

# VOTE 7

## DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

To be appropriated by vote in 2021/22	R 581 696 000
Responsible Executing Authority	MEC for Cooperative Governance and Traditional Affairs
Administering Department	Department of Cooperative Governance and Traditional Affairs
Accounting Officer	Head of Department

### 1. OVERVIEW

#### Vision

Sustainable, Smart, Inclusive Cities and Communities in the Gauteng City Region.

#### Mission

To drive an effective system of cooperative governance to build sustainable municipalities, inclusive communities and the institution of traditional leadership in the Gauteng City Region (GCR).

#### Strategic outcomes

- Strategic Outcome 1: Improved municipal performance in terms of the Back to Basics (B2B) approach
- Strategic Outcome 2: Spatially Integrated Cities and Transformed Communities in Gauteng Province
- Strategic Outcome 3: Effective Systems of Cooperative Governance
- Strategic Outcome 4: Strengthened institution of Traditional Leadership

#### Core functions and responsibilities

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

- Implementing IGR systems, processes and procedures
- Monitoring, implementing and reviewing the local government legislative framework
- Supporting and monitoring the implementation of performance management systems (PMS) across all Gauteng municipalities
- Coordinating and facilitating the development of infrastructure and urban planning, led by the Gauteng Planning Division
- Supporting the development and implementation of local economic development strategies and programmes, led by the Department of Economic Development
- Supporting municipalities with their human resources management and development systems
- Facilitating and coordinating the development of information and communication technology systems across Gauteng municipalities
- Supporting and monitoring the institution of traditional leadership
- Coordinating and facilitating financial support to municipalities, led by the Gauteng Provincial Treasury
- Entrenching systems, structures, processes and procedures of participatory democracy.

#### Main services

The Gauteng Province has committed to a Plan of Action (GGT 2030 Plan of Action) to respond to the global and domestic challenges confronting the province. The GGT 2030 Plan of Action reflects a collective vision for the GCR. It is about the realisation of the National Development Plan and the government's Manifesto. The GGT 2030 Plan of Action seeks to industrialise and re-industrialise the GCR and contribute towards the industrialisation agenda of the continent. The GPG departments' plans must therefore be informed by the GGT 2030 Plan of Action.

Following the declaration of the National Disaster and the subsequent National Lockdown, the department embarked on a process to facilitate the revision of the departmental APPs and Strategic Plans in response to the COVID-19 pandemic.

#### GROWING GAUTENG TOGETHER

##### Economy, Jobs and Infrastructure

The department plans to increase investment in the economic development of townships, deteriorating areas and peri-urban

areas by ensuring that goods and services are procured from township businesses (30 per cent procurement spend). The plan is also to target women-owned companies to contribute to reducing income inequality. SMMEs and township businesses are paid within 15 days to ensure that they remain sustainable and are able to create employment.

### **A Capable, Ethical and Developmental State**

The department plans to build capacity in municipalities through strengthening the following areas: institutional governance, financial capability and service delivery. The COVID-19 pandemic has exacerbated the revenue generation problems of our municipalities which had already been experiencing revenue collection challenges even before the pandemic. With the outbreak of COVID-19 and the subsequent lockdown, municipalities have experienced revenue reduction in property rates, water and sanitation and electricity. The liquidity ratios of municipalities demonstrate that many are not adequately and sufficiently liquid or viable. A significant number of municipalities in the province, especially the non-metro municipalities, are faced with expenses that far exceed the income being generated. The shortfall is mainly due to low collection rates, or in other instances to non-collection of debt. This results in insufficient cash flow to cover expenditure incurred. This has, in some instances, led to these municipalities being unable to pay Eskom and Rand Water, to the point where Eskom has threatened to cut electricity and Rand Water has reduced water pressure.

### **The following interventions are being implemented by the department:**

- Implementation of the Tariff Model project to ensure that tariffs are set at a level that will generate sufficient revenue to cover municipal costs and that tariffs are based on cost causation principles, ultimately ensuring optimal financial sustainability.
- A simplified Revenue Plan where the revenue chain is assessed and plans are developed to address some of the gaps identified. The simplified revenue plans, once implemented, should result in improved revenue management, reduced municipal consumer debt and enhanced municipal revenue collection potential.
- Municipalities provided with additional capacity to reduce unauthorised, irregular, fruitless and wasteful (UIFW) expenditure.

### **Other priorities**

An enhanced public participation process through the delivery of a more effective Ward Committee System and the Asset-Based Community Development (ABCD) model remains a priority for the Department. The ABCD approach is based on active local compacts and collaboration between communities and municipalities that are able to provide input to services linked to their self-driven initiatives and efforts. An ABCD capacity initiative will be mainstreamed in four municipalities as part of the roll out of the approach.

Greater alignment between municipal and provincial plans and strategies, in line with the District Delivery Model (DDM), provision of support to municipalities in terms of the B2B Programme and assistance to struggling municipalities - with emphasis on ways to improve service delivery outputs and build efficiencies - is the way forward. The DDM rollout plan has been developed and will guide how the model will be implemented. There is a need for change management as the planning units across the three spheres of government will be impacted by the requirements of the plan and there is potential for conflict because there needs to be agreement as to what to prioritise in light of limited resources.

Service delivery interventions include improvement of access to water, sanitation, electricity, housing and roads in deprived areas, including completing the urban renewal projects. This will be done through municipalities being supported with technical skills capacity through Municipal Infrastructure Support Agency (MISA)/ CoGTA/ multidisciplinary teams of experts in engineering and town planning. The needs of municipalities will be assessed and experts deployed. This is a multi-year project.

### **SUSTAINABLE DEVELOPMENT FOR FUTURE GENERATIONS**

An online information system is to be developed and implemented to ensure that 50 per cent of municipalities have access to climate change funding/financing (Green Climate Fund, Climate Adaptation Fund) and that all municipalities have disaster Early Warning Systems in place through the establishment of the Gauteng City-Region Disaster Management System.

A financial model will lead to the department working with national government towards the 60 per cent increase in municipalities having the capacity to implement climate change programmes (e.g. smart agriculture).

### **External activities and events relevant to budget decisions**

None.

### **Acts, rules and regulations**

- Gauteng Spatial Development Framework - 2030
- National Development Plan, Vision 2030.
- Sendai Framework for Disaster Risk Reduction 2015-2030
- Addis Ababa Agreement
- African Union 2063 Agenda
- Asset Based Community Development Model

- Back-to-Basics Approach Phase 2
- Disaster Management Framework
- IGR Strategy
- Integrated Development Planning
- Integrated Urban Development Framework (IUDF)
- Local Economic Development (LED) Framework
- Medium Term Strategic Framework (MTSF)
- National Energy Efficiency Strategy
- Sustainable Development Goals
- Traditional and Khoisan Leadership Act (3 of 2019)
- Division of Revenue Act as amended (Act No 14 of 2018)
- Paris Agreement 12 December 2015
- Spatial Planning and Land Use Management Act (No.16 of 2013)
- National House of Traditional Leadership Act (No. 22 of 2009)
- Local Government Amendment Laws Act (No. 19 of 2008)
- Intergovernmental Relations Framework Act (No. 13 of 2005)
- National Environmental Management Act (No. 107 of 1998), as amended by Act No. 8 of 2004
- Local Government: Municipal Property Rate Act (No. 6 of 2004)
- Municipal Property Rates Act (No. 6 of 2004)
- Broad Based Black Economic Empowerment Act (No. 53 of 2003)
- Municipal Finance Management Act (No. 56 of 2003)
- Traditional Leadership and Governance Framework Act (No. 41 of 2003)
- Disaster Management Act (No. 57 of 2002)
- Municipal Electoral Act (No. 27 of 2002)
- Local Government: Cross-Boundary Municipal Act (No.29 of 2000)
- Local Government: Municipal Systems Act (No. 32 of 2000)
- Municipal Systems Act (No. 32 of 2000)
- Preferential Procurement Policy Framework Act (No. 5 of 2000)
- Promotion of Access to Information Act (No. 2 of 2000)
- Promotion of Administrative Justice Act (No. 3 of 2000)
- Public Finance Management Act (No. 1 of 1999)
- Removal of Graves and Dead Bodies Ordinance (No. 7 of 1925)
- Employment Equity Act (No. 55 of 1998)
- Local Government: Demarcation Act (No. 27 of 1998)
- Local Government: Municipal Structure Act (No. 117 of 1998)
- Municipal Demarcation Act (No. 27 of 1998)
- Municipal Structures Act (No. 117 of 1998)
- Rationalisation of Local Government Affairs Act (No. 10 of 1998)
- Skills Development Act (No. 97 of 1998)
- Extension of Security of Tenure Act (No. 62 of 1997)
- Organised Local Government Act (No. 52 of 1997)
- Development Facilitation Act (No. 67 of 1995)
- Land Administration Act (No. 2 of 1995)
- Reconstruction and Development Programme Fund Act (No. 7 of 1994)
- Fire Brigade Services Act (No. 99 of 1987)
- Expropriation Act (1951), as repealed by Act No. 63 of 1975
- State Land Disposal Act (No. 48 of 1961)
- Deeds Registries Act (No. 47 of 1937)

#### **Provincial legislation**

- Gauteng Traditional Leadership and Governance Act (No. 4 of 2010)
- Gauteng Privileges and Immunities of Councillors Act (No. 1 of 2002)
- Gauteng Types of Municipality Act (No 3 of 2000).
- Gauteng Land Administration Act (No. 11 of 1996)
- Gauteng City Improvement District Act (No. 12 of 1997)

#### **Good governance legislation**

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

## 2. REVIEW OF THE CURRENT FINANCIAL YEAR (2020/21)

In improving our support to municipalities, the department has deployed multi-disciplinary regional teams led by senior managers and skilled technocrats from CoGTA into municipalities in order to provide support and intervene where necessary. The support plans include but are not limited to the following: tariff modelling, data cleansing, revenue enhancement and debtor management, institutionalisation of performance management systems and capacity building.

### Financial Viability

Two Municipalities (Emfuleni LM and Merafong LM) were supported through the deployment of revenue experts. The support included detailed integrated revenue enhancement and debtor management implementation plans which incorporate the Municipal Revenue plans. In Emfuleni, the plan also incorporated the financial recovery plan (FRP) targets. A draft Customer Care Plan incorporating the National Energy Regulator South Africa (NERSA) NRS047 and NRS048 clause was developed. This entailed the analysis of the debtor's book for Emfuleni LM.

The outcomes of the analysis of the debtor's book was as follows:

- The employee debt book is R15.5 million
- Residential debtors: the debtor types have 10 166 accounts with a rand value of R229.7 million who have no current billing or movement. These residential accounts also have 3 133 accounts that are believed to be body corporates with a rand value of R128.5 million. Furthermore, the residential debtor types also contain 3 917 accounts with a value of R161.5 million that are classified as Emfuleni Local Municipality.
- In terms of indigent debtors, the debtor type has 60 844 accounts with a rand value of R 1.8 billion and a total of 55 946 accounts with a rand value of R1.4 billion who have no current billing or movement.

### Unauthorised, Irregular, Fruitless and Wasteful (UIFW) Expenditure

There is growing UIFW expenditure, with minimal progress on issues of UIFW in terms of Section 32 of the MFMA. The City of Johannesburg has acknowledged that the accumulated balance of UIFW expenditure increased from R4.3 billion in the 2014/15 financial year to R12 billion in the 2018/19 financial year due to gaps in financial management, procurement and contract management controls. The municipality was assisted to conduct an assessment of its position regarding UIFW expenditure.

In Rand West City Local Municipality, unauthorised expenditure amounts to R981,8 million covering the 2016/17-2018/19 financial years. Investigations are underway and progress is as follows: R113 million is under investigation by the Municipal Public Accounts Committee (MPAC) and targeted to be concluded by 30 September 2020 and R868.7 million is targeted for conclusion by 31 December 2020.

In Emfuleni, subsequent to the department's formal letter to the municipality and through the work of the Administrator, the following took place: a Disciplinary Board conducted interviews with staff cited in the report. Some are no longer in the employ of the municipality; cases have been reported to the Hawks. No updates have been provided by the Hawks on this case. The Chairperson of the Board requested source documents from the AGSA and a forensic company to assist in their investigations.

### IMPLEMENTATION OF DATA CLEANSING SUPPORT INITIATIVES IN TARGETED MUNICIPALITIES

The support included provision of complete and accurate billing data to municipalities to update the municipal systems. These included integrated customer and property data that would assist with desktop debtor data purification; and assisting municipalities with the difficult and time-consuming process of using the accurate data to resolve the business and residential debt. The initiative achieved integrity of billing systems including electronic data cleaning, revenue collection improvement and reduction of consumer debt.

### TARIFF MODELLING AND STRUCTURING SUPPORT

The department provided additional capacity to develop and implement a tariff model in targeted municipalities which included customising, populating and testing of scenarios and implementing the tariff model in order to raise sufficient revenue. Where implemented, implementation of the tariff and funding model has allowed municipalities to determine a set of completely cost-reflective tariffs for the trading services that they provide.

