

VOTE 14

Public Works

Operational budget	R1 776 431 205
MEC remuneration	R 1 977 795
Total amount to be appropriated	R1 778 409 000
Responsible MEC	MEC for Human Settlements and Public Works
Administering department	Public Works
Accounting officer	Head: Public Works

1. Overview

Vision

The department's vision is: *An inclusive economy through sustainable infrastructure development and property management.*

Mission statement

The department's mission is: *To improve the lives of the people in KwaZulu-Natal through sustainable infrastructure development and property management.*

Strategic objectives

Strategic policy direction: The Department of Public Works (DOPW) is an implementing agent of choice for client departments requiring building infrastructure services and property management such as office accommodation. 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. Thus, the department's outcomes are as follows:

- Increased access to economic opportunities to broaden the base of targeted groups for economic empowerment through infrastructure and property management.
- Improved immovable asset management and custodianship of all provincial assets and facilities.
- Provision of sustainable social infrastructure.

These are the core business functions of the department, and are in line with the outcomes in the five-year strategic plan (2020-2025) of the department.

Core functions

In carrying out its mandate, the department undertakes the following core functions:

- The acquisition of public buildings and land.
- The construction of public buildings, involving the physical erection or major improvements in respect of infrastructure in the building environment.
- The maintenance of state buildings including performing the necessary work to keep the required level of operation and the payment of property rates.
- The alienation of public buildings and land, including the disposal of fixed assets by selling, demolition, exchanging and donation.

Legislative mandate

Within the broad statutory mandates of government institutions, the following mandates guide the department's core functions:

- Constitution of the Republic of South Africa (No. 108 of 1996)
- Public Service Act (No. 30 of 2007)
- Public Finance Management Act (No. 1 of 1999, as amended) and the Treasury Regulations
- Government Immovable Asset Management Act (No. 19 of 2007)
- Local Government: Municipal Rates Act (No. 6 of 2004)
- Construction Industry Development Board Act (No. 38 of 2000)
- National Building Regulations and Building Standards Act (No. 103 of 1977)
- Occupational Health and Safety Act (No. 85 of 1993)
- State Land Disposal Act (No. 48 of 1961)
- Prevention of Eviction from and Unlawful Occupation of Land Act (No. 19 of 1998)
- KwaZulu-Natal Land Administration Act (No. 3 of 2003)
- KwaZulu-Natal Heritage Act (No. 10 of 1997)
- Broad Based Black Economic Empowerment Act (No. 53 of 2004)
- Labour Relations Act (No. 66 of 1995)
- Employment Equity Act (No. 55 of 1995)
- Skills Development Act (No. 97 of 1998)
- Basic Conditions of Employment Act (No. 75 of 1997)
- Intergovernmental Relations Framework Act (No. 13 of 2005)
- Preferential Procurement Policy Framework Act (No. 5 of 2000)
- Cross-Boundary Municipalities Laws Repeal and Related Matters Act, as amended (No. 8 of 2009)
- Council for the Built Environment Act (No. 43 of 2000)
- Engineering Profession Act (No. 46 of 2000)
- Architectural Profession Act (No. 44 of 2000)
- Quantity Surveying Profession Act (No. 49 of 2000)
- Project and Construction Management Professions Act (No. 48 of 2000)
- Occupational Injuries and Diseases Act (No. 130 of 1993)
- Deeds Registry Act (No. 47 of 1937)
- Expropriation Act (No. 63 of 1975)
- Environmental Act (No. 107 of 1998)
- Promotion of Administrative Justice Act (No. 53 of 2002)
- Promotion of Access to Information Act (No. 54 of 2006)
- Skills Development Qualification Act (No. 58 of 1995)
- KwaZulu-Natal Ingonyama Trust Amendment Act (No. 9 of 1997)
- South African Schools Act (No. 84 of 1996)
- Cross-boundary Municipalities Laws Repeal Related Matters Act (No. 23 of 2005)
- KwaZulu-Natal Planning and Development Act (No. 6 of 2008)

2. Review of the 2019/20 financial year

Section 2 provides a review of 2019/20, outlining the main achievements and progress made by the department, as well as providing a brief discussion on challenges and new developments.

Delivery of building infrastructure and accommodation

The department had planned to roll-out the implementation of the Infrastructure Progression Model Implementation Plan, as prescribed by National Treasury. It was resolved that an infrastructure implementation plan for the province, which is in line with the Infrastructure Delivery Management System (IDMS) processes, should be developed. The development of this plan is being driven by Provincial Treasury, with input from the department, and is anticipated to be finalised in the fourth quarter of 2019/20.

Expanded Public Works Programme (EPWP)

EPWP is aimed at providing unemployed people with work opportunities and training so that they increase their capacity to earn an income. The department set targets of 6 000 work opportunities and 600 Full Time Equivalents (FTEs) for 2019/20. A total of 916 work opportunities and 144 FTEs were created by the third quarter, and it is envisaged by the department that the set targets will be attained by year-end. The department provided various empowerment interventions to the EPWP beneficiaries, namely, basic financial literacy, Occupational Health and Safety (OHS) and first aid, interview preparation and work ethics.

EPWP schools maintenance programme

The EPWP schools maintenance programme is aimed at assisting poor, non-fee paying schools with basic maintenance of school grounds and buildings to ensure children are able to learn in conducive and clean environments. This is done through the employment of youth beneficiaries at more than 539 schools in the province. These individuals are recruited through the OSS structures and assigned to schools identified by the Department of Education (DOE).

The activities of the programme include basic technical maintenance of schools and repairs to school infrastructure such as repairs to door locks, painting and repairs to roof leakages and broken windows. Further to these activities, the programme also includes school yard maintenance such as grass cutting, gardening, etc., cleaning of classrooms and offices, vegetable gardens, recycling, tree propagating, tree planting and attending training sessions, as well as waste collection and community development services.

The department implemented the EPWP schools maintenance programme across KZN, with 539 beneficiaries captured and validated as at the end of the third quarter. A total of 55 EPWP schools maintenance programme beneficiaries in the Southern region were trained in interview pre-work ethics by the Department of Labour and a total of 102 EPWP schools maintenance workers in the uThukela District were trained on OHS by the Department of Labour.

EPWP provincial co-ordination and monitoring

The department continued with the provincial co-ordination and monitoring of EPWP in the province, including providing support to provincial departments and municipalities. In 2019/20, 61 public bodies reported on EPWP (50 municipalities and 11 provincial departments), against a target of 66 public bodies (54 municipalities and 12 provincial departments). Five public bodies are currently being assisted with the capturing of data onto the EPWP reporting system.

In the beginning of 2019/20, the department planned to increase the target of four interventions to eight. However, the interventions target remained at four and this was achieved. This related to the EPWP Division of Revenue Act (DORA) workshop, the annual EPWP strategic planning session, EPWP reporting system and EPWP data quality and records management session. A total of 138 980 work opportunities were achieved by the third quarter, against a revised target of 121 888. This was reported on the EPWP reporting system by public bodies.

The department continued to have constant engagements with all participating departments and municipalities to ensure that set targets were achieved. A number of strategies to optimise job creation in the province were agreed upon and adopted by all public bodies, and it is anticipated that more employment opportunities will be created going forward.

Finalisation of R293 properties

The transfer of former R293 properties from the three remaining municipalities, namely eNdameni, Nkandla and the Big Five Hlabisa, was not finalised. The process was delayed by appeals. The department intends to have these transfers finalised in 2020/21 once the appeals have been resolved.

Surveying and sub-divisions of State Domestic Facilities (SDFs) on tribal land and farms

The secondment of land surveyors from the Department of Co-operative Governance and Traditional Affairs (COGTA) for surveying and sub-division of SDF on tribal land and farms due to limited capacity in the department did not materialise as anticipated. National Treasury allocated funding for the surveying and sub-division of the SDFs, however, at this stage only Limpopo was identified as a pilot project for both provincial and national SDFs and it is uncertain when KZN will benefit from this funding.

Condition assessments

The department is currently in the process of acquiring professional service providers to undertake planned condition assessments of 337 facilities. It is anticipated that the process of acquiring professional service providers will be finalised by the end of 2019/20.

Izandla Ziyagezana programme

The department continued to contribute to the creation of sustainable jobs through the Izandla Ziyagezana programme. The department has, to date, employed 475 beneficiaries, of which eight people are living with disabilities. A further two sites in Dundee and Nkandla were added to the programme and this contributed positively to poverty alleviation in these areas. The cleaning of schools was only partially extended to four schools in Dundee and Pietermaritzburg due to capacity constraints.

KwaZulu-Natal Infrastructure Master Plan (KZN-IMP)

The hosting environment for the consolidated data platform was developed and installed. In 2020/21, the department will undertake follow-up engagements with Action Work Group (AWG) convenors and selected stakeholders to ensure improvement in data collection for monitoring and co-ordinating infrastructure projects, including a review of the Provincial Spatial Development Framework.

The KZN-IMP was completed and was approved by the Provincial Infrastructure Co-ordination Work Group and Economic Sectors and Infrastructure Development (ESID) Technical Cluster. It is anticipated that the KZN-IMP will be approved by the Provincial Executive Council by the end of 2019/20.

Mayville conference centre dining facility

The Mayville conference centre dining facility project was split into two projects, being the Mayville conference centre: acoustic treatment of iLembe hall, as well as conversion of an existing workshop to a dining facility. The projects were in the construction stage in 2019/20, however, only the acoustic project will achieve practical completion by year-end.

The conversion of the existing workshop to a dining facility project experienced challenges in construction stage due to poor contractor performance, which resulted in the need to terminate the contract. The department is engaging with the principal contractor and has not issued a new tender yet in this regard. The completion of this project is anticipated to be in May 2020.

KZN Entrepreneurial Development Centre

The KZN Entrepreneurial Development Centre (hereafter referred to as the KZN Entrepreneurial Centre) in the Southern region will consist of workshops and training rooms which will be used to provide various training and skills development services to small and medium business enterprises. The project was approved in August 2018, however, the project experienced challenges during the design stage due to delays by the Quantity Surveyor in finalising project documentation. This resulted in the appointment of a new Quantity Surveyor to finalise the documentation and advance the project to construction stage. The project is anticipated to start construction in 2020/21 and be completed in January 2022.

New auditorium and conference centre in the Southern region

The Mayville conference centre could not meet all requests received to book the centre since its inception. As a result, the department decided to embark on providing another conference centre in Pietermaritzburg in order to mitigate these challenges, hence the new auditorium and conference centre project in the Southern region. This project is planned to start in July 2020 and be completed in March 2022.

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 during the year, as well as briefly looking at challenges and proposed new developments. The bulk of the 2020/21 budget in Programme 2 is to cater for municipal property rates, and provides for the GIAMA and

fixed asset register projects, as well as other projects including condition assessments of various properties and infrastructure. The budget against Programme 3 largely caters for various infrastructure projects such as the Southern region auditorium and conference centre, the Mayville conference centre dining facility, the KZN Entrepreneurial Centre in the Southern region, construction of the new iLembe District office and Amawele building in uMlazi.

Delivery of building infrastructure and accommodation

All infrastructure to be delivered will be planned and implemented in line with the IDMS processes. The department expects to roll out the implementation of the Infrastructure Progression Model Implementation Plan, as prescribed by National Treasury. The role of Provincial Treasury will be to assess the Infrastructure Progression Model Implementation Plan budget over the MTEF.

Expanded Public Works Programme

EPWP aims to provide unemployed people with work opportunities and training so that they increase their capacity to earn an income. The department set targets of 4 826 work opportunities and 1 595 FTEs for 2020/21. In addition, the department set a target of three beneficiary empowerment interventions through training in respect of this programme in 2020/21. This training includes, among others, basic financial literacy, OHS and first aid, interview preparation and work ethics.

The department will continue to ensure that EPWP generates work opportunities and creates jobs, which will contribute meaningfully to poverty alleviation. The programme includes beneficiaries living with disabilities. The department plans to provide accredited and non-accredited training to the beneficiaries participating in the EPWP programme.

EPWP maintenance programme

The department will continue to implement the EPWP schools maintenance programme. It is anticipated that this programme will be implemented in over 2 000 schools and vacant sites across all district municipalities in 2020/21.

EPWP provincial co-ordination and monitoring

The department will provide technical support to all provincial departments and municipalities in order to achieve the targets of EPWP work opportunities. The department, as the provincial co-ordinator of EPWP, will ensure that the targeted number of 66 public bodies, made up of 54 municipalities and 12 provincial departments, are reporting on EPWP in 2020/21, as this target was not achieved in 2019/20. The department will continue with the implementation of planned interventions to assist public bodies to report their EPWP achievements. These include conducting the annual DORA workshop, EPWP reporting system training, EPWP district roadshows and quarterly audit working sessions. The department will ensure that the set target of 125 612 work opportunities is achieved in 2020/21.

Finalisation of R293 properties:

The department will continue to attend to the transfer of R293 properties from the names of the municipalities to the name of the KZN provincial government. The department plans to finalise transfers for the remaining three municipalities, namely eNdameni, Nkandla and the Big Five Hlabisa in anticipation that the appeals process is finalised and that the appeals are resolved.

Condition assessments

Condition assessments of 150 facilities are planned for 2020/21, for only state-owned office accommodation. The assessments will assist in identifying building deficiencies and any corrective actions needed. This will ensure that state-owned office accommodation complies with statutory requirements, once the corrective action is implemented.

