questions. The slight increase in the 2019/20 Adjusted Appropriation was in respect of higher than budgeted staff exit costs. The substantial decrease in the Revised Estimate can be attributed to slower than anticipated filling of posts. The growth over the 2020/21 MTEF is mainly inflationary and caters for the filling of critical vacant posts, travel and subsistence, etc.

The sub-programme: Management of the Department relates to the rendering of effective and efficient support services to the HOD. In addition, this sub-programme caters for legal advisory support services, strategic human resource management, financial services, risk management, as well as the management and implementation of organisational development services. The amount in 2016/17 included the second instalment of the first charge. The reduction in the 2019/20 Adjusted Appropriation and a further decrease in the Revised Estimate can be attributed to non-filling of posts including Director: Inter/Intra Governmental Relations, Deputy Directors: Risk Management, Deputy Director: Integrity Management, etc. The substantial growth over the 2020/21 MTEF is in respect of the establishment of a Project Management unit (with a proposed structure of 10 posts, including a Director, Deputy and Assistant Directors, and Administrative Officers), which oversees the implementation of the IGULA radical socio-economic transformation programme, as mentioned. The growth also caters for the filling of critical vacant posts, as well as inflationary increments.

The Corporate Support sub-programme includes payments to SITA for implementing IT governance systems such as the ECM system and the GWEA project. In addition, the sub-programme caters for the maintenance of departmental buildings, and the purchase of departmental fleet (excluding mechanical plant), among others. The increase in the 2019/20 Adjusted Appropriation and Revised Estimate was in

respect of higher than budgeted fleet services costs due to the substantial increase in fuel costs, as well as for the maintenance and repair of departmental office buildings, which was under-budgeted for. The growth over the MTEF includes funds reprioritised from Programme 2 for the filling of posts which were previously under-budgeted, and in respect of computer services (such as SITA service level agreements, operating system software licences and specialised computer services) and external audit costs. The growth also caters for the maintenance and repairs to departmental buildings, the procurement of new and replacement departmental fleet, the replacement of computer equipment, and inflationary adjustments.

The sub-programme: Departmental Strategy provides for the facilitation of the departmental strategic planning processes, and the development, monitoring and evaluation of the overall performance management system of the department. This sub-programme also caters for the preparation of the department's APP and SP, QPR, monitoring and evaluation functions, among others. The slight decrease in the 2019/20 Revised Estimate is due to posts not being filled as planned. The 2020/21 MTEF increases cater for inflationary growth, and a change management project relating to the development of a Change Management Strategy for culture change within the department. The department has been continuously facing challenges such as issues of structure, systems, processes, leadership and relationship management. These have impacted on how individuals conduct themselves, which has a direct impact on performance at individual and institutional levels. These issues have shown by the continuous adverse findings from the A-G on expenditure, systems, performance, procurement, contract management, filling of vacant posts, among others. In order to align the behaviours of individuals with the objectives of the department, a Culture Change programme was proposed as a viable intervention in 2016. A service provider was appointed to facilitate the Organisational Culture Change (OCC). The OCC management consultant's role is to lead the diagnosis of organisational culture and facilitate the development of an organisational culture that supports the vision of the department.

Compensation of employees reflects a fairly steady increase over the period due to the above-budget wage agreements, and the filling of critical posts. The reduction in the 2019/20 Adjusted Appropriation, as well as the Revised Estimate is due to non-filling of posts. The department has 233 vacant posts in respect of Programme 1, but plans to fill 20 posts in 2020/21 and 46 posts in 2022/23. These posts include Director: Asset Management, Director: Human Resource Administration, Director: Human Resource Development, Director: Labour Relations, Deputy Director: Acquisition Management, Deputy Director: Loss Control Services and Deputy Director: Risk Management, etc. The department made provision of 22.5 per cent in 2020/21, 6.9 per cent in 2021/22 and 7.7 per cent in 2022/23. The high growth in 2020/21, which is far above the National Treasury guidelines, is mainly to cater for the planned filling of posts in the programme. This will be reviewed in-year, taking into account the number of posts filled in 2020/21. The growth in the two outer years is in line with the guidelines and caters for the 1.5 per cent pay progression.

Goods and services shows a fairly steady increase over the period. This category provides for maintenance of departmental buildings, SITA costs, communication costs, audit fees, travel agency fees, employee bursaries, legal costs and fleet services, among others. The increase in the 2019/20 Adjusted Appropriation and Revised Estimate was to cater for the higher than budgeted fleet services costs due to the substantial increase in fuel costs, maintenance and repair of departmental office buildings, which was under-budgeted for, and for the continuation of the development of a Change Management Strategy for culture change within the department for improvement in service delivery, as explained. This is to improve service delivery within the department. These account for the growth over the MTEF, as well as inflationary increments. The growth also caters for computer services, the implementation of the IGULA radical socio-economic transformation programme, among others.

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

Transfers and subsidies to: Departmental agencies and accounts relates to the payments to CETA and TETA in respect of the levies in terms of the Skills Development Act.

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

Machinery and equipment is mainly in respect of the replacement of computer and office equipment, vehicles, etc., that are damaged or obsolete, as well as equipment for new staff. The low 2017/18 amount was mainly due to delays in ordering subsidised vehicles in that year as a result of NDOT delaying the

signing of the national contract with the company appointed to oversee applications for the subsidised vehicle scheme, as explained. The 2020/21 MTEF amounts are inflationary related and are in line with the purchase of equipment for new staff.

The amount in 2016/17 against *Software and other intangible assets* relates to computer software licences such as Microsoft. The department is not anticipating any purchases or renewals over the 2020/21 MTEF, but this will be reviewed in future MTEFs.

Payments for financial assets relates to the write-off of irrecoverable staff debts and the implementation of the first charge. The amount in 2016/17 was mainly in respect of the second instalment of the first charge for the 2013/14 unauthorised expenditure.

8.2 Programme 2: Transport Infrastructure

The purpose of this programme is to promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and economic growth. This programme includes all expenditure of a current and capital nature relating to the planning, design, construction, rehabilitation, maintenance and repair of all infrastructure, supporting all modes of transport. Tables 12.15 and 12.16 summarise the payments and budgeted estimates relating to Programme 2 for 2016/17 to 2022/23.

This programme was impacted on by the previously mentioned equitable share budget cuts of R25.353 million, R123.377 million and R162.697 million over the MTEF, as well as the PRMG reduction of R167.292 million in 2021/22 and R79.404 million in 2022/23. Despite these cuts, there is growth of 14.7 per cent from the 2019/20 Revised Estimate to 2020/21.

Table 12.15 : Summary of payments and estimates by sub-programme: Transport Infrastructure

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|-------------------------------------|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| 1. Programme Support Infrastructure | 257 670 | 295 587 | 669 440 | 583 201 | 653 140 | 717 090 | 738 692 | 751 978 | 787 321 |
| 2. Infrastructure Planning | 21 118 | 29 649 | 36 787 | 32 415 | 32 447 | 27 981 | 36 317 | 38 408 | 40 213 |
| 3. Infrastructure Design | 37 140 | 33 354 | 37 929 | 38 293 | 45 322 | 45 322 | 50 264 | 53 245 | 55 748 |
| 4. Construction | 3 530 726 | 3 639 907 | 2 938 234 | 3 423 709 | 3 423 709 | 3 045 505 | 3 786 184 | 4 125 651 | 4 414 072 |
| 5. Maintenance | 3 207 708 | 3 103 360 | 3 420 337 | 3 747 147 | 3 672 616 | 3 414 336 | 3 705 247 | 3 286 589 | 3 315 096 |
| Total | 7 054 362 | 7 101 857 | 7 102 727 | 7 824 765 | 7 827 234 | 7 250 234 | 8 316 704 | 8 255 871 | 8 612 450 |

Table 12.16 : Summary of payments and estimates by economic classification: Transport Infrastructure

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 3 385 045 | 3 281 319 | 4 029 425 | 4 245 474 | 4 247 590 | 4 048 273 | 4 374 080 | 3 972 884 | 4 040 219 |
| Compensation of employees | 536 330 | 569 033 | 605 839 | 943 319 | 772 966 | 686 444 | 823 610 | 887 682 | 919 447 |
| Goods and services | 2 848 715 | 2 712 286 | 3 423 586 | 3 302 155 | 3 474 624 | 3 361 829 | 3 550 470 | 3 085 202 | 3 120 772 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies to: | 10 455 | 12 082 | 14 670 | 12 521 | 12 521 | 12 521 | 13 208 | 13 930 | 14 594 |
| Provinces and municipalities | 4 238 | 5 218 | 5 375 | 5 307 | 5 307 | 5 307 | 5 597 | 5 900 | 6 177 |
| Departmental agencies and accounts | 1 | - | - | - | - | - | - | - | - |
| Higher education institutions | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | - | - | - | - | - | - | - | - | - |
| Non-profit institutions | - | - | - | - | - | - | - | - | - |
| Households | 6 216 | 6 864 | 9 295 | 7 214 | 7 214 | 7 214 | 7 611 | 8 030 | 8 417 |
| Payments for capital assets | 3 657 779 | 3 807 894 | 3 058 243 | 3 566 770 | 3 566 770 | 3 188 566 | 3 929 416 | 4 269 057 | 4 557 637 |
| Buildings and other fixed structures | 3 530 726 | 3 639 907 | 2 935 171 | 3 423 709 | 3 423 709 | 3 045 505 | 3 786 184 | 4 125 651 | 4 414 072 |
| Machinery and equipment | 125 717 | 167 616 | 120 821 | 141 146 | 141 146 | 141 146 | 141 210 | 141 275 | 141 334 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | 1 336 | 371 | 2 251 | 1 915 | 1 915 | 1 915 | 2 022 | 2 131 | 2 231 |
| Payments for financial assets | 1 083 | 562 | 389 | - | 353 | 874 | - | - | - |
| Total | 7 054 362 | 7 101 857 | 7 102 727 | 7 824 765 | 7 827 234 | 7 250 234 | 8 316 704 | 8 255 871 | 8 612 450 |

The sub-programme: Programme Support Infrastructure caters for the provision of operational support to programme managers, support staff and all related costs (including travel and subsistence), administrative support with regard to road proclamations and financial matters, as well as planning and design of construction projects for all regions. The sub-programme also provides for integrated network planning, route identification, environmental planning, land use management and technical support. The department appoints consultants to ensure that the delivery of infrastructure is according to agreed quality standards, timelines and budget. Also, the sub-programme addresses system deficiencies and challenges within the delivery system, which includes preparing high level reports, innovative process design, monitoring and evaluation, training workshops, among others. The substantial increase from 2018/19 was for the implementation of IDMS, as mentioned. This was not sufficiently catered for during the 2019/20 budget process, as such, the increase in the 2019/20 Adjusted Appropriation and further increase in the Revised Estimate. The department signed a five-year contract with the service provider at a total cost of R2.676 billion at R535.277 million per year, based on a gap analysis for professional engineers that indicated skills scarcity in the department. This explains the growth over the 2020/21 MTEF, as this is a five-year project, which commenced in 2018/19.

The Infrastructure Planning sub-programme relates to the promotion and improvement of safety of the transport infrastructure, the facilitation of road safety audits on all roads and transport infrastructure to ensure safe traffic and people movement, the provision of data collection services, as well as research to provide management information for the provincial road network (such as road condition, traffic counts and accident data). The reduction in the 2019/20 Revised Estimate can be attributed to non-filling of posts. The growth over the 2020/21 MTEF is inflationary.

The Infrastructure Design sub-programme provides for the design of road and transport infrastructure, including all necessary support functions such as Environmental Impact Assessments (EIAs), Traffic Impact Assessments (TIAs), surveys, land expropriation, material investigations and testing. The sub-programme also caters for CED software, used by infrastructure professionals to maintain consistent data and processes. The increase in the 2019/20 Adjusted Appropriation related to funds shifted from the sub-programme: Maintenance to correctly place the budget of some staff relating to the road design function. This explains the growth over the MTEF, in addition to inflationary adjustments.

The Construction sub-programme caters for all road construction, upgrades and rehabilitation projects. The previous years' expenditure (with the exception of 2018/19) was high due to spending pressures in respect of construction projects. The projects were implemented earlier than planned as the procurement requirements were finalised earlier than anticipated. These projects included Main Road P6-1, rehabilitating 35 kilometres from Pietermaritzburg to New Hanover and Main Road P25-1, rehabilitating 15 kilometres from Pietermaritzburg to Wartburg, among others. The reduction in 2018/19 can be attributed to funds shifted to the sub-programme: Programme Support Infrastructure for the implementation of IDMS, as explained earlier, as well as the substantial under-expenditure in that year resulting from delays in the awarding of rehabilitation of surfaced roads contracts, etc., due to large volumes from applicants. The reduction in the 2019/20 Revised Estimate is due to delays with the finalisation and approval of the implementation manuals, designs and specifications for planned projects, as well as poor performance by contractors who abandon sites due to financial difficulties. The growth over the 2020/21 MTEF is to cater for various projects, including the construction of new gravel roads, new blacktop roads, new causeways, new pedestrian and vehicle bridges, etc., as well as inflationary increments. Also, funds were reprioritised from the sub-programme: Maintenance against *Goods and services* to this sub-programme against *Buildings and other fixed structures* for rehabilitation projects, as discussed. The trend in this programme also explains the trend in *Buildings and other fixed structures*.

