

VOTE 1

Office of the Premier

Operational budget	R765 290 591
Remuneration of the Premier	R 2 260 409
Total amount to be appropriated	R767 551 000
Responsible Executive Authority	The Premier
Administering department	Office of the Premier
Accounting officer	Director-General: Office of the Premier

1. Overview

Vision

The vision of the Office of the Premier (OTP) is: *To be the centre of governance, providing leadership towards achieving KZN Vision 2030.*

Mission

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

- Enhancing good and co-operative governance within the province.
- Promoting an integrated service delivery model.
- Effective stakeholder management and communication.
- Enhancing performance management and accountability through monitoring and evaluation.
- Co-ordinating provincial programmes to ensure the rights and empowerment of women and children, youth and people with disabilities.

Strategic outcomes

The *strategic policy direction* of the OTP is directly linked to national government's five-year National Development Plan (NDP) seven priorities, which are:

- Priority 1: A capable, ethical and developmental state.
- Priority 2: Economic transformation and job creation.
- Priority 3: Education, skills and health.
- Priority 4: Consolidating the social wage through reliable and quality basic services.
- Priority 5: Spatial integration, human settlements and local government.
- Priority 6: Social cohesion and safe communities.
- Priority 7: A better Africa and world.

The outcomes of the department are as follows:

- Outcome 1: Improved governance and accountability.
- Outcome 2: Improved co-ordination, integration and efficiency in government.
- Outcome 3: Inclusive stakeholder engagement and improved partnerships.
- Outcome 4: Professional and ethical provincial administration.

Core functions

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

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

Legislative mandate

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

- The Constitution of the Republic of South Africa, 1996
- Public Service Act, 1994, as amended
- Public Finance Management Act, 1999, as amended and Treasury Regulations
- Preferential Procurement Policy Framework Act, 2000
- KwaZulu-Natal Provincial Supply Chain Management Policy Framework, 2006
- KwaZulu-Natal Youth Commission Act, 2005
- Annual Division of Revenue Act (DORA)
- Public Service Regulations, 2016
- Labour Relations Act, 1995
- Employment Equity Act, 1998
- Basic Conditions of Employment Act, 1997
- Promotion of Access to Information Act, 2000
- Electronic Communications and Transactions Act, 2002
- State Information Technology Agency Act, 1999
- Promotion of Administrative Justice Act, 2000
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000
- Skills Development Act, 1998
- KwaZulu-Natal Zulu Royal House Trust Act, 2018
- Traditional Leadership and Governance Framework Act, 2003
- Occupational Health and Safety Act, 1993
- Broad Based Black Economic Employment Act, 2003
- Protected Disclosures Act, 2000
- Spatial Planning and Land Use Management Act, 2013
- Inter-governmental Relations Framework Act, 2005

2. Review of the 2021/22 financial year

Section 2 provides a review of 2021/22, outlining the main achievements and progress made by the department during the year, as well as giving a brief discussion on challenges and new developments.

Provincial Planning Commission (PPC)

The functions of the PPC remain similar to those of the National Planning Commission (NPC). The main purpose of the PPC is to advise and make recommendations to the Premier and the Provincial Executive on a long-term strategic development perspective and vision of the province. A key focus area for 2021/22 included finalising the Monitoring and Evaluation Framework for the Provincial Growth and Development Strategy (PGDS) by ensuring alignment to the Revised Medium-Term Strategic Framework (MTSF) 2019-2024. The latter included adjustments required in response to the impact of Covid-19 and the unrests in July 2021. Adjustments required to the PGDS interventions were also undertaken.

The revision of the PGDS also required a reconfiguration of the Action Work Groups (AWGs) to improve alignment to key thematic areas identified through the interventions, contributing towards clearly defined outcomes and impacts, aligned to the MTSF and NDP Review findings identified by the NPC. Commissioners also participated and supported the AWGs to improve the implementation of strategic interventions identified in the PGDS. This included producing a rapid evaluation of the Covid-19 interventions. Participation and contribution in the implementation of the Water Master Plan was undertaken to support COGTA in facilitating improved access to water as a basic infrastructure, with OTP providing administrative and technical support to the PPC in this regard, while also providing technical support in the development of the PGDS, final write-up and review and facilitating approval processes.

The PPC also supported the development of the District One-Plan pilot – being that of the eThekweni Metro. These inputs are aimed at enriching deliverables and promoting the inclusion of critical strategic infrastructure and catalytic projects to improve integrated service delivery across the spheres of government.

Policy and research co-ordination

The department continued to co-ordinate and update the existing inventory of public policies, policy instruments and research projects aimed at improving evidence-based decision-making. This was also facilitated through various forums and AWGs. Reports were submitted to the Committee of Heads of Department (COHOD) and the PPC, citing progress with policy development and research initiatives. This included the status of Covid-19 related initiatives, such as research contributions through the UKZN Covid-19 war-room to the National Command Council throughout the pandemic, as well as the Department of Agriculture and Rural Development (DARD), through exploring research on crops (mushrooms), that could assist in improving vitamin D absorption. Research tools and partnerships proved a valuable asset in further informing decision-makers of the impact and variety of root causes contributing to the unrests in July 2021.

Following the adoption of the NDP Framework by Cabinet in December 2020, OTP, working with the Presidency, embarked on a process to revive the implementation of the Socio-Economic Impact Assessment System (SEIAS) to improve policy development. This was preceded by a desktop survey and engagement with departments on the assessment of capacity in the areas of policy development, research, planning and monitoring and evaluation. Findings indicated a decline in actual capabilities and warm bodies in these areas, sparking motivation to strengthen capacity in OTP in these fields, as well as relevant departments. OTP, working with the Provincial Public Service Training Academy (hereafter referred to as the Training Academy) and National School of Government, embarked on the first round of training of officials on the latest SEIAS requirements. This resulted in additional skills being developed in OTP, as well as in the Departments of Health and Provincial Treasury. These departments did not have dedicated staff in the policy areas but have now developed some skill to support macro-policy development. Research was offered to all departments, but only OTP, and the Departments of Health, Provincial Treasury, Social Development and Transport responded.

Strategic planning

The department provided support and guidance to all provincial departments and public entities for the development of their 2021/22 Annual Performance Plans (APPs) for tabling. Support was provided with the adjustment of the five-year Strategic Plans 2020-2025 where relevant, and in response to the unrests in July, as well as the APPs for 2022/23. All departments submitted their first draft APPs in October 2021 for assessment.

The planned merger of the Departments of Sports and Recreation and Arts and Culture with effect from 1 April 2022 necessitated extensive support in the finalisation of a draft strategy and APP to inform the organisational structure of the new department.

Monitoring and evaluation (M&E)

Technical support was provided to all provincial departments setting up e-QPR reporting profiles, conducting workshops on the e-QPR system use, as well as monitoring and assessment of quarterly reports. There was an improvement in the audit opinions of a number of provincial departments for performance information, with an increase from two departments with unqualified and no findings in 2019/20, to five in 2020/21.

The scope for provincial monitoring and reporting was extended beyond the APP, to also consider MTSF implementation by clusters, AWGs and departments.

Inter-governmental relations (IGR)

The main aim was to strengthen IGR in the province through collaboration with the three spheres of government, including national COGTA, SALGA and other provinces, KZN provincial departments and district municipalities, to ensure integrated planning for improved service delivery. The 2021/22 focus was on Mpumalanga, with several virtual meetings held between the KZN and Mpumalanga teams. The Mpumalanga team, led by the Premier's Advisor, subsequently advised that engagements be paused until further notice between the two provinces due to changes in the Mpumalanga provincial government leadership. The province participated in the review of the Inter-governmental Relations Framework Act (IGRFA) and is gearing to implement the enhanced IGR Strategy once the amended legislation is approved and gazetted. Provincial inter-governmental relations were strengthened through the integration of IGR structures, and the functionality of IGR structures was monitored quarterly.

Closer collaboration was pursued with the Department of International Relations and Co-operation (DIRCO), embassies and consulates represented abroad, as reviews on virtual platforms were conducted of twinning agreements to discuss current relations and how to further strengthen bilateral ties, with the following undertaken:

- Review of Maryland Twinning Agreement on 7 September 2021.
- Review of Fujian Twinning Agreement on 4 October 2021.
- Review of Kinshasa (Democratic Republic of Congo) Twinning Agreement on 12 October 2021.

The Provincial Executive Council also approved the International Relations and Official Development Assistance (ODA) Strategy which will contribute to an enhanced understanding of KZN's international relations and how best they could be conducted to achieve optimal impact in supporting the achieving of the shared goals of the PGDS, as well as the NDP.

Protection of human rights

The community outreach programmes were adversely affected by the Covid-19 protocols and regulations. Human rights awareness programmes were rolled out in 80 per cent of the district and local municipalities, including Amajuba, uThukela, uMzinyathi, Ugu, eThekweni, iLembe, King Cetshwayo, uMkhanyakude, and Zululand. Capacity building and awareness sessions were successfully co-ordinated in the above-mentioned districts. Community engagement/dialogues and inter-generational programmes were effectively implemented. The disability access audit was effectively implemented in five district municipalities. The Centenarian programme was implemented in six districts and the co-ordination of the programme through OSS yielded more

results where the MEC champions honoured the centenarians in various districts. Awareness programmes on abuse and rights were undertaken in nine districts, with special focus on abduction and killing of people with albinism, older persons with Alzheimer/Dementia who are allegedly practising witchcraft, parents of children with disabilities, human violation of farming communities, and sexual assault cases on disabled children and older persons. Awareness programmes on Covid-19 were undertaken, as well as monitoring of vaccination sites and lobbying of vulnerable communities to vaccinate. Awareness campaigns were undertaken on the abuse of boys/men with mental illness by widows. The unit partnered with the National Department of Social Development in implementing the Golden Games for older persons in the Amajuba District.

The commemoration of significant calendar dates continued, such as the International Day for People with Disabilities in the King Cetshwayo District and the International day for Senior Citizens in the Zululand District. These events were held virtually, but with a limited number of people attending physically (hybrid format).

Public service transformation

Strategic Human Resource (HR) Management continued to engage and service all 14 departments. The Integrated HR Forum continued to ensure effective co-ordination, integration and compliance. The Employee Health and Wellness unit drafted and circulated several provincial circulars to departments to guide them in the implementation of the regulations and return to work at the various adjusted national lockdown alert levels. Implementation of the Employee Health and Wellness Strategy, which was approved by the Provincial Executive Council in February 2021, commenced.

The HR Development Implementation Plan, HR Plan Implementation Report, the Employment Equity Implementation Plan, the Gender Equality Strategic Framework Report and Plan, the Job Access Strategic Framework Report and Plan, the Programme of Action Reports for OTP, the Public Service Women in Management Week Report and Organisational Readiness Assessment were all completed.

Operation Sukuma Sakhe (OSS)

OSS is a ward-based programme used to mobilise government and non-governmental resources to address social problems afflicting various households, vulnerable groups and communities. The conceptualisation and adoption of the District Development Model (DDM) posed a strategic challenge, in terms of integrating the two, namely OSS and DDM, and this required that a revitalised strategy be developed. This entailed that strategic OSS policy and programme instruments, such as the OSS Handbook, OSS Strategy, capacity and Covid-19 Safety Plan of OSS war-rooms, standardisation and re-orientation of the field workers stationed in all OSS war-rooms, etc., be revised and aligned to the new OSS/DDM approach, prior to the commencement of the new financial year. The Covid-19 Safety Plan and OSS Revitalisation Strategy were presented to the Provincial Task Team members in September 2021.

The functionality of the OSS war-room programme was undertaken, with the unit collating and updating the KZN war-room database for all 870 wards in the province. War-room audits were done in Mpofana, uMlalazi, Greater Kokstad, uBuhlebezwe, eNdumeni, Dr Nkosazana Dlamini Zuma, Dannhauser and Newcastle Local Municipalities.

KZN Youth Empowerment Fund

The KZN Youth Empowerment Fund was established in 2018/19 to support youth businesses. A second tranche of R50 million was allocated, originally in 2020/21, but suspended to 2021/22 due to the impact of the national lockdown. Advertisements for applications were placed in the media in July 2021 and also distributed through local and district municipal offices, as well as to the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) district offices. The total number of applications received is 3 675 and the team is currently screening the process based on the requirements. Apart from the initial budget of R50 million provided by OTP, a further R20 million was committed from EDTEA to further support young entrepreneurs in KZN. The Youth Chief Directorate arranged the collection of all the applications from districts and local

municipalities. OTP and EDTEA employees responsible for the KZN Youth Empowerment Fund verified the forms collected from the districts.

His Majesty, the King's activities

His Majesty, the King's activities include, among other things, hosting of annual traditional and cultural events to preserve and restore the Zulu culture, as well as the hosting and celebration of heritage events such as the King's Coronation day. Prayer day events with various religious groups are also important activities.

To date, all annual Royal events which were planned for 2021/22 could not take place. Since the demise of the late King in March 2021, the Royal Family had to observe a mourning period. Secondly, there were also challenges with regard to succession. The provincial government therefore took a decision not to support Royal events until the succession challenges are resolved.

KZN Zulu Royal House Trust (ZRHT)

In terms of the KwaZulu-Natal Zulu Royal House Trust Act of 2018, the ZRHT is responsible for the provision of administration, maintenance and management of the assets of the ZRHT, including the Royal palaces and farms.

During 2021/22, in spite of succession challenges that ensued after passing on of His Majesty the late King the ZRHT continued to render services to the Royal family, which included the maintenance of Royal residences, provision for the Queens' travel and accommodation expenses, tuition fees for Princes and Princesses, transportation and medical expenses for members of the Royal family, among others. The ZRHT also provided feed and veterinary care in support of the Royal farming operations.

The entity continued to explore revenue generation strategies in order to become financially independent. As such, the ZRHT is in the process of appointing a service provider to conduct a feasibility study to identify viable farming options that the entity should focus on. In line with its fundraising and revenue generation strategy, a number of quick win projects were planned for 2021/22. One of the projects that was initiated in line with the above strategy was the acquisition of a retail outlet in KZN. The acquisition process is still underway, and the process is anticipated to be finalised by the fourth quarter of 2021/22.