### Institutionalise Performance Management System (PMS) and cascading it to levels below Senior Managers

Repositioning of the Human Resource (HR) function by conducting HR audits to standardise HR processes and aligning the HR processes with the internationally recognised 13 HR Standards, HRM Strategy, Talent Management, HR Risk Management, Workforce Planning, Learning and Development, Performance Management, Reward and Recognition, Employee Wellness, Organizational Development is in progress whilst HR Service Delivery, HR Technology and HR Measurement are still at an infant stage.

Capacity Building includes amongst others Audit of Predetermined Objectives (AOPO), Municipal Finance Management Programme (MFMP), contract management, finance, project management and governance, Lean Six Sigma, Councillor MPAC NQF L3, 4 & 5 and road to registrations which was aimed at assisting 40 Gauteng municipalities' engineering officials to register with the Engineering Council of South Africa.

Monitoring of implementation Scarce and Critical Skills strategy was developed to address this challenge by ensuring an increase

in the pool of skills within the local government sector and to allow upward mobility of municipal officials within specific skills areas based on competence as well as the required qualifications. The main purpose of the development of the Organisational Development and Design (OD & D) Framework was to strengthen the Organisational Development and Design discipline in municipalities and to set out core OD&D functions and standards that will guide Gauteng's municipalities.

In supporting Emfuleni, an Electronic Change Readiness Assessment was developed and completed, with 199 responses. Five workshop consultations were convened with five selected MMCs. Service Delivery Model and Organisational Design Skills Transfer training was completed on 18 August 2020. All SDM and Organisational Design Workshops have been completed. Project steering committee meetings were held on 29 July and 26 August 2020.

### **Community Development**

Nine municipalities were supported with initiatives to maintain functional Ward Based War Rooms (WBWR). Community Development Workers (CDWs) participate in the WBWRs. Activities include facilitating the activation of the hub structure of the WBWRs; participating in the development of District plans for implementation at ward level; ensuring that reports are generated and registered through the case management system and escalated through the process flow from the ward to the hub and then the District work streams; attending Local Joint Operations Committee (JOCOM) and District Command Centres to present regular updates on implementation of ward-based activities; reporting on progress on case resolution and community response to COVID-19 prevention measures in the wards; escalating service delivery concerns picked up from site visits, door to door visits and WBWRs and development; and implementing civic awareness programmes.

Ten WBWR Civic Awareness campaigns on the fight against COVID- 19 were supported. Regular citizen engagements provide citizens with the opportunity to express their views and influence on the direction of government policy. In spite of the advent of COVID-19, it remains central for government to engage citizens so that they are informed about and aware of their rights and obligations and are provided with a platform to engage with government in the smartest and safest possible way. The Civic Awareness Campaigns are developed to provide an enabling environment to respond to the current socio-political environment in the province.

#### **Ten WBWR Civic Awareness campaigns on the fight against COVID- 19 supported:**

- Four Ekurhuleni Community awareness campaigns jointly with compliance and monitoring of business
  - 2 COE North: Tembisa & Etwata
  - 1 COE East: Tsakane, Brakpan & Leachville
  - 1 COE South: Tokoza & Zonkizizwe
- Six Sedibeng Community awareness campaigns jointly with Compliance and Monitoring of business
  - President Hyper; Evaton Mall; Ratanda Shopping Centre
  - December Business Compliance and Monitoring
  - Evaton Plaza; Mandela Square; President Hyper and Vereeniging CBD

#### **Eight Voter Mobilisation Campaigns were conducted:**

- 2 campaigns in West Rand: Kagiso W11 and Wedela W23
- 2 campaigns in CoJ: Emndeni Ward 130 and Meadowlands Mall W41
- 4 in Sedibeng: Rustervaal W16; Debonairpark W21; Evaton W43; Lakeside W6

### **DISASTER MANAGEMENT**

#### **COVID-19 response plans were developed:**

- COVID-19 grant application and implementation in progress;
- The Provincial Disaster Management Centre (PDMC) drafted Disaster Macro Risk Assessments (DMRAs) for sector departments
- PDMC finalised bilaterals with sector departments to guide the process of drafting sector-specific Level 1 Disaster Management Plans.

### **Service Delivery**

Electricity provision by municipalities in terms of basic services is being monitored and 2 985 indigent households were provided with access to basic electricity services. The Department continues to monitor municipal performance on the provision of basic services: Specifically, electricity provision in informal settlements. Pangoville Informal Settlement (Mogale City) was partially electrified and Zenzele (Randwest City) was fully electrified.

- Municipal Infrastructure Grant (MIG)-5 local municipalities (Merafong, Midvaal, Lesedi, Emfuleni, RandWest) for the 2020/2021 financial year is R381.8 million and expenditure to date is R106.7 million (27.9 per cent).
- IUDG- 1 local municipality (Mogale) R119.8 million with R48.6 million expenditure to date (41 per cent)
- USDG- 3 metropolitan municipalities. The total combined allocation is R4.89 billion for the 2020/2021 Financial Year. Expenditure to date is R2.46 billion which translates to 50 per cent.

Two District Municipalities (Sedibeng and West Rand) were supported with technical skills in the form of designs, registration of MIG projects and technical reports through MISA and CoGTA. The Department has appointed the South African Institution of Civil Engineering (SAICE) to augment the current capacity needed by the municipalities; engagements with municipalities are at an advanced stage.



### 3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2021/22)

#### Financial Viability

The AGSA has highlighted an escalating trend in UIFW expenditure in municipalities over recent years, evident in audit opinions and summarised in the annual general reports on local government. There has also been a sense of uncertainty amongst municipalities on the understanding of how irregular expenditure should be treated and who has the legislative power to deal with irregular expenditure. The uncertainty relates mainly to how municipalities should conclusively deal with such matters, the process to be followed and the manner in which such matters should be recorded and disclosed. The department plans to support municipalities in terms of reducing UIFW expenditure by providing additional capacity on areas of concern. Once the project is implemented, it should result in improved internal controls and overall management of UIFW expenditure. Lesedi, Midvaal and Emfuleni municipalities will be provided with capacity to implement the simplified revenue plans.

#### Audit and correction of large power and water users billing data

The department is in the process of procuring services from skilled professionals to assist the municipalities to conduct audits and the correction of Large Power and Water Users billing data. The objective of the project is to support the identified municipalities with additional capacity to ensure correct/accurate billing of the Large Power and Water Users in Mogale and Randwest Local Municipalities in 2021. In addition, it is intended that the project will facilitate collection of revenue. Once implemented, the project should result in improved revenue management and reduced municipal consumer debt in relation to the Large Power and Water Users. It is also anticipated that the project will result in the protection of the municipal revenue collection potential. A 10 per cent increase in revenue collected from the targeted Large Power and Water Users in Mogale, Randwest and Merafong Local Municipalities will be achieved in 2021/22 financial year. This project is intended to be two pronged as municipalities will be supported to bill large power users while also being provided with infrastructure support which will assist in the provision of meters that will ensure that correct bills are generated. Fifty Large Power Users and commercial customers' meters will be replaced in Merafong LM and 786 Large Power Users' and commercial users' meters will be replaced or audited in Emfuleni.

#### Capacity Development

Merafong LM has been supported with organisational structure and institutional review: This should lead to the stabilisation of municipal institutional structures, systems and processes through implementation of decisive Governance and Organisational Design and development support mechanisms; guidance on the appropriate span of control requirements; addressing duplication of functions in each department; and career path and filling urgent critical positions.

#### Multidisciplinary support to municipalities

Sedibeng DM, West Rand DM and Metros will be supported with multi-disciplinary technical assistance teams (TAT) to address service delivery challenges. Four experts have been placed in regional teams to support municipalities to address service delivery challenges: 2 Organisational Development and Design Experts, 1 Local Government Labour Expert and 1 Local Government Legal Expert. The impact/value add is to stabilise municipal institutional structures, systems and processes through the implementation of decisive Governance and Organisational Design and development support mechanisms. It is also to provide guidance on the appropriate span of control requirements; duplication of functions in each department; career pathing; and urgent critical positions to be filled. The labour relations efficiencies and effectiveness are to be enhanced. A case tracking document, consisting of each case being dealt with, its status, the next steps required and the exposure amount to the municipality is to be compiled. This tool is aimed at installing a proactive approach to case management that will enable municipal officials to prevent labour disputes, mitigate litigation risks and solve workplace challenges.

#### Integrated Development Planning

Urbanisation in Gauteng started with the grouping and shaping of towns around gold mines resulting in fragmented land use and scattered urban development. This created a sprawling racially, economically and functionally separated settlement pattern that is environmentally wasteful, stretching from Pretoria in the north via Johannesburg to Vereeniging in the south. Apartheid planning added to this spatially fragmented urban form by segregating non-whites in enclaves of economic poverty in areas removed from the socio-economic opportunities of the urban concentrations. This pattern continues to have a notable impact on service delivery. Following the first democratic elections in 1994, the State embarked on a massive drive to address the legacy of colonial and apartheid socio-economic and spatial engineering. While major inroads have been made, notably in providing services and opening access for all to economic, educational and housing opportunities, the economic and spatial distortions of the past are far from being resolved. At the same time, an unintended consequence of the State's low-income housing programme entrenched further the existing apartheid spatial separation while the lack of spatial planning and land-use regulation allowed private development of new economic enclaves for the rich on the urban periphery. A review of the Gauteng Spatial Development Framework (GSDF 2030), approved in 2016, seeks to align with Growing Gauteng Together, NDP 2030, the National Spatial Development Framework and new provincial policy directives as well as to comply with the Spatial Planning and Land Use Management Act (No. 16 of 2013) (SPLUMA) which requires the Premier of each province to develop or update a Provincial Spatial Development Framework is planned.

Given the current fiscal constraints and the increasing need for spatial transformation, the GSDF 2030 proposes that resource allocation and implementation will require better alignment of all planning and budgeting processes. Stemming from this, the Gauteng Planning Division (GPD) in collaboration with Gauteng Provincial Treasury (GPT) has embarked on the process of assessing provincial sector plans in line with GSDF 2030 to better plan budgeting synergies across all spheres of government in the province and align projects/initiatives with provincial priorities. Eleven municipalities will be supported with development of IDPs that are spatially referenced.

SPLUMA requires all municipalities to prepare land use schemes within five years of implementation of the Act i.e. by 2019. SPLUMA also requires provinces to support, monitor and strengthen the capacity of municipalities on spatial planning and land use management. The province has supported municipalities to develop their Land Use Schemes and, during that process, the need for Land Audits was identified as important for the successful review of the schemes. A desktop land use audit will be conducted in Sedibeng in the 2021/22 financial year.

### **Asset Based Community Development (ABCD)**

ABCD entails building capabilities, capacity and understanding of applying an asset approach to provide content to public participation (PP). Officials in the Office of the Speaker will be targeted through knowledge sharing of best practices related to community initiatives (what community/citizens are doing in the COVID-19 environment). Virtual learning sessions will be hosted between municipalities to share and learn about new best and relevant practices. Nine municipalities are targeted to be assisted with the rollout of the ABCD approach.

### **Preparation for the Local Government elections**

Voter Education Stakeholder engagements and campaigns are necessary in order to address the issues of unregistered voters, un-addressed voters, general voter awareness and socio-political issues including declining voter participation and an increase in voter apathy. The campaigns are designed from the premise that the task of getting people to participate in the electoral process is crucial to sustaining democracy. The Department will be partnering with organisations that contribute towards realising an increase in voter registration, voter turnout and compliance with electoral procedures as set out by the Act. Five Voter Education Stakeholder engagement sessions will be held.

### **DISTRICT DELIVERY MODEL**

The District Development Model (DDM) was adopted by Cabinet in August 2019. It was developed through a collaborative process that advocates acknowledgement of the interdependence and complementary nature of programmes and projects within the District and beyond. It outlines Key Commitments and targets, rallies resources of the three spheres and the private sector behind an agreed set of catalytic projects and their subsets. It advocates joint planning towards realisation of alignment and the delivery of a basket of services in an integrated fashion

DDM will be implemented through the Centre of Government (OoP, CoGTA and GPT) to drive intergovernmental planning, budgeting, implementation and tracking progress. The Provincial Command Council and EXCO will serve as the oversight structure for DDM implementation.

The Gauteng approach to rollout of the DDM is in three phases.

#### **Phase 1**

- Ongoing municipal engagements on regularly updated District Profiles
- Risk adjusted strategy
- District response plans/packages for COVID-19
- Social relief
- Economic stimulus
- Emergency response measures
- District health profiles
- Finalised preparation for District Champions visits
- Spatially referenced projects and budgets.