Izandla Ziyagezana programme

The department will ensure that the Izandla Ziyagezana programme increases the number of beneficiaries with disabilities, through engaging with institutions that care for people living with disabilities, and will continue to explore the extension of the programme to the cleaning of schools in all regions.

KwaZulu-Natal Infrastructure Master Plan (KZN-IMP)

The department will continue implementing the KZN-IMP utilising its Infrastructure Programme Management unit. The department will maintain and update the consolidated data relating to infrastructure on a virtual spatial platform, which will be hosted in a publicly accessible platform to assist decision

makers. The department will undertake follow-up engagements with AWG convenors and selected stakeholders to ensure improvement in data collection for monitoring and co-ordinating programmes/projects, including a review of the Provincial Spatial Development Framework. The department will continue to register and capture catalytic projects for monitoring on a quarterly basis, and will undertake an annual review of the KZN-IMP.

Mayville conference centre dining facility

In 2019/20, the acoustic treatment of iLembe hall will be practically completed, while the conversion of the existing workshop to a dining facility will be at construction stage, and is anticipated to be completed in May 2020. Both iLembe hall and the dining facility will be ready for use in 2020/21.

KZN Entrepreneurial Development Centre

As indicated previously, the project experienced challenges during the design stage, due to delays by the Quantity Surveyor in finalising project documentation. This resulted in the need to appoint a new Quantity Surveyor. The project is anticipated to begin construction in 2020/21, to be completed in January 2022.

New auditorium and conference centre in the Southern region

This project will be at the final design stage, tender documentation and tender process stage. The project is anticipated to be completed in March 2022. This project consists of a main auditorium hall, seating approximately 700 people, as well as three breakaway rooms, seating 50 to 100 people.

4. Reprioritisation

The department undertook reprioritisation within programmes and between economic classifications over the MTEF. The department made extensive movements within *Goods and services*, and between economic categories within Programmes 1 and 3 and details of this reprioritisation are explained as follows:

- In 2020/21, an amount of R8.730 million was reprioritised from *Goods and services* in Programme 3 in respect of maintenance and rehabilitation of landscapes (garden services and horticulture) in respect of the Legislature Assembly (LA) Complex building in Ulundi, since this aspect of the project has come to an end. These funds were reprioritised, as follows:
 - R8.386 million was moved to *Buildings and other fixed structures* within Programme 3 for the replacement of the air-conditioners at the eThekweni regional office, and upgrading the workshops at the Vryheid depot. In addition, provision is made for the upgrade of the Amawele building in uMlazi, and the conversion of an existing workshop to an office for implementation of the Radical Agrarian Socio-Economic Transformation (RASET) programme at the eThekweni regional office. The department will also continue to refurbish the LA Complex building in Ulundi.
 - The balance of R344 000 was moved to *Machinery and equipment* to cater for the purchase of new audio-visual equipment, as well as computer equipment for new employees within Programme 1 (R289 000) and Programme 3 (R55 000).
- In 2021/22, an amount of R4.339 million was moved from *Goods and services* in respect of general repairs and maintenance at the eThekweni regional office, as well as maintenance and rehabilitation of landscapes (garden services and horticulture) in respect of the LA Complex building in Ulundi. These funds were moved within Programme 3, as follows:
 - R4.300 million was reprioritised to *Buildings and other fixed structures* for the completion of the new iLembe District office and the refurbishment of an existing building to convert it to a new auditorium and conference centre in the Southern region. In addition, the department reprioritised funds for the completion of the upgrading of the Vryheid office in the Zululand District and upgrading of the Amawele building in uMlazi.
 - The balance of R39 000 was moved to *Machinery and equipment* to cater for computer equipment for new employees within Programme 3.

In 2019/20, the department shifted funds of R35.718 million from Programme 3 to Programme 2 relating to the GIAMA condition assessments. This function is managed by Programme 2, which is responsible for the immovable asset management services, and this is in terms of the department's organisational structure. The original purpose of the funding remains unchanged.

5. Procurement

The department will continue to develop and implement procurement plans for 2020/21 to ensure that the needs of the organisation are in line with the pillars underpinning the department's strategy, as well as the budget allocated to the department.

The major projects for the department for 2020/21 include capital infrastructure projects such as the completion of refurbishment of an existing building to convert it to the new KZN Entrepreneurial Centre, construction of a new auditorium and conference centre in the Southern region, the implementation of GIAMA projects, as well as conducting current projects such as condition assessments on state owned-office accommodation and leased buildings, property valuations, clearing of vacant sites, and provision of security services in respect of unutilised buildings.

6. Receipts and financing

6.1 Summary of receipts

Table 14.1 indicates the sources of funding for Vote 14 for the period 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 an equitable share, and a national conditional grant allocation in respect of the EPWP Integrated Grant for Provinces.

The department's baseline has increased from R1.433 billion to R1.927 billion over the seven-year period, and shows a steady trend. The department's EPWP Integrated Grant for Provinces' allocation is R4.243 million in 2020/21 and there is no allocation for the outer years of the MTEF at this stage.

Table 14.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Equitable share	1 428 137	1 495 587	1 581 909	1 680 591	1 680 591	1 680 591	1 774 166	1 840 449	1 927 199
Conditional grants	4 471	6 588	6 023	4 726	4 726	4 726	4 243	-	-
EPWP Integrated Grant for Provinces	4 471	6 588	6 023	4 726	4 726	4 726	4 243	-	-
Total receipts	1 432 608	1 502 175	1 587 932	1 685 317	1 685 317	1 685 317	1 778 409	1 840 449	1 927 199
Total payments	1 454 165	1 536 631	1 675 578	1 685 317	2 065 941	2 065 941	1 778 409	1 840 449	1 927 199
Surplus/(Deficit) before financing	(21 557)	(34 456)	(87 646)	-	(380 624)	(380 624)	-	-	-
Financing									
of which									
Provincial roll-overs	974	5 866	1 079	-	-	-	-	-	-
Provincial cash resources	27 106	34 776	92 000	-	380 624	380 624	-	-	-
Surplus/(Deficit) after financing	6 523	6 186	5 433	-	-	-	-	-	-

In 2016/17:

- A roll-over of R974 000 was received for the KZN-IMP relating to the prior year's commitments.
- The department received provincial cash resources of R27.106 million, as follows:
 - R19.220 million for the above-budget 2016 wage adjustment.
 - R7.886 million for the development of the KZN-IMP.
- The 2016/17 budget was under-spent by R6.523 million, largely due to delays in filling posts.

In 2017/18:

- The department received a roll-over of R5.866 million from 2016/17 relating to commitments associated with the development of the KZN-IMP.
- The department received provincial cash resources of R34.776 million, as follows:
 - R4.776 million for the Mayville conference centre for sound-proofing the main facility, and for the conversion of an existing building on the premises into a dining facility. This additional funding was once-off in 2017/18.
 - R30 million to assist with pressures in the payment of property rates. The pressures arose due to high increases in municipal rates by some municipalities, as well as the upgrading of various government buildings, which attract higher property rates.

- The department under-spent by R6.186 million in 2017/18, largely relating to specifically and exclusively appropriated funds in respect of GIAMA projects, the Fixed Asset Register, the Mayville conference centre dining facility, as well as the KZN-IMP due to delays in the implementation of these projects. Also contributing was under-spending against capital infrastructure projects. Mitigating the under-spending to some extent was over-spending due to pressures in respect of property rates, as well as *Payments for financial assets* relating to thefts and losses, which were not budgeted for.

In 2018/19:

- A roll-over of R1.079 million was received from 2017/18 relating to commitments associated with the development of the KZN-IMP.
- The department received provincial cash resources of R92 million to assist with the pressures in the payment of property rates and in respect of outstanding government debt. In this regard, R43.500 million was allocated to settle the shortfall in respect of Section 14 schools relating to 2017 invoices and R48.500 million for outstanding government debts as at 31 March 2015.
- The department under-spent by R5.433 million in 2018/19, mainly against *Buildings and other fixed structures* due to slower than anticipated progress on various projects, largely attributed to poor contractor performance, exacerbated by design co-ordination issues and inclement weather, which collectively caused delays in the construction of the new iLembe District office building, delays in awarding the contract for the LA Complex in Ulundi, as well as the conversion of an existing workshop to a dining facility at the Mayville conference centre. Also contributing were delays due to lengthy procurement processes in appointing the health and safety agent to comply with building industry requirements for the refurbishment of the existing uMgungundlovu District office into the KZN Entrepreneurial Centre.

In 2019/20:

- In the 2019/20 Adjusted Appropriation, the department received provincial cash resources of R380.624 million to assist with the pressures in the payment of property rates in respect of outstanding government debt arising from increases in the market value of properties. The department received the full funding that they requested in this regard.
- The 2019/20 Revised Estimate shows that the department is projecting a balanced budget at the end of 2019/20.

The budget for the Vote as a whole shows steady growth over the MTEF despite the budget cuts of R13.894 million in 2020/21, R35.981 million in 2021/22 and R43.053 million in 2022/23.

6.2 Departmental receipts collection

Table 14.2 reflects the estimated departmental receipts for Vote 14. The main sources of revenue are of a domestic nature and include housing rent, parking, etc. Details are provided in the *Annexure – Vote 14: Public Works*.

Table 14.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	9 079	5 844	8 366	7 376	7 376	10 507	7 844	8 105	8 640
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 874	1 954	1 198	485	485	485	538	570	622
Sale of capital assets	3 781	720	1 966	1 500	1 500	1 500	630	535	940
Transactions in financial assets and liabilities	1 381	513	496	903	903	903	944	946	946
Total	16 115	9 031	12 026	10 264	10 264	13 395	9 956	10 156	11 148

Sale of goods and services other than capital assets comprises parking and state-owned property rentals, tender fees, as well as commission received on PERSAL deductions such as insurance premiums and

garnishee orders. The high collection in 2016/17 is attributed to rental recovered in respect of state accommodation used by SASSA employees. The significant revenue expected in the 2019/20 Revised Estimate is due to higher than anticipated tender fees, as well as rental on non-residential buildings in respect of arrear rental paid by Star College which occupies a state building in Durban. Revenue growth over the MTEF is largely inflationary.

Interest, dividends and rent on land relates mainly to interest earned on outstanding staff debts, interest from trust accounts, as well as the rental from Vodacom for the use of government land to install network towers. The high collection in 2016/17 to 2018/19 was due to interest received from the sale of St Aidan's Hospital, in respect of which funds are held in an interest bearing trust account until the transfer of ownership and the conveyancing process is finalised. The revenue budget grows slowly over the MTEF as a result of difficulty in budgeting for interest on staff debts.

Sale of capital assets relates to the sale of redundant motor vehicles, equipment, as well as the sale of land and buildings. The high collection in 2016/17 is attributed to the sale of land to the South African National Roads Agency Limited (SANRAL), combined with the sale of redundant motor vehicles and equipment. The revenue collected in 2018/19 relates to the sale of land in Ulundi to the NDOPW. This amount also includes revenue from the sale of a residential building in Ulundi to a private organisation. The budget over the MTEF is set in line with the departmental disposal policy.

Transactions in financial assets and liabilities relates to recoveries from previous years' expenditure, such as staff debts, over-payments to suppliers, etc. The fluctuating trend over the seven-year period and low growth over the MTEF is due to the unpredictable nature of these recoveries.

6.3 Donor funding – Nil

7. Payment summary

This section reflects payments and budgeted estimates in terms of programmes and economic classification. Details are given in *Annexure – Vote 14: Public Works*.

7.1 Key assumptions

The following key assumptions have been used to determine the budget:

- In terms of National Treasury guidelines, the cost of living adjustment is 7.3 per cent in 2020/21, 7.3 per cent in 2021/22 and 7.2 per cent in 2022/23, including the 1.5 per cent pay progression. However, the department's *Compensation of employees* budget grows at a rate of 11.6, 5.6 and 5.9 per cent inclusive of the 1.5 per cent annual pay progression, over the 2020/21 MTEF. This means that the budget in 2020/21 largely provides for existing staff, as well as the filling of 63 vacant posts in 2020/21. The 5.6 and 5.9 per cent growth in the outer years of the MTEF is below National Treasury guidelines and will need to be reviewed in the next budget process and is also dependent on whether all 63 vacant posts are filled in 2020/21.
- All inflation related increases are based on CPI projections.
- The updated cost-cutting measures, as re-issued 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.
- The capital budget is based on the department's infrastructure plan.

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

Table 14.3 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 14.3 : 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	-	-	15 040	15 792	16 582
Above-budget wage agreement		-	15 040	15 792	16 582
2019/20 MTEF period		(643)	(682)	(692)	(727)
Budget cut for remuneration of public office bearers		(643)	(682)	(692)	(727)
2020/21 MTEF period			(13 894)	(35 981)	(43 053)
Fiscal consolidation and PES formula update budget cut			(5 629)	(27 432)	(39 494)
Budget cut due to low COE spending			(3 559)	(3 559)	(3 559)
Adjustment to COE (due to revised CPI inflation projections)			(4 706)	(4 990)	-
Total	-	(643)	464	(20 881)	(27 198)

In the 2018/19 MTEF, the department received additional funding of R15.040 million in 2020/21 with carry-through. This additional funding was allocated by National Treasury to provide for the above-budget wage agreement and was proportionately allocated to all 15 Votes.