Forensic Investigation Services

As from 1 April 2021 until 30 September 2021, the unit completed 15 investigations, and conducted 28 follow-ups to track the status of implementation of recommendations arising from forensic investigation reports, and the unit is on track to achieve its planned targets. The forensic audit unit is committed to the fight against fraud and corruption and undertook the following initiatives during the year, among others:

- Assisted law enforcement agencies such as the Anti-Corruption Task Team (ACTT), National Prosecuting Authority (NPA), South African Police Services (SAPS), Fusion Centre, Specialised Commercial Crime Unit (SCCU) and the Asset Forfeiture Unit (AFU) on matters under criminal investigation. These teams met regularly to monitor the criminal investigation and prosecution of the top priority cases within the province.
- Monitored that the recommendations of various forensic reports were implemented by the respective Accounting Officers of all departments by conducting thorough follow-up exercises. The bulk of these exercises related to disciplinary and remedial actions to be implemented by provincial departments, and the balance involved criminal matters conducted with SAPS.
- The unit is in the process of implementing and rolling out phase 2 of the Forensic Case Management system that will be used to record, consolidate and track all forensic investigations conducted within all spheres of provincial government. The roll-out plan is anticipated to be completed by 30 September 2022.

3. Outlook for the 2022/23 financial year

Section 3 looks at the key focus areas of 2022/23, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. The bulk of the department's budget allocation is for cross-cutting and transversal activities, such as OSS, Integrity Management, Youth Development, the Nerve Centre, support to the Royal household, as well as transfers to its public entity, the ZRHT. In 2022/23 and over the medium-term, OTP will focus on the priorities listed below.

Provincial Planning Commission (PPC)

The PPC will continue to monitor and facilitate alignment of provincial plans, policies and policy implementation instruments to the national and provincial priorities. This includes continuing the ongoing implementation of the reviewed PGDS, facilitating implementation monitoring through the alignment of the MTSF implementation plans/PGDs, as well as continued support of the AWGs with respect to reporting effectively on progress with implementation. The PPC will continue to monitor implementation strategies, plans and projects, and will guide the revisions to the Provincial Spatial Development Framework (PSDF) in partnership with COGTA.

In addition to this, the PPC will actively participate in supporting evaluations through the Provincial Evaluations Steering Committee (PESC) to promote evaluations that will yield evidence-informed decision-making in the adjustment of policies and implementation programmes. Participation and engagement with academia to strengthen research, as well as participation in the sector councils (social councils) will be prioritised to encourage policy development and promote active citizenry in the implementation of provincial initiatives supporting the PGDS.

Policy and research co-ordination

The implementation of the Department of Public Service and Administration (DPSA) Guideline for macro-policy units in OTP will be paramount to the successful continuation and improvement of policy development and co-ordination in the province. This is informing the organisational structure for the unit and is planned for implementation in 2022/23 and also includes strengthening the support to the cluster system of the Provincial Executive Council.

A need has been identified to strengthen relationships with tertiary institutions and research orientated enterprises to build partnerships that will contribute towards innovation and strengthen the knowledge economy to build a better future for all. This will also be extended to the evaluation practitioners to strengthen evidence informed policy and decision-making. In addition to this, platforms will be created for knowledge sharing, aimed at improving service delivery and innovation in accordance with government's priorities.

While capacity challenges and fiscal constraints remain a key consideration in the undertaking of research and policy development, the department will continue to co-ordinate and update the existing inventory of public policies, policy instruments and research projects and facilitate the co-ordination of policies, research and planning through the relevant forums. The monitoring of SEIAS implementation and capacity building will be a key focus area to improve policy development, taking into consideration key factors such as financial and socio-economic impacts, alignment to priorities and consideration of alternatives. This should also strengthen the monitoring and evaluation frameworks designed as part of the policy and/or policy implementation instruments developed. Reports will continue to be submitted through the PPC to track progress on the inventories, but this will now also include progress and challenges with the implementation of SEIAS.

Strategic planning

The department will continue to provide support to departments and entities in the refinement of the five-year Strategic Plans 2020-2025, where necessary, as well as the APPs for 2023/24 and 2024/25 to facilitate compliance to prescripts. These plans will also be assessed to ensure alignment to the national and provincial priorities and pronouncements, as per the MTSF and PGDS. This will include ensuring alignment to the Revised MTSF 2019-2024, as well as compliance with the new DPME

arrangement and frameworks. This will entail detailed assessments of plans, including ensuring that key factors not included in the APPs are included in the operational plans, where appropriate.

Monitoring and evaluation (M&E)

The province adopted an integrated planning, monitoring, reporting and evaluation system that aims to provide credible data and an evidence base against indicators and targets in a single plan (MTSF). Emphasis has been made for full alignment across various levels of planning and reporting (MTSF, PGDS, sector and APP). Through this approach, provincial government will be able to outline progress against priorities set both locally and nationally. This will enable the province, working together with all departments, municipalities and the private sector, to achieve the following goals:

- Track the development impacts of government policies, plans and programmes primarily through evaluation studies, but informed by monitoring data.
- Track whether the NDP/MTSF and PGDP are translated into effective service delivery programmes at provincial and district levels.
- Track progress at the coalface of service delivery through frontline monitoring, citizen-based monitoring, *Izimbizo* and the Presidential hotline to assess real change and improvement in the lives of citizens.
- Provide a holistic picture of the performance of government and its impact on citizens.
- Ensure detailed progress reporting and feedback on the monitoring of successes and challenges as the implementation process unfolds.

Inter-governmental relations

IGR will be providing strategic co-ordination and support in the development and monitoring of inter-governmental Memoranda of Understanding (MOU) between the three spheres of government, as well as other government agencies and institutions. The inter-provincial collaborations will focus more on one-on-one interactions with other provinces, with Gauteng being the main focus of inter-governmental collaboration in 2022/23.

IGR will play a leading role in co-ordinating the work of KZN provincial government councils constituted over the years by the Provincial Executive Council, most of which are chaired by the Premier and other members of the Provincial Executive Council, to ensure appropriate implementation of critical programmes agreed on by the council. These include cross-cutting matters that involve a number of departments, sectors and civil society as key stakeholders. The councils were established to deal with specific matters which do not belong to a particular cluster, and warrant focused attention. Furthermore, unlike the clusters which are attended primarily by government officials, the councils provide a platform where civil society can also get to participate. Examples of such councils include the Provincial Council on AIDS, Council on Climate Change and Sustainable Development, as well as the Social Cohesion and Moral Regeneration Council. There are currently nine councils in total.

The roll-out of the IGR Toolkit will empower IGR practitioners to play a more visible and central role in IGR structures at the provincial, district and local level. The IGR Toolkit will also enable practitioners to participate more fully within OSS and DDM structures. The roll-out is planned to be completed by the end of 2022/23.

International relations

Bilateral diplomacy remains an important mechanism in strengthening bilateral relations between KZN and other overseas provinces/states. While political and economic activities continue to be the core of the relationship, the scope of bilateral co-operation has, over the years, expanded into other areas. Co-operation in the fields of port development, culture, education, agriculture, tourism, trade and investment and ODA has yielded significant progress over the years.

The department will continue to strive to ensure that it plays an active role in international relations for the benefit of the province and the country. The principal emphasis in the pursuit of KZN's international relations objectives includes:

- Developing close bilateral relations with neighbouring countries.
- Promoting Intra African Trade.
- Strengthen co-operation with member states of the BRICS region.
- Continue to strengthen and enhance the already strong ties with regions in Asia, Middle East, the Americas, Europe and Oceania.
- Projecting KZN as a leading example of a prosperous and progressive multi-cultural province.

Protection of human rights

One of the department's mandates is to co-ordinate human rights programmes and projects, but also to prioritise disability rights, and senior citizens' rights. Depending on the roll-out of the Covid-19 vaccine and relaxation of the lockdown regulations in 2022/23, the department is set to undertake its provincial oversight role in programmes such as a physical access audit of state buildings for persons with disabilities, and capacity building for vulnerable groups, e.g. farm workers, senior citizens and persons with disabilities. Work will also continue in terms of developing a baseline database for human rights-related indicators in the province, e.g. to determine the number of functional old age homes and disability centres. The implementation will continue for the inter-generational programme (dialogues), the Centenarian programme, monitoring of Covid-19 vaccination sites and provision for/prioritisation of people with special needs. There will also be implementation of empowerment sessions for people with albinism, and parents with disabled children. OTP will monitor the implementation of the active ageing programmes, such as the Golden Games. The roll-out of human rights awareness campaigns, such as the commemoration of the National Human Rights Day, International Day for People with Disabilities and the International Day for Senior Citizens, remains one of the priorities. As part of the department's outreach programmes, human rights awareness campaigns for farming communities and farm workers will also be prioritised. As part of the Human Rights month, the department will host the Albinism Conference and the Senior Citizens' Summit on abuse. The department will participate in the back to school campaign, in partnership with OSS and the Provincial Legislature.

Public service transformation

The department will continue to facilitate, integrate and monitor the implementation of HRM&D strategies, policies and projects through hosting of relevant strategic forums. The department will co-ordinate the roll-out of the implementation plan of the provincial HR Turnaround Strategy in all provincial departments in 2022/23.

The Implementation Plan for the Employee Health and Wellness Strategy will be monitored and progress will be reported to COHOD. Regarding Covid-19, focus will be on ensuring the provision of psychosocial services. Interventions to automate various HR processes will continue to be investigated.

The Provincial PERSAL Information Improvement Plan, which seeks to ensure that departments constantly update and maintain the records which exist on the PERSAL system, as well as to ensure that information is captured as and when employees are appointed in the Public Service, will be implemented with effect from 1 April 2022. OTP will monitor departmental progress on a quarterly basis and provide consolidated progress reports to COHOD on a six-monthly basis.

Operation Sukuma Sakhe (OSS)

The department will focus on the vigorous implementation of the revitalised OSS which seeks to inculcate administrative responsibility and accountability, immediate resource co-ordination and allocation, as well as programmatic alignment to the DDM. The Director-General, working with other HODs, as well as Municipal Managers and CEOs for all provincial and municipal entities, will allocate appointed public officials to various wards in the province. The annual performance

agreements for the senior management officials (provincial government and municipalities) will have clear deliverables on OSS and DDM against which they will be held accountable individually. Action plans per war-room will be developed and submitted to the DDM Secretariat and OTP through OSS Local Task Team (LTT) and District Task Team (DTT) structures to address issues raised. OTP will ensure effective co-ordination, monitoring and evaluation of OSS in all municipal wards.

The Inkululeko Development Projects (IDP-1 and IDP-2) are integrated multi-purpose and multi-sectoral projects led by the Premier, to integrate development inter-departmentally. The areas selected for this approach are the Ndumo and Cwaka areas. This rural development strategy is targeted toward the improvement in the quality of education, health, sustainable livelihoods, job creation, and the quality of life, as well as facilitating the creation of a dignified community. It further aims to deliver safe, secure, high-quality service delivery. The focus for 2022/23 will continue to be at Ndumo and uMzinyathi, to ensure that projects that are not complete are being implemented.

IDP-1 (Ndumo)

The IDP-1 project is currently being implemented in the Ndumo area. Most projects were completed and handed over to the respective departments, and others are between 95 to 99 per cent complete. Projects from EDTEA, DARD, the Department of Transport (DOT) and Human Settlements are behind schedule due to litigation issues and specification problems, among other reasons. These issues are now resolved and the focus in 2022/23 will be on the implementation of a backlog eradication plan (which will also take into account Covid-19 lockdown requirements) to ensure that projects which have had teething challenges proceed.

Under DOT, the revised procurement plan for a contractor to commence the construction of the four access roads within the Ndumo town precinct has been submitted, showing new milestones and deadlines aimed for completion by the end of 2022/23. Furthermore, the department has also submitted the monthly maintenance plans (for sharing with local leadership and stakeholders) for key roads within and leading to the Ndumo town precinct.

DARD has submitted the Local Agricultural Development Plan for small-scale farmers of Ndumo who are interested in the utilisation of 500 hectares of land which was donated by the local iNkosi for commercial farming purposes. Furthermore, DARD will also be looking into other options of supporting the Ndumo small-scale farmers in line with the original project of providing irrigation schemes, while investigations are being finalised for the failed irrigation project.

EDTEA and the Ithala Development Finance Corporation (Ithala) have also committed to a plan of action which involves, among others, the following areas:

- Strengthen the work of the Ndumo Town Project Management Committee (made up of key stakeholders drawn from the Ndumo area managing the project).
- Develop a plan and engage with all Ndumo stakeholders through which local communities of Ndumo will participate and benefit from the Ndumo Town Project, especially local economic opportunities, harnessing the required skills development and ownership/management model of the retail development (economically and socially).

IDP-2 (uMzinyathi)

The IDP-2 project is currently being implemented in Cwaka, under the Msinga local municipality, in Muden under the uMvoti Local Municipality. This project is still at the planning phase, hence there is a need for all critical role-players to ensure that necessary planning is undertaken through the identification and mobilisation of the required resources. OTP is co-ordinating all Inkululeko Development Projects and DOPW is the appointed implementing agent.

An application was made in terms of the Spatial Planning Land Use Management Act, No. 16 of 2003, (SPLUMA) to authorise the development of the Cwaka new town centre. Approval has been received, however, the project is not progressing due to the fact that signing of the lease agreement between DOPW and the Ingonyama Trust Board is still outstanding. This has been elevated to the Provincial Executive Council for guidance in this regard.

KZN Zulu Royal House Trust

The entity will continue to pursue fundraising and revenue generation opportunities in line with its strategic priorities for financial independence and sustainability. The focus for 2022/23 will be on development and implementation of a commercial farming strategy that seeks to exploit opportunities in agri-processing and value-chain beneficiation. The entity will also undertake a due diligence exercise to identify and further explore profitable, viable investment opportunities that will reduce the ZRHT's dependency on the provincial fiscus. Furthermore, the ZRHT plans on implementing a fundraising event which will celebrate the Zulu cultural heritage. This event was deferred from 2020/21, subject to Covid-19 regulations. The event remains temporarily postponed in terms of the current national lockdown regulations.