The sub-programme: Maintenance caters mainly for the maintenance of the provincial road network. This includes preventative, routine and emergency maintenance. There has been substantial reprioritisation from this sub-programme to the sub-programme: Construction and to other programmes due to slow progress with various maintenance projects resulting from road reseals that were delayed due to drought in the Midlands and Northern regions of the province, and the shortage of departmental grader operators for road re-gravelling. The reduction in 2017/18 was due to under-spending realised from various maintenance projects that were delayed due to drought. The funds were moved to *Buildings and other*

fixed structures to cater for spending pressures. The reduction in the 2019/20 Adjusted Appropriation can be ascribed to non-filling of posts. The savings were moved to Programme 3, against *Transfers and subsidies to: Public corporations and private enterprises*, to cater for pressures against the PTOG, as explained earlier. The further reduction in the Revised Estimate is due to the suspension of the Vukuzakhe Emerging Contractor Development Programme, poor performance by contractors facing financial difficulties and thus not delivering on project milestones, as well as challenges with access to quarries due to disputes with the Ingonyama Trust. The allocation against this sub-programme also includes the PRMG and the EPWP Integrated Grant for Provinces. The allocation for the PRMG increased by R209.524 million in 2020/21 due to the incentive nature of the grant. However, the grant sees a decrease of R167.292 million in 2020/21 and R79.404 million in 2022/23. The EPWP Integrated Grant for Provinces was allocated R63.118 million in 2020/21 and this is based on the previous year's performance. The high amount in 2020/21 is partially due to the allocation for the PRMG and EPWP Integrated Grant for Provinces in 2020/21, which will help to improve road maintenance to address the poor road conditions. This category was impacted on by the equitable share budget cuts mentioned previously. In this regard, cuts of R25.353 million, R123.377 million and R162.697 million were effected against the sub-programme explaining the marked reduction in 2021/22 and 2022/23 as the cuts were substantial in those years. Also, funds were reprioritised from this sub-programme to Programme 1, as mentioned. The cuts will impact on maintenance projects that will have to be deferred to a later stage, as discussed. The projects that will be undertaken over the MTEF include routine maintenance, re-gravelling and reseals, blacktop patching, road safety and special maintenance. The trend in this sub-programme also largely explains the trend against *Goods and services* for the programme as a whole.

Compensation of employees reflects a steady increase. The department anticipated to fill various critical posts in 2019/20, however, due to lengthy recruitment processes, this was not possible and, as such, the reduction in the 2019/20 Adjusted Appropriation and the further reduction in the Revised Estimate. The category was impacted on by the equitable share budget cuts of R25.353 million, R123.377 million and R162.697 million, which explains the lower amounts over the 2020/21 MTEF in comparison to the 2019/20 Main Appropriation. The department has 1 311 vacant posts in respect of Programme 2. However, the department plans to fill 33 posts in 2020/21, 302 posts in 2021/22 and 100 posts in 2022/23. These posts include Chief Director: Macro Integrated Transport Planning, Director: Engineering Services, Director: Infrastructure Reporting, Director: Project and Programme Management, Finance Manager: Empanjeni Region, Road Worker Aids, Control Engineering Technologists, Driver Operators, Artisans, among others. The filling of posts will be reviewed in-year based on the number of planned posts filled. The department made provision for growth of 20 per cent in 2020/21, 7.8 per cent in 2021/22 and 3.6 per cent in 2022/23. The high growth in 2020/21, which is far above the National Treasury guidelines, is mainly to cater for the planned filling of posts. The growth in 2021/22 is in line with the guidelines and caters for the 1.5 per cent pay progression. However, the low growth of 3.6 per cent in 2022/23 will be reviewed in-year by the department.

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

Transfers and subsidies to: Departmental agencies and accounts caters for TV and radio licences.

Transfers and subsidies to: Households caters mainly for staff exit costs, claims against the state, land expropriations and injury on duty.

Machinery and equipment provides for the purchase of trucks and mechanical plant, such as graders and tractors. The low 2018/19 amount was due to delays in ordering subsidised vehicles as NDOT delayed signing the national contract in 2017/18 with the company appointed to oversee applications for the subsidised vehicle scheme. The MTEF caters for the purchase of trucks and mechanical plant.

Software and other intangible assets provides for the purchase and upgrade of the CED software.

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

Service delivery measures – Transport Infrastructure

Table 12.17 illustrates some of the main service delivery measures pertaining to Programme 2.

The performance indicators provided comply fully with the customised measures for the Transport sector.

Table 12.17 : Service delivery measures – Transport Infrastructure

| Table 12.17: Service delivery measures – Transport infrastructure | | | | | | |
|---|-------------------------|--|-----------------------|---------------------|-----------|-----------|
| Outputs | | Performance indicators | Estimated performance | Medium-term targets | | |
| | | | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
| 2. Transport Infrastructure | | | | | | |
| 2.1 | Infrastructure planning | • No. of kilometres of surfaced roads visually assessed as per the applicable TMH manual | 3 950 | 3 950 | 3 950 | 3 950 |
| | | • No. of kilometres of gravel roads visually assessed as per the applicable TMH manual | 7 900 | 7 900 | 7 900 | 7 900 |
| 2.2 | Construction | • No. of kilometres of gravel roads upgraded to surfaced roads | 60 | 71 | 79 | 79 |
| | | • No. of square metres of surfaced roads rehabilitated | 2 500 000 | 1 800 000 | 2 500 000 | 3 000 000 |
| | | • No. of kilometres of new gravel access roads constructed | 200 | 250 | 300 | 300 |
| | | • No. of square metres of non-motorised transport facility constructed | 25 000 | 30 000 | 40 000 | 40 000 |
| | | • No. of new major vehicle bridges constructed | 16 | 11 | 7 | 7 |
| | | • No. of new pedestrian bridges constructed | 3 | 1 | - | - |
| 2.3 | Maintenance | • No. of square metres of surfaced roads resealed | 500 000 | 750 000 | 1 500 000 | 1 500 000 |
| | | • No. of kilometres of roads re-gravelled | 2 200 | 2 500 | 2 700 | 2 700 |
| | | • No. of square metres of blacktop patching (including pothole repairs) | 750 000 | 600 000 | 500 000 | 500 000 |
| | | • No. of kilometres of gravel roads bladed | 90 000 | 90 000 | 95 000 | 95 000 |

8.3 Programme 3: Transport Operations

The purpose of this programme is to plan, regulate and facilitate the provision of integrated land transport services through co-ordination and co-operation with national planning authorities, community-based organisation (CBOs), non-governmental organisations (NGOs), and the private sector in order to enhance the mobility of all communities particularly those currently without or with limited access to transportation services.

The main functions of this programme include the development of policies and plans for public and freight transport service and supporting infrastructure, the regulation of public and freight transport services, and the enforcement of legislation in respect of public transport. This includes all costs involved in public transport management and service delivery including the planning, and co-ordination of the operators in the transport industry.

Tables 12.18 and 12.19 summarise payments and estimates relating to Programme 3 for the period 2016/17 to 2022/23.

This programme was affected by the previously mentioned budget cuts of R26.697 million against *Goods and services*, in each year of the MTEF.

Table 12.18 : Summary of payments and estimates by sub-programme: Transport Operations

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|------------------------------------|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| 1. Programme Support Operations | 29 271 | 28 389 | 41 872 | 39 703 | 21 717 | 21 717 | 46 645 | 50 084 | 54 557 |
| 2. Public Transport Services | 1 268 034 | 1 397 400 | 1 784 411 | 1 431 519 | 1 636 400 | 1 636 400 | 1 629 764 | 1 576 725 | 1 584 677 |
| 3. Transport Safety and Compliance | 73 155 | 84 576 | 65 020 | 101 697 | 81 279 | 81 279 | 108 184 | 114 133 | 119 497 |
| Total | 1 370 460 | 1 510 365 | 1 891 303 | 1 572 919 | 1 739 396 | 1 739 396 | 1 784 593 | 1 740 942 | 1 758 731 |

Table 12.19 : Summary of payments and estimates by economic classification: Transport Operations

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 359 180 | 397 849 | 500 125 | 404 651 | 451 046 | 451 046 | 537 981 | 425 768 | 449 154 |
| Compensation of employees | 37 676 | 36 066 | 38 144 | 53 756 | 45 155 | 43 524 | 54 074 | 57 750 | 61 524 |
| Goods and services | 321 504 | 361 783 | 461 981 | 350 895 | 405 891 | 407 522 | 483 907 | 368 018 | 387 630 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies to: | 1 011 202 | 1 112 468 | 1 390 907 | 1 168 156 | 1 288 156 | 1 288 156 | 1 246 421 | 1 314 974 | 1 309 368 |
| Provinces and municipalities | 11 | - | - | 13 | 13 | 13 | 13 | 13 | 14 |
| Departmental agencies and accounts | 4 | - | - | - | - | - | - | - | - |
| Higher education institutions | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | 1 011 085 | 1 112 412 | 1 390 894 | 1 168 099 | 1 288 099 | 1 288 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Non-profit institutions | - | - | - | - | - | - | - | - | - |
| Households | 102 | 56 | 13 | 44 | 44 | 44 | 46 | 49 | 51 |
| Payments for capital assets | 78 | 48 | 271 | 112 | 194 | 194 | 191 | 200 | 209 |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 78 | 48 | 271 | 112 | 194 | 194 | 191 | 200 | 209 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 1 370 460 | 1 510 365 | 1 891 303 | 1 572 919 | 1 739 396 | 1 739 396 | 1 784 593 | 1 740 942 | 1 758 731 |

The sub-programme: Programme Support Operations caters for operational support to the programme managers, the support staff and all related costs (including travel and subsistence). The increase in 2018/19 was due to once-off expenditure in respect of a feasibility study undertaken by consultants in terms of finding a fleet management solution. This explains the reduction in the 2019/20 Main Appropriation. The reduction in the 2019/20 Adjusted Appropriation was attributed to delayed installation of a fleet tracking system in some of the departmental fleet, used by the law enforcement personnel for their day-to-day activities. The savings resulted from delays in the procurement of motor vehicles due to delays in the transversal contract issued by National Treasury. The growth over the MTEF is in line with the plan to fill funded vacant posts and also caters for the development of the Provincial Land Transport Framework, as well as the Shova Kalula programme, which is an intervention of improve mobility by providing bicycles to citizens, including learners in rural areas (who are not beneficiaries of the learner transport programme), remote and poorly resourced areas, to enable them to access basic needs, as well as social and economic opportunities. The department will distribute 2 400 bicycles in 2020/21, and the criteria in identifying beneficiaries include the following:

- Learners travelling 3 kilometres or more per single trip.
- Household poverty level (maximum combined household income of R1 500 per month).
- Communities or schools with limited public transport.

The sub-programme: Public Transport Services mainly caters for the PTOG payments in respect of bus subsidies to operators, as well as learner transport services. The increase in 2018/19 includes reprioritisation in respect of the spending pressures with regard to the PTOG, as explained. Also, the learner transport services included accrued expenditure from 2017/18 due to high demand for the service, as well as high expenditure in that year due to additional funding allocated. These explain the low 2019/20 Main Appropriation. The increase in the 2019/20 Adjusted Appropriation was due to funds reprioritised mainly from Programme 2, against *Compensation of employees* to this sub-programme toward the spending pressures for the PTOG, as well as additional funds allocated in respect of the learner transport services. The growth in 2020/21 is attributed to additional funds toward the learner transport services. This explains the low amounts in the two outer years of the MTEF. This sub-programme was affected by the previously mentioned budget cuts of R26.697 million against *Goods and services* in each year of the MTEF. The impact will be on the PTOG, as the department will not be able to subsidise it and thereby might result in reduced services, as discussed. The growth in 2022/23 is affected by the reduction of R5.609 million against the PTOG due to fiscal consolidation.

The sub-programme: Transport Safety and Compliance caters for the management, co-ordination and facilitation of transport safety and compliance in all modes with regard to related legislation, regulations and policies, monitoring of public transport operators in terms of national and provincial legislation to ensure safety of commuters, safety education and awareness, training and development of operators to enable them to provide the required level of service delivery, etc. The decrease in the 2019/20 Adjusted Appropriation was due to the implementation of cost-cutting on items such as catering, travel and subsistence, venues and facilities, etc. The growth over the MTEF caters for road safety awareness programmes, school crossing patrol services, road safety research, as well as inflationary increments.

Compensation of employees reflects a steady increase, ascribed to the carry-through costs of the above-budget wage agreements, annual salary increases and inflationary adjustments. The decrease in the 2019/20 Adjusted Appropriation and against the Revised Estimate can be attributed to the non-filling of posts. The department has 36 vacant posts in respect of Programme 3. However, the department plans to fill eight posts in 2020/21 and 20 posts in 2022/23. The posts include Chief Director: Public Transport and Freight Management, Assistant Director: Community Outreach Services, Engineering Technicians, Deputy Director: Transportation Planning and Principal Road Safety Officer, among others. The department made provision of 24.2 per cent in 2020/21, 6.8 per cent in 2021/22 and 6.5 per cent in 2022/23. The high growth in 2020/21, which is far above the National Treasury guidelines, is mainly to cater for the planned filling of posts in the programme. The growth in 2021/22 and 2022/23 is largely in line with the guidelines and caters for the 1.5 per cent pay progression.

Goods and services caters for various public transport activities, such as road safety events and campaigns. The high 2018/19 amount relates to expenditure pressures with regard to learner transport services, including commitments from 2017/18, and this explains the reduction in 2019/20. The increase in the 2019/20 Adjusted Appropriation was due to additional funds allocated in respect of learner transport services. A further amount is allocated in this regard in 2020/21 and this explains the high amount in 2020/21 and low amounts in the two outer years of the MTEF. The growth over the MTEF is to some extent affected by the previously mentioned budget cuts of R26.697 million in each year of the MTEF. This will impact on the PTOG, as the department will not be able to subsidise it and thereby might result in reduced services, as discussed. It appears that these cuts should have been effected against *Compensation of employees*, and this will be reviewed in-year by the department.

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

Transfers and subsidies to: Departmental agencies and accounts caters for TV and radio licences.