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

In the 2020/21 MTEF, the following changes are made to the department's budget:

- The department's equitable share is reduced by R5.629 million in 2020/21, R27.432 million in 2021/22 and R39.494 in 2022/23, as a result of fiscal consolidation and PES formula updates budget cuts. In this regard, Programme 1 was cut by R2.741 million, R3.421 million and R4.107 million over the MTEF. These budget cuts were effected against *Goods and services*, largely against fleet services, as well as *Machinery and equipment*, mainly against transport equipment. Programme 3 was cut by R2.888 million, R24.011 million and R35.387 million over the MTEF, largely against *Buildings and other fixed structures*.
- The department's equitable share is further reduced by R3.559 million per annum over the 2020/21 MTEF as a result of the department's low *Compensation of employees* spending. This is effected against *Compensation of employees* in Programme 3.
- The department's equitable share is reduced by R4.706 million in 2020/21 and R4.990 million in 2021/22, related to lowering the CPI projections influencing 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. This budget cut was effected across all programmes under *Compensation of employees*.

Note that additional funding was allocated in the 2012/13 MTEF for improving infrastructure support. Although no longer visible in Table 14.3, this funding was specifically and exclusively appropriated and the department has not yet completed the implementation of its revised infrastructure staffing structure that this funding was intended for. Thus, amounts of R26.883 million, R28.362 million and R29.780 million in 2020/21, 2021/22 and 2022/23, respectively, remain ring-fenced for this purpose.

7.3 Summary by programme and economic classification

Tables 14.4 and 14.5 provide a summary of the Vote's expenditure and budgeted estimates over the MTEF by programme and economic classification, respectively.

The department's structure is currently not in line with the uniform budget and programme structure for the Public Works sector. All programmes are different from the uniform structure except Programme 1 which largely conforms with the programme structure. The department will engage with National Treasury for approval to deviate from the budget structure.

Table 14.4 : Summary of payments and estimates by programme: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Administration	370 859	384 513	415 347	438 080	438 080	451 078	468 290	493 919	522 928
2. Property Management	661 556	700 814	806 924	722 248	1 138 590	1 133 290	800 299	840 403	883 003
3. Provision of Buildings, Structures and Equipment	421 750	451 304	453 307	524 989	489 271	481 573	509 820	506 127	521 268
Total	1 454 165	1 536 631	1 675 578	1 685 317	2 065 941	2 065 941	1 778 409	1 840 449	1 927 199

Table 14.5 : Summary of payments and estimates by economic classification: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Current payments	825 838	836 119	882 188	972 816	975 400	973 218	1 034 729	1 083 281	1 141 748
Compensation of employees	583 373	581 342	617 365	715 107	706 121	692 597	772 606	815 897	864 171
Goods and services	242 462	254 776	264 823	257 709	269 279	280 621	262 123	267 384	277 577
Interest and rent on land	3	1	-	-	-	-	-	-	-
Transfers and subsidies to:	563 612	639 553	744 091	637 811	1 019 951	1 022 133	673 278	706 560	741 907
Provinces and municipalities	553 579	627 881	728 957	629 201	1 009 782	1 009 782	663 675	696 594	731 435
Departmental agencies and accounts	396	415	488	590	590	590	638	658	683
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	88	95	-	-	-	-	-	-	-
Households	9 549	11 162	14 646	8 020	9 579	11 761	8 965	9 308	9 789
Payments for capital assets	54 284	59 872	47 014	74 690	70 590	70 590	70 402	50 608	43 544
Buildings and other fixed structures	32 872	39 546	25 529	54 466	50 366	42 082	51 628	32 186	24 059
Machinery and equipment	13 114	13 764	17 124	14 724	14 724	23 008	12 774	12 070	12 796
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	8 298	6 562	4 361	5 500	5 500	5 500	6 000	6 352	6 689
Payments for financial assets	10 431	1 087	2 285	-	-	-	-	-	-
Total	1 454 165	1 536 631	1 675 578	1 685 317	2 065 941	2 065 941	1 778 409	1 840 449	1 927 199

Programme 1: Administration reflects steady growth. The high 2019/20 Revised Estimate relates to higher than anticipated costs for advertising in respect of tenders, audit costs in respect of the A-G and legal costs. The budget over the MTEF shows steady growth despite the budget cuts of R4.947 million, R5.753 million and R4.107 over the MTEF. The impact of these budget cuts is discussed in Section 8.

Programme 2: Property Management shows an increase in 2017/18 and 2018/19 which relates to increased property rates in the eThekweni region. The substantial increase in 2018/19 was due to additional funding of R92 million that was allocated to address spending pressures in respect of outstanding municipal property rates. Of this funding, R43.500 million was allocated for Section 14 schools relating to 2017 invoices and the balance of R48.500 million was in respect of government debt to municipalities as at March 2015. In the 2019/20 Adjusted Appropriation, additional funding of R380.624 million was allocated to cover the pressures in the payment of property rates in respect of outstanding government debt arising from increases in the market value of properties. The 2019/20 Adjusted Appropriation also reflects a shift of R35.718 million from Programme 3 to Programme 2 relating to GIAMA condition assessments. This function will now be managed by the sub-programme: Personnel and Admin. Related, which is responsible for the immovable asset management services, and this is in terms of the department's organisational structure. The original purpose of the funding remains unchanged. This shift is carried through over the MTEF, but historic figures were not restated. The additional funding of R380.624 million allocated in respect of property rates, as mentioned, explains the substantial increase in both the 2019/20 Adjusted Appropriation and Revised Estimate and also explains the decrease in 2020/21. The bulk of the 2020/21 MTEF budget caters for municipal property rates, as well as the implementation of GIAMA projects such as maintenance, clearing of vacant sites, provision of security services to unutilised buildings and property valuations. The department disposes of properties no longer needed to mitigate pressures in the payment of property rates and this is ongoing. There is steady growth over the MTEF. There is an expected shortfall in 2020/21 on property rates which is not quantifiable at this stage and Provincial Treasury will again be approached to assist with additional funding in the 2020/21 Adjustments Estimate. The department effected budget cuts of R392 000 and R416 000 in 2020/21 and 2021/22 against this programme, respectively, and these are discussed in Section 8.

Programme 3: Provision of Buildings, Structures and Equipment was fairly high in 2017/18, mainly due to the shifting of expenditure in respect of GIAMA projects from Programme 2 for condition assessment valuations. The slight increase in 2018/19 can be ascribed to slower than anticipated progress on capital infrastructure projects, such as the new iLembe District office due to slow progress by the contractor. Also contributing was the KZN Entrepreneurial Centre project, as a result of delays in approving designs, as well as the LA Complex building in Ulundi and urgent building-related emergency works, due to delays in awarding the contract. The substantial decrease in the 2019/20 Adjusted Appropriation was due to a shift of R35.718 million in respect of the GIAMA condition assessment funding which was moved to Programme 2 to ensure alignment with the departmental structure and the original purpose of the funding remains unchanged. This shift is carried through over the MTEF, but historic figures were not restated, as mentioned. The budget over the MTEF caters mainly for infrastructure projects, as explained in Section 7.5. The department effected budget cuts of R8.555 million, R29.812 million and R38.946 million over the MTEF and these are discussed in Section 8.

The increasing trend against *Compensation of employees* from 2016/17 onward is influenced by the carry-through costs of the above-budget wage adjustments, as well as provision for improving infrastructure support. Also contributing was reprioritisation from other categories to cater for various posts. The low spending in 2018/19 was largely as a result of lengthy recruitment processes in the filling of posts. Furthermore, savings were moved from *Compensation of employees* in Programme 3 to offset spending pressures against *Goods and services*. Funding was also moved to cater for higher than anticipated staff exit costs. The decrease in the 2019/20 Adjusted Appropriation and further decrease in the Revised Estimate was largely due to delays in filling vacant posts as a result of lengthy internal recruitment processes. The savings were moved to *Goods and services* to cater for higher than anticipated increases relating to A-G fees and resettlement costs in respect of departmental officials who relocated from Ulundi to Pietermaritzburg. The department receives additional funding in 2020/21 with carry-through to cater for the above-budget wage agreement but this category is also cut by R8.265 million, R8.549 million and R3.559 million over the MTEF due to the budget cuts detailed above. These budget cuts are not likely to impact the filling of posts and this will be monitored in line with natural attrition and retirement. The department has budgeted for the inflationary wage adjustment in line with National Treasury guidelines in 2020/21, as well as for the filling of 63 critical vacant posts. Of these posts, 15 relate to improving infrastructure support in Programme 3. The department's *Compensation of employees* budget grows at a rate of 11.6, 5.6 and 5.9 per cent inclusive of the 1.5 per cent annual pay progression in 2020/21. The 5.6 and 5.9 per cent growth in the outer years is below the growth prescribed by National Treasury and will be reviewed, taking into account progress made with regard to the filling of the 63 posts.

Goods and services was high in 2017/18, mainly due to increased costs of current infrastructure projects. The increase in 2018/19 was for the creation of an additional 1 710 EPWP beneficiary work opportunities, the continued development of the KZN-IMP, and for increased costs in property payments relating to electricity and water for shared services in the LA Complex building. The increase in the 2019/20 Adjusted Appropriation was due to increased costs relating to A-G fees, property payments in respect to electricity and water for shared services in the North Coast region, the LA Complex building in Ulundi, cost of resettlement in respect of departmental officials who relocated from Ulundi to Pietermaritzburg, as well as unplanned maintenance and repair work in the Midlands and Southern regions with regard to departmental buildings. The further increase in the Revised Estimate is caused by higher than anticipated costs relating to advertising in respect of tenders, communication services, legal fees, fleet services including fuel and oil, travel and subsistence. This explains the significant decrease in 2020/21. The budget over the MTEF shows a steady trend. This category was cut by R1.847 million over the MTEF, largely against fleet services. The department will no longer be able to put trackers on the departmental vehicles due to this budget cut.

Interest and rent on land relates to interest on finance leases, as well as interest on overdue water and electricity accounts.

Transfers and subsidies to: Provinces and municipalities shows a fluctuating trend which relates to the payment of property rates. The high spending in 2017/18 was mainly in respect of property rates in the

eThekwini region due to increased property values as per the new valuation roll published in 2017. Additional funding of R92 million was allocated in 2018/19 to address spending pressures relating to the payment of property rates. These pressures arose due to higher than anticipated increases in municipal rates, as well as the upgrading of various government buildings, which then attract higher property rates. Additional funding of R380.624 million was allocated in the 2019/20 Adjusted Appropriation to address spending pressures relating to the arrear payment of property rates. This explains the lower allocation over the MTEF. This category increases steadily over the MTEF, and caters mainly for the payment of property rates, as well as motor vehicle licences. The allocation over the MTEF does not cater for the increased ongoing pressure in the payment of property rates. However, the department is engaging with the NDOPW in this regard, as mentioned. Provincial Treasury will again be approached to assist with additional funding in the 2020/21 Adjustments Estimate, for the anticipated shortfall in 2020/21.

The erratic trend against *Transfers and subsidies to: Departmental agencies and accounts* is largely driven by workmen's compensation payments, which are based on claims related to injuries on duty. This category also provides for the skills development levy.

Transfers and subsidies to: Non-profit institutions relates to donations made to schools and war-rooms in respect of OSS and these are made at the MEC's discretion.

Transfers and subsidies to: Households caters for external bursaries, staff exit costs, as well as injury on duty costs and shows a fluctuating trend due to the unpredictable nature of these costs. The increase in 2017/18 was due to higher than anticipated staff exit costs. The substantially high spending in 2018/19 was mainly attributed to higher than anticipated staff exit costs and unanticipated increases in the number of external bursaries awarded to female students studying towards qualifications in the professional disciplines, such as engineering, architecture and quantity surveying. The high Revised Estimate was due to savings moved from *Compensation of employees* to cater for higher than anticipated staff exit costs. The budget increases steadily over the MTEF and is not affected by the budget cuts.

Buildings and other fixed structures fluctuates over the seven years, as it is based on actual capital infrastructure requirements. The high spending in 2017/18 was due to space planning in the Amauele building in uMlazi, as well as for the provision of a generator for the Midlands regional office. The decrease in 2018/19 was due to slower than anticipated progress, mainly attributed to poor contractor performance, exacerbated by design co-ordination issues and inclement weather, which collectively added to delays in respect of the Durban regional office, which was damaged by floods, as well as the new iLembe District office building. There were also delays in awarding various projects within the LA Complex building in Ulundi, due to delays encountered while trying to secure consultants for emergency work to be undertaken. Savings were also identified as a result of delays in the landscaping project at the LA Complex building, as well as the late awarding of electrical and mechanical contracts at this complex. This explains the low spending in 2018/19. The decrease in the 2019/20 Adjusted Appropriation was largely due to slower than anticipated progress mainly as a result of poor performance by the contractor in the construction of the new iLembe District office building. The MTEF allocations provide for the completion of the new administration wing in the uMgungundlovu District office, construction of the new auditorium and conference centre in the Southern region, the new iLembe District office, as well as the rehabilitation and refurbishment of an existing building into the new KZN Entrepreneurial Centre in the uMgungundlovu District. The MTEF allocations also provide for refurbishment of the existing eThekwini regional office and lecture hall, civil and structural works, internal roads, palisade fencing and emergency water and borehole projects for the LA Complex building, the Mayville conference centre dining facility project, parking and air conditioning in the eThekwini region, as well as upgrades to the Vryheid District and sub-district offices in the North Coast region. This category was cut by R2.888 million, R24.011 million and R35.387 million over each year of the MTEF as a result of fiscal consolidation and PES formula updates budget cuts. The projects that will be slowed down due to budget cuts include the uMgungundlovu conference centre, Amauele building in uMlazi, upgrades to the existing workshop in Vryheid, KZN Entrepreneurial Centre and the conversion of the existing workshop into an office at eThekwini.