#### **Phase 2**

- Diagnostic reports towards Revised District Profiles (Deep Dive)
- Municipal and Sector Department engagements on APP, Budgets, IDPs
- Develop 5 District Response Plans based on profiles and roll out plan: short term
- Initiation of the development of an intergovernmental planning framework

#### **Phase 3**

- Establish and operationalise District Hubs
- Compile the "OnePlan"
- Provincial joint Assessment of plans-IDPs, APPs and budgets
- Integration phase of plans: IDPs and APP programme description.

## GREEN AGENDA

One State of Energy Outlook study which will contribute to the formulation and implementation of climate change mitigation interventions was conducted during the period under review. This is part of renewable energy initiatives implemented as part of a process of promoting the green agenda within the province, with initiatives to include implementation of water harvesting tanks. Nine Municipalities will be monitored on implementation of adaptive measures to climate change in water supply services and use.

## 4. REPRIORITISATION

The department has identified funds allocated to items that are not essential and that can be devoted to higher-priority projects under budget pressure. This is part of the department's efforts to eliminate inefficiencies through cost saving measures to cater for core functions through reprioritisations of funds.

Funds are reprioritised over the MTEF from Programme 2: Local Governance to Programme 3: Development and Planning mainly to strengthen municipal support in other areas such as the multi-disciplinary engineering experts related project. Funds are also reprioritised over the MTEF mainly to make provision for media buying, part of the Civic Awareness campaign to be done by the Communication Unit; and provision for payment of appointed probity auditors on open tender processes. Furthermore, funds are redirected to relieve budget pressures mainly on cleaning and security services and procurement of office furniture as the department relocated to new office accommodation at 30 Simmonds Street. Funds are also reprioritised from goods and services to cater for transfers to municipalities for the purpose of improving Fire and Rescue Services response capabilities and for GRAP 17 support. Funds are made available through reprioritisation within the baseline to cater for all the projects which are deferred to 2021/22 financial year as a result of procurement processes being affected by the national lockdown during the 2020/21 financial year.

## 5. PROCUREMENT

The department will be implementing and undertaking the projects below in the coming financial year and over the MTEF:

- Development of the Capital Expenditure Framework (CEF) for Emfuleni Local Municipality
- Assessment of Large Power users for Merafong and Emfuleni LM
- Appointment of a service provider to undertake a Land Use Audit for the municipalities of West Rand District
- Review of Spatial Development Framework
- Supply, installation, and maintenance of multifunctional equipment for the Provincial Disaster Management Centre
- Multi-disciplinary full-scale simulation exercise for Gauteng Provincial Fire and Rescue
- Procurement of a Master System Plan
- Implementation of financial viability projects
- Conduct an organisational structure and institutional review in Merafong LM
- Procure cleaning services at the PDMC and 30 Simmonds Street
- Demolition and office partitioning at 30 Simmonds Street
- Appointment of a service provider to conduct a Work Study exercise in line with the organisational structure review
- Procurement of traditional media buying, digital and social medial graphic design and buying of Wi-Fi
- Procurement of design and printing services; participation mobilisation.

## 6. RECEIPTS AND FINANCING

### 6.1 Summary of receipts

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Equitable share	477 041	531 235	560 278	612 793	609 972	609 972	579 659	596 593	583 459
Conditional grants	2 000	2 000	2 004	2 000	2 000	2 000	2 037		
<b>Total receipts</b>	<b>479 041</b>	<b>533 235</b>	<b>562 282</b>	<b>614 793</b>	<b>611 972</b>	<b>611 972</b>	<b>581 696</b>	<b>596 593</b>	<b>583 459</b>

The budget of the department increased from R479 million in 2017/18 to R562 million in 2019/20. It provided for disaster management centre related projects, provision of efficient services to traditional leaders and councils, payment of contractual obligations and procurement of relief materials to support interventions in respect of the floods in the province. Funds were also transferred to support municipalities for the following purposes: water infrastructure projects; operational requirements for disaster management in West Rand District municipality; continuous support for municipalities concerning GRAP 17 (asset management), PMS; and improvement of Fire & Rescue Services response capabilities. Following the establishment of Rand West Local Municipality, the department supported the municipality by providing training on project management, financial management and implementing the recommendations of the job evaluation report. The budget also provided for voter education



projects for the 6<sup>th</sup> national and provincial elections, finalisation of some of the projects for the PDMC, implementation of the energy strategy, settlement of the lease for fire fighters' engines and provision of tools of trade for community development workers (CDWs).

Included in the budget was the EPWP conditional grant amounting to R2 million in each financial year to support job creation initiatives in communities. Budget was also made available for provision of the Operation Clean Audit coordinating committee workshop; training and technical support for the design and setup of an asset-based community development initiative in municipalities; the Women Counsellors Gender Mainstreaming Training Programme and the CDW collaborative model workshop. Only critical key personnel posts were filled due to unavailability of office space.

In the 2020/21 financial year, the overall budget was adjusted downward to R612 million due to budget reduction of R22.8 million applied to compensation of employees in order to implement the government's initiative to contain the growth of the public sector wage bill within affordable levels. The Department made provision of R26.3 million in the form of a transfer to municipalities, comprising a once-off allocation of R24.3 million to West Rand DM, Midvaal LM and Emfuleni LM to provide support for improvement of Fire & Rescue Services response capabilities and R2 million for continuous support for municipalities concerning EPWP. Funds were made available for COVID-19 pandemic related spending mainly to support the Department of Health with triage facilities; the Department of Social Development's support for homeless citizens during the lockdown period; personal protective equipment (PPE); educational materials for COVID-19 awareness; and service providers for disinfection of offices in the departmental buildings. An additional amount of R20 million was allocated during the special adjustment budget for provision of ward-based civic education on COVID-19 awareness, whilst an amount of R4 million was also made available to be transferred to Mogale City Local Municipality for procurement of a Valuation Management System.

The 2020/21 budget allocation also provided for payment for members of the Committee of Enquiry into local government; Administrators at the City of Tshwane Metro and Emfuleni LM; Probity Auditors for the open tender processes; a departmental ICT upgrade and procurement of tools of trade for officials; appointment of multi-disciplinary experts for project management of the Integrated Gauteng Provincial Disaster Management Centre (IPDMC); OHS services; PMO capacity and sectoral services; management of the organisational structure and institutional review process for Emfuleni LM; municipal support with a labour relations specialist; and rollout of Civic Awareness Campaigns across Gauteng province.

The MTEF allocation shows a slight increase from R582 million to R583 million between 2021/22 and 2023/24 to cater mainly for supported of WBWR civic awareness programmes on the fight against COVID-19; Voter Education Stakeholder engagement sessions; ABCD capacity initiatives to be implemented in municipalities; capacitation of municipalities to implement the simplified revenue plans and undertake data enrichment of Large power and Water Users; and to reduce Unauthorised, Irregular, Fruitless and Wasteful expenditure. The allocation over the MTEF is also aimed at providing support to municipalities with the Organisational Structure and Institutional Review; a review of the Gauteng Spatial Development Frameworks; conducting Land Use Audits for local municipalities; aligning government plans with the DD; completing State of Energy Outlook studies; and disaster management plans. A total amount of R176.4 million over the MTEF is reduced from the departmental baseline on compensation of employees in order to implement the government's initiative to contain the growth of the public sector wage bill within affordable levels. Furthermore, budget reduction of R33.3 million over the MTEF is also applied in other areas for implementation of fiscal reduction consolidation. An amount of R64.4 million is allocated over the MTEF for Civic Awareness and Voter Education Campaigns for the 2021 local government elections. A total amount of R23 million is set aside for transfer to municipalities in the 2021/22 financial year: R18 million for improving Fire and Rescue Services response capabilities and R5 million for GRAP 17 support. The Department received an allocation of R2 million in the 2021/22 financial year for the EPWP conditional grant to continue to support job creation initiatives in communities. An once-off additional allocation of R20 million is received in 2021/22 financial year, to fund Ward Based Civic Education on COVID-19 Awareness.

## 6.2 Departmental receipts

TABLE 7.2: DEPARTMENTAL RECEIPTS: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Sales of goods and services other than capital assets	282	289	251	184	184	214	204	213	229
Interest, dividends and rent on land			115	34	64	93	36	38	45
Transactions in financial assets and liabilities	209	118	42	109	79	49	107	119	124
<b>Total departmental receipts</b>	<b>491</b>	<b>407</b>	<b>408</b>	<b>327</b>	<b>327</b>	<b>356</b>	<b>347</b>	<b>370</b>	<b>398</b>

Departmental receipts decreased from R491 000 in 2017/18 to R408 000 in 2019/20 because the department stopped collecting parking rental fees from staff in 2019/20 as a result of the unavailability of an office building. Other factors contributing to the decline related mainly to challenges experienced in collecting outstanding staff debts as few debtors were committed to paying their debts. The departmental receipts budget for the 2021/22 financial year amount to R347 000 and will increase to R398 000 over the Medium-Term Revenue Framework (MTRF) period. The department is not a revenue generating institution due to the service it renders. Departmental receipts mainly consist of staff debt repayments and sales of third-party transactions such as commissions. Interest on staff debt contributes a small proportion to total departmental receipts.

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

The assumptions that underpin the department's 2021 MTEF expenditure are summarised below. The average wage increase is anticipated to be frozen over the MTEF. The following elements have been taken into consideration when determining budgets for personnel and other economic classifications for the 2021 MTEF:

- Salary increases for officials with Occupation-specific Dispensations (OSDs)
- Provision for filling vacant posts as per the interim organisational structure of the Department
- Strengthening the capacity of the Community Development Worker Programme (CDWP) by filling critical vacant posts to ensure that each ward is allocated a CDW
- Provision for training and development of employees
- Implementation of the Provincial IGR Strategy
- Development of the Capital Expenditure Framework
- Development of a long term GCR Integrated Urban Development Framework
- Conduct land use audits for two district municipalities
- Establish five multi-disciplinary expert panels to support targeted municipalities in line with the District Development Model (DDM) roll-out
- Roll-out civic awareness and voter education campaigns across all municipalities for the coming local government elections
- Provide adequate support to and enhance the capacity of the institution of traditional leadership
- Provide workshops to support the implementation of the Traditional and Khoisan Leadership Act
- Provide continuous support to municipalities.

### 7.2 Programme summary

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Administration	124 590	111 824	127 934	150 364	176 982	164 468	150 092	153 875	147 530
2. Local Governance	214 955	204 818	232 077	296 495	266 192	265 968	288 618	286 979	276 311
3. Development Planning	108 967	198 141	137 689	145 564	152 017	133 103	125 556	137 058	140 122
4. Traditional Institutional Management	11 269	13 405	14 792	22 370	16 781	16 614	17 430	18 681	19 496
<b>Total payments and estimates</b>	<b>459 781</b>	<b>528 188</b>	<b>512 492</b>	<b>614 793</b>	<b>611 972</b>	<b>580 153</b>	<b>581 696</b>	<b>596 593</b>	<b>583 459</b>

### 7.3 Summary of economic classification

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>416 693</b>	<b>435 472</b>	<b>448 792</b>	<b>581 879</b>	<b>565 358</b>	<b>536 676</b>	<b>544 182</b>	<b>583 226</b>	<b>570 119</b>
Compensation of employees	315 228	328 532	343 064	384 070	352 071	352 071	360 649	366 821	384 221
Goods and services	101 465	106 940	105 728	197 809	213 287	184 605	183 533	216 405	185 898
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>26 231</b>	<b>85 481</b>	<b>60 778</b>	<b>23 200</b>	<b>28 800</b>	<b>28 800</b>	<b>26 003</b>	<b>1 027</b>	<b>1 000</b>
Provinces and municipalities	25 136	84 500	58 004	22 000	26 300	26 300	25 037		
Households	1 095	981	2 774	1 200	2 500	2 500	966	1 027	1 000
<b>Payments for capital assets</b>	<b>16 793</b>	<b>7 201</b>	<b>2 922</b>	<b>9 714</b>	<b>17 814</b>	<b>14 677</b>	<b>11 511</b>	<b>12 340</b>	<b>12 340</b>
Buildings and other fixed structures									
Machinery and equipment	16 793	7 201	2 922	9 714	17 814	14 677	11 511	12 340	12 340

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Software and other intangible assets									
Payments for financial assets	64	34							
<b>Total economic classification</b>	<b>459 781</b>	<b>528 188</b>	<b>512 492</b>	<b>614 793</b>	<b>611 972</b>	<b>580 153</b>	<b>581 696</b>	<b>596 593</b>	<b>583 459</b>

Departmental expenditure increased from R459.7 million in 2017/18 to R512.4 million in the 2019/20 financial year. The increase was mainly for support to municipalities as follows: operational requirements for disaster management in West Rand District Municipality; GRAP 17 (Asset Management); improvement of Fire & Rescue Services response capabilities; and PMS. The department also incurred expenditure in relation to relief materials to support interventions in respect of the floods in the province; payment for the Voter Education Registration Campaign; disaster management related projects; provision of efficient services to Traditional Leaders and councils; fleet services, Audit and IT license fees; the Operation Clean Audit coordinating committee workshop; and the CDW collaborative model workshop. Only critical key personnel posts were filled due to unavailability of office space. The expenditure also provided for training and technical support for the design and setup of an asset-based community development initiative in municipalities; the Women Counsellors Gender Mainstreaming Training Programme; disaster management awareness campaigns; and micro-disaster risk assessments. The Department exercised oversight and provided support to the Municipalities in areas such as governance, financial viability, Municipal Integrated Revenue Management, and Organizational Structure and Institutional Review.