Transfers and subsidies to: Public corporations and private enterprises caters purely for transfer to bus operators in terms of the PTOG. Funds were reprioritised in 2018/19 from *Compensation of employees* under Programme 2 to cater for the spending pressures in respect of the PTOG, as a result of the increase in fuel price and re-negotiated fees, as explained. Again in the 2019/20 Adjusted Appropriation, funds were reprioritised from Programme 4 mainly against *Compensation of employees* and *Goods and services* in this regard. As mentioned, the grant has been historically under-funded and, until such a time that the baseline is corrected, the department will be reprioritising funds from other programmes within its equitable share to fund the pressures, as the grant is a supplementary grant. At this stage, the department is not able to reprioritise funds to the PTOG, but will review this in-year. Despite the exacerbating pressure against the grant, the PTOG sees a reduction of R5.609 million in 2022/23.

Transfers and subsidies to: Households is in respect of claims against the state (such as injury on duty).

Machinery and equipment caters for the replacement of computer and office equipment, etc., and the growth over the MTEF appears adequate for the planned new appointments.

Service delivery measures – Transport Operations

Table 12.20 illustrates some of the main service delivery measures applicable to Programme 3. The performance indicators comply fully with the customised measures for the Transport sector. Note that the preliminary output for learners transported has been amended from the original target of 47 740 learners in the 2019/20 APP to 58 908 learners, in line with the number of learners provided by DOE.

Table 12.20 : Service delivery measures – Transport Operations

| Outputs | | Performance indicators | Estimated performance | Medium-term targets | | |
|-------------------------|---------------------------------|---|-----------------------|---------------------|------------|------------|
| | | | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
| 3. Transport Operations | | | | | | |
| 3.1 | Public Transport Services | • No. of routes subsidised | 2 074 | 2 074 | 2 074 | 2 074 |
| | | • No. of kilometres subsidised | 41 620 660 | 41 620 660 | 41 620 660 | 41 620 660 |
| | | • No. of trips subsidised | 1 191 196 | 1 191 196 | 1 191 196 | 1 191 196 |
| | | • Subsidy per passenger | R22.90 | R28 | R34 | R34 |
| | | • No. of PRE hearings conducted (annual) | 460 | 470 | 480 | 480 |
| | | • No. of public transport operators that are compliant with public transport provisions | 61 000 | n/a | n/a | n/a |
| | | • No. of learners transported | 58 908 | 58 908 | 58 908 | 58 908 |
| | | • No. of schools receiving transport services | 332 | 326 | 326 | 326 |
| 3.2 | Transport Safety and Compliance | • No. of road safety awareness progs conducted | 6 | 6 | 6 | 6 |
| | | • No. of schools involved in road safety education progs | 1 246 | 1 246 | 1 246 | 1 246 |
| | | • No. of crossing patrols provided | 174 | 174 | 174 | 174 |

8.4 Programme 4: Transport Regulation

The purpose of Programme 4 is to ensure the provision of a safe transport environment through the regulation of traffic on public infrastructure, law enforcement, implementation of road safety education and awareness programmes and the registration and licensing of vehicles and drivers.

Tables 12.21 and 12.22 summarise payments and estimates relating to Programme 4 for the period 2016/17 to 2022/23. This programme was affected by budget cuts of R12.533 million, R15.728 million and R18.882 million cut over the 2020/21 MTEF with these cuts effected against *Goods and services* and the Law Enforcement sub-programme.

Table 12.21 : Summary of payments and estimates by sub-programme: Transport Regulation

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|-----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| 1. Programme Support Regulation | 2 371 | 8 760 | 9 104 | 10 028 | 10 938 | 10 938 | 11 759 | 12 393 | 12 975 |
| 2. Transport Administration and Licensing | 119 822 | 121 478 | 154 698 | 156 497 | 150 101 | 155 270 | 170 245 | 182 120 | 190 680 |
| 3. Operator Licences and Permits | 57 196 | 63 862 | 59 571 | 71 205 | 70 386 | 68 972 | 79 324 | 83 655 | 87 587 |
| 4. Law Enforcement | 598 673 | 655 540 | 667 412 | 749 683 | 719 511 | 715 756 | 771 482 | 814 442 | 868 296 |
| Total | 778 062 | 849 640 | 890 785 | 987 413 | 950 936 | 950 936 | 1 032 810 | 1 092 610 | 1 159 538 |

Table 12.22 : Summary of payments and estimates by economic classification: Transport Regulation

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|-----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 740 750 | 822 745 | 863 258 | 957 772 | 919 168 | 918 375 | 999 135 | 1 057 130 | 1 122 389 |
| Compensation of employees | 552 169 | 590 323 | 612 526 | 686 692 | 672 092 | 663 369 | 684 755 | 731 082 | 783 451 |
| Goods and services | 188 581 | 232 422 | 250 732 | 271 080 | 247 076 | 255 006 | 314 380 | 326 048 | 338 938 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies to: | 3 483 | 4 322 | 2 657 | 4 155 | 6 364 | 6 364 | 6 788 | 7 140 | 7 482 |
| Provinces and municipalities | 475 | 601 | 706 | 669 | 669 | 669 | 705 | 744 | 780 |
| Departmental agencies and accounts | 4 | - | - | - | - | - | - | - | - |
| Higher education institutions | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | - | - | - | - | - | - | - | - | - |
| Non-profit institutions | - | - | - | - | 2 209 | 2 209 | 2 315 | 2 426 | 2 542 |
| Households | 3 004 | 3 721 | 1 951 | 3 486 | 3 486 | 3 486 | 3 768 | 3 970 | 4 160 |
| Payments for capital assets | 32 961 | 22 201 | 24 845 | 25 486 | 25 404 | 26 197 | 26 887 | 28 340 | 29 667 |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 32 961 | 22 201 | 24 845 | 25 486 | 25 404 | 26 197 | 26 887 | 28 340 | 29 667 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | 868 | 372 | 25 | - | - | - | - | - | - |
| Total | 778 062 | 849 640 | 890 785 | 987 413 | 950 936 | 950 936 | 1 032 810 | 1 092 610 | 1 159 538 |

The Programme Support Regulation sub-programme caters for operational support to the programme managers, the support staff and all related costs (including travel and subsistence). The sub-programme also caters for travel and subsistence for board members for the various Community Liaison Structures such as the Rural Road Transport Forums (RRTFs), the Community Road Safety Councils (CRSCs) and the Public Participation Associations (PPAs), etc., that report to the department. Included in the 2018/19 expenditure and from 2019/20 onward is the cost for a study to ascertain the economic viability of public transport routes in the province to inform the issuing of public transport operating licences, as well as provision made for the procurement of printing paper for post offices and municipal offices that are agents of the department and provide motor vehicle licensing to the public on behalf of the department. The growth over the MTEF is mainly inflationary, and includes provision for the filling of vacant posts, etc.

The sub-programme: Transport Administration and Licensing facilitates and administers the effective functioning of motor transport services, such as the registration and licensing of vehicles and drivers, administering of vehicle registration and licensing transactions. The reduction in the 2019/20 Adjusted Appropriation was due to non-filling of vacant posts. The increase in the Revised Estimate is to cater for higher than budgeted property payments and security services, as these were under-budgeted for. The growth over the MTEF is inflationary, and also provides for the filling of critical vacant posts.

The sub-programme: Operator Licences and Permits caters for the statutory boards in the department relating to public transport and their expenditure, the salaries of staff who issue permits/operator licences in terms of the Public Transport Licensing Board and the Taxi Registrar, all costs involved in the processing and issuing of operator licences and permits, costs related to PRE, as well as costs related to the issuing of permits for abnormal loads, and the transport of hazardous goods. The department decentralised the consolidated public transport regulation processes of the PRE in 2013/14 to regions in order to allow the lodging of applications for operating licences and permits for the public transport operators in the province to be more accessible. The reduction in the 2019/20 Adjusted Appropriation and Revised Estimate was due to funds reprioritised because of slower than anticipated filling of posts. The increase over the 2020/21 MTEF is inflationary, while providing for filling of posts.

The sub-programme: Law Enforcement manages the public transport enforcement services and facilitates road traffic management through the employment of traffic officers who deal with law enforcement on roads, such as roadblocks, weighbridges, control of traffic, patrolling, screening, etc. This sub-programme also caters for the Traffic Training College that undertakes the theoretical and practical training of traffic officers. The decrease in the 2019/20 Adjusted Appropriation mainly resulted from lower than budgeted computer services costs, savings realised from lower than budgeted travel and subsistence costs and the maintenance of RTI offices, slower than anticipated filling of posts, as well as the non-purchase of computer equipment, office equipment and motor vehicles for law enforcement officers. The MTEF allocations provide for the filling of critical posts, as well as inflationary growth. However, the growth over the MTEF is to some extent mitigated by the previously mentioned budget cuts of R12.533 million, R15.728 million and R18.882 million. The cuts will impact on the department's additional speed over distance cameras that are used to monitor the provincial road network through average speed determination, as well as on law enforcement and road safety as drivers' behaviour with regard to traffic offences will not be monitored at the desired level of compliance. It appears that these cuts should have been effected against *Compensation of employees*, and this will be reviewed in-year by the department.

Compensation of employees reflects steady growth, and caters for the carry-through costs of the above-budget wage agreements and inflationary adjustments. The decrease in the Adjusted Appropriation and Revised Estimate was due to non-filling of posts including Chief and Principal Provincial Inspectors, Administrative Officers, Vehicle Technical Compliance Officers, etc. The growth over the MTEF is mainly inflationary. The department has 232 vacant posts in respect of Programme 4. However, the department plans to fill 141 posts in 2020/21 and 58 posts in 2022/23. The department made provision for growth of 23.3 per cent in 2020/21, 6.8 per cent in 2021/22 and 7.2 per cent in 2022/23. The high growth in 2020/21, which is far above the National Treasury guidelines, is for planned filling of posts. The growth in 2021/22 and 2022/23 is largely in line with the guidelines and caters for the 1.5 per cent pay progression.

Goods and services caters for vehicle registration and licensing of vehicles and drivers, administering of vehicle registration and licensing transactions, as well as law enforcement and road safety campaigns, and

these contribute to the growth over the MTEF. The decrease in the 2019/20 Adjusted Appropriation resulted from lower than budgeted computer services costs. The increase in the Revised Estimate is to cater for higher than budgeted property payments and security services. The growth over the 2020/21 MTEF is mainly inflationary, and is to some extent mitigated by the previously mentioned budget cuts of R12.533 million, R15.728 million and R18.882 million against this category, and this will impact on law enforcement and road safety, as mentioned. It appears that these cuts should have been effected against *Compensation of employees*, and this will be reviewed in-year by the department.

Transfers and subsidies to: Provinces and municipalities caters for motor vehicle licences.

Transfers and subsidies to: Departmental agencies and accounts caters for TV and radio licences.

Transfers and subsidies to: Non-profit institutions is in respect of operational costs for SANTACO KZN as per the MOA signed between the department and the organisation, as explained. The funding is in respect of rental, water, lights and maintenance of the 16 offices.

Transfers and subsidies to: Households caters mainly for staff exit costs.

Machinery and equipment caters for computer equipment, as well as specialised equipment for vehicles including traffic cameras, blue lights, two way radios, etc., designed for traffic officers. The fluctuating trend is in line with filling of posts, and this explains the low 2017/18 and 2018/19 amounts, which resulted in less demand for computer and office equipment, two-way radios for motor vehicles, etc. The growth over the MTEF is mainly inflationary.

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

Service delivery measures – Transport Regulation

Table 12.23 illustrates the main service delivery measures relating to Programme 4. The performance indicators comply fully with the customised performance indicators for the Transport sector.

Table 12.23 : Service delivery measures – Transport Regulation

| Outputs | Performance indicators | Estimated performance | Medium-term targets | | |
|--|---|-----------------------|---------------------|-----------|-----------|
| | | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
| 4. Transport Regulation | | | | | |
| 4.1 Transport Administration and Licensing | • No. of licence compliance inspections conducted | 1 335 | 1 345 | 1 355 | 1 355 |
| 4.2 Traffic Law Enforcement | • No. of speed operations conducted | 18 250 | 18 250 | 18 250 | 18 250 |
| | • No. of goal directed enforcement of public transport (Operation Shanela) undertaken | 880 | 880 | 880 | 880 |
| | • No. of law enforcement officers employed | 768 | 768 | 768 | 768 |
| | • No. of vehicles stopped and checked | 1 600 000 | 1 600 000 | 1 600 000 | 1 600 000 |
| | • No. of vehicles weighed | 155 000 | 155 000 | 155 000 | 155 000 |
| | • No. of drunken driving operations conducted | 210 | 230 | 230 | 230 |

8.5 Programme 5: Community Based Programmes

The purpose of this programme is to direct and manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors. Tables 12.24 and 12.25 summarise payments and estimates relating to Programme 5 for the financial years 2016/17 to 2022/23. This programme is not affected by the budget cuts.