Forensic Investigation Services

The unit will conduct more detailed follow-up audits to assess the extent to which investigated entities are implementing forensic investigation recommendations. Fraud prevention plan strategies of all departments and public entities will also be reviewed.

The unit is hoping to develop a stronger collaboration to strengthen provincial compliance and to foster greater initiatives with COGTA to deal with fraud, corruption, irregularities and maladministration occurring within municipalities and municipal entities within the province.

4. Alignment of the budget to the NDP and MTSF

Economic and resource constraints remain a challenge facing government and hence the department will continue to build strategic partnerships with all stakeholders, including the private sector, to increase delivery capacity in the province. These partnerships are, thus, also critical in ensuring that the strategic intent, vision and developmental path set out in the PGDS Vision 2030 are achieved. The PGDS has been reviewed and incorporates the priorities of the MTSF 2019-2024, as amended. The revised MTSF 2019-2024 is also government's implementation plan of the NDP for the 6th Administration. The incorporation of the MTSF into the PGDS has strengthened alignment. The department's Strategic Plan is mainly aligned to Priority 1 "A capable, ethical and developmental state" of the PGDS. In terms of the mandate of the department, it is also aligned, to some extent, to Priority 7 – Better Africa and World. The latter is in relation to its inter-governmental relations role.

5. Reprioritisation

There has been reprioritisation and movement of funds between programmes and economic classifications, with the movements between programmes being the realignment of functions with the organisational structure, mainly the centralisation of IT services within Programme 2: Institutional Development. This is a continuation of the process that began in 2021/22, and was not completed. These include the centralisation of the Information Communication Technology (ICT) function from Programmes 1 and 3 to Programme 2 and the movement of the procurement of all motor vehicles and furniture from other programmes to Programme 1, with all movements in this regard within the same economic categories. The movements across economic categories are discussed below:

- *Compensation of employees* was increased by R2.629 million in 2023/24 to address carry-through costs of anticipated new appointments in 2022/23, moved from *Goods and services*.
- *Goods and services* was reduced by R7 million in 2022/23 and R9.629 million in 2023/24, mainly against event-related items such as contractors, as well as anticipated reduced costs for consultants. The reduction in the funding for events is carried through over the MTEF, as many events will be hosted virtually or reduced in number. All of the funding in 2022/23 and a similar amount in 2023/24 was moved to *Machinery and equipment* to fund the replacement costs for motor vehicles, to provide for furniture and equipment costs for the expected new offices to be provided by DOPW to address over-crowding in existing buildings, as well as to address carry-through costs for the digitisation in the department, including submission tracking, the leave

system, asset management and voucher control. The balance in 2023/24 was moved to *Compensation of employees*, to address pressures within this category and ensure positive growth. It is noted that DOPW has received approval from Provincial Treasury for an extension of the current lease for 18 months to allow the normal bidding process for new accommodation to be finalised. DOPW is currently in progress with the bid adjudication process.

6. Procurement

The department will continue to implement the procurement plan for procurement exceeding R500 000 and the demand management plan for procurement below R500 000 for 2022/23, to ensure that the needs of the organisation are met. The department aims to reduce the turnaround time for procuring *Goods and services*. Internal controls, contract management and inventory management will continue to be strengthened.

The department will also intensify its efforts to ensure that suppliers and service providers are paid within 30 days, in line with Treasury Regulation 8.2.3. All quotations and bids will be awarded in a manner which is fair, equitable, transparent, competitive and cost effective. To implement the KZN Digital Strategy that was approved by the Provincial Executive Council, the department has rolled out its own tracking system to effectively manage the process of paying invoices on time.

7. Receipts and financing

7.1 Summary of receipts and financing

Table 1.1 gives the sources of funding of Vote 1 from 2018/19 to 2024/25. The table also compares actual and budgeted receipts against actual and budgeted payments. The department receives a provincial allocation in the form of an equitable share.

Note that there was a function shift in 2020/21, with the Forensic Investigation Services component moved from Provincial Treasury to OTP with effect from 1 August 2020 in line with a Provincial Executive Council resolution in this regard. Historic data was restated for comparative purposes.

Table 1.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Equitable share	758 362	750 482	751 764	752 240	760 240	760 240	767 551	775 551	810 331
Conditional grants	-	-	-	-	-	-	-	-	-
Total receipts	758 362	750 482	751 764	752 240	760 240	760 240	767 551	775 551	810 331
Total payments	772 163	704 970	587 198	802 240	810 240	802 240	767 551	775 551	810 331
Surplus/(Deficit) before financing	(13 801)	45 512	164 566	(50 000)	(50 000)	(42 000)	-	-	-
Financing									
of which									
Provincial roll-overs	3 076	1 000	11 000	-	-	-	-	-	-
Provincial cash resources	77 819	6 900	(77 104)	50 000	50 000	50 000	-	-	-
Suspension to future year	-	(6 932)	(43 068)	-	-	-	-	-	-
Surplus/(Deficit) after financing	67 094	46 480	55 394	-	-	8 000	-	-	-

In 2018/19, the following adjustments are noted:

- R3.076 million was rolled over from 2017/18, with R390 000 for the Moerane Commission of Inquiry in respect of invoices that were received late in 2017/18 and R2.686 million for the completion of the Terry Street parking project that was delayed due to inclement weather.
- A total of R77.819 million was allocated from provincial cash resources, as follows:
 - The department received R12.919 million in 2018/19 for the carry-through of the Poverty Eradication Master Plan (PEMP) operational costs. The PEMP operational costs allocation was for a finite period only (2015/16 to 2018/19), and the carry-through costs were therefore removed from the baseline in 2019/20.

- o R50 million was allocated for the KZN Youth Empowerment Fund.
- o R1 million was allocated for urgent roof repairs of the Moses Mabhida building, with carry-through funding of R5.932 million in 2019/20.
- o R7 million was allocated for pressures resulting from the Moerane Commission of Inquiry.
- o R6.900 million was allocated for relocation payments to approximately 110 staff dating back to 2008, when government departments were relocated from Ulundi to Pietermaritzburg.

The department under-spent its 2018/19 budget by R67.094 million, mainly due to under-spending against *Transfers and subsidies to: Non-profit institutions* related to the R50 million allocated for the KZN Youth Empowerment Fund. The funding was transferred to the KZN Growth Fund Trust (KZNGFT) toward the end of the last quarter of 2018/19 to manage the process of disbursement to beneficiaries. However, a ruling by the A-G resulted in the transfer being classified as an advance and this amount was thus reduced from spending in 2018/19. In addition, the department under-spent against *Buildings and other fixed structures*, mainly in respect of stopping the acquisition of a building in Pietermaritz Street due to those premises having insufficient parking facilities. The rehabilitation that was planned for the Pietermaritz Street building was thus put on hold, resulting in under-spending. There was also under-spending on the Moses Mabhida building roof repairs project.

In 2019/20, the following adjustments are noted:

- R1 million was rolled over from 2018/19 for urgent roof repairs of the Moses Mabhida building, which did not commence as expected.
- A total of R6.900 million was allocated from provincial cash resources, as follows:
 - o R4 million was suspended from COGTA and was specifically and exclusively allocated to OTP for infrastructure work with regard to His Majesty, the King's Palaces.
 - o R2.900 million was specifically and exclusively allocated for costs related to the Presidential launch of the DDM.
- Offsetting these allocations was a suspension of R6.932 million related to the urgent roof repairs of the Moses Mabhida building, which did not commence as expected. These funds were reallocated to the department in 2020/21.

The under-spending of R46.480 million in 2019/20 was mainly attributed to *Goods and services*, largely due to communication related activities that were not undertaken because of challenges with utilising a single source provider. There was also under-spending against *Machinery and equipment* as the department was unable to secure additional office accommodation for new posts and existing staff by year-end.

In 2020/21, the following adjustments are noted:

- R11 million was rolled over from 2019/20 comprising the following:
 - o R9.160 million for an international payment meant to be made in March 2020 to Microsoft for licence agreements, but was delayed due to approval needed from the Reserve Bank.
 - o R1.840 million for orders committed in respect of computer equipment.
- A net amount of R77.104 million was reduced from the baseline, as follows:
 - o In the 2020/21 Main Appropriation, R50 million was allocated from provincial cash resources for the KZN Youth Empowerment Fund. However, this amount was subsequently suspended to 2021/22, as the national lockdown resulted in a significant reduction in economic activity in the province. As a result, there were insufficient requests for funding from potential beneficiaries of the KZN Youth Empowerment Fund to warrant a transfer in 2020/21.

- o R19.996 million was allocated due to the function shift of the Forensic Investigation Services component from Provincial Treasury to OTP with effect from 1 August 2020 in line with a Provincial Executive Council resolution in this regard.
- o The department's budget was decreased by R119.346 million in the Special Adjustments Estimate, to cater for the provincial response to the Covid-19 pandemic.
- o R21.754 million was reduced as a result of the non-implementation of the 2020/21 wage agreement due to the national fiscal consolidation efforts, with departments required to cut their *Compensation of employees* budgets.
- o R6 million was reduced in the Third Adjustments Estimate to support the Department of Education related to Covid-19 budget pressures.
- As mentioned, R50 million was suspended to 2021/22 related to the KZN Youth Empowerment Fund, offset by R6.932 million suspended from 2019/20 related to the roof repairs of the Moses Mabhida building, which did not commence as expected. These funds were then reallocated to the department in 2020/21.

The under-spending of R55.394 million was mainly attributed to committed expenditure for software upgrades for the Provincial Nerve Centre, E-submission and E-Leave software, as well as tracking software to address audit findings. In addition, there were orders placed for tools of trade in respect of computer equipment and printers to facilitate working remotely.

In 2021/22, the department received R50 million, suspended from 2020/21 for transfer to the KZNGFT for the KZN Youth Empowerment Fund. The growth in 2021/22 is high, mainly due to this suspension and once-off reallocation of the R50 million for the KZN Youth Empowerment Fund. Due to this once-off allocation in 2021/22, the budget shows negative growth in 2022/23. If the R50 million is disregarded, then growth is 2 per cent in 2022/23.

The Main Appropriation was R802.240 million in 2021/22. There was an additional allocation of R8 million, increasing the baseline to R810.240 million, being an addition made to the provincial fiscus by National Treasury for the 2021 wage agreement. However, due to the slow pace in filling vacant funded posts, the department is projecting to under-spend by R8 million in 2021/22, as per the December 2021 IYM, and this is reflected in the Revised Estimate column.

In 2022/23, the growth is negative, mainly due to the above-mentioned suspension and once-off reallocation of the R50 million for the KZN Youth Empowerment Fund. The growth in 2023/24 is at 1 per cent in line with the continuing wage freeze and budget cuts related to headcount and fiscal consolidation, with inflationary growth of 4.5 per cent in 2024/25.

7.2 Departmental receipts

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

Table 1.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	175	193	178	321	321	168	337	352	368
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	11	22	46	1	1	4	1	1	1
Sale of capital assets	1 368	-	-	1 019	1 019	1 019	1 068	1 115	1 165
Transactions in financial assets and liabilities	500	4 666	284	53	53	241	56	58	61
Total	2 054	4 881	508	1 394	1 394	1 432	1 462	1 526	1 595

Sale of goods and services other than capital assets consist of revenue from commission on PERSAL deductions such as insurance premiums and garnishee orders and tender fees. The revenue trend fluctuates over the period due to the uncertain nature of this category. The growth over the MTEF is based on the 2021/22 Main Appropriation rather than the Revised Estimate. This item will undergo a review in-year.

Interest, dividends and rent on land is derived from interest on staff debts. The department is very conservative in terms of budgeting for this source due to its unpredictable nature.

Sale of capital assets is derived from the sale of redundant assets, such as motor vehicles and equipment. The high collection in 2018/19 relates to the sale of motor vehicles. Revenue collected against this category depends on factors such as the asset disposal policy, size of the fleet and the price received at the auction, hence the variable trend from 2018/19 to 2021/22.

Transactions in financial assets and liabilities is in respect of recoveries from previous financial years, such as staff debts. The collection fluctuates from 2018/19 to the 2021/22 Revised Estimate, in line with the recovery of staff debts. The budget over the MTEF is conservative in view of the unpredictable nature of this revenue stream.

7.3 Agency funding

Tables 1.3 and 1.4 reflect the details of agency funding for the period 2018/19 to 2024/25. The department received agency receipts in respect of the Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA) and the National Skills Fund (NSF).

Table 1.3 : Details of agency funding receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Agency funding	7 876	5 797	16 088	-	20 000	20 000	10 000	-	-
NSF	-	1 687	1 687	-	-	-	-	-	-
MERSETA	7 876	4 110	14 401	-	20 000	20 000	10 000	-	-
Total	7 876	5 797	16 088	-	20 000	20 000	10 000	-	-

Table 1.4 : Details of agency funding payments and estimates

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Agency funding	8 556	3 206	14 401	-	20 000	20 000	10 000	-	-
NSF	1 332	-	-	-	-	-	-	-	-
MERSETA	7 224	3 206	14 401	-	20 000	20 000	10 000	-	-
Total	8 556	3 206	14 401	-	20 000	20 000	10 000	-	-

The department, through the Training Academy, received funding in the past from the NSF. The NSF project implemented learnerships, apprenticeships and skills programmes for the training of unemployed youth, in areas such as toolmaking and digital television installation. The contract between OTP and the NSF ended in March 2020 and no further training programmes are anticipated at this stage. No new funding is anticipated over the 2022/23 MTEF.

MERSETA was one of 23 SETAs that were established in terms of the Skills Development Act passed by the South African Parliament in 1998. MERSETA began functioning in 2000 and was established to play a central role in terms of ensuring that the National Skills Development Strategy of South Africa was fulfilled. The department received funding from 2018/19 onward for training apprentices in various trades such as fitting and turning, electricians, spray painting, petrol and diesel mechanics. During 2020/21, the department, through the Training Academy, signed a new contract to the value of R55 million from MERSETA to train 200 apprentices and 892 skills programmes to be spent up to 2024. To date the project has received R14 million and expects to receive R10 million before the end of 2021/22 and a further R10 million in 2022/23.