During 2020/21, the departmental adjusted budget was R611.9 million for support to municipalities as follows: a once-off allocation of R24.3 million to municipalities to provide support for the improvement of Fire & Rescue Services response capabilities and R2 million for continuous support for municipalities concerning EPWP. Other expenditure related to the COVID-19 pandemic including procurement of tents to support the Department of Health with triage facilities at clinics; blankets and mattresses to support the Department of Social Development with homeless citizens during the lockdown period; PPE; educational materials for COVID-19 awareness; and payment to service providers for disinfection of offices in the departmental buildings. The expenditure was also driven by the following factors: payment for members of the Committee of Enquiry and for Administrators at the City of Tshwane Metro and Emfuleni LM and Probity Auditors for the open tender processes; management of the Organisational Structure and Institutional Review process for Emfuleni LM; municipal support with a labour relations specialist; development of a High Level Operational Model and structure for the IPDMC Building; rollout of Civic Awareness Campaigns across the province; and procurement of office furniture at the PDMC. Only critical key personnel posts were filled due to unavailability of office space.

The MTEF allocation increased slightly from R582 million to R583 million between 2021/22 and 2023/24. Over the MTEF, the budget will fund the PDMC and Department's operational requirements; support two district municipalities in reviewing and developing financial viability and sustainability strategies and plans; development of a long term GCR Integrated Urban Development Framework; development a Capital Expenditure Framework; and conducting land use audits for two district municipalities. The Department will support WBWR civic awareness programmes on the fight against COVID-19; Voter Education Stakeholder engagement sessions for local government elections; ABCD capacity initiatives to be implemented in municipalities; capacitate municipalities to implement the simplified revenue plans and to undertake data enrichment of Large Power and Water Users and to reduce Unauthorised, Irregular, Fruitless and Wasteful expenditure. The allocation over MTEF is also aimed at providing support to Municipalities with their Organizational Structure and Institutional Reviews; reviewing Gauteng Spatial Development Frameworks; support for municipalities to implement LED programmes; aligning government plans with the DDM; complete State of Energy Outlook studies; and disaster management plans. The budget will also be utilised to coordinate and manage disaster response and recovery initiatives; prevent the outbreak of fires; support the Committee on Gender, Youth and Persons with Disabilities (GEYODI); strengthen and integrate the work of CDWs across the province in community engagement; support the War Room on service delivery; and implement the Provincial IGR Strategy. The Department also plans a Joint Provincial Planning and Budgeting process for the realisation, implementation and monitoring the DDM's "One Plan". The municipalities will be supported with improvement of Fire & Rescue Services response capabilities and GRAP 17. The department will also provide support on Ward Based Civic Education on COVID-19 Awareness, with funding from a once-off additional allocation of R20 million in 2021/22 financial year.

## 7.4 Infrastructure payments

N/A

### 7.4.1 Departmental infrastructure payments

N/A

### 7.4.2 Departmental Public-private-partnership (PPP) projects

N/A

## 7.5 Transfers

### 7.5.1 Transfers to public entities

N/A

### 7.5.2 Transfers to other entities

N/A

### 7.5.3 Transfers to local government

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Category A									
Category B	25 136	27 000	11 504	2 000	6 300	6 300	17 037		
Category C		57 500	46 500	20 000	20 000	20 000	8 000		
<b>Total departmental transfers</b>	<b>25 136</b>	<b>84 500</b>	<b>58 004</b>	<b>22 000</b>	<b>26 300</b>	<b>26 300</b>	<b>25 037</b>		

The department made transfers to municipalities in the 2017/18 financial year to address Rand West Municipality's post-merger salary disparity challenges. In the 2018/19 financial year, R84.5 million was transferred to address the following: Merafong Local Municipality for water infrastructure pipe repairs; refurbishment of the water pump station in Emfuleni Local Municipality; transfers to West Rand District Municipality to provide support for improvement of Fire & Rescue Services response capabilities in line with the South African National Standard on community protection against fire code SANS:10090; and continuous support for municipalities concerning GRAP 17 (asset management), Performance Management System (PMS) and EPWP. In 2019/20, the Department transferred an amount of R58 million to provide for operational requirements for disaster management in West Rand District Municipality and continuous support for municipalities concerning GRAP 17 (asset management), PMS, EPWP and to provide support to Lesedi Local Municipality for procurement of a fully equipped medium pumper fire engine.

In the 2020/21 financial year, the department made provision for a once-off allocation of R20 million to West Rand District Municipality, R2.7 million to Midvaal Local Municipality and R1.6 million to Emfuleni Local Municipality to provide support for improvement of Fire & Rescue Services response capabilities in line with South African National Standard on community protection against fire code SANS: 10090. An allocation of R2 million in the 2020/21 financial year is for the EPWP conditional grant to continue to support job creation initiatives in communities. An amount of R4 million is made available to be transferred to Mogale City Local Municipality for procurement of a Valuation Management System.

Over the MTEF, a total amount of R25 million is set aside to be transferred to municipalities: R18 million for improving Fire & Rescue Services response capabilities, R5 million for GRAP 17 support in targeted municipalities and R2 million for the EPWP conditional grant to continue to support job creation initiatives in communities. The municipalities targeted in terms of improving Fire & Rescue Services response capabilities include Midvaal LM, Lesedi LM, Emfuleni LM and WestRand District Municipality. The GRAP 17 support will be provided to five municipalities: RandWest City LM, Merafong LM, Mogale City LM, WestRand District Municipality and Lesedi LM.

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

The programme's aim is staff capacitation so that the department can carry out the pivotal role that it has to play. This involves capacity building in technical, professional and leadership skills. The assumption is that, once staff are adequately skilled, they will implement the interventions as conceptualised. An effective, efficient and responsive CoGTA can be determined by establishing the number of effective core business applications, systems and processes developed and automated during the five years. The major assumption is that the correct business applications, systems and processes will be developed and automated so that these will jointly contribute to the effectiveness, efficiency and responsiveness of CoGTA in meeting the needs of its stakeholders.

#### Programme objectives:

- Ensure that Human Resource Management (HRM) is a strategic partner with all units in the department
- Provide effective legal services to the department
- Provide efficient and effective facilities management to the department
- Provide efficient, effective and stable ICT infrastructure and support to the department

- Ensure prudent financial management, efficient and effective SCM, and that systems to ensure financial planning and budgeting are aligned with the department's strategic plan
- Maintain effective, efficient and transparent risk management and financial systems, as well as controls, to safeguard departmental assets
- Ensure good governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility within departmental operations.

#### Key policies, priorities and outputs

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

TABLE 7.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Office Of The MEC	3 031	3 053	3 698	4 799	4 449	4 959	4 235	4 530	4 630
2. Corporate Services	121 559	108 771	124 236	145 565	172 533	159 509	145 857	149 345	142 900
<b>Total payments and estimates</b>	<b>124 590</b>	<b>111 824</b>	<b>127 934</b>	<b>150 364</b>	<b>176 982</b>	<b>164 468</b>	<b>150 092</b>	<b>153 875</b>	<b>147 530</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>115 902</b>	<b>109 786</b>	<b>123 607</b>	<b>142 998</b>	<b>160 216</b>	<b>148 272</b>	<b>142 960</b>	<b>146 656</b>	<b>140 338</b>
Compensation of employees	80 017	78 059	84 540	97 567	90 907	90 907	92 445	93 759	97 885
Goods and services	35 885	31 727	39 067	45 431	69 309	57 365	50 515	52 897	42 453
<b>Transfers and subsidies to:</b>	<b>1 095</b>	<b>981</b>	<b>2 774</b>	<b>1 200</b>	<b>2 500</b>	<b>2 500</b>	<b>966</b>	<b>1 027</b>	<b>1 000</b>
Provinces and municipalities									
Non-profit institutions									
Households	1 095	981	2 774	1 200	2 500	2 500	966	1 027	1 000
<b>Payments for capital assets</b>	<b>7 529</b>	<b>1 023</b>	<b>1 553</b>	<b>6 166</b>	<b>14 266</b>	<b>13 696</b>	<b>6 166</b>	<b>6 192</b>	<b>6 192</b>
Buildings and other fixed structures									
Machinery and equipment	7 529	1 023	1 553	6 166	14 266	13 696	6 166	6 192	6 192
Software and other intangible assets									
<b>Payments for financial assets</b>	<b>64</b>	<b>34</b>							
<b>Total economic classification</b>	<b>124 590</b>	<b>111 824</b>	<b>127 934</b>	<b>150 364</b>	<b>176 982</b>	<b>164 468</b>	<b>150 092</b>	<b>153 875</b>	<b>147 530</b>

Expenditure increased from R124.6 million to R127.9 million during the 2017/18 and 2019/20 financial years. Expenditure mainly emanated from the provision of corporate support services, training and bursaries, legal costs, the purchase of tools of trade for staff, contractual obligations (such as municipal, security and cleaning services), operational costs (such as telecommunications services, fleet services and software license payments) and transportation of departmental movable assets to a storage facility and leasing of the storage facility.

The allocation amounts to R176.9 million in 2020/21 and decreases from R150.1 million in 2021/22 to R147.5 million in 2023/24, mainly as a result of discontinuation of the allocation for Civic Awareness and Voter Education and more budget reduction implemented in the outer year. There is also a once-off additional fund of R20 million allocated during the 2020/21 special adjustment process for provision of Ward-based Civic Education on COVID-19 awareness. The budget over the 2021 MTEF will



fund the provision of furniture and equipment for staff, bursaries, communication equipment, legal fees, probity auditors for open tender processes, fleet services, audit fees, staff training and software licence fees. In addition, the budget will partially cater for partitioning of the 30 Simmonds Street offices and payment of contractual obligations (such as municipal, security and cleaning services) for the new office accommodation. Provision is also made for media buying as part of the Civic Awareness campaign to be done by the Communication Unit.

**Compensation of employees:** personnel costs increased from R80 million in 2017/18 to R84.5 million in 2019/20. The department only filled critical posts due to unavailability of a permanent office building. The budget will increase from R92.4 million in 2021/22 to R97.9 million in 2023/24 to continue funding the departmental support capacity as per the interim reviewed organisational structure.

**Goods and services:** spending increased from R35.9 million to R39.1 million during the first three financial years of the MTEF. The expenditure catered for the settlement of contractual obligations, payment of fleet services, bursaries and employee training, audit fees for regulatory audit services, software licence fees and the operational requirements of the Department.

The adjusted budget for operational costs amounts to R69.3 million in 2020/21. It will decrease from R50.5 million in 2021/22 to R42.5 million in 2023/24. The budget in 2020/21 catered for remuneration of members of the Committee of Enquiry into local government, Ward-based Civic Education on COVID-19 awareness and municipal support on the Forensic Review and Investigation of the ten top contracts across regions as directed. The allocation over the MTEF will mainly cater for operational costs such as staff bursaries, fleet services, audit fees, legal costs, payment of contractual obligations for the new office accommodation and other operational requirements. The budget will also make provision for media buying as part of Civic Awareness campaigns, installation of electronic security services at 30 Simmonds Street, network printers rentals and copy charges and payment of appointed probity auditors for open tender processes.

**Transfers and subsidies:** the payment of pension benefits for ex-Development Board members and injury-on-duty claims increased from R1.1 million in 2017/18 to R2.8 million in 2019/20. In addition, the Department made payment of outstanding gratuities to former MECs in 2019/20. The budget increases slightly over the MTEF period to continue to make provision for management of pension and medical benefits for ex-Development Board members, for possible injury-on-duty claims and retirement of officials.

**Machinery and equipment:** replacement of office computers, furniture and equipment in the department was delayed due to unavailability of an office building as a result of the fire at the Bank of Lisbon building. Hence there is decreased expenditure from R7.5 million in 2017/18 to R1.6 million in 2019/20.

The budget will decrease from R13.7 million in 2020/21 to R6.2 million in 2023/24 due to the intent to procure more tools of trade and a departmental ICT upgrade in the current financial year. The allocation over the MTEF will mainly fund the procurement of office furniture and partitioning of offices at 30 Simmonds Street.