Table 12.24 : Summary of payments and estimates by sub-programme: Community Based Programmes

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--------------------------------------|-----------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| 1. Programme Support Community Based | 6 638 | 5 470 | 11 077 | 8 732 | 13 243 | 11 904 | 14 253 | 15 341 | 16 062 |
| 2. Community Development | 3 646 | 4 248 | 3 535 | 5 558 | 1 047 | 288 | 1 101 | 1 160 | 1 215 |
| 3. Innovation and Empowerment | 16 739 | 16 250 | 29 228 | 18 236 | 18 236 | 17 890 | 19 179 | 20 236 | 21 555 |
| 4. EPWP Co-ordination and Monitoring | 5 474 | 8 313 | 8 766 | 6 665 | 6 665 | 9 109 | 7 061 | 7 447 | 7 797 |
| Total | 32 497 | 34 281 | 52 606 | 39 191 | 39 191 | 39 191 | 41 594 | 44 184 | 46 629 |

Table 12.25 : Summary of payments and estimates by economic classification: Community Based Programmes

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|-----------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 32 487 | 33 466 | 50 548 | 39 191 | 39 134 | 39 134 | 41 534 | 44 124 | 46 569 |
| Compensation of employees | 12 806 | 7 769 | 8 622 | 17 462 | 17 462 | 15 636 | 17 454 | 18 656 | 19 901 |
| Goods and services | 19 681 | 25 697 | 41 926 | 21 729 | 21 672 | 23 498 | 24 080 | 25 468 | 26 668 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies to: | - | 815 | 6 | - | - | - | - | - | - |
| Provinces and municipalities | - | - | - | - | - | - | - | - | - |
| Departmental agencies and accounts | - | - | - | - | - | - | - | - | - |
| Higher education institutions | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | - | 815 | - | - | - | - | - | - | - |
| Non-profit institutions | - | - | - | - | - | - | - | - | - |
| Households | - | - | 6 | - | - | - | - | - | - |
| Payments for capital assets | - | - | 80 | - | 57 | 57 | 60 | 60 | 60 |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | - | - | 80 | - | 57 | 57 | 60 | 60 | 60 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | 10 | - | 1 972 | - | - | - | - | - | - |
| Total | 32 497 | 34 281 | 52 606 | 39 191 | 39 191 | 39 191 | 41 594 | 44 184 | 46 629 |

The sub-programme: Programme Support Community Based provides for the operational support to the programme manager, the support staff and all related costs (including office accommodation). The increase in the 2019/20 Adjusted Appropriation can be attributed to funds shifted within *Compensation of employees* from the sub-programme: Community Development to this sub-programme to correctly place the budget for some staff in the sub-programme. The low Revised Estimate was due to the non-filling of posts. The growth over the 2020/21 MTEF is mainly inflationary.

The sub-programme: Community Development caters for community development programmes, such as the capacitation of Zibambe contractors, to bring about the development and empowerment of impoverished communities, as well as liaison through community based structures. The decrease in the 2019/20 Adjusted Appropriation, and over the 2020/21 MTEF, can be attributed to the shifting and reprioritisation of funds, respectively, to the sub-programme: Programme Support Community Based, as explained. The decrease in the Revised Estimate is due to lower than budgeted implementation of the Vukayibambe routine road maintenance programme for unemployed youth, as it was over-budgeted for. The Vukayibambe routine road maintenance programme is a progressive intervention aimed at uplifting unemployed youth in the province. The allocations over the MTEF are in respect of the Vukayibambe routine road maintenance programme.

The sub-programme: Innovation and Empowerment caters for contractor development, including the pothole patching pilot programme, mentorship and training programmes for Vukuzakhe contractors, as well as learnerships. The high 2018/19 amount relates to the fast-tracking of the pilot pothole patching programme, as well as outstanding 2017/18 commitments relating to this project. This was a pilot project and the department is undertaking further research before embarking on the implementation across the province, which is anticipated to be completed in March 2020. The amounts over the 2020/21 MTEF include provision for the filling of posts, contractor development programmes, as well as inflationary adjustments.

The EPWP Co-ordination and Monitoring sub-programme caters for costs related to the management and co-ordination of the EPWP programme. The increase in the 2019/20 Revised Estimate was in respect of spending pressures related to the management and co-ordination of the departmental EPWP programme by increasing focus on labour-intensive construction methods in order to increase job targets, thereby having a positive impact on the livelihoods of poor communities. The growth over the MTEF is inflationary.

Compensation of employees reflects a fluctuating trend due to the erratic filling of vacant posts as a result of lengthy recruitment processes. This explains the decrease in the 2019/20 Adjusted Appropriation and the Revised Estimate. The growth over the 2020/21 MTEF, with carry-through, includes provision for the

filling of posts. The department has ten vacant posts in respect of Programme 5, and plans to fill two posts in 2020/21 and two posts in 2022/23, including posts such as Director: Youth Development, Deputy Director: Women and People with Disabilities, Assistant Director: Data Management, among others. The department made provision of 11.6 per cent in 2020/21, 6.9 per cent in 2021/22 and 6.7 per cent in 2022/23. The high growth in 2020/21, which is far above the National Treasury guidelines, is mainly to cater for the planned filling of posts in the programme. The growth in 2021/22 and 2022/23 is largely in line with the guidelines and caters for the 1.5 per cent pay progression.

Goods and services relates to the development and training of Vukuzakhe and Zibambele contractors who undertake road maintenance work for the department. The high 2018/19 amount was in respect of the fast-tracking of the pilot pothole patching programme, accrued expenditure from 2017/18 relating to this project, as well as expenditure pressures related to the management and co-ordination of the departmental EPWP programme by increasing focus on labour-intensive construction methods in order to increase job targets, thereby having a positive impact on the livelihoods of poor communities. The growth over the MTEF is mainly inflationary.

Transfers and subsidies to: Public corporations and private enterprises in 2017/18 was in respect of VECA for the monitoring of the Vukuzakhe emerging contractors for compliance to norms and standards. As a result of non-compliance by the association, the department did not allocate funds in 2018/19 onward. The funds were moved to *Goods and services* for operational costs. The department is liaising with VECA for improved reporting, and will allocate funds accordingly.

Transfers and subsidies to: Households in 2018/19 was in respect of staff exit costs.

Machinery and equipment caters for the replacement of computer equipment, vehicles, etc., that are damaged or obsolete.

Payments for financial assets in 2016/17 and 2018/19 relates to the write-off of irrecoverable staff debts.

Service delivery measures – Community Based Programmes

Table 12.26 reflects the main service delivery measures relevant to Programme 5. The performance indicators comply fully with the customised measures for the Transport sector, and non-sector measures are also included in the table.

Table 12.26 : Service delivery measures – Community Based Programmes

| Outputs | | Performance indicators | Estimated performance | Medium-term targets | | |
|---------|-----------------------------------|--|-----------------------|---------------------|-----------|-----------|
| | | | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
| 5. | Community Based Programmes | | | | | |
| 5.1 | Community Development | • No. of Zibambele contractors employed | 43 000 | 43 000 | 43 000 | 43 000 |
| | | • No. of small contractors trained through Vukuzakhe emerging contractor development programme | 500 | 500 | 500 | 500 |
| 5.2 | EPWP Co-ordination and Monitoring | • No. of jobs created | 58 260 | 58 260 | 58 260 | 58 260 |
| | | • No. of Full-Time Equivalents (FTEs) | 19 000 | 20 000 | 21 000 | 21 000 |
| | | • No. of youth employed (18-35) | 9 000 | 9 000 | 9 000 | 9 000 |
| | | • No. of women employed | 42 000 | 42 000 | 42 000 | 42 000 |
| | | • No. of people living with disabilities employed | 110 | 140 | 170 | 170 |
| | | • No. of employment days created | 4 370 000 | 4 600 000 | 4 830 000 | 4 830 000 |

9. Other programme information

9.1 Personnel numbers and costs

Table 12.27 provides detail of the department's approved establishment and personnel numbers, per level and programme, as well as a breakdown of employees dispensation classification.

It is noted that National Treasury has changed the groupings of the salary levels 1 to 6 to 1 to 7 and 7 to 10 to 8 to 10, but has not amended the formula in the *EPRE* tables. The department was able to change the

costs of the levels but not the number of personnel. As such, the number of personnel remains unchanged for previous years as in the 2019/20 *EPRE*, while the costs have changed, taking into account the change in the grouping levels. Also, the number against *Other* in 2016/17 and 2018/19 at Salary level was slightly different against *Other* under the Employee dispensation classification. This is now being amended, and will not tie back to the numbers in the 2019/20 *EPRE*.

It should be noted that the department is in the process of obtaining approval for the implementation of a proposed new organisational structure from the DPSA, and has based the personnel numbers on the proposed new structure. The department has 1 822 vacant posts in 2020/21, and plans to fill 204 posts in 2020/21, 302 posts in 2021/22 and 226 posts in 2022/23. Various factors such as lengthy internal recruitment processes and resignations, etc., have been known to delay the process of filling posts.

Table 12.27 : Summary of departmental personnel numbers and costs by component

| | Audited Outcome | | | | | | Revised Estimate | | | | Medium-term Estimates | | | | | | Average annual growth over MTEF 2019/20 - 2022/23 | | |
|--------------------------------------|-------------------------|-----------|-------------------------|-----------|-------------------------|-----------|------------------|--------------|-------------------------|-----------|-------------------------|-----------|-------------------------|-----------|-------------------------|-----------|---|-------------------|------------|
| | 2016/17 | | 2017/18 | | 2018/19 | | 2019/20 | | | | 2020/21 | | 2021/22 | | 2022/23 | | Pers. growth rate | Costs growth rate | % 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 – 7 | 2 887 | 819 755 | 2 770 | 895 809 | 3 088 | 929 908 | 2 738 | - | 2 738 | 827 898 | 3 649 | 908 595 | 3 649 | 970 331 | 3 649 | 1 023 324 | 10.0% | 7.3% | 51.4% |
| 8 – 10 | 950 | 297 883 | 944 | 332 187 | 1 111 | 348 796 | 1 031 | - | 1 031 | 562 007 | 1 673 | 656 988 | 1 673 | 708 462 | 1 673 | 747 011 | 17.5% | 9.9% | 36.8% |
| 11 – 12 | 85 | 73 220 | 80 | 62 461 | 108 | 65 584 | 86 | - | 86 | 95 184 | 213 | 114 940 | 213 | 124 252 | 213 | 130 033 | 35.3% | 11.0% | 6.4% |
| 13 – 16 | 48 | 46 644 | 51 | 47 911 | 46 | 50 307 | 44 | - | 44 | 70 937 | 57 | 76 427 | 57 | 81 573 | 57 | 86 291 | 9.0% | 6.7% | 4.4% |
| Other | 1 294 | 28 409 | 35 | 2 237 | 212 | 15 194 | - | 137 | 137 | 13 228 | 266 | 19 220 | 266 | 20 373 | 266 | 23 555 | 24.8% | 21.2% | 1.0% |
| Total | 5 264 | 1 265 911 | 3 880 | 1 340 605 | 4 565 | 1 409 789 | 3 899 | 137 | 4 036 | 1 569 254 | 5 858 | 1 776 170 | 5 858 | 1 904 991 | 5 858 | 2 010 214 | 13.2% | 8.6% | 100.0% |
| Programme | | | | | | | | | | | | | | | | | | | |
| 1. Administration | 472 | 126 930 | 328 | 137 414 | 519 | 144 658 | 258 | 137 | 395 | 160 281 | 628 | 196 277 | 628 | 209 821 | 628 | 225 891 | 16.7% | 12.1% | 10.9% |
| 2. Transport Infrastructure | 2 088 | 536 330 | 2 015 | 569 033 | 2 389 | 605 839 | 2 168 | - | 2 168 | 686 444 | 3 479 | 823 610 | 3 479 | 887 682 | 3 479 | 919 447 | 17.1% | 10.2% | 45.5% |
| 3. Transport Operations | 78 | 37 676 | 78 | 36 066 | 68 | 38 144 | 59 | - | 59 | 43 524 | 95 | 54 074 | 95 | 57 750 | 95 | 61 524 | 17.2% | 12.2% | 3.0% |
| 4. Transport Regulation | 2 605 | 552 169 | 1 437 | 590 323 | 1 574 | 612 526 | 1 388 | - | 1 388 | 663 369 | 1 620 | 684 755 | 1 620 | 731 082 | 1 620 | 783 451 | 5.3% | 5.7% | 39.7% |
| 5. Community Based Programmes | 21 | 12 806 | 22 | 7 769 | 15 | 8 622 | 26 | - | 26 | 15 636 | 36 | 17 454 | 36 | 18 656 | 36 | 19 901 | 11.5% | 8.4% | 1.0% |
| Total | 5 264 | 1 265 911 | 3 880 | 1 340 605 | 4 565 | 1 409 789 | 3 899 | 137 | 4 036 | 1 569 254 | 5 858 | 1 776 170 | 5 858 | 1 904 991 | 5 858 | 2 010 214 | 13.2% | 8.6% | 100.0% |
| Employee dispensation classification | | | | | | | | | | | | | | | | | | | |
| PSA appointees not covered by OSDs | 3 666 | 1 028 036 | 3 396 | 1 210 251 | 3 899 | 1 253 907 | 3 580 | - | 3 580 | 1 457 682 | 4 411 | 1 367 347 | 4 411 | 1 465 795 | 4 411 | 1 542 485 | 7.2% | 1.9% | 81.4% |
| Legal professionals | 4 | 2 838 | 4 | 2 054 | 9 | 5 422 | 4 | - | 4 | 2 593 | 9 | 6 277 | 9 | 6 748 | 9 | 7 241 | 31.0% | 40.8% | 0.3% |
| Engineering prof. and related | 300 | 206 628 | 445 | 126 063 | 445 | 135 266 | 315 | - | 315 | 95 751 | 1 172 | 383 326 | 1 172 | 412 075 | 1 172 | 436 933 | 55.0% | 65.9% | 17.2% |
| Others (interns, EPWP, learnerships) | 1 294 | 28 409 | 35 | 2 237 | 212 | 15 194 | - | 137 | 137 | 13 228 | 266 | 19 220 | 266 | 20 373 | 266 | 23 555 | 24.8% | 21.2% | 1.0% |
| Total | 5 264 | 1 265 911 | 3 880 | 1 340 605 | 4 565 | 1 409 789 | 3 899 | 137 | 4 036 | 1 569 254 | 5 858 | 1 776 170 | 5 858 | 1 904 991 | 5 858 | 2 010 214 | 13.2% | 8.6% | 100.0% |

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

The significant drop in personnel numbers in 2017/18 was mainly against Programme 4 and against *Other* due to the disbandment of Community Liaison Structures such as RRTFs, CRSCs and PPAs, which were replaced with the Integrated Community Structures that deal with transportation matters holistically and are linked to municipalities. Furthermore, the decrease in Programme 1 was due to the low number of interns that were appointed by the department in 2017/18. The growth over the 2020/21 MTEF can be attributed to budgeting for the full organisational structure, with the anticipation that approval of the proposed organisational structure will be granted by the DPSA. The department consulted with the DPSA for this approval, and discussion is continuing between the two departments.