Machinery and equipment shows an increase in 2017/18. The spending caters for telecommunication and computer equipment for the department. The high spending in 2018/19 relates to the procurement of

telecommunication equipment in respect of networking and information technology security switches. The trend over the 2020/21 MTEF is in line with the department's actual requirements and provides for telephone network equipment and computer hardware. This category was cut by R894 000, R1.574 million and R1.535 million over the MTEF against transport equipment. The department will purchase fewer departmental vehicles due to this budget cut.

Software and other intangible assets for 2018/19 and over the MTEF provides for the payment of COGNOS user licences, Microsoft software licences and datalines.

The department wrote off various losses against *Payments for financial assets* in 2016/17 to 2018/19.

7.4 Summary of conditional grant payments and estimates

Tables 14.6 and 14.7 relate to the summary of conditional grants receipts and payments.

Note that the historical figures set out in Table 14.6 reflect actual expenditure per grant, and should not be compared to those reflected in Table 14.1, which represent the actual receipts for each grant. Further details are provided in the *Annexure – Vote 14: Public Works*.

The department received funding for the EPWP Integrated Grant for Provinces. This grant is utilised for the EPWP maintenance programme. The department receives R4.243 million in 2020/21 and this allocation is performance based. The budget for this grant is allocated against *Compensation of employees* in Programme 3 with effect from the 2019/20 Adjusted Appropriation. Prior to this, the funds were allocated against *Goods and services*. The stipends are now paid by the department directly to the beneficiaries. The payment of stipends was previously managed by a service provider.

Table 14.6 : 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
EPWP Integrated Grant for Provinces	4 471	6 588	6 023	4 726	4 726	4 726	4 243	-	-
Total	4 471	6 588	6 023	4 726	4 726	4 726	4 243	-	-

Table 14.7 : 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	4 471	6 588	6 023	4 726	4 726	4 726	4 243	-	-
Compensation of employees	-	-	-	-	4 726	4 726	4 243	-	-
Goods and services	4 471	6 588	6 023	4 726	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 471	6 588	6 023	4 726	4 726	4 726	4 243	-	-

7.5 Summary of infrastructure payments and estimates

Table 14.8 presents a summary of infrastructure payments and estimates by category for the Vote. Detailed information on infrastructure will be provided in the *2020/21 Estimates of Capital Expenditure*.

Table 14.8 : 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	45 512	58 600	36 423	39 767	43 867	46 981	53 691	34 392	27 371
Maintenance and repair: Current	17 685	23 421	15 994	15 940	20 040	23 012	16 990	11 500	11 500
Upgrades and additions: Capital	21 349	28 035	13 116	9 500	9 500	9 956	17 160	6 759	4 500
Refurbishment and rehabilitation: Capital	6 478	7 144	7 313	14 327	14 327	14 013	19 541	16 133	11 371
New infrastructure assets: Capital	5 045	4 367	5 100	30 639	26 539	18 113	14 927	9 294	8 188
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Non infrastructure¹	-	-	-	-	-	-	-	-	-
Total	50 557	62 967	41 523	70 406	70 406	65 094	68 618	43 686	35 559
Capital infrastructure	32 872	39 546	25 529	54 466	50 366	42 082	51 628	32 186	24 059
Current infrastructure	17 685	23 421	15 994	15 940	20 040	23 012	16 990	11 500	11 500

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

Maintenance and repair: Current shows a significant increase in 2017/18 relating to higher than anticipated costs of unplanned day-to-day general repairs and maintenance work of dilapidated departmental buildings in the eThekweni region. The low spending in 2018/19 was as a result of delays in the landscaping project at the LA Complex building in Ulundi, as well as the late awarding of electrical and mechanical contracts at this complex, hence funding was moved within *Goods and services* to cater for increased costs against property payments relating to electricity and water for shared services in the LA Complex building and for increased costs related to protective clothing required for the EPWP programme. The budget fluctuates over the MTEF due to planned general maintenance and repairs of buildings in the eThekweni region, the LA Complex building in Ulundi and the Alfred Duma offices in Ladysmith. The negative growth from 2020/21 to 2021/22 is due to the anticipated completion of the landscape project in the LA Complex building in 2020/21. This category is not affected by budget cuts.

Upgrades and additions: Capital fluctuates over the period. The 2016/17 spending was mainly ascribed to the head office, uThukela District office and Vryheid depot projects. The higher spending in 2017/18 relates to the finalisation of space planning in the Amawele building in uMlazi, as well as the provision of a generator for the Midlands regional office. The low spending in 2018/19 was due to slower than anticipated progress, mainly attributed to poor contractor performance, and inclement weather, which collectively added to delays in projects. Over the MTEF, the budget is based on the department's actual capital requirements, and includes upgrades to air conditioning in Ulundi, parking at the eThekweni regional office and Midlands regional offices and the Amawele building in uMlazi, the Mayville conference centre dining facility project at the eThekweni region, as well as the Vryheid carpenter workshop in the North Coast region. It must be noted that no budget cuts were effected against this category in 2020/21 while budget cuts of R8.435 million and R10.036 million were effected against this category in the outer years. This will slow down the upgrades to the Amawele building in uMlazi and to the existing workshop in Vryheid.

Refurbishment and rehabilitation: Capital shows a slight increase in 2018/19 as a result of delays in awarding various projects within the LA Complex building, due to delays in the process encountered while trying to appoint specialised consultants for all work undertaken at this complex. The savings were moved to *Goods and services* to fund continued work on the KZN-IMP. The decreasing trend over the MTEF mainly relates to new projects being slowed down due to budget cuts, such as the rehabilitation and refurbishment of existing facilities in respect of the KZN Entrepreneurial Centre, refurbishment of the existing eThekweni regional office and lecture hall, as well as upgrading water and borehole supply system, internal roads, parking facilities and structural and civil works in the LA Complex building. A budget cut of R12.710 million was effected against this category in 2022/23 and this will impact the conversion of an existing workshop into an office at eThekweni.

The spending against *New infrastructure assets: Capital* in 2016/17 was mainly attributed to drought relief initiatives. The slightly low spending in 2017/18 was mainly due to slower than anticipated progress in the finalisation of the subdivision and zoning of land in respect of the new iLembe District office. The 2019/20 Adjusted Appropriation includes the construction of the new administrative wing in the

uMgungundlovu District office, the new iLembe District office building, the Southern region auditorium and conference centre and air-conditioning for the eThekweni region. The low spending when compared to the 2019/20 Revised Estimate is due to delays in the new iLembe District office project. The decreasing trend over the 2020/21 MTEF is based on the department's actual capital infrastructure requirements including continuing with the construction of the new iLembe District office, the new administration wing in the uMgungundlovu District office, as well as the new auditorium and conference centre in the Southern region. Budget cuts of R2.888 million, R15.576 million and R12.641 million were effected against this category over the MTEF and this will impact the uMgungundlovu conference centre which will be phased in over a longer period.

7.6 Public Private Partnerships (PPPs) – Nil

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

7.8 Transfers to local government

Tables 14.9 and 14.10 indicate transfers to local government.

The transfers are in respect of the payment of property rates to municipalities. Further details of these transfers per category are presented in *Annexure – Vote 14: Public Works*. It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence these are excluded from the tables. The amounts indicated as *Unallocated* relate to property rates for properties owned by the KZN provincial government, but located in other provinces.

Table 14.9 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Category A	254 328	288 527	352 462	278 802	460 957	412 105	294 136	306 605	321 935
Category B	298 954	339 196	376 114	350 131	548 600	597 452	369 388	389 703	409 188
Category C	-	-	-	-	-	-	-	-	-
Unallocated	12	(2)	-	-	-	-	-	-	-
Total	553 294	627 721	728 576	628 933	1 009 557	1 009 557	663 524	696 308	731 123

Table 14.10 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Property rates	Person. & Admin Related	553 294	627 721	728 576	628 933	1 009 557	1 009 557	663 524	696 308	731 123
Total		553 294	627 721	728 576	628 933	1 009 557	1 009 557	663 524	696 308	731 123

The spending in 2016/17 includes arrear payments in respect of property rates for the eThekweni Metro, uMzinyathi, uMkhanyakude, Zululand, King Cetshwayo, iLembe, Amajuba, and Harry Gwala District Municipalities. The significant increase in 2017/18 was due to pressures in respect of property rates in the eThekweni region, as mentioned previously.

The department was allocated additional funding of R380.624 million in the 2019/20 Adjusted Appropriation to fully address the department's spending pressures relating to the payment of property rates. These pressures arose due to higher than anticipated increases in municipal property rates, as well as the upgrading of various government buildings, which then attract higher property rates. This explains the substantially high spending in the Revised Estimate. The budget thereafter follows a steady trend and the provision for the payments of property rates increases at an inflationary rate over the MTEF. Provincial Treasury will again be approached to assist with additional funding in the 2020/21 Adjustments Estimate, for the anticipated shortfall in 2020/21 on property rates.

7.9 Transfers and subsidies

Table 14.11 is a summary of *Transfers and subsidies* per programme.

Table 14.11 : 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	5 894	8 365	11 118	7 620	8 038	8 038	7 763	8 326	8 851
Provinces and municipalities	285	160	381	268	225	225	151	286	312
Motor vehicle licences	285	160	381	268	225	225	151	286	312
Departmental agencies and accounts	396	415	488	529	529	529	575	597	620
Social security funds - Comp. Commissioner	-	-	-	14	14	14	8	24	14
Skills development levy	396	415	488	515	515	515	567	573	606
Non-profit institutions	88	95	-	-	-	-	-	-	-
NPI: Donations and gifts	88	95	-	-	-	-	-	-	-
Households	5 125	7 695	10 249	6 823	7 284	7 284	7 037	7 443	7 919
Bursaries: Non employees	2 485	4 964	8 101	6 214	4 478	3 958	6 525	6 851	7 296
Staff exit costs	2 640	2 731	2 148	609	2 806	3 326	512	592	623
2. Property Management	553 398	627 878	729 034	628 968	1 009 670	1 009 868	663 559	696 340	731 155
Provinces and municipalities	553 294	627 721	728 576	628 933	1 009 557	1 009 557	663 524	696 308	731 123
Municipalities - Property rates	553 294	627 721	728 576	628 933	1 009 557	1 009 557	663 524	696 308	731 123
Departmental agencies and accounts	-	-	-	5	5	5	5	-	-
Social security funds - Comp. Commissioner	-	-	-	5	5	5	5	-	-
Households	104	157	458	30	108	306	30	32	32
Staff exit costs	104	157	458	30	108	306	30	32	32
3. Provision of Buildings, Structures and Equipment	4 320	3 310	3 939	1 223	2 243	4 227	1 956	1 894	1 901
Departmental agencies and accounts	-	-	-	56	56	56	58	61	63
Social security funds - Comp. Commissioner	-	-	-	56	56	56	58	61	63
Households	4 320	3 310	3 939	1 167	2 187	4 171	1 898	1 833	1 838
Staff exit costs	4 122	3 310	3 939	1 167	2 187	4 171	1 898	1 833	1 838
Injury on duty	198	-	-	-	-	-	-	-	-
Total	563 612	639 553	744 091	637 811	1 019 951	1 022 133	673 278	706 560	741 907

Provinces and municipalities in Programme 1 reflects the payment of motor vehicle licences.

Departmental agencies and accounts in all programmes relates to workmen's compensation, with no payments shown in the prior years due to no relevant incidents occurring. The allocation in Programme 1 also caters for the skills development levy transfer to PSETA.

Spending against *Non-profit institutions* under Programme 1 relates to donations made to schools and war-rooms in respect of OSS and these are made at the MEC's discretion.

The fluctuating trend against *Households* in all programmes can be ascribed to the unpredictable nature of staff exit costs. The significant increase in 2017/18 is due to spending pressures because of the decision to fund more bursaries, as mentioned previously, and this also explains the significant increase in 2018/19. This decision is carried through over the MTEF and allocations increase steadily and cater for external bursaries, as well as staff exit costs.

The high amount against *Provinces and municipalities* in 2017/18 in respect of Programme 2 includes arrear payments in respect of property rates, as mentioned. The pressures arose due to high increases in municipal rates by some municipalities, as well as the upgrading of various government buildings, which attract higher property rates. The high spending in 2018/19 is mainly attributed to property rates in the eThekweni region due to increased values of property rates as per the new valuation roll published in 2017. The department received additional funding of R380.624 million in the 2019/20 Adjusted Appropriation to address spending pressures in property rates. This explains the lower allocations over the MTEF compared to the 2019/20 Adjusted Appropriation and Revised Estimate. Provincial Treasury will again be approached to assist with additional funding in the 2020/21 Adjustments Estimate, for anticipated shortfalls in the 2020/21 property rates.

8. Programme description

The services rendered by the department are categorised under three programmes, the details of which are provided below. The information for each programme is summarised in terms of sub-programmes and economic classification. As mentioned, the department's structure is currently not in line with the uniform budget and programme structure for the Public Works sector. Programme 1 largely conforms to the uniform budget and programme structure, but Programmes 2 and 3 do not conform. Details according to the economic classification are given in the *Annexure – Vote 14: Public Works*.

8.1 Programme 1: Administration

The main objectives are to provide strategic leadership and management support to the MEC, to build a positive corporate culture, to render support and advice in terms of human resource practices, all legal matters, security and logistics and effective communication and information management systems, render sound financial management services, risk management and supply chain management.