## PROGRAMME 2: LOCAL GOVERNANCE

### Programme description

The Local Governance Programme seeks to strengthen the developmental state by enhancing participatory governance and institutional stability as well as by building the capacity and capability of local government to achieve its constitutional mandate. The sustained performance on the B2B pillars will serve as an indicator as to whether the municipalities are functional and ethical which will further illustrate whether there is effective service delivery. In terms of the B2B pillars, municipalities that achieve a minimum of 80 per cent satisfaction levels in stakeholder surveys will further reflect functionality and sustainability. The objectives of this programme are to:

- Provide management and support services to local government within the regulatory framework
- Monitor and support municipalities to ensure financially viable and sustainable municipalities in accordance with applicable Acts
- Deepen democracy by promoting community participation through appropriate structures, processes and systems and by facilitating access to government services
- Coordinate and integrate support, foster cooperation and monitor capacity building initiatives
- Improve municipal performance through enhanced monitoring, reporting and evaluation
- Improve the image of local government
- Implement a differentiated approach to local government in the Province
- Monitor and support legislative compliance
- Establish and support viable and accountable governance structures
- Promote intergovernmental and stakeholder relations as well as improved integration and planning
- Facilitate the devolution of powers and functions to ensure stable local government
- Improve public participation
- Implement an appropriate finance model for local government to promote sustainability and viability
- Enforce anti-corruption measures in municipalities

- Provide urban management and built-environment planning
- Build capacity and capability towards improving professionalism in local government
- Develop policy towards differentiated approaches and social inclusivity
- Enhance participatory governance through CDW programmes
- Facilitate access to basic services for poor communities.

TABLE 7.8: SUMMARY OF PAYMENT AND ESTIMATES: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Municipal Administration	11 492	12 524	15 161	17 293	14 993	14 993	15 793	16 833	17 379
2. Municipal Finance	9 148	9 273	11 154	22 298	14 710	15 797	22 252	24 405	24 609
3. Public Participation	146 988	155 049	172 051	206 063	191 243	189 218	213 287	203 393	190 851
4. Capacity Development	32 847	13 702	18 367	33 637	28 742	29 372	21 284	26 005	26 448
5. Municipal Performance Monitoring, Reporting And Evaluation	14 480	14 270	15 344	17 204	16 504	16 588	16 002	16 343	17 024
<b>Total payments and estimates</b>	<b>214 955</b>	<b>204 818</b>	<b>232 077</b>	<b>296 495</b>	<b>266 192</b>	<b>265 968</b>	<b>288 618</b>	<b>286 979</b>	<b>276 311</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>186 819</b>	<b>199 818</b>	<b>227 077</b>	<b>296 495</b>	<b>266 192</b>	<b>265 968</b>	<b>283 618</b>	<b>286 979</b>	<b>276 311</b>
Compensation of employees	168 893	178 582	194 018	207 897	195 647	195 647	200 966	204 530	213 925
Goods and services	17 926	21 236	33 059	88 598	70 545	70 321	82 652	82 449	62 386
<b>Transfers and subsidies to:</b>	<b>23 136</b>	<b>5 000</b>	<b>5 000</b>				<b>5 000</b>		
Provinces and municipalities	23 136	5 000	5 000				5 000		
<b>Payments for capital assets</b>	<b>5 000</b>								
Buildings and other fixed structures									
Machinery and equipment	5 000								
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>214 955</b>	<b>204 818</b>	<b>232 077</b>	<b>296 495</b>	<b>266 192</b>	<b>265 968</b>	<b>288 618</b>	<b>286 979</b>	<b>276 311</b>

Expenditure increased from R215 million to R232 million between the 2017/18 and 2019/20 financial years mainly to continue funding the department's interventions to support municipalities. The key interventions included the Voter Education Registration Campaign in support of the 6<sup>th</sup> national and provincial elections, the Operation Clean Audit coordinating committee workshop, training and technical support for the design and setup of an asset-based community development initiative in municipalities, a CDW collaborative model workshop and the Women Counsellors Gender Mainstreaming Training Programme. During this three-year period, the department also provided for the implementation of the simplified revenue enhancement strategy/plan in municipalities; the rollout of a capacity intervention through training and skills transfer to targeted municipalities; and for conducting human resource audits in municipalities.

The revised estimate amounting to R266 million in 2020/21 was mainly for the provision of the roll-out of the Civic Awareness Campaigns and Voter Education Campaigns across all municipalities in the province; institutionalisation of performance management systems; ensuring that all Gauteng municipalities implement the B2B pillars effectively and efficiently; supporting roll-out of the simplified revenue enhancement strategy; and providing support to two district municipalities to review and develop financial viability and sustainability strategies and plans. The budget also catered for the payment of Administrators at the City of Tshwane Metro and Emfuleni LM; management of Organisational Structure and Institutional review process for Emfuleni LM; municipal support with a labour relations specialist; Asset Based Community Development promotional materials; the Women Counsellors' Gender Mainstreaming Training Programme; and Mid-Term and End-Term Performance reviews of Local Government in the province.

The budget is set to decrease from R289 million in 2021/22 to R276 million in 2023/24 mainly as a result of once-off additional amount of R20 million allocated in 2021/22 financial year for Ward Based Civic Education on COVID-19 Awareness, discontinuation of the allocation for Civic Awareness and Voter Education and more budget reduction implemented in the outer year. The allocation over the MTEF will continue to fund support to the municipalities: to review and develop financial viability and sustainability strategies and plans; the Women Counsellors' Gender Mainstreaming Training Programme; ensuring that

all Gauteng municipalities implement the B2B pillars effectively and efficiently; pilot the DDM in the West Rand and Sedibeng Municipalities; and establish Multi-Disciplinary Panels of Expertise to support each of the three metros and two districts in line with the DDM roll-out. The Department will continue to exercise oversight and provide support in the roll-out of the Civic Awareness Campaigns and Voter Education campaigns across all municipalities in Gauteng for local government elections. The department will strengthen and integrate the work of CDWs across the province in community engagement; support the War Room on service delivery; and enhance the public participation system through an effective Ward Committee system for active citizen monitoring and oversight of delivery.

The department has also made provision for upscaling and capacity building for the existing ABCD initiative (Emfuleni and COJ) and initiation of new projects in relation to the DDM Ward Based War Room (WBWR); Ward Based War Room community resource mapping and support; support for municipalities with Organisational Structure and Institutional Reviews; procurement of Organisational Development and Design, legal and labour relations experts to support municipalities to address service delivery challenges; and support for municipalities with technical skills capacity challenges through MISA/CoGTA. The budget also makes provision to support municipalities to reduce Unauthorised, Irregular Fruitless and Wasteful (UIF&W) expenditure and to ensure implementation of applicable consequence management by the municipalities and/or metros; provision of revenue experts to support targeted municipalities; and reduction of the consumer debt of Large Power and Water Users.

**Compensation of employees:** this expenditure mainly relates to deployment of CDWs and filling of key vacant posts. The expenditure increased from R168.9 million in 2017/18 to R194 million in 2019/20 and the budget is set to increase from R200.9 million in 2021/22 to R213.9 million in 2023/24 mainly to continue to strengthen the capacity of the CWP by filling critical vacant posts to ensure that each ward is allocated a CDW. The department aims to build capacity and capability and reengineer its core business structures, systems and processes, and to provide technical skills support to municipalities.

**Goods and services:** The department spent between R17.9 million and R33.1 million during the first three financial years of the MTEF. The key deliverables produced during this period were the Voter Education Registration Campaign in support of the national and provincial elections, the Operation Clean Audit coordinating committee workshop, training and technical support for the design and setup of an asset-based community development initiative in municipalities, a CDW collaborative model workshop and the Women Counsellors Gender Mainstreaming Training Programme.

The budget over the 2021 MTEF will mainly cater for oversight and providing support for good governance and institutional management; roll-out of the Civic Awareness Campaigns and Voter Education Campaigns across all municipalities in the province for the coming local government elections; Ward Based Civic Education on COVID-19 Awareness; training for CDWs and ward counsellors; and the Women Counsellors' Gender Mainstreaming Training Programme. The department will also ensure the upscaling of capacity building on the existing ABCD initiative (Emfuleni and COJ) and initiation of new projects in relation to the DDM Ward Based War Room (WBWR); procure Organisational Development and Design, legal and labour relations experts to support municipalities to address service delivery challenges; support municipalities with technical skills capacity challenges through MISA/CoGTA/Multidisciplinary teams; reduce Unauthorised, Irregular Fruitless and Wasteful (UIF&W) expenditure; provide revenue experts to support targeted municipalities; and assist with the reduction of consumer debt of Large Power and Water Users.

**Transfers and subsidies:** the total amount of R33.1 million allocated in the past three financial years was for the following purposes: installation of electricity infrastructure and a waste collection project for Emfuleni Local Municipality; support for municipalities with the migration from manual to electronic information on performance targets (PMS); and GRAP 17. The budget over the MTEF will only be transferred to five targeted municipalities for GRAP17 support.

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

## SERVICE DELIVERY MEASURES

### PROGRAMME 2: LOCAL GOVERNANCE

Programme performance measures	Estimated performance	Medium-term estimates		
	2020/21	2021/22	2022/23	2023/24
Number of research studies produced on key local policy issues.	3	3	3	3
Number of municipalities monitored on the extent to which anti-corruption measures are implemented (Linked to MTSF 2019 – 2024, Priority 1).	11	11	11	11
Number of municipalities supported on ethics and integrity management.	11	11	11	11
Percentage of cases from the Ward Based War Rooms and door to door visits resolved.	30%	40%	50%	60%

Programme performance measures	Estimated performance	Medium-term estimates		
	2020/21	2021/22	2022/23	2023/24
Number of supported WBWR Civic awareness programmes on the fight against COVID-19 implemented in provincial regions	30	30	30	30
Number of Voter Education Stakeholder engagement sessions implemented in provincial regions.	30	20	16	16
Number of Municipalities provided with capacity to implement the simplified revenue plans.	No target planned	3	3	3
Number of municipalities provided with capacity to undertake data enrichment of Large power and Water Users.	No target planned	3	3	3
Number of Municipalities supported with the deployment of revenue experts to develop and implement an Integrated Revenue Enhancement and Debtors Management Plan.	3	2	5	5
Number of municipalities supported to reduce Unauthorised, Irregular, Wasteful and Fruitless expenditure (Linked to MTSF 2019 – 2024, Priority 1).	No target planned	2	3	3
Number of OPCA PCCs convened to provide advisory support to municipalities on the implementation of the audit response plan	2	2	2	2
Number of capacity building interventions conducted in municipalities (Linked to MTSF 2019 – 2024, Priority 1) (B2B Pillar 5).	1	1	3	4
Number of Municipalities supported with the Organisational Structure and Institutional Review.	1	1	2	2
Number of experts placed in regional teams to support municipalities to address service delivery challenges.	4	4	6	6
Number of Municipalities supported to fill Section 54A and 56 and other critical technical positions within 6 months of being vacant.	New indicator	11	11	11
Number of municipalities supported to institutionalise the performance management system (PMS) (Linked to MTSF)	New indicator	11	11	11
Number of municipalities supported to comply with MSA Regulations on the appointment of senior managers (Linked to MTSF 2019 – 2024, Priority 1).	No target planned	11	11	11
Number of municipal performance reports against the key performance areas of Local Government.	4	4	4	4
Number of annual municipal performance reports compiled as per section 47 of the Municipal Systems Act.	1	1	1	1
Number of compliance reports in terms of terms of Municipal Finance Management Act, Municipal Property Rates Amendment Act, Municipal Systems Act and Remuneration of Public Office Bearers Act.	4	4	4	4
Number of municipalities guided to comply with the MPRA (Linked to MTSF 2019 – 2024, Priority 1) (B2B Pillar 4).	No target planned.	9	9	9
Number of reports on the issues raised by the Auditor General in audit reports in terms of section 131 of the MFMA.	1	1	1	1

### PROGRAMME 3: DEVELOPMENT AND PLANNING

#### Programme description

The outcome indicator “Number of spatially integrated cities and transformed communities in Gauteng Province” is critical to achieving this outcome. Spatial integration is important in a transforming country such as South Africa. Cities and communities need to be integrated and sustainable and this is also aligned to localisation of the Sustainable Development Goals across the Gauteng City Region. There is a need to drive Integrated Development Planning (IDP) processes in line with the Gauteng Spatial Development Framework; hence the relevance of this outcome indicator. The assumption is that, once there is integrated development planning, this will assist with exercising oversight and providing support with provision of affordable and reliable basic services. It would also allow for the promotion of integrated, inclusive and sustainable local economic development through strategic partnerships; hence the need for the outcome indicator “Implementation of the LED framework”. For sustainable cities and communities to exist, must be a drive to focus on Disaster Management and on combating the impact of climate change across the province.

The outcome indicator “Number of joined-up district level plans” is a necessary ingredient for success. Therefore, there must be a focus on the nature and quality of intergovernmental and stakeholder relations across spheres and sectors. The assumption is that if these structures and instruments are functional then matters of public interest and concern will be dealt with and that these engagements will lead to attainment of the impact statement.