As explained, the department effected a portion of the budget cuts of R25.353 million, R123.377 million and R162.677 million against this category over the MTEF. The department was granted approval to fill 1 021 critical posts between 2016/17 and 2019/20, and 35 of the posts were duplicates and have been removed from the lists, leaving a balance of 986 posts. To date, the department has filled 243 posts, one post is currently receiving applications, 146 posts have been advertised and sifting is being conducted, 54 posts are in short-listing and interview stages, five posts need to be re-advertised, 14 posts have been interviewed and currently personnel suitability checks are being conducted on recommended candidates, 205 posts are in the process of being advertised, 302 posts are awaiting implementation of the DPSA co-ordination process before being advertising and 16 posts have been placed on hold, awaiting re-evaluation and review of functions before being advertised. Despite the budget cuts, the category shows healthy growth due to planned filling of 732 posts over the 2020/21 MTEF. The filling of these posts will be reviewed by the department in-year and where there are delays in filling of posts, these savings will be redirected to service delivery spending areas. The department made provision of 13.2 per cent in 2020/21, 7.3 per cent in 2021/22 and 5.5 per cent in 2022/23. The high growth in 2020/21, which is far higher than the National Treasury guidelines, is mainly for the filling of planned posts. The low growth in 2022/23 will be reviewed by the department in the next budget process.

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 2016/17 to 2022/23. The department's training budget reflects an erratic trend over the period, and caters for in-house and external training and capacity building. The allocations over the 2020/21 MTEF are in line with the department's training and development needs.

Table 12.28 : Information on training: Transport

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--|-----------------|---------------|--------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Number of staff | 5 264 | 3 880 | 4 565 | 5 858 | 4 036 | 4 036 | 5 858 | 5 858 | 5 858 |
| Number of personnel trained | 1 612 | 1 773 | 3 881 | 2 060 | 2 380 | 2 380 | 2 619 | 2 883 | 3 172 |
| of which | | | | | | | | | |
| Male | 704 | 774 | 2 032 | 899 | 1 158 | 1 158 | 1 274 | 1 403 | 1 544 |
| Female | 908 | 999 | 1 849 | 1 161 | 1 222 | 1 222 | 1 345 | 1 480 | 1 628 |
| Number of training opportunities | 189 | 212 | 4 553 | 248 | 2 380 | 2 380 | 2 619 | 2 882 | 3 171 |
| of which | | | | | | | | | |
| Tertiary | 1 | 2 | - | 3 | - | - | - | - | - |
| Workshops | 58 | 68 | 2 066 | 82 | 1 285 | 1 285 | 1 414 | 1 556 | 1 712 |
| Seminars | 10 | 12 | - | 15 | - | - | - | - | - |
| Other | 120 | 130 | 2 487 | 148 | 1 095 | 1 095 | 1 205 | 1 326 | 1 459 |
| Number of bursaries offered | 178 | 144 | 1 | 177 | 48 | 48 | 50 | 50 | 50 |
| Number of interns appointed | 65 | 70 | 84 | 79 | 209 | 209 | 208 | 210 | 210 |
| Number of learnerships appointed | 20 | 20 | 50 | 21 | 21 | 50 | 50 | 50 | 50 |
| Number of days spent on training | 232 | 232 | 182 | 245 | 200 | 200 | 220 | 242 | 266 |
| Payments on training by programme | | | | | | | | | |
| 1. Administration | 791 | 1 137 | 278 | 393 | 726 | 725 | 418 | 438 | 458 |
| 2. Transport Infrastructure | 5 666 | 9 792 | 4 870 | 3 936 | 7 427 | 11 106 | 9 767 | 10 137 | 10 612 |
| 3. Transport Operations | 1 175 | 34 | - | 209 | 209 | - | 221 | 233 | 244 |
| 4. Transport Regulation | 355 | 426 | 860 | 905 | 699 | 545 | 956 | 1 008 | 1 055 |
| 5. Community Based Programmes | - | 12 | - | - | - | - | 14 | 15 | 16 |
| Total | 7 987 | 11 401 | 6 008 | 5 443 | 9 061 | 12 376 | 11 376 | 11 831 | 12 385 |

The training in Programme 1 relates to administrative functions. The training in Programme 2 is in respect of training for the Zibambele 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.

ANNEXURE – VOTE 12: TRANSPORT

Table 12.A : Details of departmental receipts: Transport

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Tax receipts | 1 599 531 | 1 658 031 | 1 763 535 | 1 783 000 | 1 783 000 | 1 863 383 | 1 880 000 | 1 955 000 | 2 033 000 |
| Casino taxes | - | - | - | - | - | - | - | - | - |
| Horse racing taxes | - | - | - | - | - | - | - | - | - |
| Liquor licences | - | - | - | - | - | - | - | - | - |
| Motor vehicle licences | 1 599 531 | 1 658 031 | 1 763 535 | 1 783 000 | 1 783 000 | 1 863 383 | 1 880 000 | 1 955 000 | 2 033 000 |
| Sale of goods and services other than capital assets | 107 078 | 106 378 | 105 916 | 102 304 | 102 304 | 80 448 | 103 199 | 104 133 | 109 125 |
| Sale of goods and services produced by department (excluding capital assets) | 107 078 | 106 378 | 105 868 | 102 297 | 102 297 | 80 262 | 103 192 | 104 125 | 109 117 |
| Sale by market establishments | 6 459 | 6 224 | 6 130 | 7 046 | 7 046 | 6 154 | 7 511 | 7 992 | 8 376 |
| Administrative fees | 94 176 | 94 372 | 87 416 | 88 705 | 88 705 | 65 015 | 88 703 | 88 709 | 92 961 |
| Other sales | 6 443 | 5 782 | 12 322 | 6 546 | 6 546 | 9 093 | 6 978 | 7 424 | 7 780 |
| Of which | | | | | | | | | |
| Commission | 1 044 | 1 114 | 1 147 | 1 261 | 1 261 | 1 075 | 1 344 | 1 430 | 1 499 |
| Boarding services | 2 095 | 1 871 | 1 698 | 2 118 | 2 118 | 1 765 | 2 258 | 2 403 | 2 518 |
| Course fees | 2 651 | 669 | 584 | 758 | 758 | 424 | 808 | 859 | 900 |
| Tender documents | 200 | 2 127 | 5 588 | 2 408 | 2 408 | 5 103 | 2 567 | 2 731 | 2 862 |
| Sale of scrap, waste, arms and other used current goods (excluding capital assets) | - | - | 48 | 7 | 7 | 186 | 7 | 8 | 8 |
| 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 | 47 257 | 38 164 | 40 353 | 42 957 | 42 957 | 43 589 | 45 792 | 48 723 | 51 062 |
| Interest, dividends and rent on land | 230 | 54 | 69 | 187 | 187 | 174 | 198 | 210 | 220 |
| Interest | 184 | 24 | 36 | 152 | 152 | 104 | 152 | 161 | 169 |
| Dividends | 28 | 30 | 33 | 35 | 35 | 35 | 37 | 39 | 41 |
| Rent on land | 18 | - | - | - | - | 35 | 10 | 10 | 11 |
| Sale of capital assets | 27 205 | 5 034 | - | 1 425 | 1 425 | 3 232 | 1 519 | 1 616 | 1 694 |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Other capital assets | 27 205 | 5 034 | - | 1 425 | 1 425 | 3 232 | 1 519 | 1 616 | 1 694 |
| Transactions in financial assets and liabilities | 2 928 | 25 677 | 3 693 | 1 698 | 1 698 | 3 162 | 1 810 | 1 926 | 2 018 |
| Total | 1 784 229 | 1 833 338 | 1 913 566 | 1 931 571 | 1 931 571 | 1 993 988 | 2 032 518 | 2 111 608 | 2 197 119 |

Table 12.B : Payments and estimates by economic classification: Transport

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|------------------|------------------|-------------------|--------------------|------------------------|-------------------|-----------------------|-------------------|-------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 4 797 234 | 4 844 856 | 5 787 763 | 6 029 778 | 6 039 624 | 5 839 503 | 6 380 869 | 5 953 151 | 6 138 434 |
| Compensation of employees | 1 265 911 | 1 340 605 | 1 409 789 | 1 871 946 | 1 670 715 | 1 569 254 | 1 776 170 | 1 904 991 | 2 010 214 |
| Salaries and wages | 1 097 289 | 1 159 061 | 1 216 162 | 1 623 157 | 1 422 603 | 1 357 818 | 1 507 560 | 1 618 093 | 1 709 283 |
| Social contributions | 168 622 | 181 544 | 193 627 | 248 789 | 248 112 | 211 436 | 268 610 | 286 898 | 300 931 |
| Goods and services | 3 531 323 | 3 504 251 | 4 377 974 | 4 157 832 | 4 368 909 | 4 270 249 | 4 604 699 | 4 048 160 | 4 128 220 |
| Administrative fees | 7 314 | 22 740 | 3 483 | 3 006 | 2 288 | 2 277 | 3 460 | 3 645 | 3 817 |
| Advertising | 7 855 | 7 012 | 7 731 | 8 569 | 8 366 | 8 672 | 9 671 | 10 195 | 10 674 |
| Minor assets | 7 420 | 3 096 | 4 398 | 4 785 | 5 298 | 3 863 | 5 056 | 5 330 | 5 581 |
| Audit cost: External | 5 900 | 8 023 | 27 757 | 9 283 | 13 238 | 16 966 | 14 802 | 15 331 | 16 052 |
| Bursaries: Employees | 657 | 618 | 958 | 1 257 | 1 257 | 1 107 | 1 328 | 1 400 | 1 466 |
| Catering: Departmental activities | 4 582 | 5 812 | 5 901 | 4 497 | 4 741 | 4 338 | 4 647 | 4 902 | 5 134 |
| Communication (G&S) | 38 669 | 33 180 | 29 313 | 27 863 | 31 305 | 37 457 | 34 820 | 36 651 | 38 373 |
| Computer services | 66 214 | 127 084 | 206 621 | 101 042 | 101 376 | 133 076 | 158 203 | 136 276 | 140 955 |
| Cons. & prof serv: Business and advisory services | 82 629 | 278 754 | 639 059 | 661 581 | 667 026 | 731 841 | 782 817 | 799 747 | 838 347 |
| Infrastructure and planning | 227 477 | 25 388 | 82 992 | 27 828 | 66 804 | 65 235 | 70 337 | 73 715 | 77 179 |
| Laboratory services | 588 | 289 | 170 | 355 | 355 | 311 | 375 | 395 | 414 |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | 27 965 | 14 797 | 21 971 | 20 675 | 20 230 | 12 475 | 16 980 | 17 912 | 18 755 |
| Contractors | 2 195 912 | 1 848 320 | 2 292 050 | 2 402 790 | 2 451 787 | 2 268 695 | 2 337 598 | 1 860 431 | 1 838 440 |
| Agency and support / outsourced services | 9 795 | 8 438 | 4 451 | 1 542 | 1 181 | 2 465 | 1 661 | 1 751 | 1 833 |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services (including govt motor transport) | 71 846 | 158 994 | 198 304 | 201 923 | 207 040 | 214 598 | 225 730 | 237 565 | 248 729 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | 7 861 | 7 921 | 7 333 | 3 310 | 6 800 | 8 831 | 8 063 | 8 466 | 8 864 |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | 929 | 1 025 | 448 | 512 | 638 | 570 | 613 | 643 | 673 |
| Inventory: Chemicals, fuel, oil, gas, wood and coal | 37 511 | 56 821 | 73 835 | 3 984 | 3 984 | 3 036 | 81 785 | 85 874 | 89 910 |
| Inventory: Learner and teacher support material | 188 | - | - | 209 | 209 | - | 220 | 232 | 243 |
| Inventory: Materials and supplies | 62 882 | 64 299 | 17 886 | 22 569 | 22 547 | 21 837 | 23 833 | 25 121 | 26 302 |
| Inventory: Medical supplies | - | - | - | - | 9 | 9 | - | - | - |
| Inventory: Medicine | 911 | - | - | - | - | - | - | - | - |
| Medsas inventory interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | 19 | - | - | 21 | 42 | 20 | 21 | 22 |
| Consumable supplies | 6 449 | 7 895 | 9 366 | 11 118 | 10 097 | 8 635 | 11 949 | 12 267 | 12 843 |
| Consumable: Stationery, printing and office supplies | 17 001 | 21 592 | 25 067 | 30 573 | 29 673 | 29 303 | 32 370 | 34 117 | 35 718 |
| Operating leases | 33 173 | 239 957 | 58 133 | 83 558 | 72 561 | 68 726 | 87 564 | 91 950 | 96 272 |
| Property payments | 126 997 | 175 716 | 176 631 | 195 652 | 187 391 | 172 795 | 196 359 | 207 720 | 217 011 |
| Transport provided: Departmental activity | 244 492 | 285 553 | 396 176 | 222 725 | 351 664 | 350 324 | 372 243 | 248 663 | 260 351 |
| Travel and subsistence | 73 234 | 58 522 | 71 124 | 87 385 | 76 400 | 72 118 | 94 944 | 99 904 | 104 546 |
| Training and development | 7 987 | 11 401 | 6 008 | 5 443 | 9 061 | 12 376 | 11 376 | 11 831 | 12 385 |
| Operating payments | 5 019 | 4 077 | 4 399 | 4 697 | 5 130 | 6 683 | 5 206 | 5 482 | 5 738 |
| Venues and facilities | 9 460 | 9 841 | 5 212 | 8 202 | 9 707 | 10 739 | 9 551 | 10 074 | 10 548 |
| Rental and hiring | 142 406 | 17 067 | 1 197 | 899 | 725 | 849 | 1 118 | 999 | 1 045 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 1 033 393 | 1 138 246 | 1 416 716 | 1 195 658 | 1 317 867 | 1 317 878 | 1 278 775 | 1 349 186 | 1 345 138 |
| Provinces and municipalities | 5 093 | 5 896 | 6 174 | 6 076 | 6 076 | 6 087 | 6 408 | 6 755 | 7 073 |
| Provinces | 5 093 | 5 896 | 6 174 | 6 076 | 6 076 | 6 087 | 6 408 | 6 755 | 7 073 |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | 5 093 | 5 896 | 6 174 | 6 076 | 6 076 | 6 087 | 6 408 | 6 755 | 7 073 |
| Municipalities | - | - | - | - | - | - | - | - | - |
| Municipalities | - | - | - | - | - | - | - | - | - |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - |
| Departmental agencies and accounts | 3 986 | 4 493 | 4 564 | 4 810 | 5 251 | 5 251 | 6 006 | 6 496 | 6 808 |
| Social security funds | - | - | - | - | - | - | - | - | - |
| Entities receiving transfers | 3 986 | 4 493 | 4 564 | 4 810 | 5 251 | 5 251 | 6 006 | 6 496 | 6 808 |
| Higher education institutions | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | 1 011 085 | 1 113 227 | 1 390 894 | 1 168 099 | 1 288 099 | 1 288 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Public corporations | - | 815 | - | - | - | - | - | - | - |
| Subsidies on production | - | - | - | - | - | - | - | - | - |
| Other transfers | - | 815 | - | - | - | - | - | - | - |
| Private enterprises | 1 011 085 | 1 112 412 | 1 390 894 | 1 168 099 | 1 288 099 | 1 288 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Subsidies on production | 1 011 085 | 1 112 412 | 1 390 894 | 1 168 099 | 1 288 099 | 1 288 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Other transfers | - | - | - | - | - | - | - | - | - |
| Non-profit institutions | - | - | - | - | 2 209 | 2 209 | 2 315 | 2 426 | 2 542 |
| Households | 13 229 | 14 630 | 15 084 | 16 673 | 16 232 | 16 232 | 17 684 | 18 597 | 19 412 |
| Social benefits | 10 478 | 12 411 | 7 797 | 10 883 | 10 438 | 10 397 | 11 627 | 12 261 | 12 771 |
| Other transfers to households | 2 751 | 2 219 | 7 287 | 5 790 | 5 794 | 5 835 | 6 057 | 6 336 | 6 641 |
| Payments for capital assets | 3 712 163 | 3 840 234 | 3 122 501 | 3 611 640 | 3 611 697 | 3 234 286 | 3 975 842 | 4 316 961 | 4 606 891 |
| Buildings and other fixed structures | 3 530 726 | 3 639 907 | 2 935 171 | 3 423 709 | 3 423 709 | 3 045 505 | 3 786 184 | 4 125 651 | 4 414 072 |
| Buildings | - | - | - | - | 20 500 | 30 091 | 80 000 | 80 000 | 80 000 |
| Other fixed structures | 3 530 726 | 3 639 907 | 2 935 171 | 3 423 709 | 3 403 209 | 3 015 414 | 3 706 184 | 4 045 651 | 4 334 072 |
| Machinery and equipment | 180 095 | 199 956 | 185 079 | 186 016 | 186 073 | 186 866 | 187 636 | 189 179 | 190 588 |
| Transport equipment | 142 692 | 108 719 | 81 349 | 90 018 | 90 018 | 83 425 | 91 228 | 92 536 | 93 731 |
| Other machinery and equipment | 37 403 | 91 237 | 103 730 | 95 998 | 96 055 | 103 441 | 96 408 | 96 643 | 96 857 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | 1 342 | 371 | 2 251 | 1 915 | 1 915 | 1 915 | 2 022 | 2 131 | 2 231 |
| Payments for financial assets | 6 901 | 934 | 2 386 | - | 357 | 878 | - | - | - |
| Total | 9 549 691 | 9 824 270 | 10 329 366 | 10 837 076 | 10 969 545 | 10 392 545 | 11 635 486 | 11 619 298 | 12 090 463 |
| Unauth. Exp. (1st charge) not available for spending | (4 553) | - | - | - | - | - | - | - | - |
| Baseline available for spending after 1st charge | 9 545 138 | 9 824 270 | 10 329 366 | 10 837 076 | 10 969 545 | 10 392 545 | 11 635 486 | 11 619 298 | 12 090 463 |