8. Payment summary

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

8.1 Key assumptions

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

- All inflation related increases are based on CPI projections.
- Over the 2022/23 MTEF, National Treasury has provided provinces with the budget for the cost of living adjustment, however this is not yet allocated to departments until the current wage agreement (2022) is finalised. Allocation will take place in-year after assessing how much is needed per Vote and taking into account savings from vacancies. With regard to the non-implementation of the last leg of the 2018/19 agreement, the government won this matter in court, and the unions lost their appeal to the Constitutional Court, thus the wage freeze remains in place. In this regard, National Treasury reduced the province's baseline against *Compensation of employees* over the 2021/22 MTEF in respect of freezing salary increases, as well as additional reductions implemented to support fiscal consolidation. Additional funds were allocated in 2021/22 by National Treasury when an agreement was reached with the unions that there would be increases. However, only the non-pensionable cash allowance was funded.
- The department has provided for a 5.2 per cent increase in 2022/23, 1 per cent in 2023/24 and 4.5 per cent in the outer year of the MTEF. The low increase in 2023/24 is insufficient for the 1.5 per cent pay progression, and will be reviewed in the next budget process. The high increase in 2022/23 is to cater for the filling of 29 critical posts. No salary increases have been budgeted for in 2022/23 and 2023/24 in line with National Treasury guidelines.
- OTP has budgeted R2.300 million to employ 38 people as interns to support administrative functions within the department. Following the recently held Provincial Executive Council Lekgotla, the department will identify further funding in-year through internal reprioritisation, and this will be used to employ additional interns who will undertake similar activities, as mentioned.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2021/22, will continue to be adhered to over the 2022/23 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost containment measures. This circular will be updated in April 2022 and issued to departments and public entities to comply with.

8.2 Amendments to provincial and equitable share funding: 2020/21 to 2022/23 MTEF

Table 1.5 shows amendments to provincial and equitable share funding received by the department over the 2020/21, 2021/22 and 2022/23 MTEF periods. The carry-through allocations for the outer year (i.e. 2024/25) are based on the incremental percentage used in the 2022/23 MTEF.

Table 1.5 : Summary of amendments to provincial and equitable share allocations for the 2020/21 to 2022/23 MTEF

R thousand	2020/21	2021/22	2022/23	2023/24	2024/25
2020/21 MTEF period	(3 704)	(20 006)	(22 874)	(23 611)	(24 397)
Repairs to Moses Mabhida building	6 932	-	-	-	-
KZN Youth Empowerment Fund	50 000	-	-	-	-
KZN Youth Empowerment Fund	(50 000)	-	-	-	-
Fiscal consolidation and PES formula updates budget cuts	(2 373)	(11 628)	(16 741)	(17 478)	(18 264)
Adjustments to <i>Compensation of employees</i> (revised CPI inflation projections)	(2 130)	(2 245)	-	-	-
Budget cuts: Events budget	(6 133)	(6 133)	(6 133)	(6 133)	(6 133)
2021/22 MTEF period		26 852	(44 739)	(72 520)	(75 873)
Fiscal Consolidation budget cut		(19 840)	(20 912)	(37 820)	(39 522)
Compensation of employees budget cut (wage freeze and fiscal consolidation)		(46 362)	(66 479)	(81 989)	(85 679)
Forensic Services function shift from Vote 6: Provincial Treasury		41 054	40 652	42 441	44 351
KZN Youth Empowerment Funds suspended from 20/21		50 000	-	-	-
Adjustment to outer year		-	-	2 848	2 976
District Champion of OSS/DDM responsibilities		2 000	2 000	2 000	2 000
2022/23 MTEF period			-	-	-
Total	(3 704)	6 846	(67 613)	(96 131)	(100 270)

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

- The department received an amount of R6.932 million for the repairs to the Moses Mabhida building which was suspended from 2019/20 and reallocated in 2020/21, as mentioned.
- The department received an amount of R50 million for the KZN Youth Empowerment Fund. This is in addition to the R50 million allocated in the 2018/19 Adjustments Estimate, which is not reflected in this table. This funding was subsequently suspended from the baseline and reallocated in 2021/22.
- The department's equitable share was reduced by R2.373 million, with carry-through over the MTEF, as a result of fiscal consolidation and PES formula budget cuts. This cut was effected against *Goods and services* (contractors) in Programme 1 in an effort to protect the department's service delivery budget in Programmes 2 and 3.
- The department's equitable share was reduced by R2.130 million in 2020/21 and R2.245 million in 2021/22, related to the lowering of the CPI projections influencing the growth in *Compensation of employees*, where the CPI rate was previously set at 5.5 per cent but was lowered to 4.8 per cent. The cut was effected equally against *Compensation of employees* in all three programmes.
- The department's equitable share was reduced by R6.133 million in each year of the MTEF due to the department's high expenditure on events. This cut was effected against *Goods and services* (contractors) in Programme 1, and against the same category in Programme 3 in 2021/22 and 2022/23, with cuts against computer services, contractors and consultants.

In the 2021/22 MTEF, the following changes were made to the department's budget:

- The department's equitable share was reduced by R19.840 million and R46.362 million, both with carry-through over the MTEF. These relate to the country's poor economic performance and the need to stabilise the country's debt. Thus there were reductions made to the provincial equitable share and these included a combination of freezing salary increases, as well as additional reductions implemented to support fiscal consolidation.
- The department's equitable share was increased by R41.054 million with carry-through, related to the previously mentioned function shift of the Forensic Investigation Services component from Provincial Treasury to OTP with effect from 1 August 2020 in line with a Provincial Executive Council resolution in this regard.
- The equitable share was increased by R50 million in 2021/22 only, related to the reallocation of funding for the KZN Youth Empowerment Fund suspended from 2020/21, as mentioned.
- The department's equitable share was increased by R2.848 million in 2023/24 for an adjustment to the outer year related to a recalculation of wage freeze cuts.
- The department's equitable share was increased by R2 million in each MTEF year for costs related to the OSS district champion's responsibilities.

In the 2022/23 MTEF, there are no changes to the department's allocation.

8.3 Summary by programme and economic classification

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

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
1. Administration	208 769	185 491	111 445	189 368	214 236	206 236	193 426	198 119	207 034
2. Institutional Development	289 872	289 286	335 615	427 948	424 622	424 622	398 490	400 919	418 937
3. Policy and Governance	223 522	230 193	140 138	184 924	171 382	171 382	175 635	176 473	184 360
Total	722 163	704 970	587 198	802 240	810 240	802 240	767 551	775 511	810 331

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	664 236	646 164	504 344	680 687	671 334	648 970	690 192	695 055	726 255
Compensation of employees	297 697	312 673	312 270	349 491	357 491	335 170	352 442	355 874	371 810
Goods and services	366 539	333 491	192 074	331 196	313 843	313 800	337 750	339 181	354 445
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	45 551	52 732	52 671	101 668	99 965	101 329	52 881	55 209	57 693
Provinces and municipalities	175	112	148	70	70	113	73	76	79
Departmental agencies and accounts	19 600	22 586	30 654	23 748	23 748	23 748	24 888	25 983	27 152
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	50 000	50 000	50 000	-	-	-
Households	25 776	30 034	21 869	27 850	26 147	27 468	27 920	29 150	30 462
Payments for capital assets	12 149	5 865	25 626	19 885	38 941	51 941	24 478	25 247	26 383
Buildings and other fixed structures	2 854	1 378	5 365	1 817	13 617	26 617	1 877	1 960	2 048
Machinery and equipment	9 295	4 487	20 261	18 068	25 324	25 276	22 601	23 287	24 335
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	48	-	-	-
Payments for financial assets	227	209	4 557	-	-	-	-	-	-
Total	722 163	704 970	587 198	802 240	810 240	802 240	767 551	775 511	810 331

The structure of the department consists of three programmes, and does not conform fully to the generic programme structure of the sector at this stage, but National Treasury approval was received in July 2018 for the deviation. Unique to KZN, following the signing of the proclamation to combine the former Department of the Royal Household (DRH) with Vote 1, the budget of the DRH was added to Vote 1's budget as a sub-programme under Programme 3, effective from 1 April 2015. Note also that the sub-programme: IGR was moved to Programme 1: Administration and this was approved by National Treasury. Note that the inclusion of the Forensic Investigation Services function is not part of the formal budget structure of Offices of the Premier but is in line with a Provincial Executive Council resolution in this regard.

The department was subjected to budget cuts in 2020/21 to fund the provincial response to the Covid-19 pandemic, as well as cuts related to freezing public sector wages. In addition, the budget over the MTEF is impacted by the carry-through budget cuts related to the public sector wage freeze, as well as cuts related to fiscal consolidation and PES amendments. These cuts are shown in Table 1.5, and details thereof were provided in the 2021/22 *EPRE*.

The high spending against Programme 1 in 2018/19 was largely due to once-off Social Cohesion and Moral Regeneration programme events, hence the decrease in 2019/20. The further decrease in 2020/21 was due to once-off funding in 2019/20, moved from Programme 2 for pressures from the Premier's inauguration and OSS outreach programmes, partly accounting for the decrease in 2020/21. Also impacting on the reduction in 2020/21 was funding reprioritised, largely to the Departments of Health and Education for the provincial Covid-19 response. These cuts were once-off accounting for the increase in the 2021/22 Main Appropriation. However, the previously mentioned budget cuts related to fiscal consolidation, PES formula cuts, CPI projections cuts to *Compensation of employees*, as well as events cuts mitigated the increase and were mainly effected against this programme, carried through over the MTEF. The impact of these cuts is that Social Cohesion and Moral Regeneration programme events were scaled down in number and size. The cuts against *Compensation of employees* did not impact on service delivery as this is adjusting for a lower forecast CPI. The increase in the 2021/22 Adjusted Appropriation relates to savings under Programme 3: Policy and Governance, allocated to Programme 1 for the roof repairs at the Moses Mabhida building, which were not budgeted for. Savings were identified due to the scaling down of stakeholder activities and engagements (events) as a result of the national lockdown regulations. The department also moved savings from Programme 2 related to reduced advertising costs in respect of campaigns and radio slots that were severely impacted on by the national lockdown regulations, allocated to *Machinery and equipment* to cater for the replacement of departmental vehicles that have reached their expected

lifespan, and this was not budgeted for. In addition, funding was allocated in the 2021/22 Adjusted Appropriation for the 2021 wage increase. However, the slow filling of posts and a number of retirements have resulted in projected under-spending in the Revised Estimate. Growth in this programme is negative in 2022/23, largely due to the once-off nature of the spending in 2021/22, including the Moses Mabhida building roof repairs and the purchase of motor vehicles, among others. Mitigating the decrease is a provision for the filling of four posts in 2022/23. Growth over the two outer years of the MTEF is inflationary only.

Programme 2: Institutional Development shows a slight reduction in 2019/20 related to vacant posts, with the savings moved to Programme 1 for pressures related to the Premier's inauguration and OSS outreach programmes. Also impacting on the decrease was the suspension of the Moses Mabhida roof repair funding to 2020/21, as well as the slow filling of vacant posts. These once-off reductions partly account for the increase in 2020/21, with the reallocation of the Moses Mabhida roof repair funding adding to the increase in 2020/21. Programme 2 shows an increase in 2021/22 mainly because of the once-off allocation of R50 million for the KZN Youth Empowerment Fund, reallocated from 2020/21. In addition, the centralisation of the ICT function to this programme adds to the perceived growth. This process was not fully implemented in the past and is now finalised. Historical records were not complete enough to allow restatement of prior year expenditure for comparative purposes. Note that this programme was subject to budget cuts in the 2021/22 MTEF with the bulk cut against *Compensation of employees*, which will impact on the filling of posts in the outer years of the MTEF. The decrease in 2022/23 relates to the once-off allocation for the KZN Youth Empowerment Fund in 2021/22, as mentioned. Mitigating the decrease is a provision for the filling of eight posts in 2022/23. Growth over the two outer years of the MTEF is inflationary only.

Programme 3 shows relatively higher spending in 2019/20 compared to 2020/21 due to in-year pressures related to the Social Cohesion and Moral Regeneration programme events, as well as budget cuts fund the provincial Covid-19 response. Furthermore, an additional R2.900 million was received for the launch of the DDM. The Social Cohesion and Moral Regeneration programme events spent significantly more in 2019/20, in line with the recommendations of the Moerane Commission of Inquiry *via* once-off events to address tolerance among communities. While there are some carry-through costs, these were significantly less going forward, hence the decrease in 2020/21. The reduction in 2020/21 was also due to the budget cuts related to the provincial response to Covid-19, with this programme subject to the biggest portion of the cuts. To lessen the impact of this cut, the 2021/22 cuts to the programme were far less, allowing a partial return to the original baseline, hence the strong growth in 2021/22. The decrease in the 2021/22 Adjusted Appropriation was due to the reduction of stakeholder engagement activities as a result of the national lockdown regulations, as well as office furniture and equipment requirements that were put on hold pending the securing of additional office accommodation. The growth in 2022/23 includes a provision for the filling of six posts. Growth over the MTEF is inflationary only.

Compensation of employees' growth in the prior years was largely inflationary due to the ongoing implementation of the new organisational structure (approved in 2019/20). However, the department will not be in a position to fully implement the new organisational structure as anticipated, because of insufficient funding over the 2022/23 MTEF due to the budget cuts, as mentioned above. The funding in 2021/22 allowed for the filling of 19 posts but, due to the slow pace of filling these posts, the department is projecting under-spending in the Revised Estimate, with the bulk to be used to offset pressures in other areas, such as *Buildings and other fixed structures* for once-off projects, including the Moses Mabhida building roof repairs and the security upgrades at the Premier's Parkside residence. The growth in 2022/23 is sufficient for the remaining 18 posts to be filled, with growth in 2023/24 at only 1 per cent, which is sufficient for the 1.5 per cent pay progression, and this will be reviewed in the next budget process. Growth in the outer year is inflationary only.