### Programme objectives

- Facilitate and coordinate processes to ensure that municipal IDPs are credible, implementable and aligned with national and provincial outcomes, plans and strategies
- Ensure strategic management of provincial land for economic and social purposes
- Ensure accelerated delivery of basic municipal services and infrastructure delivery to meet national targets
- Provide coordination and support for implementation of the National Disaster Management Act, the Fire Brigade Services Act and the Disaster Management Framework to ensure effective management of disasters at national, provincial and local level
- Facilitate integrated urban management and planning
- Improve integration and planning
- Increase community-based planning
- Facilitate access to basic services for poor communities
- Spatial planning
- Land use management

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Land Use Management	12 448	10 811	8 415	12 772	8 872	8 872	10 694	10 873	11 211
2. IDP Coordination	23 413	24 052	17 211	24 649	18 219	18 219	18 615	19 690	20 407
3. Disaster Management	55 195	105 007	92 450	84 140	104 547	85 633	66 088	76 313	77 525
4. Municipal Infrastructure	17 911	58 271	19 613	24 003	20 379	20 379	30 159	30 182	30 979
<b>Total payments and estimates</b>	<b>108 967</b>	<b>198 141</b>	<b>137 689</b>	<b>145 564</b>	<b>152 017</b>	<b>133 103</b>	<b>125 556</b>	<b>137 058</b>	<b>140 122</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>102 703</b>	<b>112 463</b>	<b>83 316</b>	<b>120 016</b>	<b>122 169</b>	<b>105 822</b>	<b>100 174</b>	<b>130 910</b>	<b>133 974</b>
Compensation of employees	58 763	62 145	54 353	63 301	53 501	53 501	54 856	55 823	58 887
Goods and services	43 940	50 318	28 963	56 715	68 668	52 321	45 318	75 087	75 087
<b>Transfers and subsidies to:</b>	<b>2 000</b>	<b>79 500</b>	<b>53 004</b>	<b>22 000</b>	<b>26 300</b>	<b>26 300</b>	<b>20 037</b>		
Provinces and municipalities	2 000	79 500	53 004	22 000	26 300	26 300	20 037		
<b>Payments for capital assets</b>	<b>4 264</b>	<b>6 178</b>	<b>1 369</b>	<b>3 548</b>	<b>3 548</b>	<b>981</b>	<b>5 345</b>	<b>6 148</b>	<b>6 148</b>
Buildings and other fixed structures									
Machinery and equipment	4 264	6 178	1 369	3 548	3 548	981	5 345	6 148	6 148
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>108 967</b>	<b>198 141</b>	<b>137 689</b>	<b>145 564</b>	<b>152 017</b>	<b>133 103</b>	<b>125 556</b>	<b>137 058</b>	<b>140 122</b>

The increase in expenditure from R108.9 million in 2017/18 to R137.7 million in the 2019/20 financial year reflects the costs incurred in procuring the PDMC building; disaster management material required to support interventions for flood-relief; support for water and electricity infrastructure projects; operational requirements of the PDMC; and funding of the establishment of a standardised rank insignia system for fire and rescue services. Included in the expenditure are costs mainly attributed to training on the IDP framework and seminars conducted on broad intersectoral engagements; continuation of the roll out the smoke detector project as part of the fire prevention strategy; and support to West Rand District Municipality to fund the operational requirements of the disaster management services. The Department also supported Ekurhuleni Municipality to maintain functional Disaster Management Centres; and functionality assessment was conducted in the City of Johannesburg. Disaster management awareness campaigns and micro-disaster risk assessments were also conducted.

The revised estimate in 2020/21 was R133.1 million, mainly for a once-off transfer of R26.3 million to municipalities to support functional fire and rescue services and EPWP to broaden job creation initiatives. In response to COVID-19, the department



incurred expenditure in supporting the Department of Health with triage facilities at clinics; blankets and mattress to support the Department of Social Development with homeless citizens during the lockdown period; and PPE to support the province's municipalities. The programme aimed at incurring expenditure for the development of the High Level Operational Model and structure for the IPDMC building; procurement of office furniture at the PDMC; development and compilation of the High-Level ICT theory framework for the IPDMC; procurement of firefighting tools to support rural fire fighting activities in the province; disaster risk assessments; and review of disaster management plans. The department plans to provide support to targeted municipalities on the Electricity and Water Conservation and Demand Management plan; support municipalities to improve CAPEX; institutionalisation of integrated planning via the Integrated Framework Act; development of a long term GCR Integrated Urban Development Framework and Capital Expenditure Framework; a State of Energy Outlook study; a Land Use Audit for local municipalities; and review of the draft Gauteng Spatial Development Framework.

The programme budget increases from R125.6 million to R140.1 million over the MTEF mainly to support municipalities with technical skills capacity through multidisciplinary teams of experts; conduct a State of Energy Outlook study which will contribute to the formulation and implementation of climate change mitigation interventions; audit and/or replace Large Power Users and commercial customers meters in local municipalities; support municipalities with the development of a Capital Expenditure Framework (CEF); conduct Land Use Audits for local municipalities; and review the draft Gauteng Spatial Development Framework. The budget over the MTEF will mainly cater for continuation of procurement and distribution of disaster relief to affected areas; a Programme Management and Master System Plan for the IPDMC; support for municipalities to improve Fire & Rescue Services response capabilities and ensure legislative compliance; Micro Disaster Risk Assessments; and supply, installation and maintenance of multifunctional equipment for the Provincial Disaster Management Centre. The department will also make provision for Urban Search and Rescue (USAR) exercise equipment, venue and logistics; multi-disciplinary full-scale simulation exercise for the province's Fire and Rescue services; and Level 1 Sector plans. An amount of R2.1 million is received over the MTEF for the EPWP conditional grant to continue to support job creation initiatives in communities.

**Compensation of employees:** expenditure on personnel decreased from R58.8 million to R54.4 million during the first three years under review. The decrease was mainly as a result of delays in replacing officials who resigned and filling vacant posts mainly due to unavailability of office building to accommodate more staff after the Bank of Lisbon building fire. The budget increases from R54.9 million in 2021/22 to R58.9 million in 2023/24, mainly to increase human resource capacity for the PMDC, filling of OSD positions and accelerated grade progression for OSDs and grade progression non-OSDs. Also contributing is expansion of the capacity of the Rapid Response Teams (RRTs) through employment and deployment of young technicians and artisans.

**Goods and services:** the department continued to make provision for disaster relief and to contribute towards water conservation initiatives in the province. Goods and services purchased amounted to R43.9 million in 2017/18 and decreased to R28.9 million in 2019/20. The procured goods and services enabled the operationalisation requirements of the PMDC, funding of the establishment of a standardised rank insignia system for fire and rescue services, institutionalisation of integrated planning via the Integrated Framework Act, provision of disaster relief materials and support for initiatives to implement Water and Electricity Conservation and Demand Management Plans.

The adjusted allocation is R68.7 million in 2020/21 increasing to R75.1 million in 2023/24 to cater for the operationalisation requirements of the PMDC; support municipalities with technical skills capacity through multidisciplinary teams of experts; conduct a State of Energy Outlook study; audit and/or replace Large Power Users' and commercial customer's meters in local municipalities; and support municipalities with the development of a Capital Expenditure Framework (CEF). In addition, the Department will conduct a Land Use Audit for local municipalities; review the draft Gauteng Spatial Development Framework; procure and distribute disaster relief to affected areas; assist with a Programme Management and Master System Plan for the IPDMC; and support municipalities to improve Fire & Rescue Services response capabilities and ensure legislative compliance. **Payments for capital assets:** over the MTEF, the allocation will provide for procurement of ICT infrastructure; office equipment; unmanned aerial vehicles (UAV) and cameras to conduct disaster-risk assessments of incidents over large areas; the supply, installation and maintenance of multifunctional equipment for the PMDC; and Urban Search and Rescue (USAR) exercise equipment.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: DEVELOPMENT AND PLANNING

	Estimated performance	Medium-term estimates		
Programme performance measures	2020/21	2021/22	2022/23	2023/24
Number of Gauteng Spatial Development Frameworks reviewed.	1st Draft	2nd Draft	1 Final	No target planned
Number of business cases assessed for level of compliance to statutory Town Planning legislation	6	6	6	No target planned

	Estimated performance	Medium-term estimates		
Number of metropolitan, district and local municipal capital projects in SDBIPs spatially referenced	6	8	11	No target planned
Number of Land Use Audits conducted for local municipalities within Sedibeng District and West Rand Districts	1	1	1	No target planned
Number of work opportunities reported through Community Work Programme (CWP) (MTSF 2019-2024, Priority 2).	New Indicator	20 000	20 000	20 000
Number of municipalities with legally compliant and responsive IDPs.	No target planned	9	9	9
Number of District/Metro supported to develop One Plans (MTSF 2019 – 2024, Priority 5: Spatial integration, human settlements, and local government).	2	2	2	2
Number of municipalities supported with the development of Capital Expenditure Framework (CEF).	1	1	1	1
Number of municipalities monitored on the implementation of infrastructure delivery programmes (Outcome 9, Sub-outcome 1) (B2B Pillar 5)	9	9	9	9
Number of municipalities monitored on the implementation of indigent policies (Sub-outcome 1) (B2B Pillar 2)	9	9	9	9
Number of Districts monitored on the spending of National Grants	2	2	2	2
Number of municipalities supported with Technical Skills capacity through MISA/ COGTA/ Multidisciplinary team of experts in engineering and town planning.	2	9	9	9
Number of municipalities monitored on implementation of adaptive measures to climate change in water supply infrastructure and use.	New indicator.	9	9	9
Number of municipalities supported to implement on the water security interventions.	New indicator.	9	9	9
Number of State of Energy Outlook studies completed.		1		1
Number of online information systems developed.	New indicator.	1	1	1
Number of financial models developed.	New indicator.	1	No Target	1
Number of Large Power Users and commercial customers Meters replaced in Merafong LM.	New indicator.	50	306	350
Number of large power users billed in Emfuleni.	New indicator.	786	1 500	1 000
Number of disaster management plans completed.	Level 1	Level 2	Level 3	No target planned
Number of municipalities supported to maintain functional Disaster Management Centres	5	5	5	5
Number of municipalities supported on Fire Brigade Services.	1 Fire and rescue bylaw drafted	4	4	4
Number of Municipalities monitored on the implementation of GBVF responsive programmes.	New indicator	3	3	3
Number of municipalities supported to promote participation in community based local governance processes (Priority 1: Capable, Ethical and Developmental State) (Priority 6 MTEF indicator: Social Cohesion and Safer Communities)	9	3	6	9
Number of municipalities supported to resolve community concerns.	9	9	9	9
Number of municipalities supported to maintain functional ward committees (Linked to MTSF 2019 – 2024, Priority 1).	No target planned	9	9	9

## PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT

### Programme description

The programme promotes and facilitates viable and sustainable traditional institutions by enhancing the capacity of traditional leadership and local governance institutions. This strategic posture seeks to secure trust and prosperity across the length and breadth of Gauteng Province. Support to institutions of Traditional Leadership in implementation of policies, norms and standards, systems and the regulatory framework will contribute to the impact. The cultural heritage must be preserved and social cohesion promoted across the province. This is to be done through supporting the two institutions of traditional leadership. The assumption made is that the support will lead to preserving cultural heritage and promotion of social cohesion, integrated cities and sustainable livelihoods.

### The key performance areas are:

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

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Traditional Institution Administration	5 585	5 109	5 159	10 491	8 041	8 219	8 914	9 699	10 032
2. Traditional Resource Administration	4 814	6 858	7 973	8 738	6 809	6 688	6 568	6 939	7 333
3. Rural Development Facilitation		500	313	500	500	531	500	553	553
4. Traditional Land Administration	870	938	1 347	2 641	1 431	1 176	1 448	1 490	1 578
<b>Total payments and estimates</b>	<b>11 269</b>	<b>13 405</b>	<b>14 792</b>	<b>22 370</b>	<b>16 781</b>	<b>16 614</b>	<b>17 430</b>	<b>18 681</b>	<b>19 496</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>11 269</b>	<b>13 405</b>	<b>14 792</b>	<b>22 370</b>	<b>16 781</b>	<b>16 614</b>	<b>17 430</b>	<b>18 681</b>	<b>19 496</b>
Compensation of employees	7 555	9 746	10 153	15 305	12 016	12 016	12 382	12 709	13 524
Goods and services	3 714	3 659	4 639	7 065	4 765	4 598	5 048	5 972	5 972
Transfers and subsidies to:									
Payments for capital assets									
Payments for financial assets									
<b>Total economic classification</b>	<b>11 269</b>	<b>13 405</b>	<b>14 792</b>	<b>22 370</b>	<b>16 781</b>	<b>16 614</b>	<b>17 430</b>	<b>18 681</b>	<b>19 496</b>

Spending increased from R11.3 million to R14.8 million during the first three financial years, mainly resulting from personnel costs; cultural and commemoration events and training of traditional councils; Gauteng Premier's engagement with traditional communities in the province; the visit of His Majesty King Goodwill Zwelithini to the province; hosting of a substance abuse and an anti-gender-based violence programme for two traditional councils; Gauteng Initiation Schools' workshop; continuous support for cultural events commemorations; IGR forum with municipalities and relevant stakeholders; and four statutory IGR structures (District Forum, MEC/Mayors/MMC, one HOD/MM Forum, MinMEC and PCF meeting).