Table 12.C : Payments and estimates by economic classification: Administration

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|-----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 279 772 | 309 477 | 344 407 | 382 690 | 382 686 | 382 675 | 428 139 | 453 245 | 480 103 |
| Compensation of employees | 126 930 | 137 414 | 144 658 | 170 717 | 163 040 | 160 281 | 196 277 | 209 821 | 225 891 |
| Salaries and wages | 110 372 | 119 539 | 125 826 | 148 441 | 141 441 | 138 892 | 170 672 | 182 448 | 196 683 |
| Social contributions | 16 558 | 17 875 | 18 832 | 22 276 | 21 599 | 21 389 | 25 605 | 27 373 | 29 208 |
| Goods and services | 152 842 | 172 063 | 199 749 | 211 973 | 219 646 | 222 394 | 231 862 | 243 424 | 254 212 |
| Administrative fees | 431 | 1 076 | 1 452 | 1 183 | 893 | 501 | 1 249 | 1 316 | 1 378 |
| Advertising | 3 961 | 3 109 | 3 708 | 3 736 | 3 764 | 5 254 | 3 945 | 4 158 | 4 353 |
| Minor assets | 1 016 | 572 | 545 | 455 | 434 | 357 | 481 | 508 | 533 |
| Audit cost: External | 5 496 | 7 766 | 9 705 | 9 283 | 9 814 | 13 542 | 14 802 | 15 331 | 16 052 |
| Bursaries: Employees | 657 | 618 | 958 | 1 257 | 1 257 | 1 107 | 1 328 | 1 400 | 1 466 |
| Catering: Departmental activities | 505 | 653 | 276 | 353 | 597 | 726 | 372 | 392 | 411 |
| Communication (G&S) | 16 423 | 18 072 | 11 225 | 9 771 | 9 756 | 8 794 | 9 917 | 10 452 | 10 943 |
| Computer services | 56 545 | 77 521 | 74 972 | 52 329 | 55 076 | 68 522 | 75 759 | 79 395 | 83 127 |
| Cons. & prof serv: Business and advisory services | 12 345 | 20 587 | 11 535 | 25 590 | 26 501 | 21 605 | 21 892 | 23 522 | 24 010 |
| Infrastructure and planning | - | - | - | - | - | (1) | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | 10 658 | 9 734 | 18 194 | 15 482 | 15 482 | 9 675 | 11 687 | 12 346 | 12 927 |
| Contractors | 7 368 | 6 787 | 17 072 | 5 949 | 6 322 | 12 203 | 10 979 | 11 471 | 12 010 |
| Agency and support / outsourced services | 5 350 | 519 | 4 429 | 1 458 | 1 181 | 2 465 | 1 539 | 1 622 | 1 698 |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services (including govt motor transport) | 3 558 | 3 507 | 4 462 | 4 495 | 9 421 | 10 393 | 9 887 | 10 372 | 10 858 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | - | - |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | 512 | 634 | 24 | - | 57 | 57 | 60 | 60 | 63 |
| Inventory: Chemicals, fuel, oil, gas, wood and coal | - | - | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | 188 | - | - | 209 | 209 | - | 220 | 232 | 243 |
| Inventory: Materials and supplies | - | 21 | 198 | - | - | - | - | - | - |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | 901 | - | - | - | - | - | - | - | - |
| Medsas inventory interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | 21 | - | - | - |
| Consumable supplies | 294 | 1 646 | 1 347 | 1 437 | 1 166 | 1 230 | 1 517 | 1 269 | 1 329 |
| Consumable: Stationery, printing and office supplies | 1 716 | 1 227 | 1 468 | 1 373 | 1 558 | 1 456 | 1 454 | 1 532 | 1 604 |
| Operating leases | 3 126 | 3 439 | 11 730 | 10 097 | 9 558 | 8 802 | 10 659 | 11 238 | 11 766 |
| Property payments | 5 410 | 9 318 | 14 771 | 54 673 | 53 218 | 42 031 | 40 729 | 42 689 | 44 695 |
| Transport provided: Departmental activity | 1 026 | 1 038 | 45 | 219 | 428 | 456 | 231 | 243 | 254 |
| Travel and subsistence | 13 570 | 2 281 | 10 351 | 10 731 | 10 374 | 7 990 | 11 174 | 11 785 | 12 303 |
| Training and development | 791 | 1 137 | 278 | 393 | 726 | 725 | 418 | 438 | 458 |
| Operating payments | 495 | 707 | 954 | 942 | 791 | 2 766 | 980 | 1 032 | 1 080 |
| Venues and facilities | 500 | 94 | 50 | 558 | 961 | 1 615 | 583 | 621 | 651 |
| Rental and hiring | - | - | - | - | 102 | 102 | - | - | - |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 8 253 | 8 559 | 8 476 | 10 826 | 10 826 | 10 837 | 12 358 | 13 142 | 13 694 |
| Provinces and municipalities | 369 | 77 | 93 | 87 | 87 | 98 | 93 | 98 | 102 |
| Provinces | 369 | 77 | 93 | 87 | 87 | 98 | 93 | 98 | 102 |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | 369 | 77 | 93 | 87 | 87 | 98 | 93 | 98 | 102 |
| Municipalities | - | - | - | - | - | - | - | - | - |
| Municipalities | - | - | - | - | - | - | - | - | - |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - |
| Departmental agencies and accounts | 3 977 | 4 493 | 4 564 | 4 810 | 5 251 | 5 251 | 6 006 | 6 496 | 6 808 |
| Social security funds | - | - | - | - | - | - | - | - | - |
| Entities receiving transfers | 3 977 | 4 493 | 4 564 | 4 810 | 5 251 | 5 251 | 6 006 | 6 496 | 6 808 |
| 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 | 3 907 | 3 989 | 3 819 | 5 929 | 5 488 | 5 488 | 6 259 | 6 548 | 6 784 |
| Social benefits | 1 287 | 1 821 | 1 286 | 1 852 | 1 407 | 1 407 | 2 009 | 2 119 | 2 142 |
| Other transfers to households | 2 620 | 2 168 | 2 533 | 4 077 | 4 081 | 4 081 | 4 250 | 4 429 | 4 642 |
| Payments for capital assets | 21 345 | 10 091 | 39 062 | 19 272 | 19 272 | 19 272 | 19 288 | 19 304 | 19 318 |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 21 339 | 10 091 | 39 062 | 19 272 | 19 272 | 19 272 | 19 288 | 19 304 | 19 318 |
| Transport equipment | - | - | 22 888 | 9 000 | 9 000 | 2 460 | 9 000 | 9 000 | 9 000 |
| Other machinery and equipment | 21 339 | 10 091 | 16 174 | 10 272 | 10 272 | 16 812 | 10 288 | 10 304 | 10 318 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | 6 | - | - | - | - | - | - | - | - |
| Payments for financial assets | 4 940 | - | - | - | 4 | 4 | - | - | - |
| Total | 314 310 | 328 127 | 391 945 | 412 788 | 412 788 | 412 788 | 459 785 | 485 691 | 513 115 |
| Unauth. Exp. (1st charge) not available for spending | (4 553) | - | - | - | - | - | - | - | - |
| Baseline available for spending after 1st charge | 309 757 | 328 127 | 391 945 | 412 788 | 412 788 | 412 788 | 459 785 | 485 691 | 513 115 |

Table 12.D : Payments and estimates by economic classification: Transport Infrastructure