The high spending against *Goods and services* in 2018/19 was due to internal reprioritisation for the Social Cohesion and Moral Regeneration programme events. These were largely once-off amounts and account for the negative growth in 2019/20. The decrease in 2019/20 was offset to some degree

by funding shifted to *Goods and services* from *Transfers and subsidies to: Households* related to the appointment of a contractor to manage external bursaries. In addition, there was some reprioritisation from *Compensation of employees* to address pressures in the Social Cohesion and Moral Regeneration programme events. The negative growth in 2020/21 is attributed to the budget cuts related to the provincial Covid-19 response, affecting mainly event costs and transport and subsistence. As mentioned, from the 2021/22 MTEF, there were fiscal consolidation and PES budget cuts, with cuts against advertising, computer services, contractors and consultants. With regard to contractors, the impact of the cuts meant a reduction in the number and size of events. The cuts against computer services and consultants had a minimal impact as these items were over-budgeted for. The decrease in the 2021/22 Adjusted Appropriation was largely due to the reduction of events and stakeholder engagement activities as a result of the national lockdown regulations. Growth over the MTEF is inflationary only and includes cost savings for on-line options for events.

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

- *Provinces and municipalities* caters for the payment of motor vehicle licences. The erratic trend from 2018/19 to 2020/21 was due to new vehicles being licensed and redundant vehicles being removed from the system. The lower baseline from 2021/22 and over the MTEF is in line with the planned scrapping of redundant vehicles, with steady growth over the MTEF.
- *Departmental agencies and accounts* caters for transfers to the ZRHT and the 2022/23 MTEF provides for inflationary growth only. No budget cuts were implemented against this transfer. The high spending in 2020/21 relates to once-off funding for the ZRHT for purchasing vehicles for the Queens, as well as once-off Covid-19 expenses. Note that the budget for infrastructure, previously budgeted for under *Buildings and other fixed structures*, is now included in the annual transfer, and historical data has been restated.
- With regard to *Non-profit institutions*, funding of R50 million was allocated in 2020/21 and these funds were unspent and reallocated to 2021/22 for the KZN Youth Empowerment Fund, and were transferred to the KZNGFT. Note that the first tranche was transferred in 2018/19 but, as per a ruling by the A-G, this was classified as an advance and is thus not shown in the historical spending at this stage, as the department is still in discussion with Provincial Treasury with regard to the accounting treatment for the advance.
- *Households* consists of staff exit costs, medical aid contributions for ex-parliamentarians (PARMED), the Provincial Bursary Programme, etc. The fluctuations in the prior years relate to staff exit costs, which are difficult to accurately predict. The amount budgeted over the 2022/23 MTEF provides for staff exit costs, external bursaries and PARMED. Note that there are currently discussions underway with the Provincial Legislature and National Treasury regarding the movement of this function, as there was a finding by the A-G that this function is incorrectly placed in OTP. There is currently no finalisation of this issue.

With regard to *Buildings and other fixed structures*, the high spending in 2018/19 was due to the Terry Street parking project being paid for following a roll-over from 2017/18. The decrease in 2019/20 relates to the suspension of funds for the roof repairs at the Moses Mabhida building to 2020/21 due to delays in commencing the project, hence the growth in 2020/21. The significant increase in the 2021/22 Adjusted Appropriation relates to savings in *Goods and services* in Programme 3, allocated to *Buildings and other fixed structures* for the roof repairs at the Moses Mabhida building. The projected over-spending in the Revised Estimate relates to the security upgrades at the Premier's Parkside residence, which were not budgeted for, to be funded from savings against *Compensation of employees*, as mentioned. The MTEF budget provides for various projects, including the renovations to the security and roof in respect of the Premier's Parkside residence.

Machinery and equipment relates to the purchase of essential office furniture and equipment for new appointments and the purchase of official vehicles. The decrease in 2019/20 relates to the department not purchasing office furniture and equipment, as this was put on hold due to limited office space. The increase in 2020/21 relates to security upgrades at all of the department's buildings, including security

cameras and biometric access systems, which were originally not budgeted for, but were deemed critical. The increase in the 2021/22 Adjusted Appropriation was to cater for the replacement of departmental vehicles that have reached their expected lifespan, and this was not budgeted for. The MTEF caters for the replacement of departmental vehicles, furniture and computer equipment.

Payments for financial assets is attributed to debts written off.

8.4 Summary of conditional grant payments and estimates – Nil

8.5 Summary of infrastructure payments and estimates

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

Table 1.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Existing infrastructure assets	3 905	4 533	7 580	4 739	16 539	29 539	6 177	6 449	6 739
Maintenance and repair: Current	1 051	3 155	2 215	2 922	2 922	2 922	4 300	4 489	4 691
Upgrades and additions: Capital	1 344	517	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	1 510	861	5 365	1 817	13 617	26 617	1 877	1 960	2 048
New infrastructure assets	-	-	-	-	-	-	-	-	-
Infrastructure transfers	1 560	3 500	2 350	2 505	2 505	2 505	2 625	2 740	2 863
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	1 560	3 500	2 350	2 505	2 505	2 505	2 625	2 740	2 863
Infrastructure payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	8 033	14 215	8 335	9 233	9 233	9 233	9 676	10 102	10 556
Non infrastructure ¹	-	-	-	-	-	-	-	-	-
Total	13 498	22 248	18 265	16 477	28 277	41 277	18 478	19 291	20 158
<i>Capital infrastructure</i>	<i>4 414</i>	<i>4 878</i>	<i>7 715</i>	<i>4 322</i>	<i>16 122</i>	<i>29 122</i>	<i>4 502</i>	<i>4 700</i>	<i>4 911</i>
<i>Current infrastructure</i>	<i>9 084</i>	<i>17 370</i>	<i>10 550</i>	<i>12 155</i>	<i>12 155</i>	<i>12 155</i>	<i>13 976</i>	<i>14 591</i>	<i>15 247</i>

1. Total infrastructure is the sum of "Capital" plus "Recurrent maintenance". This includes non infrastructure items

With regard to *Maintenance and repair: Current* over the 2022/23 MTEF, the funding is to address backlogs in scheduled and *ad hoc* maintenance projects. The buildings targeted for routine maintenance include the Moses Mabhida building in Pietermaritzburg, the Marine building in Durban and the Premier's Parkside residence. These repairs are on a needs basis and are determined in-year. The growth in this category is inflationary only.

Upgrades and additions: Capital in 2018/19 and 2019/20 relates to the Terry Street parking facility that was developed alongside the Moses Mabhida building.

Refurbishment and rehabilitation: Capital reflects expenditure related to projects at the Premier's Parkside residence and the Moses Mabhida building. The decrease in 2019/20 relates to the suspension of the funding for the roof repairs at the Moses Mabhida building to 2020/21, as mentioned. It is noted that the department cut its infrastructure budget by R2.100 million in 2020/21 against the roof repairs project at the Moses Mabhida building as the project was impacted by the national lockdown. The increase in the 2021/22 Adjusted Appropriation relates to savings from events held on a smaller scale as a result of the national lockdown restrictions, reprioritised from *Goods and services* for the final phase of the roof repair project at the Moses Mabhida building, expected to be complete by the end of March 2022. The 2022/23 MTEF provides for the completion of existing projects, such as security at the Premier's Parkside residence.

Infrastructure transfers: Capital relates to the transfer to the ZRHT for infrastructure projects at the Royal palaces, with inflationary growth over the MTEF. Planned projects include upgrading the Kings official palace at Nyokeni and maintenance and repairs of all royal palaces.

Infrastructure: Leases relates to the lease of buildings for use by the department. Currently, the department leases a number of buildings, including offices in the Invesco Centre in Pietermaritzburg and the Marine building in Durban. The peak in 2019/20 relates to once-off arrears billed by DOPW related to under-billing in previous financial years, accounting for the decrease in 2020/21. The department is, through DOPW, looking for accommodation that is cheaper than the Invesco Centre.

8.6 Summary of Public Private Partnerships – Nil

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

Over the 2022/23 MTEF, the OTP will exercise oversight over one public entity, namely ZRHT. Table 1.9 shows transfers made to ZRHT, as well as other entities over the seven years under review. The financial summary received from ZRHT is given in *Annexure – Vote 1: Office of the Premier*.

Table 1.9 : Summary of departmental transfers to public entities and other entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Transfers to public entities	19 600	22 586	30 654	23 748	23 748	23 748	24 888	25 983	27 152
Zulu Royal House Trust	19 600	22 586	30 654	23 748	23 748	23 748	24 888	25 983	27 152
Transfers to other entities	-	-	-	50 000	50 000	50 000	-	-	-
KZNGFT	-	-	-	50 000	50 000	50 000	-	-	-
Total	19 600	22 586	30 654	73 748	73 748	73 748	24 888	25 983	27 152

The ZRHT was established in 2009/10 as an entity in terms of the KZN Royal Household Trust Act, 2007, but is now governed by the KZN Zulu Royal House Trust Act, 2018. The entity was registered as a Schedule 3C provincial public entity in 2012/13. The MTEF budget provides for the various operational costs of the ZRHT such as municipal costs, fuel, food supplies, etc., relating to the Queens and other members of the Royal family. The MTEF provides for inflationary increases only.

In 2020/21, the department had budgeted to transfer the second tranche of funding for the KZN Youth Empowerment Fund, to the KZNGFT, as mentioned. This funding was suspended in the 2020/21 Adjusted Appropriation as economic activity was insufficient to generate funding requests largely due to the Covid-19 pandemic, and the funding was reallocated in 2021/22. The fund is administered by the KZNGFT under EDTEA, hence the transfer to this entity. No further amount is allocated to the Fund over the MTEF. Note that no financial summary is included for the KZNGFT in the Annexure, as OTP is not the parent department of that entity.

8.8 Transfers to local government

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

8.9 Transfers and subsidies

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

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
1. Administration	1 465	4 499	1 482	1 459	1 950	2 093	1 529	1 597	1 669
Provinces and municipalities	175	112	148	70	70	113	73	76	79
Motor vehicle licences	175	112	148	70	70	113	73	76	79
Households	1 290	4 387	1 334	1 389	1 880	1 980	1 456	1 521	1 590
Staff exit costs	110	3 200	21	-	491	591	-	-	-
PARMED	1 180	1 187	1 313	1 389	1 389	1 389	1 456	1 521	1 590
2. Institutional Development	23 357	24 812	19 368	76 461	73 474	73 717	26 464	27 629	28 872
Non-profit institutions	-	-	-	50 000	50 000	50 000	-	-	-
KZN Growth Fund Trust	-	-	-	50 000	50 000	50 000	-	-	-
Households	23 357	24 812	19 368	26 461	23 474	23 717	26 464	27 629	28 872
Staff exit costs	761	122	1 036	3	3 075	3 318	65	68	71
Provincial Bursary Programme	22 596	24 690	18 332	26 458	20 399	20 399	26 399	27 561	28 801
3. Policy and Governance	20 729	23 421	31 821	23 748	24 541	25 519	24 888	25 983	27 152
Departmental agencies and accounts	19 600	22 586	30 654	23 748	23 748	23 748	24 888	25 983	27 152
ZRHT	19 600	22 586	30 654	23 748	23 748	23 748	24 888	25 983	27 152
Households	1 129	835	1 167	-	793	1 771	-	-	-
Staff exit costs	1 129	835	1 167	-	793	1 771	-	-	-
Total	45 551	52 732	52 671	101 668	99 965	101 329	52 881	55 209	57 693

Programme 1 reflects transfers against *Provinces and municipalities* which relates to the motor vehicle licences for the department as a whole. This function is housed under the Administration Auxiliary Services unit, which moved from Programme 2 to Programme 1 in 2020/21, as part of the realignment process. The erratic trend from 2018/19 and 2019/20 is due to new vehicles being licensed and redundant vehicles removed from the system. The lower baseline from 2022/23 and over the MTEF is in line with the planned scrapping of redundant vehicles, with steady growth over the remainder of the MTEF.

The transfer against *Households* is for social benefits relating to staff exit costs, as well as medical aid contributions for ex-parliamentarians (PARMED). Note that there are currently discussions underway with the Provincial Legislature and National Treasury regarding the correct placement of this function, possibly to the Legislature or National Parliament, as there was a finding by the A-G that this function is incorrectly placed in OTP. As mentioned, there is no progress in this regard, at this stage. The increase in the 2021/22 Adjusted Appropriation relates to staff exit costs due to a number of staff retiring. The provision over the MTEF is for PARMED only and growth is inflationary.

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

- *Departmental agencies and accounts* relates to transfers to the ZRHT, as detailed in Section 8.7.
- The amount of R50 million reflected against *Non-profit institutions* is for the KZN Youth Empowerment Fund. As mentioned, the first tranche of R50 million was transferred to the KZNGFT in 2018/19 but, in line with a ruling by the A-G, this was classified as an advance and is thus not shown in the historical spending at this stage. The second tranche was allocated in 2020/21, but reallocated to the department in 2021/22, as mentioned and these funds were transferred to the KZNGFT. No further funds are allocated toward this over the 2022/23 MTEF.
- *Households* caters for external bursaries and staff exit costs. It must be noted that, although the Provincial Bursary Programme was decentralised back to the departments from which the funds were originally moved, a portion of the budget remains for the external bursaries administered by the OTP, but now administered under Programme 2. The growth in the bursaries budget over the MTEF is inflationary only. The department has made a minimal provision for staff exit costs under Programme 2 over the MTEF. The budget is based on previous intakes, which range between 150 and 200, and include progressing and new intake students.

9. Programme description

The services rendered by this department are, as per the generic sector structure, categorised under three programmes, the details of which are discussed below. However, the department does not conform fully to the generic programme structure of the sector at this stage, but National Treasury approval was obtained for the deviation, as mentioned. Note that the inclusion of Forensics Investigation Services is not part of the formal generic budget structure of Offices of the Premier but is in line with a Provincial Executive Council resolution in this regard. The amounts for each programme are summarised in terms of economic classification, with details given in *Annexure – Vote 1: Office of the Premier*.