Tables 14.12 and 14.13 summarise expenditure and budgeted estimates relating to Programme 1: Administration, for the financial years 2016/17 to 2022/23. The department effected budget cuts in Programme 1 under the sub-programme: Management against *Compensation of employees, Goods and services* and *Machinery and equipment*. In this regard, budget cuts of R4.947 million in 2020/21, R5.753 million in 2021/22 and R5.753 million in 2022/23 were effected against this programme.

Table 14.12 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Minister Support	14 772	11 070	10 596	13 527	12 727	11 747	14 491	15 259	15 991
2. Management	356 087	373 443	404 751	424 553	425 353	439 331	453 799	478 660	506 937
Total	370 859	384 513	415 347	438 080	438 080	451 078	468 290	493 919	522 928

Table 14.13 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Current payments	344 810	355 776	383 856	411 399	410 981	417 841	442 420	467 433	495 345
Compensation of employees	272 618	284 716	303 060	332 152	324 984	321 394	361 909	382 998	408 030
Goods and services	72 189	71 059	80 796	79 247	85 997	96 447	80 511	84 435	87 315
Interest and rent on land	3	1	-	-	-	-	-	-	-
Transfers and subsidies to:	5 894	8 365	11 118	7 620	8 038	8 038	7 763	8 326	8 851
Provinces and municipalities	285	160	381	268	225	225	151	286	312
Departmental agencies and accounts	396	415	488	529	529	529	575	597	620
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	88	95	-	-	-	-	-	-	-
Households	5 125	7 695	10 249	6 823	7 284	7 284	7 037	7 443	7 919
Payments for capital assets	20 109	20 238	20 186	19 061	19 061	25 199	18 107	18 160	18 732
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 811	13 676	15 825	13 561	13 561	19 699	12 107	11 808	12 043
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	8 298	6 562	4 361	5 500	5 500	5 500	6 000	6 352	6 689
Payments for financial assets	46	134	187	-	-	-	-	-	-
Total	370 859	384 513	415 347	438 080	438 080	451 078	468 290	493 919	522 928

The sub-programme: Minister Support provides support including administrative, operations, protocol, security, parliamentary liaison and communication to the MEC. The department shares a joint ministry with Vote 8: Human Settlements. The budget over the 2020/21 MTEF provides for operational costs, as well as marketing costs mainly in respect of SABC media, newspaper advertisements costs, and printing costs. This sub-programme reflects steady growth over the MTEF. No budget cuts were effected against this sub-programme.

The sub-programme: Management includes financial management services, risk management, SCM and corporate services. These units provide support and advice in terms of human resource practices, all legal matters, security and logistics, as well as communication and information management systems. This sub-programme shows steady growth over the MTEF. Budget cuts of R4.947 million in 2020/21, R5.753 million in 2021/22, and R4.107 million in 2022/23 were effected against this sub-programme, and the impact is explained at economic classification below. This sub-programme was also affected by reprioritisation from Programme 3 under *Good and services* to *Machinery and equipment* and this is also explained at economic classification level.

With regard to *Compensation of employees*, the MTEF growth is at 12.9 per cent, 5.8 per cent and 6.5 per cent, which is higher than the amount prescribed by National Treasury in 2020/21 only, and

includes the 1.5 per cent pay progression, which means that the department has effectively budgeted for the wage increment in 2020/21 only. However, considering that the department plans to fill 40 vacant posts in 2020/21, growth of 12.9 per cent does not seem adequate. The 5.8 per cent growth in 2021/22 is below the growth prescribed by National Treasury and will be reviewed. This programme receives additional funding of R7.052 million in 2020/21 to cater for the above budget wage agreement, contributing to the increase in that year. This category was cut by R2.206 million and R2.332 million in 2020/21 and 2021/22, respectively. This relates to lowering the CPI projections influencing the growth in *Compensation of employees* and therefore will not impact on filling of vacant posts.

Goods and services caters for the operational costs for this programme, including computer services for SITA costs in respect of network maintenance, communication, fleet services, cost for fuel and oil, repairs for departmental vehicles and agency and support/outsourced services. In addition, this category includes the appointment of consultants to assist the department in the preparation of their immovable asset register and financial statements, audit costs, as well as training and development. The MTEF caters for the above activities. This category was cut by R1.847 million over the MTEF largely against fleet services. The department will no longer be able to put trackers on departmental vehicles due to this budget cut, as mentioned.

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

Transfers and subsidies to: Departmental agencies and accounts caters for the skills development levy and workmen's compensation.

Transfers and subsidies to: Non-profit institutions relates to donations made to schools and war-rooms in respect of OSS and these are made at the MEC's discretion.

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

Machinery and equipment provides for telecommunication and computer hardware equipment. This category was cut by R894 000, R1.574 million and R2.260 million each year over the MTEF against transport equipment. The department will purchase fewer departmental vehicles due to this budget cut, as mentioned. An amount of R289 000 was reprioritised from Programme 3 under *Goods and services* to this category to cater for the purchase of new audio-visual equipment, as well as computer equipment for new employees in 2020/21.

Software and other intangible assets provides for the purchase of COGNOS user licences, Microsoft software licences and datalines.

8.2 Programme 2: Property Management

The main purpose of Programme 2 is to provide and facilitate the provision of accommodation and integrated property management services to clients through planned property life cycle (acquisition, management, maintenance and disposal), optimal utilisation of immovable assets, land valuation, maintenance of the Fixed Asset Register, payment of property rates and integrated service delivery and includes the GIAMA conditional assessments budget. Programme 2 also includes the leasing of buildings.

Tables 14.14 and 14.15 summarise payments and budgeted estimates from 2016/17 to 2022/23.

The department effected budget cuts in Programme 2 under the sub-programme: Personnel and Admin Related against *Compensation of employees*. In this regard, budget cuts of R392 000 in 2020/21 and R416 000 in 2021/22 were effected against this programme. These relate to lowering the CPI projections. The 2019/20 Adjusted Appropriation reflects a shift of R35.718 million from Programme 3 to Programme 2 relating to GIAMA condition assessments. This function will now be managed by the sub-programme: Personnel and Admin Related under *Goods and services*, which is responsible for the immovable asset management services, and this is in terms of the department's organisational structure. The original purpose of the funding remains unchanged. This shift is carried through over the MTEF, but historic figures were not restated.

Table 14.14 : Summary of payments and estimates by sub-programme: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Personnel and Admin Related	659 343	700 746	806 799	721 959	1 138 101	1 132 851	799 661	839 756	882 350
2. Hiring	2 115	28	-	-	200	200	-	-	-
3. Acquisition of Land, Control and Disposal	98	40	125	289	289	239	638	647	653
Total	661 556	700 814	806 924	722 248	1 138 590	1 133 290	800 299	840 403	883 003

Table 14.15 : Summary of payments and estimates by economic classification: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Current payments	107 623	72 936	77 761	93 230	128 870	123 326	136 740	144 063	151 848
Compensation of employees	49 106	52 195	54 662	60 115	59 991	57 537	64 221	68 386	72 752
Goods and services	58 517	20 741	23 099	33 115	68 879	65 789	72 519	75 677	79 096
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	553 398	627 878	729 034	628 968	1 009 670	1 009 868	663 559	696 340	731 155
Provinces and municipalities	553 294	627 721	728 576	628 933	1 009 557	1 009 557	663 524	696 308	731 123
Departmental agencies and accounts	-	-	-	5	5	5	5	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	104	157	458	30	108	306	30	32	32
Payments for capital assets	44	-	129	50	50	96	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	44	-	129	50	50	96	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	491	-	-	-	-	-	-	-	-
Total	661 556	700 814	806 924	722 248	1 138 590	1 133 290	800 299	840 403	883 003

The sub-programme: Personnel and Admin Related provides for the management of immovable assets in terms of GIAMA and manages the payment of property rates. The MTEF allocations cater for property rates, the Fixed Asset Register project, the continued implementation of GIAMA projects including clearing of vacant sites, provision of security services to unutilised buildings, as well as property valuations. The department received R380.624 million in 2019/20 in respect of property rates to address spending pressures, which explains the lower allocation in 2020/21. This sub-programme shows steady growth over the 2020/21 MTEF. Budget cuts of R392 000 in 2020/21 and R416 000 in 2021/22 were effected against this sub-programme, explained under *Compensation of employees* below. The 2019/20 Adjusted Appropriation reflects a shift of R35.718 million from Programme 3 relating to GIAMA condition assessments. This function will now be managed by this sub-programme under *Goods and services*. The original purpose of the funding remains unchanged. This shift is carried through over the MTEF, but historic figures were not restated.

The sub-programme: Hiring provides for hiring of accommodation for the department. This sub-programme has no allocation over the MTEF due to the completion of the uMzinyathi District office in 2017/18. Currently, all of the DOPW's office buildings are state-owned. No budget cuts were effected against this sub-programme.

The sub-programme: Acquisition of Land, Control and Disposal manages property needs for provincial departments with respect to property acquisitions, disposal and lettings. The budget caters for business and advisory service costs incurred when acquiring or disposing of property. No budget cuts were effected against this sub-programme.

Compensation of employees growth is at 11.2 per cent, 6.5 per cent and 6.4 per cent over the MTEF, which is largely in line with the growth prescribed by National Treasury and the 1.5 per cent pay progression. The 6.5 per cent and 6.4 per cent growth in the two outer years, respectively, is slightly below the growth prescribed rate by National Treasury and will be reviewed. The department intends to fill six vacant posts in this programme, hence the growth of 11.2 per cent in the first year of the MTEF. The department has effectively budgeted for salary increases for the existing staff, as well as for filling six vacant posts. Thereafter, the growth for this category will be reviewed by the department in 2021/22. It

is noted that the department allocated R1.251 million to this programme in 2020/21, being a portion of the additional allocation for the above-budget wage agreement. This category was cut by R392 000 and R416 000 in 2020/21 and 2021/22, respectively, which relates to lowering the CPI projections influencing the growth in *Compensation of employees*, and therefore does not impact on the filling of posts.

Goods and services includes the budget for the implementation of GIAMA projects such as property valuations, clearing of vacant sites, as well as the provision of security services to unutilised buildings. This category shows healthy growth over the MTEF. The department undertook reprioritisation to this category from Programme 3 under *Goods and services* to cater for GIAMA projects, as mentioned. The 2019/20 Adjusted Appropriation reflects a shift of R35.718 million from Programme 3 relating to GIAMA condition assessments. This function will now be managed by the sub-programme: Personnel and Admin Related under this category. The original purpose of the funding remains unchanged. This shift is carried through over the MTEF, but historic figures were not restated, as mentioned.

Transfers and subsidies to: Provinces and municipalities relates to property rates to be paid to municipalities. The allocation over the MTEF does not cater for the increased pressure in the payment of property rates. However, Provincial Treasury will again be approached to assist with additional funding in the 2020/21 Adjustments Estimate, for the anticipated shortfall in 2020/21 on property rates.

Transfers and subsidies to: Departmental agencies and accounts caters for the payment of workmen's compensation.

Transfers and subsidies to: Households provides for staff exit costs.

Machinery and equipment in 2019/20 is linked to actual requirements in respect of computer equipment.

Service delivery measures: Property Management

Table 14.16 reflects the service delivery measures for Programme 2. The department has extensively reviewed their outputs over the MTEF and, as such, there has been an introduction of new outputs in 2019/20 and over the MTEF indicated by "New" in the Estimated performance column.

Table 14.16 : Service delivery measures: Property Management

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2019/20	2020/21	2021/22	2022/23	
1. Improved immovable asset management and custodianship of all provincial assets and facilities	• No. of conditional assessments finalised on state owned buildings	150	150	150	200	
	• No. of immovable assets verified in line with National Treasury minimum requirements of immovable Asset Register	New	250	250	250	
	• No. of municipalities with standardised property rates tariffs	New	5	5	5	
2. Increase access to economic opportunities to broaden the base of targeted groups for economic empowerment through infrastructure and property management	• No. of properties disposed to targeted groups	New	50	-	-	
	• No. of properties hired from targeted groups	New	4	6	8	

8.3 Programme 3: Provision of Buildings, Structures and Equipment

The main purpose of this programme is the erection and/or acquisition of buildings, structures and engineering works and the maintenance of buildings to client specifications. The core services are:

- Improving integrated service delivery in the provision of buildings and structures.
- Creating jobs through EPWP initiatives, as well as provincial co-ordination of EPWP.
- Creating an enabling environment for affirmable business enterprises.
- Initiating and co-ordinating strategic partnerships.
- Co-ordinating and aligning operational activities in line with municipal demarcations.

Tables 14.17 and 14.18 summarise payments and budgeted estimates relating to Programme 3 for the period 2016/17 to 2022/23. The department effected budget cuts of R8.555 million in 2020/21, R29.812 million in 2021/22 and R38.946 million in 2022/23 in Programme 3 under all sub-programmes against *Compensation of employees, Goods and services* and *Buildings and other fixed structures*. The Adjusted Appropriation shows a decrease due to a shift of R35.718 million from sub-programme: Personnel and Admin Related within *Goods and services* in respect of the GIAMA condition assessment funding which was moved to Programme 2 under *Goods and services* to ensure alignment with the departmental structure and the original purpose of the funding remains unchanged. This shift is carried through over the MTEF and historic figures were not restated, as mentioned. The department reprioritised R8.730 million and R4.339 million in 2020/21 and 2021/22, respectively, from *Goods and services* to *Buildings and other fixed structures* and *Machinery and equipment* mainly within this programme.