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 3 385 045 | 3 281 319 | 4 029 425 | 4 245 474 | 4 247 590 | 4 048 273 | 4 374 080 | 3 972 884 | 4 040 219 |
| Compensation of employees | 536 330 | 569 033 | 605 839 | 943 319 | 772 966 | 686 444 | 823 610 | 887 682 | 919 447 |
| Salaries and wages | 466 760 | 492 939 | 524 856 | 820 688 | 650 335 | 597 528 | 691 126 | 745 314 | 770 388 |
| Social contributions | 69 570 | 76 094 | 80 983 | 122 631 | 122 631 | 88 916 | 132 484 | 142 368 | 149 059 |
| Goods and services | 2 848 715 | 2 712 286 | 3 423 586 | 3 302 155 | 3 474 624 | 3 361 829 | 3 550 470 | 3 085 202 | 3 120 772 |
| Administrative fees | 5 908 | 20 280 | 848 | 800 | 633 | 773 | 844 | 889 | 931 |
| Advertising | 1 148 | 1 562 | 2 272 | 2 031 | 2 031 | 1 136 | 2 983 | 3 144 | 3 292 |
| Minor assets | 5 810 | 2 055 | 2 732 | 3 682 | 3 852 | 2 450 | 3 890 | 4 100 | 4 292 |
| Audit cost: External | 354 | 245 | - | - | 59 | 59 | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 70 | 231 | 360 | 345 | 345 | 135 | 272 | 287 | 301 |
| Communication (G&S) | 10 536 | 5 901 | 7 501 | 7 346 | 7 799 | 7 519 | 7 488 | 7 891 | 8 261 |
| Computer services | 2 244 | 39 922 | 95 058 | 30 761 | 30 761 | 45 459 | 46 514 | 23 490 | 25 283 |
| Cons. & prof serv: Business and advisory services | 16 160 | 213 672 | 552 479 | 527 957 | 597 957 | 670 091 | 681 674 | 690 745 | 722 522 |
| Infrastructure and planning | 222 641 | 24 895 | 82 521 | 27 709 | 66 804 | 65 236 | 70 211 | 73 582 | 77 040 |
| Laboratory services | 588 | 289 | 165 | 355 | 355 | 306 | 375 | 395 | 414 |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | 744 | 269 | 1 323 | 1 301 | 1 301 | 164 | 1 374 | 1 448 | 1 516 |
| Contractors | 2 166 826 | 1 785 263 | 2 243 192 | 2 352 933 | 2 414 785 | 2 224 738 | 2 280 321 | 1 800 857 | 1 776 066 |
| Agency and support / outsourced services | 3 259 | 7 913 | 22 | - | - | - | 122 | 129 | 135 |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services (including govt motor transport) | 34 374 | 117 108 | 154 264 | 155 069 | 155 069 | 154 739 | 163 751 | 172 594 | 180 706 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | 2 277 | 3 094 | 7 260 | 3 299 | 6 722 | 8 724 | 8 042 | 8 444 | 8 841 |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | 294 | 287 | 315 | 430 | 430 | 363 | 457 | 482 | 504 |
| Inventory: Chemicals, fuel, oil, gas, wood and coal | 37 483 | 56 812 | 73 830 | 3 984 | 3 984 | 3 037 | 81 785 | 85 874 | 89 910 |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 62 784 | 64 222 | 17 512 | 22 386 | 22 386 | 21 689 | 23 640 | 24 917 | 26 088 |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | 10 | - | - | - | - | - | - | - | - |
| Medsas inventory interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | 19 | - | - | 4 | 4 | - | - | - |
| Consumable supplies | 3 749 | 4 156 | 5 887 | 7 006 | 7 006 | 5 840 | 7 398 | 7 797 | 8 163 |
| Consumable: Stationery, printing and office supplies | 3 185 | 3 322 | 4 223 | 4 412 | 4 412 | 4 100 | 4 659 | 4 910 | 5 140 |
| Operating leases | 9 134 | 218 341 | 12 966 | 17 895 | 11 820 | 9 002 | 18 931 | 19 953 | 20 891 |
| Property payments | 86 489 | 81 182 | 112 312 | 83 546 | 83 546 | 82 507 | 88 299 | 93 068 | 97 442 |
| Transport provided: Departmental activity | - | 386 | 626 | 92 | 28 | 89 | 97 | 102 | 107 |
| Travel and subsistence | 26 448 | 32 253 | 37 968 | 41 928 | 41 928 | 39 752 | 44 277 | 46 668 | 48 862 |
| Training and development | 5 666 | 9 792 | 4 870 | 3 936 | 7 427 | 11 106 | 9 767 | 10 137 | 10 612 |
| Operating payments | 2 306 | 1 794 | 1 829 | 1 904 | 2 408 | 2 039 | 2 023 | 2 133 | 2 233 |
| Venues and facilities | - | 141 | 555 | 480 | 480 | 351 | 507 | 534 | 559 |
| Rental and hiring | 138 228 | 16 880 | 696 | 568 | 292 | 421 | 769 | 632 | 661 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 10 455 | 12 082 | 14 670 | 12 521 | 12 521 | 12 521 | 13 208 | 13 930 | 14 594 |
| Provinces and municipalities | 4 238 | 5 218 | 5 375 | 5 307 | 5 307 | 5 307 | 5 597 | 5 900 | 6 177 |
| Provinces | 4 238 | 5 218 | 5 375 | 5 307 | 5 307 | 5 307 | 5 597 | 5 900 | 6 177 |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | 4 238 | 5 218 | 5 375 | 5 307 | 5 307 | 5 307 | 5 597 | 5 900 | 6 177 |
| Municipalities | - | - | - | - | - | - | - | - | - |
| Municipalities | - | - | - | - | - | - | - | - | - |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - |
| Departmental agencies and accounts | 1 | - | - | - | - | - | - | - | - |
| Social security funds | - | - | - | - | - | - | - | - | - |
| Entities receiving transfers | 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 | 6 216 | 6 864 | 9 295 | 7 214 | 7 214 | 7 214 | 7 611 | 8 030 | 8 417 |
| Social benefits | 6 187 | 6 826 | 4 553 | 5 545 | 5 545 | 5 504 | 5 850 | 6 172 | 6 469 |
| Other transfers to households | 29 | 38 | 4 742 | 1 669 | 1 669 | 1 710 | 1 761 | 1 858 | 1 948 |
| Payments for capital assets | 3 657 779 | 3 807 894 | 3 058 243 | 3 566 770 | 3 566 770 | 3 188 566 | 3 929 416 | 4 269 057 | 4 557 637 |
| Buildings and other fixed structures | 3 530 726 | 3 639 907 | 2 935 171 | 3 423 709 | 3 423 709 | 3 045 505 | 3 786 184 | 4 125 651 | 4 414 072 |
| Buildings | - | - | - | - | 20 500 | 30 091 | 80 000 | 80 000 | 80 000 |
| Other fixed structures | 3 530 726 | 3 639 907 | 2 935 171 | 3 423 709 | 3 403 209 | 3 015 414 | 3 706 184 | 4 045 651 | 4 334 072 |
| Machinery and equipment | 125 717 | 167 616 | 120 821 | 141 146 | 141 146 | 141 146 | 141 210 | 141 275 | 141 334 |
| Transport equipment | 112 054 | 88 086 | 35 844 | 58 000 | 58 000 | 58 000 | 58 000 | 58 000 | 58 000 |
| Other machinery and equipment | 13 663 | 79 530 | 84 977 | 83 146 | 83 146 | 83 146 | 83 210 | 83 275 | 83 334 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | 1 336 | 371 | 2 251 | 1 915 | 1 915 | 1 915 | 2 022 | 2 131 | 2 231 |
| Payments for financial assets | 1 083 | 562 | 389 | - | 353 | 874 | - | - | - |
| Total | 7 054 362 | 7 101 857 | 7 102 727 | 7 824 765 | 7 827 234 | 7 250 234 | 8 316 704 | 8 255 871 | 8 612 450 |

Table 12.E : Payments and estimates by economic classification: Transport Operations

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 359 180 | 397 849 | 500 125 | 404 651 | 451 046 | 451 046 | 537 981 | 425 768 | 449 154 |
| Compensation of employees | 37 676 | 36 066 | 38 144 | 53 756 | 45 155 | 43 524 | 54 074 | 57 750 | 61 524 |
| Salaries and wages | 33 850 | 32 373 | 34 117 | 46 768 | 38 167 | 39 194 | 46 595 | 49 746 | 53 144 |
| Social contributions | 3 826 | 3 693 | 4 027 | 6 988 | 6 988 | 4 330 | 7 479 | 8 004 | 8 380 |
| Goods and services | 321 504 | 361 783 | 461 981 | 350 895 | 405 891 | 407 522 | 483 907 | 368 018 | 387 630 |
| Administrative fees | 345 | 330 | 294 | 208 | 208 | 251 | 250 | 263 | 275 |
| Advertising | 2 547 | 2 277 | 1 665 | 2 507 | 2 507 | 2 210 | 2 648 | 2 794 | 2 926 |
| Minor assets | 18 | 9 | 280 | 7 | 7 | 6 | 8 | 8 | 8 |
| Audit cost: External | - | - | - | - | - | - | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 3 614 | 4 868 | 5 242 | 3 708 | 3 708 | 3 468 | 3 915 | 4 130 | 4 324 |
| Communication (G&S) | 1 689 | 724 | 2 881 | 1 281 | 4 210 | 12 059 | 7 329 | 7 681 | 8 043 |
| Computer services | - | - | - | - | - | - | - | - | - |
| Cons. & prof serv: Business and advisory services | 35 601 | 24 949 | 27 677 | 75 102 | 12 598 | 13 147 | 50 212 | 54 720 | 59 607 |
| Infrastructure and planning | - | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | 10 550 | 882 | 25 | 553 | 553 | 97 | 584 | 616 | 645 |
| Contractors | 2 087 | 26 394 | 10 652 | 26 965 | 14 491 | 11 513 | 28 406 | 29 245 | 30 619 |
| Agency and support / outsourced services | - | - | - | - | - | - | - | - | - |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services (including govt motor transport) | 304 | 433 | 235 | 265 | 265 | 204 | 280 | 295 | 309 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | 58 | - | 30 | - | - | - | - | - | - |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | 10 | - | - | - | 11 | 11 | - | - | - |
| Inventory: Chemicals, fuel, oil, gas, wood and coal | - | - | 5 | - | - | (1) | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 40 | 7 | 12 | 20 | 20 | 20 | 21 | 22 | 23 |
| Inventory: Medical supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |
| Medsas inventory interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | - | - | - | - | - |
| Consumable supplies | 129 | 489 | 628 | 663 | 686 | 541 | 700 | 739 | 774 |
| Consumable: Stationery, printing and office supplies | 1 025 | 859 | 769 | 1 030 | 1 030 | 861 | 1 088 | 1 148 | 1 203 |
| Operating leases | 335 | 311 | 41 | 43 | 43 | 87 | 45 | 47 | 49 |
| Property payments | 80 | 3 605 | 5 933 | 5 997 | 2 986 | 600 | 5 858 | 6 775 | 7 093 |
| Transport provided: Departmental activity | 243 466 | 281 741 | 395 341 | 220 265 | 350 265 | 349 779 | 369 012 | 245 253 | 256 780 |
| Travel and subsistence | 9 638 | 4 457 | 5 610 | 4 616 | 4 616 | 4 668 | 5 456 | 5 743 | 6 012 |
| Training and development | 1 175 | 34 | - | 209 | 209 | - | 221 | 233 | 244 |
| Operating payments | 254 | 152 | 120 | 172 | 194 | 280 | 182 | 192 | 201 |
| Venues and facilities | 8 094 | 9 173 | 4 317 | 7 006 | 7 006 | 7 513 | 7 399 | 7 806 | 8 173 |
| Rental and hiring | 445 | 89 | 224 | 278 | 278 | 208 | 293 | 308 | 322 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 1 011 202 | 1 112 468 | 1 390 907 | 1 168 156 | 1 288 156 | 1 288 156 | 1 246 421 | 1 314 974 | 1 309 368 |
| Provinces and municipalities | 11 | - | - | 13 | 13 | 13 | 13 | 13 | 14 |
| Provinces | 11 | - | - | 13 | 13 | 13 | 13 | 13 | 14 |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | 11 | - | - | 13 | 13 | 13 | 13 | 13 | 14 |
| Municipalities | - | - | - | - | - | - | - | - | - |
| Municipalities | - | - | - | - | - | - | - | - | - |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - |
| Departmental agencies and accounts | 4 | - | - | - | - | - | - | - | - |
| Social security funds | - | - | - | - | - | - | - | - | - |
| Entities receiving transfers | 4 | - | - | - | - | - | - | - | - |
| Higher education institutions | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | 1 011 085 | 1 112 412 | 1 390 894 | 1 168 099 | 1 288 099 | 1 288 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Public corporations | - | - | - | - | - | - | - | - | - |
| Subsidies on production | - | - | - | - | - | - | - | - | - |
| Other transfers | - | - | - | - | - | - | - | - | - |
| Private enterprises | 1 011 085 | 1 112 412 | 1 390 894 | 1 168 099 | 1 288 099 | 1 288 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Subsidies on production | 1 011 085 | 1 112 412 | 1 390 894 | 1 168 099 | 1 288 099 | 1 288 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Other transfers | - | - | - | - | - | - | - | - | - |
| Non-profit institutions | - | - | - | - | - | - | - | - | - |
| Households | 102 | 56 | 13 | 44 | 44 | 44 | 46 | 49 | 51 |
| Social benefits | - | 43 | 1 | - | - | - | - | - | - |
| Other transfers to households | 102 | 13 | 12 | 44 | 44 | 44 | 46 | 49 | 51 |
| Payments for capital assets | 78 | 48 | 271 | 112 | 194 | 194 | 191 | 200 | 209 |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 78 | 48 | 271 | 112 | 194 | 194 | 191 | 200 | 209 |
| Transport equipment | - | - | - | 53 | 53 | - | - | - | - |
| Other machinery and equipment | 78 | 48 | 271 | 59 | 141 | 194 | 191 | 200 | 209 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 1 370 460 | 1 510 365 | 1 891 303 | 1 572 919 | 1 739 396 | 1 739 396 | 1 784 593 | 1 740 942 | 1 758 731 |

Table 12.F : Payments and estimates by economic classification: Transport Regulation