9.1 Programme 1: Administration

The purpose of this programme is to provide administrative support to the Premier, Provincial Executive Council and the Director-General in fulfilling their legislative and oversight functions and in promoting good corporate governance.

The department does not fully conform to the generic programme structure of the sector at this stage, partly due to the exclusion of the Programme Support sub-programme.

The objectives of this programme are as follows:

- To provide technical, administrative and advisory support to the Premier in executing the constitutional mandate and statutory duties.
- To render secretariat support services to the Provincial Executive Council, clusters, and key provincial committees.
- To provide operational support to the Director-General in strategically managing the province.
- To provide financial management support and advisory services.
- To improve inter- and intra-governmental relations and promote effective co-operative governance through implementation of the IGR Act, 2005.

Tables 1.11 and 1.12 reflect a summary of payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2018/19 to 2024/25.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
1. Premier Support	27 589	33 411	24 568	33 107	29 880	29 880	31 024	31 637	33 061
2. Executive Council Support	8 478	14 772	11 484	10 311	10 674	10 674	9 325	9 549	9 979
3. Director-General Support	20 870	17 116	18 037	22 309	22 046	22 116	21 815	22 584	23 600
4. Financial Management	87 072	86 112	40 995	104 773	127 954	119 884	109 772	112 422	117 480
5. Intergovernmental Relations	64 760	34 080	16 361	18 868	23 682	23 682	21 490	21 927	22 914
Total	208 769	185 491	111 445	189 368	214 236	206 236	193 426	198 119	207 034

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	200 829	177 838	103 139	183 249	186 971	165 828	177 728	182 048	190 240
Compensation of employees	79 142	87 528	78 233	102 509	110 509	89 409	92 729	94 925	99 197
Goods and services	121 687	90 310	24 906	80 740	76 462	76 419	84 999	87 123	91 043
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1 465	4 499	1 482	1 459	1 950	2 093	1 529	1 597	1 669
Provinces and municipalities	175	112	148	70	70	113	73	76	79
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 290	4 387	1 334	1 389	1 880	1 980	1 456	1 521	1 590
Payments for capital assets	6 411	3 154	6 817	4 660	25 315	38 315	14 169	14 474	15 125
Buildings and other fixed structures	2 854	1 378	5 365	1 817	13 617	26 617	1 877	1 960	2 048
Machinery and equipment	3 557	1 776	1 452	2 843	11 698	11 698	12 292	12 514	13 077
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	64	-	7	-	-	-	-	-	-
Total	208 769	185 491	111 445	189 368	214 236	206 236	193 426	198 119	207 034

The sub-programme: Premier Support provides technical, administrative and advisory support to the Premier in executing his constitutional mandate. Growth in 2022/23 is high to cater for increased travel and subsistence costs in anticipation of *post* Covid-19 relaxation of restrictions on travel. The growth over the remainder of the MTEF is inflationary only.

The sub-programme: Executive Council Support renders secretariat support services to the Provincial Executive Council. The increase in 2019/20 relates to the Premier's Inauguration and additional meetings undertaken following the 2019 general elections, hence the negative growth in 2020/21. Although minimal cuts were made to this sub-programme in 2021/22 only, growth over the MTEF is minimal due to the need to contain costs. The MTEF budget mainly caters for the Provincial Command Council commitments after the easing of Covid-19 restrictions, and the procurement of capital assets. Also scheduled are two Provincial Executive Council Makgotlas and a workshop on Executive Council Manual Compliance.

The Director-General Support sub-programme provides operational support to the Director-General in strategically managing the province. In 2020/21, there was reprioritisation to this sub-programme to cater for support for the roll-out and implementation of the DDM activities and implementation of the approved IGR Strategy. Growth over the MTEF is low due to the budget cuts and this will impact on the number and scale of events held. The budget will mainly be utilised to enhance performance management and accountability through monitoring and evaluation e.g. COHOD. A slight decrease in 2022/23 is mainly due to the continued centralisation of items to Programme 2.

The Financial Management sub-programme provides financial management support and advisory services to the Premier and Director-General in fulfilling their legislative and oversight functions and in promoting good corporate governance. The high base in 2018/19 was primarily due to once-off additional funding and internal reprioritisation of funds for the Moerane Commission of Inquiry, which provided a final report in 2018/19, as well as procurement of financial management reporting tools for OTP, to enable OTP to scan all payment vouchers and link to transactions in Emapp (an in-house system that draws data from BAS into Excel format). The significant increase in the 2021/22 Adjusted Appropriation relates to savings under *Goods and services* in Programme 3, allocated to *Buildings and other fixed structures* against the Financial Management sub-programme for the roof repairs at the Moses Mabhida building. There were savings due to the scaling down of stakeholder activities and engagements (events) as a result of the national lockdown regulations. Also moved from *Goods and services* in Programme 2 were savings due to reduced advertising costs in respect of campaigns and radio slots that were severely impacted on by the national lockdown regulations, allocated to *Machinery and equipment* in the Financial Management sub-programme for the replacement of departmental vehicles that reached their expected lifespan, and this was not budgeted for. In addition, the Office Support and Auxiliary Service's responsibility budget was moved from Programme 2 to this sub-programme to align to the approved organisational structure in 2021/22. Furthermore, there was movement of funding from this sub-programme to IT services over the MTEF as part of the centralisation of IT Services. This process was not fully implemented in the past and is now finalised. Historical records were not complete enough to allow restatement of prior year expenditure for comparative purposes. The under-spending in the 2021/22 Revised Estimate relates to the slow filling of vacant posts. The decrease in 2022/23 relates to the once-off allocation in 2021/22 for the roof repairs at the Moses Mabhida building, as well as the security upgrades at the Premier's Parkside residence. Growth in the outer years of the MTEF is inflationary only.

The purpose of the IGR sub-programme is to improve inter- and intra-governmental relations and promote effective co-operative governance through implementation of the IGR Act. OTP co-ordinates all departments to ensure effective delivery of all MTSF outcomes. The increase in the 2021/22 Adjusted Appropriation was to cover inter-governmental and related activities and associated anticipated increased foreign travel expenses due to the easing in the national lockdown restrictions. The decrease in 2022/23 is attributed to cost containment, mainly related to restricting events and travel to address pressures elsewhere in the budget, such as the Digital Transformation project. The growth over the remainder of the MTEF is mainly inflationary, and the budget cuts account for the relatively low growth. The department reports that the cuts will result in Social Cohesion and Moral Regeneration programme events being scaled down in number and size. The budget will be used for projects such as roll-out of the IGR Toolkit, which will empower IGR practitioners to play a more visible and central role in IGR structures at the provincial, district and local government level. The IGR Toolkit will also enable practitioners to participate more fully within OSS and DDM structures.

Compensation of employees shows growth in 2021/22 attributed to the filling of six vacant posts. The increase in the 2021/22 Adjusted Appropriation was due to funding allocated for the 2021 wage increase. However, the slow filling of posts and a number of retirements have resulted in projected under-spending in the Revised Estimate. The growth in 2022/23 is for the carry-through costs of posts filled late in 2021/22, as well as four additional posts still to be filled. The wage freeze over the MTEF results in low growth in 2023/24, sufficient for the 1.5 per cent pay progression, with inflationary growth in 2024/25.

Goods and services over the MTEF is subjected to budget cuts which limits growth, particularly in the outer year, with the cuts resulting in events being scaled down in number and size. The department centralised certain functions under Programme 1, such as fleet maintenance and telephone expenses against *Goods and services*, as well as the procurement of office furniture and motor vehicles against *Machinery and equipment*. This process was not fully implemented in the past and is now finalised. Historical records were not complete enough to allow restatement of expenditure for comparative purposes. In the 2021/22 Adjustment Estimate, the category was reduced due to the additional office accommodation lease not being finalised as a result of suitable office accommodation not yet being obtained. This funding was moved mainly to *Buildings and other fixed structures* for the costs of the roof repairs at the Moses Mabhida building. In addition, funding was moved to Programme 3 to re-allocate the budget in respect of the District Champion of OSS/DDM responsibilities.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licences for the Office Support and Auxiliary Services function moved from Programme 2 to this programme.

Transfers and subsidies to: Households caters for payments in respect of staff exit costs and PARMED. The fluctuating trend is largely attributed to fluctuating leave gratuity payments, as well as the fact that PARMED beneficiary numbers are decreasing from year-to-year due to natural attrition. The increase in 2019/20 relates to once-off funding for staff exit costs, including the former Premier, following the 2019 elections, as well as a retiring DDG, hence the decrease in 2020/21. The MTEF funding only caters for PARMED and increases are inflationary.

Buildings and other fixed structures relates to the previously mentioned movement of the Office Support and Auxiliary Services function from Programme 2 to this programme in 2020/21, and historical records prior to 2020/21 have been restated for comparative purposes. The historical spending includes projects such as the Terry Street parking project, as well as the roof repairs project at the Moses Mabhida building. The 2022/23 MTEF provides for the completion of existing projects, such as security and roof renovations at the Premier's Parkside residence.

Machinery and equipment takes into account the movement of funding from other programmes in 2021/22 due to a decision taken to centralise office furniture and vehicle procurement under Programme 1. Historical records were not complete enough to allow restatement of expenditure for comparative purposes. The allocation in 2022/23 is in anticipation of the appointment of new staff, with minimal growth over the MTEF. The budget provides for the replacement of furniture and computer equipment.

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

Service delivery measures: Administration

Table 1.13 illustrates service delivery measures pertaining to Programme 1. It is noted that the OTP sector has not yet agreed on standardised service delivery measures. Measures marked "n/a" are annual in nature and no Estimated performance for 2021/22 is available.

Note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP. Also note that some measures have changed from the 2021/22 *EPRE* due to alignment with the 2022/23 APP.

Table 1.13 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2021/22	2022/23	2023/24	2024/25
1. Executive Council Support					
1.1 Effective and efficient Provincial Executive Council and key committees administrative support service	<ul style="list-style-type: none"> No. of Provincial Executive Council decision matrix implementation progress reports submitted to the Executive Council 	12	24	24	24

Table 1.13 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2021/22	2022/23	2023/24	2024/25
2. Financial Management					
2.1 Audit improvement	• % reduction of wasteful and fruitless expenditure	n/a	100%	100%	100%
	• % reduction of irregular expenditure	n/a	20% from 2021/22 baseline	20% from 2022/23 baseline	20% from 2023/24 baseline
	• % of invoices paid within 30 days	90%	90%	90%	90%
3. IGR					
3.1 Strengthening IGR structures	• No. of PCF decision matrix implementation reports	4	4	4	4
	• No. of COHOD meeting decision matrixes implementation reports	12	12	12	12
3.2 International Relations strategy implementation	• No. of International Relations and ODA Strategy implementation monitoring reports	2	2	2	2
	• No. of Twinning Agreements reviewed in line with the South African Foreign policy	8	8	8	8

9.2 Programme 2: Institutional Development

The purpose of this programme is to co-ordinate the transformation of the public service and provide institutional development and support to the KZN provincial government, and the objectives are:

- Provide a comprehensive and professional internal legal support service to the department and to provide a comprehensive, professional, inter-departmental, transversal state law advisory service to the respective provincial line function departments.
- Facilitate, co-ordinate, monitor and promote strategic human resource management and development services.
- Co-ordinate provincial government ICT in the province and render internal ICT support and auxiliary services.
- Provide an integrated and co-ordinated government communication service within the provincial government and the department.
- Co-ordinate the activities related to the upliftment of the youth in the province by engaging with all relevant stakeholders in the public and private spheres.
- To mitigate and eliminate incidence of unethical conduct by government officials with a view to improving good governance.

The programme does not fully conform to the generic programme structure as the Special Programmes sub-programme falls under Programme 3 in terms of the sector structure, however approval was obtained from National Treasury for the deviation. Note that the inclusion of Forensic Investigation Services is not part of the formal generic budget structure of Offices of the Premier, but is in line with a Provincial Executive Council resolution in this regard.

Tables 1.14 and 1.15 summarise payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2018/19 to 2024/25. Note that the centralisation of the ICT function to this programme adds to the perceived growth as historical records were not complete enough to allow restatement of expenditure for comparative purposes.

In 2020/21, this programme was subject to cuts to fund the provincial response to the Covid-19 pandemic, as well as cuts related to the freezing of public sector wages. In addition, the programme was subject to fiscal consolidation cuts over the 21/22 MTEF to *Compensation of employees* and events cuts across all sub-programmes, but mainly affecting the Strategic Human Resources, the Special Programmes, as well as the Forensic Investigations and Integrity Management sub-programmes.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
1. Strategic Human Resources	72 188	72 415	71 564	88 073	85 382	82 033	103 873	99 260	103 702
2. Information Communication Technology (ICT)	18 417	29 256	114 988	67 356	104 855	115 513	88 097	91 163	95 265
3. Legal Services	13 568	12 209	11 936	12 302	12 274	12 274	12 371	12 638	13 208
4. Communication Services	56 127	51 551	51 380	73 818	57 083	57 083	73 053	76 030	79 451
5. Special Programmes	90 474	83 582	53 520	140 431	122 341	133 417	85 926	85 718	89 575
6. Forensic Investigations and Integrity Management	39 098	40 273	32 227	45 968	42 687	24 302	35 170	36 110	37 736
Total	289 872	289 286	335 615	427 948	424 622	424 622	398 490	400 919	418 937

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	261 322	263 861	297 448	344 837	339 562	339 319	363 545	364 578	380 961
Compensation of employees	130 311	136 544	150 252	158 653	158 653	158 410	175 580	174 705	182 542
Goods and services	131 011	127 317	147 196	186 184	180 909	180 909	187 965	189 873	198 419
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	23 357	24 812	19 368	76 461	73 474	73 717	26 464	27 629	28 872
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	50 000	50 000	50 000	-	-	-
Households	23 357	24 812	19 368	26 461	23 474	23 717	26 464	27 629	28 872
Payments for capital assets	5 034	405	18 706	6 650	11 586	11 586	8 481	8 712	9 104
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	5 034	405	18 706	6 650	11 586	11 538	8 481	8 712	9 104
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	48	-	-	-
Payments for financial assets	159	208	93	-	-	-	-	-	-
Total	289 872	289 286	335 615	427 948	424 622	424 622	398 490	400 919	418 937

The Strategic Human Resources sub-programme facilitates, co-ordinates, monitors and promotes strategic human resources and development within provincial government, as well as internally within the OTP. This sub-programme includes the Training Academy. The growth in 2022/23 relates to the filling of eight posts. However, the growth in 2023/24 is negative, largely due to under-budgeting for *Compensation of employees*, which will be addressed in the next budget process. The growth in the outer year is inflationary only. Activities over the 2022/23 MTEF include the implementation of HRM&D strategies, policies and projects through hosting of relevant strategic forums, the roll-out of the implementation plan of the provincial HR Turnaround Strategy in all provincial departments, and interventions to automate various HR processes will continue to be investigated, among others.