Table 14.17 : Summary of payments and estimates by sub-programme: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Personnel and Admin Related	361 664	387 335	409 711	454 552	418 834	416 448	441 156	462 393	485 658
2. Buildings and Structures	60 086	63 969	43 596	70 437	70 437	65 125	68 664	43 734	35 610
Total	421 750	451 304	453 307	524 989	489 271	481 573	509 820	506 127	521 268

Table 14.18 : Summary of payments and estimates by economic classification: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Current payments	373 405	407 407	420 571	468 187	435 549	432 051	455 569	471 785	494 555
Compensation of employees	261 649	244 431	259 643	322 840	321 146	313 666	346 476	364 513	383 389
Goods and services	111 756	162 976	160 928	145 347	114 403	118 385	109 093	107 272	111 166
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	4 320	3 310	3 939	1 223	2 243	4 227	1 956	1 894	1 901
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	56	56	56	58	61	63
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	4 320	3 310	3 939	1 167	2 187	4 171	1 898	1 833	1 838
Payments for capital assets	34 131	39 634	26 699	55 579	51 479	45 295	52 295	32 448	24 812
Buildings and other fixed structures	32 872	39 546	25 529	54 466	50 366	42 082	51 628	32 186	24 059
Machinery and equipment	1 259	88	1 170	1 113	1 113	3 213	667	262	753
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	9 894	953	2 098	-	-	-	-	-	-
Total	421 750	451 304	453 307	524 989	489 271	481 573	509 820	506 127	521 268

The sub-programme: Personnel and Admin Related provides for the maintenance of the department's buildings and the maintenance of buildings to client specification. The MTEF allocations grow steadily and include the funds ring-fenced for improving infrastructure support. Also catered for is the EPWP maintenance programme, Youth Environmental Service programme and provincial co-ordination and monitoring of the EPWP. Budget cuts of R5.667 million in 2020/21, R5.801 million in 2021/22 and R3.559 million in 2022/23 were effected against this sub-programme, and these are explained at economic classification level. The Adjusted Appropriation shows a decrease due to a shift of R35.718 million from this sub-programme within *Goods and services* in respect of the GIAMA condition assessment funding which was moved to Programme 2 under *Goods and services* to ensure alignment with the departmental structure and the original purpose of the funding remains unchanged. This shift is carried through over the MTEF, but historic figures were not restated in this regard.

The sub-programme: Buildings and Structures deals with the construction, upgrading or refurbishment of the department's capital infrastructure. The budget shows a steady trend over the MTEF, and is based on the department's actual capital infrastructure requirements, including new and carry-through costs of projects such as the construction of the new iLembe District office, the construction of the new administration wing in the uMgungundlovu District office, as well as the construction of the new auditorium and conference centre in the Southern region. It also caters for the refurbishment of an existing

building into the KZN Entrepreneurial Centre in the uMgungundlovu District, the replacement of the palisade fencing in respect of the LA Complex building in Ulundi, the refurbishment of the existing eThekweni regional office and the Mayville conference centre projects, upgrading of the carpenter workshop in Vryheid, as well as the upgrading of the Amawele building in uMlazi. The department received once-off additional funding of R4.776 million in 2017/18 for the Mayville conference centre dining facility, and this project is anticipated to be completed in 2020/21. Budget cuts of R2.888 million in 2020/21 and R24.011 million in 2021/22 were effected against this sub-programme, and these are detailed below. This sub-programme was affected by internal reprioritisation from *Good and services* to *Buildings and other fixed structures* and *Machinery and equipment*, and these are explained at economic classification level.

The budget for *Compensation of employees* grows at 10.2 per cent, 5.2 per cent and 5.2 per cent for each of the three years of the MTEF, respectively. The 5.2 per cent growth in the outer years is below the growth prescribed by National Treasury and will be reviewed, also considering that the EPWP is not yet allocated in the outer years. The allocation includes improving infrastructure support funding, where funding over the MTEF remains ring-fenced for this purpose. The department is planning to fill 17 posts in 2020/21, including professional posts related to infrastructure support. However, considering the number of posts that the department plans to fill, growth of 10.2 per cent does not seem adequate and this will need to be reviewed, taking into account progress made with regard to the filling of posts. The programme receives additional funding of R6.737 million in 2020/21 to cater for the above-budget wage agreement. This category was cut by R5.667 million in 2020/21, R5.801 million in 2021/22 and R3.559 million in 2022/23, respectively. These budget cuts are not likely to affect the filling of posts and these will be monitored in line with natural attrition and retirement.

Goods and services includes provision for the maintenance and repairs of the department's infrastructure. The department received R6.023 million for the EPWP Integrated Grant for Provinces in 2018/19 and R4.726 million in 2019/20 and this was allocated to *Compensation of employees* from the 2019/20 Adjusted Appropriation and in 2020/21. Provision is also made for EPWP co-ordination, property payments for security services, and water and electricity costs. The Adjusted Appropriation shows a decrease due to a shift of R35.718 million from the sub-programme: Personnel and Admin Related within this category in respect of the GIAMA condition assessment funding which was moved to Programme 2 under the same category to ensure alignment with the departmental structure and the original purpose of the funding remains unchanged. This shift is carried through over the MTEF, but historic figures were not restated in this regard. The negative growth from 2020/21 to 2021/22 is due to the planned completion of the Mayville dining facility project, as well as the landscape project in the LA Complex building in Ulundi in 2020/21. In 2020/21 and 2021/22, amounts of R8.730 and R4.339 million, respectively, were reprioritised from this category to *Buildings and other fixed structures* and *Machinery and equipment*, and this is largely explained below.

Transfers and subsidies to: Departmental agencies and accounts relates to workmen's compensation.

Transfers and subsidies to: Households is largely ascribed to staff exit costs.

Buildings and other fixed structures fluctuates over the MTEF, based on actual infrastructure requirements and provides for the construction of the new iLembe District office, the new administration wing in the uMgungundlovu District office, the new auditorium and conference centre in the Southern region, as well as the refurbishment of an existing building into the KZN Entrepreneurial Centre in the uMgungundlovu District. It also caters for the refurbishment of the existing eThekweni regional office, the replacement of the palisade fencing at the LA Complex building, the Mayville conference centre dining facility project, upgrading of the carpenter workshop in Vryheid, as well as the refurbishment of the Amawele building in uMlazi, as mentioned. This category was cut by R2.888 million, R24.011 million and R35.387 million over the MTEF as a result of fiscal consolidation and PES formula updates budget cuts. The projects that will be slowed down due to budget cuts include the uMgungundlovu conference centre, Amawele building in uMlazi, upgrades to the existing workshop in Vryheid, the KZN Entrepreneurial Centre and the conversion of the existing workshop into an office at eThekweni. In 2020/21, an amount of R8.386 million was reprioritised to this category from *Goods and services* to cater for the replacement of the air-conditioners at the eThekweni regional office, upgrading of the Amawele building in uMlazi and the conversion of an existing workshop to an office at the eThekweni regional office. In 2021/22, an amount of

R4.300 million was reprioritised to this category from *Goods and services* to cater for the completion of the new iLembe District office, upgrades to Amawele building in uMlazi, as well as the conversion of an existing building into a new auditorium and conference centre in the Southern region.

Machinery and equipment fluctuates, and this is based on requirements for both head office and districts. The high growth in 2018/19 was in line with the filling of posts and provision of computer equipment for new staff. The budget over the MTEF caters for the replacement of computer equipment. Amounts of R55 000 and R39 000 in 2020/21 and 2021/22, respectively, were reprioritised within Programme 3 from *Goods and services* to this category to cater for the purchase of new audio-visual equipment, as well as computer equipment for new employees.

Service delivery measures: Provision of Buildings, Structures and Equipment

The department has provided several service delivery measures for Programme 3, which are a combination of sectoral and non-sectoral measures, reflected in Table 14.19. The department has extensively reviewed their outputs over the MTEF and, as such, there has been an introduction of new outputs in 2019/20 and over the MTEF indicated by “New” in the Estimated performance column.

Table 14.19 : Service delivery measures: Provision of Buildings, Structures and Equipment

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2019/20	2020/21	2021/22	2022/23	
1. Improved service delivery through integrated infrastructure planning and implementation	• No. of capital infrastructure projects completed	New	140	140	140	
	• No. of planned maintenance infrastructure projects completed	20	75	75	75	
	• No. of EPWP work opportunities created by DOPW	New	6 000	6 000	6 000	
	• No. of Full Time Equivalent (FET) created by DOPW	New	600	600	600	
	• No. of provincial EPWP work opportunities created by public bodies	New	128 000	128 000	128 000	
2. Increase access to economic opportunities to broaden the base of targeted groups for economic empowerment through infrastructure and property management	• No. of emerging contractors trained on business skills	New	300	300	300	
	• No. of enterprise development involving EPWP participants on the start and improve your business programme	New	180	180	180	
	• No. of projects awarded to women owned companies	New	130	130	130	
	• No. of projects awarded to Military Veterans owned companies	New	112	112	112	
	• No. of projects awarded to youth owned companies	New	150	150	150	

9. Other programme information

9.1 Personnel numbers and costs

Table 14.20 illustrates the detail of the department’s approved establishment and personnel numbers and gives a breakdown of employee dispensation classification. The decline from 2016/17 to 2018/19 relates to delays in the filling of vacant critical posts, as well as the moratorium on the filling of non-critical posts. The department anticipates to fill 63 vacant posts such as Engineers, Quantity Surveyors and other critical vacant posts in 2020/21. The *Compensation of employees* budget grows at 11.6, 5.6 and 5.9 per cent, inclusive of the 1.5 per cent annual pay progression, for each of the three years of the MTEF, respectively, and provides for existing staff, as well as the filling of 63 vacant posts. The growth in the outer years is below National Treasury guidelines and will be reviewed in the next budget process, and taking into account progress made with the filling of vacant posts.

The department implemented budget cuts against *Compensation of employees* as follows:

- The department’s equitable share is reduced by R3.559 million per annum over the 2020/21 MTEF as a result of budget cuts due to the department’s low *Compensation of employees* spending. This is effected against *Compensation of employees* in Programme 3. The department has indicated that there is no impact at this stage, as the budget cuts will be offset by natural attrition.
- The department’s equitable share is reduced by R4.706 million in 2020/21 and R4.990 million in 2021/22, related to lowering the CPI projections influencing 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. In 2020/21, *Compensation of employees* was cut by R2.206 million, R392 000, and R2.108 million against Programme 1, Programme 2 and Programme 3, respectively. In 2021/22, *Compensation of employees* was cut by R2.332 million, R416 000, and R2.242 million against Programme 1, Programme 2 and Programme 3, respectively.

Table 13.26 : Summary of departmental personnel numbers and costs by component

R thousands	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. no.1	Costs	Pers. no.1	Costs	Pers. no.1	Costs	Filled posts	Add. posts	Pers. no.1	Costs	Pers. no.1	Costs	Pers. no.1	Costs	Pers. no.1	Costs	Pers. growth rate	Costs growth rate	% of Total
Salary level																			
1 – 7	1 340	284 418	1 194	236 960	1 251	318 918	(1 064)	2 380	1 316	345 243	1 265	368 847	1 265	395 552	1 265	412 004	(1.3%)	6.1%	21.7%
8 – 10	2 117	709 396	2 241	800 000	2 059	841 527	775	1 639	2 414	978 527	2 423	1 112 911	2 208	1 131 467	2 208	1 172 511	(2.9%)	6.2%	61.7%
11 – 12	170	143 892	174	138 837	164	147 039	103	83	186	150 057	178	182 743	178	188 535	178	193 774	(1.5%)	8.9%	10.0%
13 – 16	47	48 832	50	55 568	45	54 773	29	13	42	53 498	45	57 394	45	58 796	45	60 500	2.3%	4.2%	3.2%
Other	4 075	100 435	4 262	136 232	3 201	137 386	2 377	-	2 377	85 607	2 629	81 759	2 844	46 669	2 844	51 565	6.2%	(15.5%)	3.5%
Total	7 749	1 286 973	7 921	1 367 597	6 720	1 499 643	2 220	4 115	6 335	1 612 932	6 540	1 803 654	6 540	1 821 019	6 540	1 890 354	1.1%	5.4%	100.0%
Programme																			
1. Administration	1 021	239 049	1 024	228 474	1 121	264 072	268	899	1 167	271 545	1 204	321 425	1 204	325 045	1 204	333 521	1.0%	7.1%	17.5%
2. Social Welfare Services	3 142	275 316	3 142	297 216	3 041	310 319	1 754	772	2 526	323 785	2 654	334 917	2 869	280 421	2 869	292 352	4.3%	(3.3%)	16.8%
3. Children and Families	2 596	482 976	2 781	541 269	1 682	601 733	149	1 609	1 758	664 342	1 768	745 095	1 553	791 865	1 553	829 338	(4.0%)	7.7%	42.9%
4. Restorative Services	690	186 088	690	194 704	604	210 100	218	377	595	225 607	622	262 873	622	279 243	622	286 819	1.5%	8.3%	14.9%
5. Development and Research	300	103 544	284	105 934	272	113 419	(169)	458	289	127 653	292	139 344	292	144 445	292	148 324	0.3%	5.1%	7.9%
Total	7 749	1 286 973	7 921	1 367 597	6 720	1 499 643	2 220	4 115	6 335	1 612 932	6 540	1 803 654	6 540	1 821 019	6 540	1 890 354	1.1%	5.4%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	1 197	408 971	1 198	463 687	1 143	497 266	-	1 341	1 341	619 982	1 105	676 523	1 105	686 922	1 105	721 645	(6.2%)	5.2%	38.1%
Prof. Nurses, Staff Nurses & Nursing	35	11 992	35	12 713	35	14 443	38	-	38	15 312	40	15 736	40	16 874	40	18 061	1.7%	5.7%	0.9%
Legal Professionals	5	3 049	5	2 605	5	5 259	8	-	8	6 116	7	4 781	7	5 105	7	5 441	(4.4%)	(3.8%)	0.3%
Social Services Professions	2 437	762 526	2 421	752 360	2 336	845 289	1 793	778	2 571	885 915	2 759	1 024 855	2 544	1 065 449	2 544	1 093 642	(0.4%)	7.3%	57.2%
Others (interns, EPWP, learnerships)	4 075	100 435	4 262	136 232	3 201	137 386	381	1 996	2 377	85 607	2 629	81 759	2 844	46 669	2 844	51 565	6.2%	(15.5%)	3.5%
Total	7 749	1 286 973	7 921	1 367 597	6 720	1 499 643	2 220	4 115	6 335	1 612 932	6 540	1 803 654	6 540	1 821 019	6 540	1 890 354	1.1%	5.4%	100.0%

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

9.2 Training

Table 14.21 gives a summary of departmental spending and information on training per programme. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expenses on staff training, to cater for human resource development. The fluctuating trend from 2016/17 to 2018/19 was due to training and staff development costs. The budget increases at an inflationary rate over the MTEF. Training includes short courses for in-house staff, as well as internships. The table excludes the EPWP Integrated Grant for Provinces budget, hence the budget for Programme 3 is lower than the training and development figures in Tables 14.B and 14.E. It is also noted that the budget for Programme 1 includes external bursaries, hence it is higher than the training and development budget in Table 14.C.