The budget will increase from R16.6 million to R19.5 million over the 2021 MTEF period. The increase is to provide for implementation of the provincial IGR strategy across all departments; implementation of the Traditional and Khoi-san Leadership Act and Traditional Handbook; conducting of a study of the Municipal Powers and Functions (Business Cases); processing succession claims and/or disputes in support of the Commission on Claims and Disputes; providing adequate support to traditional leaders to perform their functions; and eradicating illegal traditional initiation schools. The allocation will also cater for continuous support for cultural events; IGR forum with municipalities and relevant stakeholders; development of the integrated IGR Implementation Plan and Training of IGR Practitioners; and development of an IGR Monitoring & Evaluation Tool. **Compensation of employees:** expenditure increased from R7.6 million in 2017/18 to R10.1 million in 2019/20 to fund staff requirements and filling of vacant posts. The budget over the MTEF increases from R12.4 million in 2021/22 to R13.5 million in the 2023/24 financial year mainly to continue funding human resource requirements to capacitate the programme to provide adequate support to the traditional councils.

**Goods and services:** expenditure indicates an increase from R3.7 million in 2017/18 to R4.6 million in 2019/20. The historical expenditure relates to the commemoration of traditional and cultural events; training of traditional councils; and the Gauteng Initiation Schools workshop as the main cost drivers of the programme.

Over the MTEF, the budget will increase from R5 million in 2021/22 to R6 million in the 2023/24 financial year, mainly for implementation of the provincial IGR strategy across all departments; continuous support for cultural events; development of the integrated IGR Implementation Plan and Training of IGR Practitioners; development of an IGR Monitoring & Evaluation Tool; processing succession claims and/or disputes in support of the Commission on Claims and Disputes; providing adequate support to traditional leaders to perform their functions; and eradicating illegal traditional initiation schools.

**SERVICE DELIVERY MEASURES****PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT**

	Estimated Performance	Medium-term estimates		
Programme performance measures	2020/21	2021/22	2022/23	2023/24
Number of Traditional Councils supported to perform their functions.	2	2	2	2
Percentage of Traditional Leadership succession claims/ disputes received and processed	100%	100%	100%	100%
Number of Anti GBVF campaigns for traditional leadership (Pillar 2: Prevention and Restoration of Social Fabric of the NSP)	-	No target planned	1	No target planned

**9. OTHER PROGRAMME INFORMATION****9.1 Personnel numbers and costs**

TABLE 7.14: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

R thousands	Actual				Revised estimate				Medium-term expenditure estimate						Average annual growth over MTEF				
	2017/18		2018/19		2019/20		2020/21		2021/22		2022/23		2023/24		2020/21 - 2023/24				
	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Filled posts	Additional posts	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel growth rate	Costs growth rate	% Costs of Total		
Salary level																			
1 – 6	472	131 840	464	140 050	450	146 461	488	1	489	189 366	500	196 194	508	203 418	1%	2%	53%		
7 – 10	102	78 226	103	80 063	110	83 745	81	5	86	53 346	88	55 274	92	59 092	2%	3%	15%		
11 – 12	58	56 601	61	58 628	62	50 359	59	3	62	53 788	63	55 376	64	56 534	1%	2%	15%		
13 – 16	34	48 331	35	49 791	38	62 499	33	1	34	55 571	37	59 977	40	65 177	6%	5%	16%		
Other	16	230													0%	0%	0%		
Total	682	315 228	663	328 532	660	343 064	661	10	671	352 071	688	366 821	704	384 221	2%	3%	100%		
Programme																			
1. Administration	151	80 017	148	78 059	147	84 540	144	4	148	90 907	150	92 445	156	97 885	2%	2%	26%		
2. Local Governance	457	168 893	451	178 582	448	194 018	436	2	438	195 647	441	200 966	452	213 925	1%	3%	56%		
3. Development Planning	59	58 763	53	62 145	52	54 353	71	3	74	53 501	75	54 856	81	58 887	3%	3%	15%		
4. Traditional Institutional Management	15	7 555	11	9 746	13	10 153	10	1	11	12 016	12	12 382	15	13 524	11%	4%	3%		
Total	682	315 228	663	328 532	660	343 064	661	10	671	352 071	678	360 649	688	366 821	704	384 221	2%	3%	100%



The department is currently reviewing the structure due to the migration of urban planning functions from the Office of the Premier (OOP). The organisational structure review will focus on creating and assisting the department to maximise efficiencies through amongst others integrating functions and reducing duplication of functions. Personnel numbers of the department may increase as placement of staff is not finalised. The delay in filling vacant positions in the previous financial years was caused mainly by the non-availability of a building to house departmental staff. The department has already started filling the vacant posts in 2020/21 financial year because the new office accommodation is secured.

The department will prioritise the filling of vacancies in its interim concurred structure by MPSA in capacitating core critical functions. The personnel numbers projected over the MTEF are as per full establishment of the organisational structure. The growth over the MTEF is due to the anticipated filling of seven critical vacant posts in 2021/22 and ten vacant posts in 2022/23. The department aims to strengthen the capacity of the CWP by filling critical vacant wards and to build capacity and capability and reengineer its core business structures, systems and processes. These CDW officials are included against the respective salary levels (mainly level 6).

## 9.2 Training

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Number of staff	682	663	660	671	671	671	678	688	704
Number of personnel trained	126	133	141	149	149	100	109	134	144
of which									
Male	42	44	47	50	50	40	44	45	47
Female	84	89	94	99	99	60	65	89	97
Number of training opportunities	71	76	80	84	84	65	140	157	193
of which									
Tertiary	53	56	59	62	62	62	137	152	188
Workshops	17	18	19	20	20	1	1	2	2
Seminars	2	2	2	2	2	2	2	3	3
Other									
Number of bursaries offered	53	56	59	62	62	117	127	137	177
Number of interns appointed	11	11	12	13	13	13	25	15	15
Number of learnerships appointed									
Number of days spent on training	105	111	117	123	123	123	234	111	173
<b>Payments on training by programme</b>									
1. Administration	3 024	3 199	3 416	3 640	3 640	3 521	3 606	3 668	3 842
2. Local Governance									
3. Development Planning									
4. Traditional Institutional Management									
<b>Total payments on training</b>	<b>3 024</b>	<b>3 199</b>	<b>3 416</b>	<b>3 640</b>	<b>3 640</b>	<b>3 521</b>	<b>3 606</b>	<b>3 668</b>	<b>3 842</b>

The department is required by the Skills Development Act to budget at least 1 per cent of its compensation of employees budget for staff training to cater for human resource development. The department has allocated 1 per cent of the compensation of personnel budget for training over the MTEF.

The training budget for employees is centralised under Programme 1 against the sub-programme: Corporate Services which facilitates the management of all training undertaken in the department while ensuring that training is obtained from accredited training institutions. Expenditure on training fluctuates and is based on the training needs of staff during a period. The department reviews the staff training needs on an annual basis and awards bursaries to qualifying employees. This is due to the demand for skilled employees in the department and to ensure that there is continuity in developing employees in keeping with the latest trends.

The department will continue to fund CDWs' studies to improve their capacity to deliver a good service. The main driver of expenditure for training between the 2017/18 and 2019/20 financial years was training of CDWs and ward counsellors. CDWs support government programmes through advocacy initiatives and participatory processes, the IDP process, ward committees and izimbizos.

Over the MTEF, the training budget for employees increases from R3.6 million to R3.8 million between 2021/22 and 2023/24, mainly to provide training for CDWs and fire response teams to improve their capacity to deliver quality services and to ensure continuity of skilling of other departmental employees through awarding of bursaries and training.

### **9.3 Reconciliation of structural changes**

No changes

# **ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE**

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Sales of goods and services other than capital assets</b>	<b>282</b>	<b>289</b>	<b>251</b>	<b>184</b>	<b>184</b>	<b>214</b>	<b>204</b>	<b>213</b>	<b>229</b>
Sale of goods and services produced by department (excluding capital assets)	282	289	251	184	184	214	204	213	229
Sales by market establishments	282	289	251	184	184	214	204	213	229
<b>Interest, dividends and rent on land</b>			<b>115</b>	<b>34</b>	<b>64</b>	<b>93</b>	<b>36</b>	<b>38</b>	<b>45</b>
Interest			115	34	64	93	36	38	45
<b>Transactions in financial assets and liabilities</b>	<b>209</b>	<b>118</b>	<b>42</b>	<b>109</b>	<b>79</b>	<b>49</b>	<b>107</b>	<b>119</b>	<b>124</b>
<b>Total departmental receipts</b>	<b>491</b>	<b>407</b>	<b>408</b>	<b>327</b>	<b>327</b>	<b>356</b>	<b>347</b>	<b>370</b>	<b>398</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>416 693</b>	<b>435 472</b>	<b>448 792</b>	<b>581 879</b>	<b>565 358</b>	<b>536 676</b>	<b>544 182</b>	<b>583 226</b>	<b>570 119</b>
Compensation of employees	315 228	328 532	343 064	384 070	352 071	352 071	360 649	366 821	384 221
Salaries and wages	273 613	284 208	296 484	330 214	302 120	302 120	309 795	315 076	330 004
Social contributions	41 615	44 324	46 580	53 856	49 951	49 951	50 854	51 745	54 217
Goods and services	101 465	106 940	105 728	197 809	213 287	184 605	183 533	216 405	185 898
Administrative fees	368	260	254	891	384	315	78	517	517
Advertising	5 735	4 939	10 164	33 270	47 704	32 734	47 281	36 121	5 614
Minor assets	1 831	558	128	370	400	395	355	628	628
Audit cost: External	2 996	3 002	4 054	3 819	3 819	3 819	3 840	3 954	3 954
Bursaries: Employees	850	983	1 076	1 000	1 621	1 621	1 800	1 919	1 919
Catering: Departmental activities	1 351	1 597	2 620	1 817	866	711	375	721	721
Communication (G&S)	8 372	7 361	6 601	10 320	9 920	9 870	10 318	10 545	10 545
Computer services	8 328	5 160	10 522	7 235	9 515	9 842	8 061	8 952	8 952
Consultants and professional services: Business and advisory services	9 700	21 500	3 175	25 718	25 002	12 181	15 426	23 832	23 832
Legal services	691	1 137	467	1 114	764	820	800	814	814
Contractors	172	78	1 866	355	2 156	2 095	500	693	693
Agency and support / outsourced services	8 314	7 174	15 060	45 374	47 980	40 998	41 393	57 209	57 209
Fleet services (including government motor transport)	7 583	7 645	11 846	10 415	10 415	10 415	9 415	11 058	11 058
Consumable supplies	15 718	7 998	2 970	7 829	20 151	28 474	6 533	14 166	14 166
Consumable: Stationery, printing and office supplies	2 667	1 904	1 583	1 924	1 299	1 325	1 925	2 377	2 377
Operating leases	840	836	622	960	750	600	850	1 081	1 081
Property payments	6 606	19 020	9 931	9 406	12 436	12 092	13 098	14 179	14 179
Travel and subsistence	6 186	4 295	4 890	6 579	2 609	1 913	2 631	4 089	4 089
Training and development	4 227	3 475	4 997	15 901	6 140	5 883	10 711	13 165	13 165
Operating payments	1 577	1 685	3 867	3 518	4 198	5 224	5 777	5 441	5 441
Venues and facilities	7 353	6 333	7 923	9 994	4 899	3 019	2 166	4 734	4 734
Rental and hiring			1 112		259	259	200	210	210
<b>Transfers and subsidies</b>	<b>26 231</b>	<b>85 481</b>	<b>60 778</b>	<b>23 200</b>	<b>28 800</b>	<b>28 800</b>	<b>26 003</b>	<b>1 027</b>	<b>1 000</b>
Provinces and municipalities	25 136	84 500	58 004	22 000	26 300	26 300	25 037		
Municipalities	25 136	84 500	58 004	22 000	26 300	26 300	25 037		
Municipalities	25 136	84 500	58 004	22 000	26 300	26 300	25 037		
Households	1 095	981	2 774	1 200	2 500	2 500	966	1 027	1 000
Social benefits		981	2 774	1 200	2 500	2 500	966	1 027	1 000
Other transfers to households	1 095								

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Payments for capital assets</b>	<b>16 793</b>	<b>7 201</b>	<b>2 922</b>	<b>9 714</b>	<b>17 814</b>	<b>14 677</b>	<b>11 511</b>	<b>12 340</b>	<b>12 340</b>
Buildings									
Machinery and equipment	16 793	7 201	2 922	9 714	17 814	14 677	11 511	12 340	12 340
Transport and equipment			926						
Other machinery and equipment	16 793	7 201	1 996	9 714	17 814	14 677	11 511	12 340	12 340
<b>Payments for financial assets</b>	<b>64</b>	<b>34</b>							
<b>Total economic classification</b>	<b>459 781</b>	<b>528 188</b>	<b>512 492</b>	<b>614 793</b>	<b>611 972</b>	<b>580 153</b>	<b>581 696</b>	<b>596 593</b>	<b>583 459</b>