The ICT sub-programme co-ordinates provincial government ICT policy and renders internal ICT support and auxiliary services to the department. The IT Services budget amounting to R35 million was centralised within this sub-programme for the department for the purchase of computer equipment, as well as IT related services. This accounts for the increase in 2020/21. Historical records were not complete enough to allow restatement of prior year expenditure for comparative purposes. Mitigating the increase in 2020/21 was the movement of the Office Support and Auxiliary Services responsibility from this sub-programme to Programme 1, as mentioned. Again, historical records were not complete enough to allow restatement of prior year expenditure for comparative purposes. The increase in the 2021/22 Adjusted Appropriation was to fund the digital transformation strategy which entails the digitisation of all internal processes such as memoranda, submissions, leave, orders and tenders. The decrease in 2022/23 is due to the digital transformation strategy funding being once-off in 2021/22, funded through internal reprioritisation. Growth over the remainder of the MTEF is inflationary only. Activities over the MTEF include the continuation of the digital transformation strategy, including asset management processes.

The Legal Services sub-programme provides comprehensive and professional internal legal support services to OTP and provides inter-departmental, transversal state law advisory services to departments. Growth over the MTEF is minimal due to the need to contain costs.

The Communication Services sub-programme provides integrated and co-ordinated government communication services in the province, as well as internally within OTP. The increase in 2022/23 is due to more activities such as events and campaigns planned as a result of more people being vaccinated and national restrictions being eased. Growth is inflationary only over the balance of the MTEF and this sub-programme will continue to co-ordinate various communication publications, campaigns and strategies, such as Simama, Anti-Rape, Anti-Xenophobia, Human Rights Day, Youth Day, Heritage Day, etc. This sub-programme also administers the Communication Forum which meets bi-annually and includes all departments.

The Special Programmes sub-programme includes the Office of the Ombudsperson and Democracy Support Services. Democracy Support Services ensures that government translates its constitutional, political and global commitments into measurable and meaningful programmes on gender, disability, children, as well as senior citizens and other vulnerable groups. The high growth in 2021/22 is due to the once-off allocation of the second tranche of R50 million for the KZN Youth Empowerment Fund, accounting for the negative growth in 2022/23. As mentioned, the first tranche of R50 million was transferred to the KZNGFT in 2018/19 but, as per an A-G ruling, was treated as an advance, and thus is not visible in Tables 1.14 and 1.15. Activities over the 2022/23 MTEF include the continued implementation of the inter-generational programme (dialogues), the Centenarian programme, monitoring of Covid-19 vaccination sites, the provision for/prioritisation of people with special needs, as well as the bursary programme.

The Forensic Investigations and Integrity Management sub-programme was a newly sub-programme in the 2021/22 MTEF to accommodate the Forensic Investigation Services function moved from Provincial Treasury. The department also moved the Integrity function from the Special Programmes sub-programme to this new sub-programme due to similarities in the areas of operation. Historical figures were restated for comparative purposes. The under-spending in the 2021/22 Revised Estimate relates to over-budgeting for *Compensation of employees*, with funding reprioritised for the digital transformation strategy. The department notes that the Integrity Management staff are still to be moved to this sub-programme on PERSAL, hence the under-spending, and this is corrected for 2022/23, accounting for the increase in budget. Growth is inflationary only over the remainder of the MTEF. Activities planned over the MTEF include the upgrade of physical security/access control at OTP premises, the establishment of a vetting fieldwork unit and the purchasing of vetting equipment to support units doing lifestyle audit investigations and supply chain investigations, to assist human resources with time and attendance by installing tags that record both time and computers taken in and out of OTP premises, among others.

The sustained growth in *Compensation of employees* from 2018/19 to 2020/21 relates to the staggered filling of prioritised critical posts. The relatively high growth in 2021/22 and 2022/23 is for the filling of vacant posts, with minimal growth thereafter as a result of the wage freeze and budget cuts. The funding does not allow for any further filling of posts beyond 2022/23.

Goods and services reflects growth in 2020/21 related to provision for training programmes within the Training Academy. *Goods and services* was reduced in the 2021/22 Adjusted Appropriation, partly due to savings from advertising costs in respect of campaigns and radio slots that were impacted on by the national lockdown regulations. Also contributing to the savings were operating leases because the sourcing of additional accommodation was put on hold as no suitable sites have been located. The category also provides for costs for communication and hosting of service delivery events and campaigns, such as the Anti-Rape campaign, Human Rights Day, Heritage Day, etc. The growth over the MTEF is fairly low mainly due to the budget cuts from the 2021/22 MTEF, which were largely effected against contractors related to reduced event costs, as well as computer services due to savings from economies of scale as a result of the centralisation of this function to this programme.

Transfers and subsidies to: Non-profit institutions relates to the R50 million allocated to the KZN Youth Empowerment Fund in 2020/21 but was unspent and suspended to 2021/22. The first tranche was transferred in 2018/19 but, as per a ruling by the A-G, this was classified as an advance and is thus not shown in the historical spending at this stage, as the department is still in discussion with Provincial Treasury with regard to the accounting treatment for the advance.

The amounts against *Transfers and subsidies to: Households* provide for the external bursary budget of OTP. The department currently supports just over 400 students. There is only a minimal provision for staff exit costs over the 2022/23 MTEF and the department will reprioritise in-year, should the need arise. In the 2021/22 Adjusted Appropriation, the category was reduced mainly due to savings against the Provincial Bursary programme under the Special Programmes sub-programme, as a result of a lower intake of students than initially anticipated. Currently, the department has 158 new bursaries awarded in 2021/22, with the process for 2022/23 still to be finalised. Bursaries are awarded to deserving applicants in any discipline.

The high spending against *Machinery and equipment* in 2020/21 relates to the purchase of furniture, laptops, etc. for the appointment of new staff. The increase in the 2021/22 Adjusted Appropriation relates to the previously mentioned centralisation of IT services to this programme. Historical records were not complete enough to allow restatement of prior year expenditure for comparative purposes. *Machinery and equipment* was increased from *Goods and services* within Programme 2 under the Information Communication Technology (ICT) sub-programme, to cater for the purchase of tools of trade for officials to work remotely. There is inflationary growth over the MTEF.

The department wrote off various losses against *Payments for financial assets* from 2018/19 to 2020/21.

Service delivery measures: Institutional Development

Table 1.16 illustrates service delivery measures pertaining to Programme 2. Note that only a few main measures are reflected, and the full set of measures is detailed in the APP. Note that some measures have changed from the 2021/22 EPRE due to alignment with the 2022/23 APP.

Table 1.16 : Service delivery measures: Institutional Development

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2021/22	2022/23	2023/24	2024/25	
1. Strategic Human Resources						
1.1 Transversal Provincial HR Policies	• No. of reports on Technical HR support services on KZN HR policy matters	4	4	4	4	
1.2 Public Service training sessions	• No. of training sessions	100	120	140	140	
2. Legal Services						
2.1 Appropriate and constitutionally compliant provincial legislation	• No. of quarterly reports on Provincial Legislative programme	4	4	4	4	
3. Communication Services						
3.1 Annual provincial and departmental communication support initiatives	• No. of monitoring reports on implementation of Provincial Communication Strategy	4	4	4	4	
4. Special Programmes						
4.1 Ethics and Integrity campaign (I Do Right)	• No. of awareness workshops on fraud and ethics for departments	14	14	14	14	
4.2 Mainstreaming a culture of human rights through integrated plans for vulnerable groups	• No. of monitoring reports on the implementation of the Provincial Gender Based Violence and Femicide Strategic Implementation Plan	4	4	4	4	
4.3 Ombudsperson co-ordination	• No. of OTP Ombudsperson reports	2	2	2	2	

9.3 Programme 3: Policy and Governance

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

- To improve the Public Policy and Research Management System and planning co-ordination in the province and within the department.
- To improve and facilitate the co-ordination and alignment of transversal policies, strategies, short- and long-term plans and programmes, as well as the reporting and monitoring of these.
- Oversee the implementation of the government wide monitoring and evaluation framework in the province through the Monitoring and Evaluation programmes and Provincial Performance Reporting.
- Promote the culture of engagement, by co-ordinating stakeholder participation, and priority programmes.
- Promote inclusive and synergistic governance by providing support services to his Majesty, the King and the Royal Household.

This programme does not fully conform to the generic structure of the sector because it includes the Royal Household sub-programme (unique to KZN) and should also include the Special Programmes sub-programme, which the department has placed under Programme 2. Approval was obtained from National Treasury for the deviation.

Tables 1.17 and 1.18 provide a summary of payments and estimates by sub-programme and economic classification for the period 2018/19 to 2024/25. In the 2020/21 Adjusted Appropriation, this programme was subject to cuts to fund the provincial response to the Covid-19 pandemic. In addition, the programme was subject to fiscal consolidation cuts over the 2021/22 MTEF and these were effected across all sub-programmes.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
1. Provincial Policy Management	39 026	48 073	35 517	37 640	33 443	33 443	36 974	37 460	39 120
2. Premier's Priority Programmes	115 633	106 689	31 201	81 210	66 930	66 930	71 345	69 337	72 429
3. Royal Household	68 863	75 431	73 420	66 074	71 009	71 009	67 316	69 676	72 811
Total	223 522	230 193	140 138	184 924	171 382	171 382	175 635	176 473	184 360

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	202 085	204 465	103 757	152 601	144 801	143 823	148 919	148 429	155 054
Compensation of employees	88 244	88 601	83 785	88 329	88 329	87 351	84 133	86 244	90 071
Goods and services	113 841	115 864	19 972	64 272	56 472	56 472	64 786	62 185	64 983
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	20 729	23 421	31 821	23 748	24 541	25 519	24 888	25 983	27 152
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	19 600	22 586	30 654	23 748	23 748	23 748	24 888	25 983	27 152
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 129	835	1 167	-	793	1 771	-	-	-
Payments for capital assets	704	2 306	103	8 575	2 040	2 040	1 828	2 061	2 154
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	704	2 306	103	8 575	2 040	2 040	1 828	2 061	2 154
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	4	1	4 457	-	-	-	-	-	-
Total	223 522	230 193	140 138	184 924	171 382	171 382	175 635	176 473	184 360

The Provincial Policy Management sub-programme provides for strategic planning, research co-ordination, and monitoring and evaluation. The PPC resides in this sub-programme. The decrease in the 2021/22 Adjusted Appropriation was due to the deferred implementation of the Monitoring and Evaluation system which will evaluate the impact of service delivery activities. The project was deferred due to slow tender processes. This project is now planned for 2022/23, accounting for the high growth. Thereafter, growth is inflationary only. Activities planned over the MTEF include the distribution of the PGDS and abridged version translated into isiZulu to create awareness throughout the province, as well as a knowledge sharing platform (seminar) for Evaluations and Research

The sub-programme: Premier's Priority Programmes promotes the culture of engagement by co-ordinating stakeholder participation, priority programmes incorporating Veterans' Support, HIV and AIDS, OSS, the co-ordination of the Inkululeko Development projects (phases 2 and 3) in uMvoti and Msinga, as well as PEMP co-ordination. The funding for the Inkululeko Development phase 1 (Ndumo) ended in 2018/19. The funding for the PEMP co-ordination function also ended in 2018/19. The decrease in the 2021/22 Adjusted Appropriation was due to the reduction of stakeholder engagement activities as a result of the national lockdown regulations, as well as office furniture and equipment requirements that were put on hold pending the securing of additional office accommodation. This funding was moved to Programme 1 for the roof repairs at the Moses Mabhida building, as mentioned. Growth in 2022/23 and over the MTEF is inflationary only. Activities planned over the MTEF include the implementation of OSS/DDM integration, the integrated development and support of vulnerable groups, with more emphasis on military veterans, people with disability, women and farming communities, deepening citizenry participation through District Multi-Sectoral Stakeholder Forums and repurposing the Moral Regeneration and Social Cohesion Agenda, among others.

The sub-programme: Royal Household provides support services to His Majesty, the King and the Royal Household. The department implemented the 2021/22 MTEF wage freeze budget cuts against this sub-programme, resulting in negative growth in 2021/22 and minimal growth thereafter. The cuts result in no new appointments being possible over the MTEF. The increase in the 2021/22 Adjusted Appropriation relates to activities/events for the Royal Household under the King's Support component, as a result of the easing of the national lockdown restrictions, as well as to fund the costs for funerals. The 2022/23 MTEF provides for inflationary increases in the transfer to the ZRHT, as well as for His Majesty, the King's ceremonies such as *Umkhosi Womhlanga* (Reed Dance), *Umkhosi Wamaganu* (annual Amarula Festival), *Umkhosi Woselwa* (Thanksgiving), homecoming of *Abakhwetha*, various operational costs of the unit, and renovations to the Royal palaces.

The negative growth in *Compensation of employees* in 2020/21 was due to vacant posts. The negative growth in 2022/23 is due to projections in the Revised Estimate being over-stated. There is sufficient funding for existing posts over the 2022/23 MTEF, as well as to fill six posts in 2022/23. Growth over the remainder of the MTEF is inflationary only.