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--|-----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 740 750 | 822 745 | 863 258 | 957 772 | 919 168 | 918 375 | 999 135 | 1 057 130 | 1 122 389 |
| Compensation of employees | 552 169 | 590 323 | 612 526 | 686 692 | 672 092 | 663 369 | 684 755 | 731 082 | 783 451 |
| Salaries and wages | 474 773 | 507 288 | 523 891 | 591 657 | 577 057 | 568 791 | 583 720 | 624 047 | 671 385 |
| Social contributions | 77 396 | 83 035 | 88 635 | 95 035 | 95 035 | 94 578 | 101 035 | 107 035 | 112 066 |
| Goods and services | 188 581 | 232 422 | 250 732 | 271 080 | 247 076 | 255 006 | 314 380 | 326 048 | 338 938 |
| Administrative fees | 586 | 834 | 829 | 756 | 528 | 638 | 798 | 841 | 881 |
| Advertising | 53 | 58 | 86 | 79 | 64 | 72 | 83 | 87 | 91 |
| Minor assets | 576 | 460 | 841 | 641 | 1 005 | 1 050 | 677 | 714 | 748 |
| Audit cost: External | 50 | 12 | 18 052 | - | 3 365 | 3 365 | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 380 | 34 | 23 | 54 | 54 | 9 | 57 | 60 | 63 |
| Communication (G&S) | 9 921 | 8 474 | 7 706 | 9 317 | 9 493 | 9 044 | 9 991 | 10 527 | 11 022 |
| Computer services | 7 122 | 8 965 | 35 113 | 17 952 | 15 030 | 18 769 | 35 137 | 32 554 | 31 669 |
| Cons. & prof serv: Business and advisory services | 6 964 | 10 322 | 12 938 | 17 564 | 12 491 | 11 386 | 13 091 | 13 720 | 14 364 |
| Infrastructure and planning | 344 | 493 | 471 | 119 | - | - | 126 | 133 | 139 |
| Laboratory services | - | - | 5 | - | - | 5 | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | 5 394 | 3 912 | 2 429 | 2 246 | 2 894 | 2 539 | 3 335 | 3 502 | 3 667 |
| Contractors | 19 631 | 19 092 | 16 809 | 16 927 | 15 844 | 15 917 | 17 875 | 18 840 | 19 726 |
| Agency and support / outsourced services | 1 115 | 6 | - | - | - | - | - | - | - |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services (including govt motor transport) | 33 542 | 37 912 | 39 277 | 42 062 | 42 232 | 49 261 | 51 773 | 54 263 | 56 813 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | 5 526 | 4 827 | 43 | 11 | 78 | 107 | 21 | 22 | 23 |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | 113 | 104 | 109 | 82 | 140 | 139 | 96 | 101 | 106 |
| Inventory: Chemicals, fuel, oil, gas, wood and coal | 28 | 9 | - | - | - | - | - | - | - |
| Inventory: Learner and teacher support material | - | - | - | - | - | - | - | - | - |
| Inventory: Materials and supplies | 58 | 49 | 164 | 163 | 141 | 128 | 172 | 182 | 191 |
| Inventory: Medical supplies | - | - | - | - | 9 | 9 | - | - | - |
| Inventory: Medicine | - | - | - | - | - | - | - | - | - |
| Medsas inventory interface | - | - | - | - | - | - | - | - | - |
| Inventory: Other supplies | - | - | - | - | 17 | 17 | 20 | 21 | 22 |
| Consumable supplies | 2 277 | 1 604 | 1 504 | 2 012 | 1 239 | 1 024 | 2 334 | 2 462 | 2 577 |
| Consumable: Stationery, printing and office supplies | 11 034 | 16 179 | 18 595 | 23 744 | 22 662 | 22 885 | 25 162 | 26 520 | 27 764 |
| Operating leases | 20 257 | 17 821 | 33 396 | 55 129 | 51 091 | 50 786 | 57 776 | 60 550 | 63 396 |
| Property payments | 35 018 | 81 611 | 43 615 | 51 436 | 47 641 | 47 657 | 61 473 | 64 738 | 67 781 |
| Transport provided: Departmental activity | - | 29 | 164 | 183 | - | - | 193 | 203 | 213 |
| Travel and subsistence | 21 732 | 17 270 | 15 660 | 27 891 | 17 600 | 16 930 | 30 137 | 31 747 | 33 222 |
| Training and development | 355 | 426 | 860 | 905 | 699 | 545 | 956 | 1 008 | 1 055 |
| Operating payments | 1 906 | 1 388 | 1 476 | 1 596 | 1 698 | 1 598 | 1 979 | 2 081 | 2 178 |
| Venues and facilities | 866 | 433 | 290 | 158 | 1 008 | 1 008 | 1 062 | 1 113 | 1 165 |
| Rental and hiring | 3 733 | 98 | 277 | 53 | 53 | 118 | 56 | 59 | 62 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 3 483 | 4 322 | 2 657 | 4 155 | 6 364 | 6 364 | 6 788 | 7 140 | 7 482 |
| Provinces and municipalities | 475 | 601 | 706 | 669 | 669 | 669 | 705 | 744 | 780 |
| Provinces | 475 | 601 | 706 | 669 | 669 | 669 | 705 | 744 | 780 |
| Provincial Revenue Funds | - | - | - | - | - | - | - | - | - |
| Provincial agencies and funds | 475 | 601 | 706 | 669 | 669 | 669 | 705 | 744 | 780 |
| Municipalities | - | - | - | - | - | - | - | - | - |
| Municipalities | - | - | - | - | - | - | - | - | - |
| Municipal agencies and funds | - | - | - | - | - | - | - | - | - |
| Departmental agencies and accounts | 4 | - | - | - | - | - | - | - | - |
| Social security funds | - | - | - | - | - | - | - | - | - |
| Entities receiving transfers | 4 | - | - | - | - | - | - | - | - |
| 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 | - | - | - | - | 2 209 | 2 209 | 2 315 | 2 426 | 2 542 |
| Households | 3 004 | 3 721 | 1 951 | 3 486 | 3 486 | 3 486 | 3 768 | 3 970 | 4 160 |
| Social benefits | 3 004 | 3 721 | 1 951 | 3 486 | 3 486 | 3 486 | 3 768 | 3 970 | 4 160 |
| Other transfers to households | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | 32 961 | 22 201 | 24 845 | 25 486 | 25 404 | 26 197 | 26 887 | 28 340 | 29 667 |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 32 961 | 22 201 | 24 845 | 25 486 | 25 404 | 26 197 | 26 887 | 28 340 | 29 667 |
| Transport equipment | 30 638 | 20 633 | 22 617 | 22 965 | 22 965 | 22 965 | 24 228 | 25 536 | 26 731 |
| Other machinery and equipment | 2 323 | 1 568 | 2 228 | 2 521 | 2 439 | 3 232 | 2 659 | 2 804 | 2 936 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | 868 | 372 | 25 | - | - | - | - | - | - |
| Total | 778 062 | 849 640 | 890 785 | 987 413 | 950 936 | 950 936 | 1 032 810 | 1 092 610 | 1 159 538 |

Table 12.G : Payments and estimates by economic classification: Community Based Programmes

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--|-----------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 32 487 | 33 466 | 50 548 | 39 191 | 39 134 | 39 134 | 41 534 | 44 124 | 46 569 |
| Compensation of employees | 12 806 | 7 769 | 8 622 | 17 462 | 17 462 | 15 636 | 17 454 | 18 656 | 19 901 |
| Salaries and wages | 11 534 | 6 922 | 7 472 | 15 603 | 15 603 | 13 413 | 15 447 | 16 538 | 17 683 |
| Social contributions | 1 272 | 847 | 1 150 | 1 859 | 1 859 | 2 223 | 2 007 | 2 118 | 2 218 |
| Goods and services | 19 681 | 25 697 | 41 926 | 21 729 | 21 672 | 23 498 | 24 080 | 25 468 | 26 668 |
| Administrative fees | 44 | 220 | 60 | 59 | 26 | 114 | 319 | 336 | 352 |
| Advertising | 146 | 6 | - | 216 | - | - | 12 | 12 | 12 |
| Minor assets | - | - | - | - | - | - | - | - | - |
| Audit cost: External | - | - | - | - | - | - | - | - | - |
| Bursaries: Employees | - | - | - | - | - | - | - | - | - |
| Catering: Departmental activities | 13 | 26 | - | 37 | 37 | - | 31 | 33 | 35 |
| Communication (G&S) | 100 | 9 | - | 148 | 47 | 41 | 95 | 100 | 104 |
| Computer services | 303 | 676 | 1 478 | - | 509 | 326 | 793 | 837 | 876 |
| Cons. & prof serv: Business and advisory services | 11 559 | 9 224 | 34 430 | 15 368 | 17 479 | 15 612 | 15 948 | 17 040 | 17 844 |
| Infrastructure and planning | 4 492 | - | - | - | - | - | - | - | - |
| Laboratory services | - | - | - | - | - | - | - | - | - |
| Scientific and technological services | - | - | - | - | - | - | - | - | - |
| Legal services | 619 | - | - | 1 093 | - | - | - | - | - |
| Contractors | - | 10 784 | 4 325 | 16 | 345 | 4 324 | 17 | 18 | 19 |
| Agency and support / outsourced services | 71 | - | - | 84 | - | - | - | - | - |
| Entertainment | - | - | - | - | - | - | - | - | - |
| Fleet services (including govt motor transport) | 68 | 34 | 66 | 32 | 53 | 1 | 39 | 41 | 43 |
| Housing | - | - | - | - | - | - | - | - | - |
| Inventory: Clothing material and accessories | - | - | - | - | - | - | - | - | - |
| Inventory: Farming supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Food and food supplies | - | - | - | - | - | - | - | - | - |
| Inventory: Chemicals, fuel, oil, gas, wood and coal | - | - | - | - | - | - | - | - | - |
| 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 | 41 | 5 | 12 | 14 | 11 | 1 | 7 | 7 | 7 |
| Operating leases | 321 | 45 | - | 394 | 49 | 49 | 153 | 162 | 170 |
| Property payments | - | - | - | - | - | - | - | - | - |
| Transport provided: Departmental activity | - | 2 359 | - | 1 966 | 943 | - | 2 710 | 2 862 | 2 997 |
| Travel and subsistence | 1 846 | 2 261 | 1 535 | 2 219 | 1 882 | 2 778 | 3 900 | 3 961 | 4 147 |
| Training and development | - | 12 | - | - | - | - | 14 | 15 | 16 |
| Operating payments | 58 | 36 | 20 | 83 | 39 | - | 42 | 44 | 46 |
| Venues and facilities | - | - | - | - | 252 | 252 | - | - | - |
| Rental and hiring | - | - | - | - | - | - | - | - | - |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| Rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | - | 815 | 6 | - | - | - | - | - | - |
| 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 | - | 815 | - | - | - | - | - | - | - |
| Public corporations | - | 815 | - | - | - | - | - | - | - |
| Subsidies on production | - | - | - | - | - | - | - | - | - |
| Other transfers | - | 815 | - | - | - | - | - | - | - |
| Private enterprises | - | - | - | - | - | - | - | - | - |
| Subsidies on production | - | - | - | - | - | - | - | - | - |
| Other transfers | - | - | - | - | - | - | - | - | - |
| Non-profit institutions | - | - | - | - | - | - | - | - | - |
| Households | - | - | 6 | - | - | - | - | - | - |
| Social benefits | - | - | 6 | - | - | - | - | - | - |
| Other transfers to households | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | - | - | 80 | - | 57 | 57 | 60 | 60 | 60 |
| Buildings and other fixed structures | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - |
| Other fixed structures | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | - | - | 80 | - | 57 | 57 | 60 | 60 | 60 |
| Transport equipment | - | - | - | - | - | - | - | - | - |
| Other machinery and equipment | - | - | 80 | - | 57 | 57 | 60 | 60 | 60 |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and sub-soil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | 10 | - | 1 972 | - | - | - | - | - | - |
| Total | 32 497 | 34 281 | 52 606 | 39 191 | 39 191 | 39 191 | 41 594 | 44 184 | 46 629 |

Table 12.H : Payments and estimates by economic classification: Conditional grants

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2019/20 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 1 981 433 | 1 862 615 | 1 900 838 | 1 954 458 | 1 956 927 | 1 956 927 | 2 139 665 | 1 842 991 | 1 930 879 |
| Compensation of employees | - | - | - | - | - | - | - | - | - |
| Salaries and wages | - | - | - | - | - | - | - | - | - |
| Social contributions | - | - | - | - | - | - | - | - | - |
| Goods and services | 1 981 433 | 1 862 615 | 1 900 838 | 1 954 458 | 1 956 927 | 1 956 927 | 2 139 665 | 1 842 991 | 1 930 879 |
| 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 | 1 981 433 | 1 862 615 | 1 900 838 | 1 954 458 | 1 956 927 | 1 956 927 | 2 139 665 | 1 842 991 | 1 930 879 |
| 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: Chemicals, fuel, oil, gas, wood and coal | - | - | - | - | - | - | - | - | - |
| 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 | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| 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 | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Public corporations | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Subsidies on production | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| 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 | 2 992 479 | 2 934 054 | 3 006 992 | 3 122 557 | 3 125 026 | 3 125 026 | 3 386 027 | 3 157 903 | 3 240 182 |

Table 12.I : Payments and estimates by economic classification: Provincial Roads Maintenance grant (Prog 2: Transport Infrastructure)

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--------------------------------------|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 1 925 378 | 1 828 970 | 1 826 745 | 1 882 781 | 1 882 781 | 1 882 781 | 2 076 547 | 1 842 991 | 1 930 879 |
| Compensation of employees | - | - | - | - | - | - | - | - | - |
| Goods and services | 1 925 378 | 1 828 970 | 1 826 745 | 1 882 781 | 1 882 781 | 1 882 781 | 2 076 547 | 1 842 991 | 1 930 879 |
| Contractors | 1 925 378 | 1 828 970 | 1 826 745 | 1 882 781 | 1 882 781 | 1 882 781 | 2 076 547 | 1 842 991 | 1 930 879 |
| Transfers and subsidies | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 1 925 378 | 1 828 970 | 1 826 745 | 1 882 781 | 1 882 781 | 1 882 781 | 2 076 547 | 1 842 991 | 1 930 879 |

Table 12.J : Payments and estimates by economic classification: Public Transport Operations grant (Prog 3: Transport Operations)

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|---|------------------|------------------|------------------|--------------------|------------------------|------------------|-----------------------|------------------|------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | - | - | - | - | - | - | - | - | - |
| Compensation of employees | - | - | - | - | - | - | - | - | - |
| Goods and services | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Public corporations and private enterprises | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Private enterprises | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Subsidies on production | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |
| Payments for capital assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 1 011 046 | 1 071 439 | 1 106 154 | 1 168 099 | 1 168 099 | 1 168 099 | 1 246 362 | 1 314 912 | 1 309 303 |

Table 12.K : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces (Prog 2: Transport Infrastructure)

| R thousand | Audited Outcome | | | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates | | |
|--------------------------------------|-----------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|----------|----------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | | 2020/21 | 2021/22 | 2022/23 |
| Current payments | 56 055 | 33 645 | 74 093 | 71 677 | 74 146 | 74 146 | 63 118 | - | - |
| Compensation of employees | - | - | - | - | - | - | - | - | - |
| Goods and services | 56 055 | 33 645 | 74 093 | 71 677 | 74 146 | 74 146 | 63 118 | - | - |
| Contractors | 56 055 | 33 645 | 74 093 | 71 677 | 74 146 | 74 146 | 63 118 | - | - |
| Transfers and subsidies | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 56 055 | 33 645 | 74 093 | 71 677 | 74 146 | 74 146 | 63 118 | - | - |