TABLE 8.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>115 902</b>	<b>109 786</b>	<b>123 607</b>	<b>142 998</b>	<b>160 216</b>	<b>148 272</b>	<b>142 960</b>	<b>146 656</b>	<b>140 338</b>
Compensation of employees	80 017	78 059	84 540	97 567	90 907	90 907	92 445	93 759	97 885
Salaries and wages	71 494	68 987	74 706	85 739	79 729	79 746	81 565	82 783	86 426
Social contributions	8 523	9 072	9 834	11 828	11 178	11 161	10 880	10 976	11 459
Goods and services	35 885	31 727	39 067	45 431	69 309	57 365	50 515	52 897	42 453
Administrative fees	161	85	116	60	15	15	63	71	71
Advertising	1 718	978	779	6 200	23 004	9 628	11 065	11 467	1 023
Minor assets	173	355	123	270	180	180	350	363	363
Audit cost: External	2 996	3 002	3 936	3 819	3 819	3 819	3 840	3 954	3 954
Bursaries: Employees	634	983	1 076	1 000	1 621	1 621	1 800	1 919	1 919
Catering:									
Departmental activities	300	257	392	331	287	287	185	176	176
Communication (G&S)	3 676	3 395	1 973	3 318	3 018	3 018	3 318	3 422	3 422
Computer services	5 279	2 390	7 445	4 910	4 910	5 242	5 771	5 802	5 802
Consultants and professional services:									
Business and advisory services	2 644	2 162	1 613	1 469	2 019	2 875	2 130	2 160	2 160
Legal services	691	1 137	467	1 114	764	820	800	814	814
Contractors	98	63	1 334	250	1 150	1 150			
Agency and support / outsourced services	822	637	697	1 060	9 648	9 295	1 607	1 961	1 961
Entertainment									
Fleet services (including government motor transport)	6 363	5 927	9 194	6 912	6 912	6 912	6 712	6 810	6 810
Inventory: Materials and supplies									
Consumable supplies	1 266	1 340	737	749	2 053	2 011	1 168	1 377	1 377
Consumable: Stationery, printing and office supplies	2 269	1 574	1 049	1 125	750	1 038	795	869	869
Operating leases	840	836	622	750	600	600	850	1 081	1 081
Property payments	831	2 473	1 793	6 220	5 250	5 250	6 512	6 724	6 724
Travel and subsistence	2 376	850	1 617	1 934	546	404	486	659	659
Training and development	376	823	457	1 400	600	600	1 250	1 373	1 373
Operating payments	1 008	628	1 194	550	1 298	2 115	1 077	1 089	1 089
Venues and facilities	1 364	1 832	2 068	1 990	865	485	536	596	596
Rental and hiring			385				200	210	210
<b>Transfers and subsidies</b>	<b>1 095</b>	<b>981</b>	<b>2 774</b>	<b>1 200</b>	<b>2 500</b>	<b>2 500</b>	<b>966</b>	<b>1 027</b>	<b>1 000</b>
Non-profit institutions									
Households	1 095	981	2 774	1 200	2 500	2 500	966	1 027	1 000
Social benefits		981	2 774	1 200	2 500	2 500	966	1 027	1 000
Other transfers to households	1 095								
<b>Payments for capital assets</b>	<b>7 529</b>	<b>1 023</b>	<b>1 553</b>	<b>6 166</b>	<b>14 266</b>	<b>13 696</b>	<b>6 166</b>	<b>6 192</b>	<b>6 192</b>
Machinery and equipment	7 529	1 023	1 553	6 166	14 266	13 696	6 166	6 192	6 192



R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Other machinery and equipment	7 529	1 023	1 553	6 166	14 266	13 696	6 166	6 192	6 192
Payments for financial assets	64	34							
<b>Total economic classification</b>	<b>124 590</b>	<b>111 824</b>	<b>127 934</b>	<b>150 364</b>	<b>176 982</b>	<b>164 468</b>	<b>150 092</b>	<b>153 875</b>	<b>147 530</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>186 819</b>	<b>199 818</b>	<b>227 077</b>	<b>296 495</b>	<b>266 192</b>	<b>265 968</b>	<b>283 618</b>	<b>286 979</b>	<b>276 311</b>
Compensation of employees	168 893	178 582	194 018	207 897	195 647	195 647	200 966	204 530	213 925
Salaries and wages	143 239	151 156	164 511	175 671	164 661	164 661	169 022	172 013	179 882
Social contributions	25 654	27 426	29 507	32 226	30 986	30 986	31 944	32 517	34 043
Goods and services	17 926	21 236	33 059	88 598	70 545	70 321	82 652	82 449	62 386
Administrative fees	81	115	130	371	219	200	15	146	146
Advertising	340	3 527	6 625	23 770	22 800	21 337	34 966	21 364	1 301
Minor assets	106								
Bursaries: Employees	216								
Catering:									
Departmental activities	101	278	119	398	193	178	20	177	177
Communication (G&S)	4 388	3 966	4 596	6 852	6 852	6 852	7 000	7 123	7 123
Computer services	309	315	320	325	325	320	340	358	358
Consultants and professional services: Business and advisory services		1 428	143	1 350	5 837	5 837	2 314	2 737	2 737
Contractors			1	5	5	5			
Agency and support / outsourced services	3 735	3 263	8 405	33 808	23 515	25 563	23 286	32 436	32 436
Consumable supplies	645	882	435	880	380	516	810	1 039	1 039
Consumable: Stationery, printing and office supplies	153		142	15	15	255	190	211	211
Travel and subsistence	1 714	2 175	1 821	2 583	1 367	895	1 770	2 224	2 224
Training and development	3 091	2 170	4 013	10 868	4 009	3 828	6 511	8 419	8 419
Operating payments	298	784	2 314	2 322	2 577	2 477	4 130	3 366	3 366
Venues and facilities	2 749	2 333	3 356	5 051	2 451	2 058	1 300	2 849	2 849
Rental and hiring			639						
<b>Transfers and subsidies</b>	<b>23 136</b>	<b>5 000</b>	<b>5 000</b>				<b>5 000</b>		
Provinces and municipalities	23 136	5 000	5 000				5 000		
Municipalities	23 136	5 000	5 000				5 000		
Municipalities	23 136	5 000	5 000				5 000		
<b>Payments for capital assets</b>	<b>5 000</b>								
Machinery and equipment	5 000								
Other machinery and equipment	5 000								
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>214 955</b>	<b>204 818</b>	<b>232 077</b>	<b>296 495</b>	<b>266 192</b>	<b>265 968</b>	<b>288 618</b>	<b>286 979</b>	<b>276 311</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>102 703</b>	<b>112 463</b>	<b>83 316</b>	<b>120 016</b>	<b>122 169</b>	<b>105 822</b>	<b>100 174</b>	<b>130 910</b>	<b>133 974</b>
Compensation of employees	58 763	62 145	54 353	63 301	53 501	53 501	54 856	55 823	58 887
Salaries and wages	52 187	55 208	48 027	55 838	46 948	46 931	48 105	48 873	51 562
Social contributions	6 576	6 937	6 326	7 463	6 553	6 570	6 751	6 950	7 325
Goods and services	43 940	50 318	28 963	56 715	68 668	52 321	45 318	75 087	75 087

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Administrative fees	126	42	8	460	150	100		300	300
Advertising	3 616	434	2 760	3 300	1 900	1 769	1 250	3 290	3 290
Minor assets	1 552	203	5	100	220	215	5	265	265
Catering:									
Departmental activities	348	369	1 043	560	136	125	170	268	268
Communication (G&S)	308		32	150	50				
Computer services	2 740	2 455	2 757	2 000	4 280	4 280	1 950	2 792	2 792
Consultants and professional services:									
Business and advisory services	7 056	17 910	1 419	21 499	16 446	2 769	9 474	17 282	17 282
Contractors	74	15	531	100	1 001	940	500	693	693
Agency and support / outsourced services	2 966	1 701	4 652	8 635	13 596	3 540	14 500	20 448	20 448
Fleet services (including government motor transport)	1 220	1 718	2 652	3 503	3 503	3 503	2 703	4 248	4 248
Consumable supplies	13 497	5 741	1 752	6 200	17 718	25 947	4 555	11 750	11 750
Consumable:									
Stationery, printing and office supplies	175	312	319	274	24		500	803	803
Property payments	5 773	16 547	8 138	3 186	7 186	6 842	6 586	7 455	7 455
Travel and subsistence	1 420	958	825	1 306	359	339	275	1 066	1 066
Training and development	586	482	527	2 766	1 126	1 455	2 450	2 723	2 723
Operating payments	271	255	233	646	323	97	370	736	736
Venues and facilities	2 212	1 176	1 291	1 820	500	400	30	968	968
Rental and hiring			19						
<b>Transfers and subsidies</b>	<b>2 000</b>	<b>79 500</b>	<b>53 004</b>	<b>22 000</b>	<b>26 300</b>	<b>26 300</b>	<b>20 037</b>		
Provinces and municipalities	2 000	79 500	53 004	22 000	26 300	26 300	20 037		
Municipalities	2 000	79 500	53 004	22 000	26 300	26 300	20 037		
Municipalities	2 000	79 500	53 004	22 000	26 300	26 300	20 037		
<b>Payments for capital assets</b>	<b>4 264</b>	<b>6 178</b>	<b>1 369</b>	<b>3 548</b>	<b>3 548</b>	<b>981</b>	<b>5 345</b>	<b>6 148</b>	<b>6 148</b>
Buildings and other fixed structures									
Buildings									
Machinery and equipment	4 264	6 178	1 369	3 548	3 548	981	5 345	6 148	6 148
Transport equipment			926						
Other machinery and equipment	4 264	6 178	443	3 548	3 548	981	5 345	6 148	6 148
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>108 967</b>	<b>198 141</b>	<b>137 689</b>	<b>145 564</b>	<b>152 017</b>	<b>133 103</b>	<b>125 556</b>	<b>137 058</b>	<b>140 122</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>11 269</b>	<b>13 405</b>	<b>14 792</b>	<b>22 370</b>	<b>16 781</b>	<b>16 614</b>	<b>17 430</b>	<b>18 681</b>	<b>19 496</b>
Compensation of employees	7 555	9 746	10 153	15 305	12 016	12 016	12 382	12 709	13 524
Salaries and wages	6 693	8 857	9 240	12 966	10 782	10 782	11 103	11 407	12 134
Social contributions	862	889	913	2 339	1 234	1 234	1 279	1 302	1 390
Goods and services	3 714	3 659	4 639	7 065	4 765	4 598	5 048	5 972	5 972
Administrative fees		18							
Advertising	61								
Catering:									
Departmental activities	602	693	1 066	528	250	121		100	100
Consultants and professional services:									
Business and advisory services				1 400	700	700	1 508	1 653	1 653
Agency and support / outsourced services	791	1 573	1 306	1 871	1 221	2 600	2 000	2 364	2 364

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Consumable supplies	310	35	46						
Consumable: Stationery, printing and office supplies	70	18	73	510	510	32	440	494	494
Travel and subsistence	676	312	627	756	337	275	100	140	140
Training and development	174			867	405		500	650	650
Operating payments		18	126			535	200	250	250
Venues and facilities	1 028	992	1 208	1 133	1 083	76	300	321	321
Rental and hiring			69		259	259			
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
<b>Total economic classification</b>	<b>11 269</b>	<b>13 405</b>	<b>14 792</b>	<b>22 370</b>	<b>16 781</b>	<b>16 614</b>	<b>17 430</b>	<b>18 681</b>	<b>19 496</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments									
Transfers and subsidies	2 000	2 000	2 000	2 004	2 004	2 004	2 037		
Payments for capital assets									
Payments for financial assets									
<b>Total economic classification</b>	<b>2 000</b>	<b>2 000</b>	<b>2 000</b>	<b>2 004</b>	<b>2 004</b>	<b>2 004</b>	<b>2 037</b>		

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Category A									
Category B	25 136	27 000	11 504	2 000	6 300	6 300	17 037		
Emfuleni	1 500	750	750		1 600	1 600	7 000		
Midvaal					2 700	2 700	2 000		
Lesedi	1 000	2 250	8 254	500	500	500	4 000		
Mogale City		500	500	1 000	1 000	1 000	1 537		
Merafong City	1 000	22 000	2 000	500	500	500	1 500		
Rand West City	21 636	1 500					1 000		
Category C		57 500	46 500	20 000	20 000	20 000	8 000		
West Rand District Municipality		57 500	46 500	20 000	20 000	20 000	8 000		
Unallocated									
<b>Total transfers to municipalities</b>	<b>25 136</b>	<b>84 500</b>	<b>58 004</b>	<b>22 000</b>	<b>26 300</b>	<b>26 300</b>	<b>25 037</b>		