Table 14.21 : Information on training: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Number of staff	1 760	1 706	1 633	1 649	1 649	1 649	1 712	1 712	1 712
Number of personnel trained	1 161	954	1 168	1 279	1 279	1 279	1 279	1 279	1 279
of which									
Male	447	516	490	650	650	650	650	650	650
Female	714	438	678	629	629	629	629	629	629
Number of training opportunities	34	74	165	92	83	83	83	83	83
of which									
Tertiary	15	15	91	57	48	48	48	48	48
Workshops	11	32	14	15	15	15	15	15	15
Seminars	3	17	2	10	10	10	10	10	10
Other	5	10	58	10	10	10	10	10	10
Number of bursaries offered	17	69	68	111	99	99	99	99	99
Number of interns appointed	83	37	65	42	42	42	42	42	42
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	2 431	560	353	307	307	307	307	307	307
Payments on training by programme									
1. Administration	4 711	7 809	9 829	14 556	10 023	9 259	15 345	15 677	16 659
2. Property Management	336	19	575	-	-	-	-	-	-
3. Provision of Buildings, Structures and Equipment	293	2 131	2 050	-	-	-	-	-	-
Total	5 340	9 959	12 454	14 556	10 023	9 259	15 345	15 677	16 659

ANNEXURE – VOTE 14: PUBLIC WORKS

Table 14.A : Details of departmental receipts: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	9 079	5 844	8 366	7 376	7 376	10 507	7 844	8 105	8 640
Sale of goods and services produced by department (excluding capital assets)	8 921	5 791	8 080	7 373	7 373	10 493	7 841	8 102	8 637
Sales by market establishments	5 593	4 367	4 963	5 052	5 052	5 759	5 371	5 498	5 899
Administrative fees	-	-	1	-	-	-	-	-	-
Other sales	3 328	1 424	3 116	2 321	2 321	4 734	2 470	2 604	2 738
Of which									
Commission	522	532	535	674	674	674	674	674	674
Tender documents	2 792	883	2 574	1 632	1 632	3 940	1 781	1 895	2 049
Replacement of security cards	2	1	2	2	2	2	2	2	2
Transport fees	12	8	5	13	13	13	13	13	13
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	158	53	286	3	3	14	3	3	3
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 874	1 954	1 198	485	485	485	538	570	622
Interest	1 587	1 252	627	48	48	48	50	51	51
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	287	702	571	437	437	437	488	519	571
Sale of capital assets	3 781	720	1 966	1 500	1 500	1 500	630	535	940
Land and sub-soil assets	867	56	1 139	-	-	-	-	-	-
Other capital assets	2 914	664	827	1 500	1 500	1 500	630	535	940
Transactions in financial assets and liabilities	1 381	513	496	903	903	903	944	946	946
Total	16 115	9 031	12 026	10 264	10 264	13 395	9 956	10 156	11 148

Table 14.B : Payments and estimates by economic classification: Public Works

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	825 838	836 119	882 188	972 816	975 400	973 218	1 034 729	1 083 281	1 141 748
Compensation of employees	583 373	581 342	617 365	715 107	706 121	692 597	772 606	815 897	864 171
Salaries and wages	500 215	495 712	528 000	619 941	610 093	598 605	668 159	705 356	747 915
Social contributions	83 158	85 630	89 365	95 166	96 028	93 992	104 447	110 541	116 256
Goods and services	242 462	254 776	264 823	257 709	269 279	280 621	262 123	267 384	277 577
Administrative fees	1 062	1 295	2 493	1 491	1 491	1 584	1 559	1 597	1 585
Advertising	8 283	5 882	8 902	5 975	5 975	8 590	6 045	6 487	6 573
Minor assets	507	786	746	451	1 118	1 524	584	643	467
Audit cost: External	6 295	8 420	9 666	4 983	7 983	8 871	5 257	5 726	5 751
Bursaries: Employees	237	926	949	992	992	886	1 042	1 094	1 165
Catering: Departmental activities	1 376	557	868	514	514	446	545	553	565
Communication (G&S)	10 801	9 543	10 904	10 438	10 438	11 308	10 474	10 827	11 345
Computer services	21 079	23 600	23 871	30 073	30 073	30 233	31 852	33 399	34 262
Cons. & prof serv: Business and advisory services	586	32 514	35 042	36 035	38 471	40 130	38 358	39 833	41 795
Infrastructure and planning	16	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	2 150	882	4 560	1 730	1 730	4 630	1 911	1 913	2 024
Contractors	20 621	914	1 477	1 808	729	921	1 912	2 273	2 319
Agency and support / outsourced services	50 680	24 036	17 648	16 591	14 761	13 272	16 186	17 524	18 044
Entertainment	157	42	45	126	126	95	134	134	114
Fleet services (including govt motor transport)	11 946	11 897	13 481	13 090	12 358	14 278	12 044	12 388	12 594
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	4 223	4 359	5 027	5 154	5 154	4 775	5 488	5 619	5 919
Consumable: Stationery, printing and office supplies	3 874	2 934	3 825	4 944	4 944	3 693	5 138	5 380	5 593
Operating leases	3 813	4 280	4 833	4 715	4 915	4 269	4 910	5 117	5 382
Property payments	61 873	95 564	89 349	89 825	101 163	103 589	93 684	91 500	95 474
Transport provided: Departmental activity	607	48	360	-	127	147	-	-	-
Travel and subsistence	11 976	11 966	13 082	15 227	14 619	15 791	15 727	16 061	16 793
Training and development	15 471	12 505	14 975	11 561	4 038	3 294	7 211	7 159	7 592
Operating payments	2 003	1 515	2 230	1 801	7 367	7 631	1 866	1 954	2 050
Venues and facilities	53	-	277	45	45	255	48	47	15
Rental and hiring	2 773	311	213	140	148	409	148	156	156
Interest and rent on land	3	1	-	-	-	-	-	-	-
Interest	3	1	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	563 612	639 553	744 091	637 811	1 019 951	1 022 133	673 278	706 560	741 907
Provinces and municipalities	553 579	627 881	728 957	629 201	1 009 782	1 009 782	663 675	696 594	731 435
Provinces	285	160	381	268	225	225	151	286	312
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	285	160	381	268	225	225	151	286	312
Municipalities	553 294	627 721	728 576	628 933	1 009 557	1 009 557	663 524	696 308	731 123
Municipalities	553 294	627 721	728 576	628 933	1 009 557	1 009 557	663 524	696 308	731 123
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	396	415	488	590	590	590	638	658	683
Social security funds	-	-	-	75	75	75	71	85	77
Entities receiving transfers	396	415	488	515	515	515	567	573	606
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	88	95	-	-	-	-	-	-	-
Households	9 549	11 162	14 646	8 020	9 579	11 761	8 965	9 308	9 789
Social benefits	6 866	6 198	6 545	1 806	5 101	7 803	2 440	2 457	2 493
Other transfers to households	2 683	4 964	8 101	6 214	4 478	3 958	6 525	6 851	7 296
Payments for capital assets	54 284	59 872	47 014	74 690	70 590	70 590	70 402	50 608	43 544
Buildings and other fixed structures	32 872	39 546	25 529	54 466	50 366	42 082	51 628	32 186	24 059
Buildings	32 872	39 546	25 529	54 466	50 366	42 082	51 628	32 186	24 059
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	13 114	13 764	17 124	14 724	14 724	23 008	12 774	12 070	12 796
Transport equipment	4 636	6 031	7 487	6 910	6 910	6 910	6 089	5 770	5 436
Other machinery and equipment	8 478	7 733	9 637	7 814	7 814	16 098	6 685	6 300	7 360
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	8 298	6 562	4 361	5 500	5 500	5 500	6 000	6 352	6 689
Payments for financial assets	10 431	1 087	2 285	-	-	-	-	-	-
Total	1 454 165	1 536 631	1 675 578	1 685 317	2 065 941	2 065 941	1 778 409	1 840 449	1 927 199

Table 14.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	344 810	355 776	383 856	411 399	410 981	417 841	442 420	467 433	495 345
Compensation of employees	272 618	284 716	303 060	332 152	324 984	321 394	361 909	382 998	408 030
Salaries and wages	229 902	239 969	255 886	283 425	274 795	271 589	307 164	324 706	347 374
Social contributions	42 716	44 747	47 174	48 727	50 189	49 805	54 745	58 292	60 656
Goods and services	72 189	71 059	80 796	79 247	85 997	96 447	80 511	84 435	87 315
Administrative fees	380	230	1 573	326	326	491	336	343	355
Advertising	2 827	3 286	3 204	3 418	3 418	5 467	3 334	3 689	3 686
Minor assets	307	693	596	77	77	458	90	75	79
Audit cost: External	6 295	8 420	9 666	4 983	7 983	8 871	5 257	5 726	5 751
Bursaries: Employees	237	926	949	992	992	886	1 042	1 094	1 165
Catering: Departmental activities	1 100	428	252	194	194	238	204	211	222
Communication (G&S)	9 551	8 741	10 582	8 333	8 333	10 997	8 896	9 164	9 713
Computer services	19 077	19 875	18 388	21 564	21 564	21 979	22 842	23 962	24 351
Cons. & prof serv: Business and advisory services	25	68	476	33	2 469	2 471	43	60	59
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 348	703	2 771	1 080	1 080	3 980	1 125	1 127	1 200
Contractors	2 088	672	976	1 674	595	273	1 605	1 963	2 006
Agency and support / outsourced services	2 558	898	217	2 056	226	185	1 672	2 105	2 419
Entertainment	113	42	45	126	126	95	134	134	114
Fleet services (including govt motor transport)	8 327	8 376	10 169	9 664	9 664	11 324	8 249	8 486	8 840
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	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 414	1 591	1 200	1 243	1 243	1 449	1 385	1 327	1 367
Consumable: Stationery, printing and office supplies	3 258	2 487	3 606	4 061	4 061	3 129	4 233	4 451	4 620
Operating leases	3 064	3 632	3 850	3 957	3 957	3 257	4 060	4 228	4 405
Property payments	1 736	2 131	2 650	1 622	3 513	3 732	1 674	1 762	1 792
Transport provided: Departmental activity	498	48	159	-	-	-	-	-	-
Travel and subsistence	4 260	4 729	5 388	5 490	5 490	7 035	5 554	5 730	5 885
Training and development	1 652	1 593	2 169	6 835	4 038	3 294	7 211	7 159	7 592
Operating payments	1 567	1 216	1 756	1 474	6 595	6 821	1 517	1 592	1 679
Venues and facilities	53	-	18	45	45	7	48	47	15
Rental and hiring	454	274	136	-	8	8	-	-	-
Interest and rent on land	3	1	-	-	-	-	-	-	-
Interest	3	1	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	5 894	8 365	11 118	7 620	8 038	8 038	7 763	8 326	8 851
Provinces and municipalities	285	160	381	268	225	225	151	286	312
Provinces	285	160	381	268	225	225	151	286	312
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	285	160	381	268	225	225	151	286	312
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	396	415	488	529	529	529	575	597	620
Social security funds	-	-	-	14	14	14	8	24	14
Entities receiving transfers	396	415	488	515	515	515	567	573	606
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	88	95	-	-	-	-	-	-	-
Households	5 125	7 695	10 249	6 823	7 284	7 284	7 037	7 443	7 919
Social benefits	2 640	2 731	2 148	609	2 806	3 326	512	592	623
Other transfers to households	2 485	4 964	8 101	6 214	4 478	3 958	6 525	6 851	7 296
Payments for capital assets	20 109	20 238	20 186	19 061	19 061	25 199	18 107	18 160	18 732
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 811	13 676	15 825	13 561	13 561	19 699	12 107	11 808	12 043
Transport equipment	4 636	6 031	7 487	6 910	6 910	6 910	6 089	5 770	5 436
Other machinery and equipment	7 175	7 645	8 338	6 651	6 651	12 789	6 018	6 038	6 607
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	8 298	6 562	4 361	5 500	5 500	5 500	6 000	6 352	6 689
Payments for financial assets	46	134	187	-	-	-	-	-	-
Total	370 859	384 513	415 347	438 080	438 080	451 078	468 290	493 919	522 928

Table 14.D : Payments and estimates by economic classification: Property Management

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	107 623	72 936	77 761	93 230	128 870	123 326	136 740	144 063	151 848
Compensation of employees	49 106	52 195	54 662	60 115	59 991	57 537	64 221	68 386	72 752
Salaries and wages	41 916	44 632	46 831	51 547	51 423	49 597	55 138	58 848	62 719
Social contributions	7 190	7 563	7 831	8 568	8 568	7 940	9 083	9 538	10 033
Goods and services	58 517	20 741	23 099	33 115	68 879	65 789	72 519	75 677	79 096
Administrative fees	654	907	764	966	966	891	1 021	1 050	1 023
Advertising	403	217	256	313	313	240	325	330	347
Minor assets	4	39	26	30	30	55	200	200	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	42	17	16	20	20	8	21	22	23
Communication (G&S)	213	210	38	521	521	87	334	336	351
Computer services	182	-	250	4 669	4 669	4 414	4 926	5 187	5 436
Cons. & prof serv: Business and advisory services	561	75	130	284	36 002	36 776	38 315	39 773	41 736
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	780	179	1 789	650	650	650	786	786	824
Contractors	501	-	-	-	-	-	-	-	-
Agency and support / outsourced services	36 864	3 826	4 700	2 532	2 532	1 084	2 164	2 444	2 561
Entertainment	22	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	31	82	41	117	117	78	129	129	140
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	288	425	489	668	668	473	704	741	776
Consumable: Stationery, printing and office supplies	14	12	23	39	39	24	40	41	43
Operating leases	183	166	281	200	400	401	229	239	257
Property payments	13 603	13 285	12 116	20 025	19 972	19 058	21 128	22 254	23 324
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 641	1 234	1 536	2 039	1 885	1 374	2 153	2 099	2 207
Training and development	336	19	575	-	-	-	-	-	-
Operating payments	80	48	69	42	95	176	44	46	48
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	2 115	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	553 398	627 878	729 034	628 968	1 009 670	1 009 868	663 559	696 340	731 155
Provinces and municipalities	553 294	627 721	728 576	628 933	1 009 557	1 009 557	663 524	696 308	731 123
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	553 294	627 721	728 576	628 933	1 009 557	1 009 557	663 524	696 308	731 123
Municipalities	553 294	627 721	728 576	628 933	1 009 557	1 009 557	663 524	696 308	731 123
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	5	5	5	5	-	-
Social security funds	-	-	-	5	5	5	5	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	104	157	458	30	108	306	30	32	32
Social benefits	104	157	458	30	108	306	30	32	32
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	44	-	129	50	50	96	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	44	-	129	50	50	96	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	44	-	129	50	50	96	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	491	-	-	-	-	-	-	-	-
Total	661 556	700 814	806 924	722 248	1 138 590	1 133 290	800 299	840 403	883 003

Table 14.E : Payments and estimates by economic classification: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Current payments	373 405	407 407	420 571	468 187	435 549	432 051	455 569	471 785	494 555
Compensation of employees	261 649	244 431	259 643	322 840	321 146	313 666	346 476	364 513	383 389
Salaries and wages	228 397	211 111	225 283	284 969	283 875	277 419	305 857	321 802	337 822
Social contributions	33 252	33 320	34 360	37 871	37 271	36 247	40 619	42 711	45 567
Goods and services	111 756	162 976	160 928	145 347	114 403	118 385	109 093	107 272	111 166
Administrative fees	28	158	156	199	199	202	202	204	207
Advertising	5 053	2 379	5 442	2 244	2 244	2 883	2 386	2 468	2 540
Minor assets	196	54	124	344	1 011	1 011	294	368	388
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	234	112	600	300	300	200	320	320	320
Communication (G&S)	1 037	592	284	1 584	1 584	224	1 244	1 327	1 281
Computer services	1 820	3 725	5 233	3 840	3 840	3 840	4 084	4 250	4 475
Cons. & prof serv: Business and advisory services	-	32 371	34 436	35 718	-	883	-	-	-
Infrastructure and planning	16	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	22	-	-	-	-	-	-	-	-
Contractors	18 032	242	501	134	134	648	307	310	313
Agency and support / outsourced services	11 258	19 312	12 731	12 003	12 003	12 003	12 350	12 975	13 064
Entertainment	22	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	3 588	3 439	3 271	3 309	2 577	2 876	3 666	3 773	3 614
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	2 521	2 343	3 338	3 243	3 243	2 853	3 399	3 551	3 776
Consumable: Stationery, printing and office supplies	602	435	196	844	844	540	865	888	930
Operating leases	566	482	702	558	558	611	621	650	720
Property payments	46 534	80 148	74 583	68 178	77 678	80 799	70 882	67 484	70 358
Transport provided: Departmental activity	109	-	201	-	127	147	-	-	-
Travel and subsistence	6 075	6 003	6 158	7 698	7 244	7 382	8 020	8 232	8 701
Training and development	13 483	10 893	12 231	4 726	-	-	-	-	-
Operating payments	356	251	405	285	677	634	305	316	323
Venues and facilities	-	-	259	-	-	248	-	-	-
Rental and hiring	204	37	77	140	140	401	148	156	156
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	4 320	3 310	3 939	1 223	2 243	4 227	1 956	1 894	1 901
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	56	56	56	58	61	63
Social security funds	-	-	-	56	56	56	58	61	63
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	4 320	3 310	3 939	1 167	2 187	4 171	1 898	1 833	1 838
Social benefits	4 122	3 310	3 939	1 167	2 187	4 171	1 898	1 833	1 838
Other transfers to households	198	-	-	-	-	-	-	-	-
Payments for capital assets	34 131	39 634	26 699	55 579	51 479	45 295	52 295	32 448	24 812
Buildings and other fixed structures	32 872	39 546	25 529	54 466	50 366	42 082	51 628	32 186	24 059
Buildings	32 872	39 546	25 529	54 466	50 366	42 082	51 628	32 186	24 059
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 259	88	1 170	1 113	1 113	3 213	667	262	753
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 259	88	1 170	1 113	1 113	3 213	667	262	753
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	9 894	953	2 098	-	-	-	-	-	-
Total	421 750	451 304	453 307	524 989	489 271	481 573	509 820	506 127	521 268

Table 14.F : Payments and estimates by economic classification: Conditional grant (Programme 2: Property Management)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Current payments	4 471	6 588	6 023	4 726	4 726	4 726	4 243	-	-
Compensation of employees	-	-	-	-	4 726	4 726	4 243	-	-
Salaries and wages	-	-	-	-	4 726	4 726	4 243	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	4 471	6 588	6 023	4 726	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons. & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: 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	4 471	6 588	6 023	4 726	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 471	6 588	6 023	4 726	4 726	4 726	4 243	-	-

Table 14.G : Summary of transfers to local government (Municipalities - Property Rates)

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
A KZN2000 eThekweni	254 328	288 527	352 462	278 802	460 957	412 105	294 136	306 605	321 935
Total: Ugu Municipalities	11 129	20 747	12 267	17 979	32 081	43 412	18 968	20 011	21 011
B KZN212 uMdoni	2 504	3 806	5 354	3 598	10 295	11 291	3 796	4 005	4 205
B KZN213 uMzombe	1 955	1 770	2 392	4 360	4 360	4 472	4 600	4 853	5 096
B KZN214 uMuziwabantu	3 065	4 026	4 521	5 361	5 361	4 634	5 656	5 967	6 265
B KZN216 Ray Nkonyeni	3 605	11 145	-	4 660	12 065	23 015	4 916	5 186	5 445
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	69 176	72 842	82 144	92 540	118 626	117 875	98 180	103 581	108 762
B KZN221 uMshwathi	6 114	7 849	6 966	10 983	10 983	10 983	12 137	12 805	13 446
B KZN222 uMngeni	2 657	951	2 131	9 070	9 070	2 065	9 569	10 095	10 600
B KZN223 Mpofana	458	356	724	122	2 273	2 363	129	136	143
B KZN224 iMpendle	749	903	1 033	324	1 516	1 516	342	361	379
B KZN225 Msunduzi	58 282	61 646	70 498	71 243	93 986	96 724	75 161	79 295	83 260
B KZN226 Mkhambathini	455	535	377	733	733	3 566	773	816	857
B KZN227 Richmond	461	602	415	65	65	658	69	73	77
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	34 059	42 511	36 607	48 333	65 728	65 970	50 991	53 795	56 485
B KZN235 Okhahlamba	-	2 193	2 880	6 220	6 220	3 457	6 562	6 923	7 269
B KZN237 iNkosi Langalibalele	12 367	19 087	15 671	20 132	23 074	26 079	21 239	22 407	23 528
B KZN238 Alfred Duma	21 692	21 231	18 056	21 981	36 434	36 434	23 190	24 465	25 688
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	28 552	35 216	42 824	32 206	52 357	50 442	33 977	35 846	37 636
B KZN241 eNnumeni	8 387	11 851	12 989	9 693	14 287	14 287	10 226	10 788	11 328
B KZN242 Nquthu	9 205	8 203	13 581	10 448	22 983	15 950	11 023	11 629	12 210
B KZN244 uMsinga	5 734	8 893	8 972	5 438	7 605	12 331	5 737	6 053	6 353
B KZN245 uMvoti	5 226	6 269	7 282	6 627	7 482	7 874	6 991	7 376	7 745
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	11 723	13 420	19 006	13 186	14 176	14 588	13 911	14 675	15 409
B KZN252 Newcastle	3 546	4 109	5 967	5 055	5 055	4 753	5 333	5 626	5 907
B KZN253 eMadlangeni	2 005	2 156	5 866	3 179	4 169	4 883	3 354	3 538	3 715
B KZN254 Dannhauser	6 172	7 155	7 173	4 952	4 952	4 952	5 224	5 511	5 787
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	51 826	48 140	55 983	46 476	76 844	83 464	49 032	51 729	54 314
B KZN261 eDumbe	7 047	5 638	4 838	3 668	7 459	9 830	3 870	4 083	4 287
B KZN262 uPhongolo	3 272	3 305	5 782	3 917	8 419	8 419	4 132	4 359	4 577
B KZN263 Abaqulusi	8 467	7 981	8 507	7 775	12 494	16 034	8 203	8 654	9 086
B KZN265 Nongoma	7 775	7 204	10 460	6 479	14 265	14 809	6 835	7 211	7 571
B KZN266 Ulundi	25 265	24 012	26 396	24 637	34 207	34 372	25 992	27 422	28 793
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	23 051	22 658	23 707	27 961	42 885	48 200	29 498	31 121	32 677
B KZN271 uMhlabyalingana	10 062	9 874	11 785	12 677	21 327	25 654	13 374	14 110	14 815
B KZN272 Jozini	8 999	4 763	4 538	6 481	8 786	8 837	6 837	7 213	7 573
B KZN275 Mtubatuba	3 990	3 693	2 882	6 114	6 114	6 027	6 450	6 805	7 146
B KZN276 Big Five Hlabisa	-	4 328	4 502	2 689	6 658	7 682	2 837	2 993	3 143
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	33 230	40 450	52 076	38 902	97 449	109 549	40 491	42 718	44 854
B KZN281 uMfolozi	166	2 569	5 446	605	22 254	23 632	638	673	706
B KZN282 uMhlathuze	14 321	16 574	18 323	24 199	24 332	24 332	24 980	26 354	27 672
B KZN284 uMlalazi	4 586	7 331	10 020	3 914	27 944	28 302	4 129	4 356	4 574
B KZN285 Mthonjaneni	399	334	2 113	3 057	5 296	5 767	3 225	3 402	3 572
B KZN286 Nkandla	13 758	13 642	16 174	7 127	17 623	27 516	7 519	7 933	8 330
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	20 516	23 760	30 986	18 579	23 139	39 416	19 601	20 678	21 713
B KZN291 Mandeni	181	1 674	5 810	881	1 500	7 000	929	980	1 029
B KZN292 KwaDukuza	11 146	7 594	4 927	6 434	6 434	8 198	6 788	7 161	7 519
B KZN293 Ndwedwe	4 674	5 392	9 880	1 575	3 202	10 545	1 662	1 753	1 841
B KZN294 Maphumulo	4 515	9 100	10 369	9 689	12 003	13 673	10 222	10 784	11 324
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	15 692	19 452	20 514	13 969	25 315	24 536	14 739	15 549	16 327
B KZN433 Greater Kokstad	8 460	8 722	8 771	950	9 988	9 988	4 910	5 180	5 439
B KZN434 uBuhlebezwe	2 204	4 934	3 577	4 654	4 654	4 654	5 063	5 341	5 608
B KZN435 uMzimkhulu	3 243	2 662	3 113	4 797	4 797	5 018	3 764	3 971	4 170
B KZN436 Dr Nkosazana Dlamini Zuma	1 785	3 134	5 053	3 568	5 876	4 876	1 002	1 057	1 110
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	12	(2)	-	-	-	-	-	-	-
Total	553 294	627 721	728 576	628 933	1 009 557	1 009 557	663 524	696 308	731 123