Goods and services included funding for the PPC, OSS, Diakonia Council of Churches, as well as various events. The significantly higher spending in 2019/20 compared to 2020/21 was due to in-year pressures related to the Social Cohesion and Moral Regeneration programme events. Furthermore, an additional R2.900 million was received for the launch of the DDM. There is a significant decrease in 2020/21 due to Covid-19 related cuts, as well as the movement of the Nerve Centre and the centralisation of IT services under Programme 2. Historical costs could not be restated as records are not kept at this level. As mentioned, these cuts affect the appointment of contractors (events) and consultants. In the 2021/22 Adjusted Appropriation, *Goods and services* was reduced and the funding was moved to Programme 1 to cover the additional repairs for the Moses Mabhida building roof repairs, as mentioned. Some funding was also moved to Programme 2 for the digital transformation strategy. These savings were due to the reduction of stakeholder engagement activities as a result of the national lockdown regulations, as well as the deferred implementation of the Monitoring and Evaluation system which will evaluate the impact of service delivery activities. The growth in 2022/23 is in line with the anticipated return to holding events as national lockdown requirements are

eased, and the implementation of the Monitoring and Evaluation system. The negative growth in 2023/24 is due to a decrease in provision for transport provided: departmental activity, and this will be reviewed in the next budget process. The outer year growth is inflationary only.

The transfers to the ZRHT are reflected against *Transfers and subsidies to: Departmental agencies and accounts*, as detailed in Section 8.7.

Transfers and subsidies to: Households provides for staff exit costs. Details are provided in Section 8.9: Transfers and subsidies.

The amounts against *Machinery and equipment* mainly relate to the purchase of departmental vehicles, office furniture and computer equipment for newly appointed staff, accounting for the increase in 2021/22. The decrease in the 2021/22 Adjusted Appropriation was related to savings realised in respect of office furniture and equipment requirements that were put on hold, pending the securing of additional office accommodation. The funding over the 2022/23 MTEF provides for the procurement of office furniture, computers, as well as vehicles.

Payments for financial assets relates to losses written-off.

Service delivery measures: Policy and Governance

Table 1.19 provides information on the service delivery measures pertaining to Programme 3. It is noted that the OTP sector has not yet agreed on standardised service delivery measures. Note that only a few main measures are reflected, and the full set of measures is detailed in the department's APP. Note also that some measures have changed from the 2021/22 *EPRE* due to alignment with the 2022/23 APP.

Table 1.19 : Service delivery measures: Policy and Governance

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2021/22	2022/23	2023/24	2024/25
1. Premier's Priority Programmes					
1.1 Integrated Planning System: Consolidated planning alignment report	• No. of consolidated provincial strategic planning alignment reports	1	1	1	1
1.2 Strategic Partnership co-ordination reports	• No. of MRM and social cohesion co-ordination reports	4	4	4	4
	• No. of progress reports compiled on the interventions co-ordinated for farm dwellers and farm workers	4	4	4	4
2. King's Support and Royal Household					
2.1 Support Plan to the Zulu Monarch developed and linked to the budget	• No. of reports compiled on the implementation of the KZN Government Service Support Plan to the Zulu Monarch	4	4	4	4
<i>Entity Oversight: ZRHT APP Plan Assessment report</i>	• No. of monitoring reports compiled on the performance of the ZRHT	4	4	4	4

10. Other programme information

10.1 Personnel numbers and costs

Table 1.20 reflects personnel estimates for the OTP, per programme. The department obtained approval to fill 26 posts in 2021/22, but to date has only filled eight of these posts, with the remainder at various stages in the recruitment process. It is anticipated that the balance of 18 posts will be filled in the early part of 2022/23. The department intends requesting approval to fill a further 14 posts, of which only 11 are funded at this stage, and these are not included in Table 1.20 at this stage, as the request has not been submitted to Provincial Treasury as yet.

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

R thousands	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2021/22 - 2024/25		
	2018/19		2019/20		2020/21		2021/22				2022/23		2023/24		2024/25		2021/22 - 2024/25		
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Add. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 7	301	44 781	274	45 958	246	81 957	232	-	232	83 694	232	90 276	232	92 047	232	96 077	-	4.7%	25.6%
8 – 10	100	98 024	99	104 725	130	61 163	131	-	131	64 760	137	66 688	137	65 835	137	68 798	1.5%	2.0%	18.8%
11 – 12	76	69 596	73	73 710	80	71 363	78	-	78	77 629	84	75 474	84	79 398	84	83 003	2.5%	2.3%	22.6%
13 – 16	70	77 459	65	79 656	69	85 338	69	-	69	95 590	75	90 919	75	89 680	75	93 717	2.8%	(0.7%)	26.2%
Other	3	7 837	33	8 624	33	12 449	3	35	38	13 497	33	29 085	33	28 914	33	30 215	(4.6%)	30.8%	6.8%
Total	550	297 697	544	312 673	558	312 270	513	35	548	335 170	561	352 442	561	355 874	561	371 810	0.8%	3.5%	100.0%
Programme																			
1. Administration	121	79 142	129	87 528	139	78 233	142	-	142	89 409	146	92 729	146	94 925	146	99 197	0.9%	3.5%	26.7%
2. Institutional Development	243	130 311	236	136 544	239	150 252	188	35	223	158 410	231	175 580	231	174 705	231	182 542	1.2%	4.8%	48.5%
3. Policy and Governance	186	88 244	179	88 601	180	83 785	183	-	183	87 351	184	84 133	184	86 244	184	90 071	0.2%	1.0%	24.8%
Total	550	297 697	544	312 673	558	312 270	513	35	548	335 170	561	352 442	561	355 874	561	371 810	0.8%	3.5%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	540	277 851	504	292 761	518	287 573	503	-	503	309 086	521	321 145	521	323 945	521	338 444	1.2%	3.1%	91.4%
Legal Professionals	7	12 009	7	11 288	7	12 248	7	-	7	12 922	7	13 703	7	14 306	7	14 950	-	5.0%	4.0%
Others (interns, EPWP, learnerships)	3	7 837	33	8 624	33	12 449	3	35	38	13 162	33	17 594	33	17 623	33	18 416	(4.6%)	11.8%	4.6%
Total	550	297 697	544	312 673	558	312 270	513	35	548	335 170	561	352 442	561	355 874	561	371 810	0.8%	3.5%	100.0%

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

The department will not fully implement the entire organisational structure over the MTEF due to budget constraints. The strong growth in personnel numbers and costs in 2021/22 is in line with filling of posts, with further growth in 2022/23 to cover the most of the remaining appointments. Further posts will be filled in a staggered approach should funding become available. *Compensation of employees* was reduced by budget cuts in 2020/21 due to the provincial Covid-19 response and the wage freeze. In addition, there were cuts over the 2021/22 MTEF related to the public sector wage freeze, as well as fiscal consolidation cuts. These cuts influence the growth in *Compensation of employees*. Despite the cuts, the growth in 2022/23 is 5.2 per cent, related to the planned filling of 29 posts, followed by growth of 1 per cent in 2023/24, which is sufficient for pay progression and in line with the wage freeze. Growth in the outer year is inflationary only.

10.2 Training

Table 1.21 reflects payments and estimates on training per programme, providing actual and estimated expenditure on training for the period 2018/19 to 2024/25. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. The department will exceed this target with an average of 1.1 per cent set aside over the MTEF.

Table 1.21 : Information on training: Office of the Premier

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
Number of staff	550	544	558	548	548	548	561	561	561
Number of personnel trained	373	335	350	350	350	350	350	350	350
of which									
Male	130	85	85	85	85	85	85	85	85
Female	243	250	265	265	265	265	265	265	265
Number of training opportunities	442	459	479	484	484	484	489	489	489
of which									
Tertiary	373	390	410	415	415	415	420	420	420
Workshops	50	50	50	50	50	50	50	50	50
Seminars	19	19	19	19	19	19	19	19	19
Other	-	-	-	-	-	-	-	-	-
Number of bursaries offered	10	20	21	21	21	21	21	21	21
Number of interns appointed	45	53	56	56	56	56	56	56	56
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	-	-	-	-	-	-	-	-	-
Payments on training by programme									
1. Administration	17	-	-	100	50	40	232	250	261
2. Institutional Development	3 230	1 247	1 466	3 296	2 526	1 282	2 412	2 595	2 712
3. Policy and Governance	-	-	-	295	125	85	75	68	71
Total	3 247	1 247	1 466	3 691	2 701	1 407	2 719	2 913	3 044

ANNEXURE – VOTE 1: OFFICE OF THE PREMIER

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	175	193	178	321	321	168	337	352	368
Sale of goods and services produced by department (excluding capital assets)	175	193	178	321	321	168	337	352	368
Sale by market establishments	11	11	12	15	15	2	16	17	18
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	164	182	166	306	306	166	321	335	350
Of which									
Commission	164	182	155	160	160	160	168	175	183
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	11	22	46	1	1	4	1	1	1
Interest	11	22	46	1	1	4	1	1	1
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	1 368	-	-	1 019	1 019	1 019	1 068	1 115	1 165
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	1 368	-	-	1 019	1 019	1 019	1 068	1 115	1 165
Transactions in financial assets and liabilities	500	4 666	284	53	53	241	56	58	61
Total	2 054	4 881	508	1 394	1 394	1 432	1 462	1 526	1 595

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	664 236	646 164	504 344	680 687	671 334	648 970	690 192	695 055	726 255
Compensation of employees	297 697	312 673	312 270	349 491	357 491	335 170	352 442	355 874	371 810
Salaries and wages	263 743	278 866	275 189	315 736	323 556	297 756	318 095	319 181	333 466
Social contributions	33 954	33 807	37 081	33 755	33 935	37 414	34 347	36 693	38 344
Goods and services	366 539	333 491	192 074	331 196	313 843	313 800	337 750	339 181	354 445
Administrative fees	5 750	3 912	798	5 227	2 927	3 135	3 641	3 809	3 980
Advertising	26 942	30 005	41 254	58 737	41 062	39 226	57 227	59 080	61 737
Minor assets	1 751	635	1 135	6 282	7 075	8 878	6 111	7 102	7 423
Audit cost: External	4 419	4 813	4 646	4 000	5 335	6 845	5 100	5 500	5 748
Bursaries: Employees	456	229	117	730	730	365	1 260	1 290	1 348
Catering: Departmental activities	6 849	5 476	2 471	11 303	7 874	11 508	8 089	9 258	9 674
Communication (G&S)	10 699	11 203	12 644	17 967	17 504	19 344	20 062	20 308	21 221
Computer services	26 007	34 831	50 040	49 076	80 009	76 788	63 778	63 804	66 674
Cons. and prof. serv.: Business and advisory services	25 835	17 328	1 370	21 592	14 560	17 846	13 494	12 795	13 372
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	613	478	1 081	931	1 257	2 275	1 696	1 626	1 700
Contractors	138 722	109 431	2 390	42 562	36 612	27 730	37 635	34 506	36 059
Agency and support / outsourced services	12 043	11 552	6 919	1 255	1 728	1 679	970	1 220	1 276
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	9 299	9 824	6 312	12 182	11 729	9 682	8 465	8 882	9 282
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	40	130	136
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 919	3 932	7 066	2 439	5 129	9 418	3 378	3 518	3 677
Consumable: Stationery, printing and office supplies	6 549	6 241	7 675	9 141	7 544	7 077	13 188	14 127	14 763
Operating leases	12 217	17 396	10 990	17 195	14 812	11 728	18 833	19 797	20 689
Property payments	16 925	19 985	18 228	18 394	18 353	16 943	19 141	19 292	20 160
Transport provided: Departmental activity	3 959	5 198	495	6 900	3 950	5 749	7 710	5 070	5 298
Travel and subsistence	39 529	33 767	11 337	36 395	28 395	30 261	39 452	40 477	42 297
Training and development	3 247	1 247	1 466	3 691	2 701	1 407	2 719	2 913	3 044
Operating payments	5 705	868	2 385	1 596	906	946	391	417	435
Venues and facilities	6 104	5 140	1 255	3 601	3 651	4 970	5 370	4 260	4 452
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	45 551	52 732	52 671	101 668	99 965	101 329	52 881	55 209	57 693
Provinces and municipalities	175	112	148	70	70	113	73	76	79
Provinces	175	112	148	70	70	113	73	76	79
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	175	112	148	70	70	113	73	76	79
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	19 600	22 586	30 654	23 748	23 748	23 748	24 888	25 983	27 152
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	19 600	22 586	30 654	23 748	23 748	23 748	24 888	25 983	27 152
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	50 000	50 000	50 000	-	-	-
Households	25 776	30 034	21 869	27 850	26 147	27 468	27 920	29 150	30 462
Social benefits	3 930	5 396	3 537	1 451	5 748	7 069	1 521	1 588	1 659
Other transfers to households	21 846	24 638	18 332	26 399	20 399	20 399	26 399	27 562	28 803
Payments for capital assets	12 149	5 865	25 626	19 885	38 941	51 941	24 478	25 247	26 383
Buildings and other fixed structures	2 854	1 378	5 365	1 817	13 617	26 617	1 877	1 960	2 048
Buildings	2 854	1 378	5 365	1 817	13 617	26 617	1 877	1 960	2 048
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	9 295	4 487	20 261	18 068	25 324	25 276	22 601	23 287	24 335
Transport equipment	6 736	2 301	12 907	2 140	6 940	6 940	4 473	4 387	4 584
Other machinery and equipment	2 559	2 186	7 354	15 928	18 384	18 336	18 128	18 900	19 751
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	48	-	-	-
Payments for financial assets	227	209	4 557	-	-	-	-	-	-
Total	722 163	704 970	587 198	802 240	810 240	802 240	767 551	775 511	810 331

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	200 829	177 838	103 139	183 249	186 971	165 828	177 728	182 048	190 240
Compensation of employees	79 142	87 528	78 233	102 509	110 509	89 409	92 729	94 925	99 197
Salaries and wages	70 249	77 859	69 645	91 735	99 555	79 904	83 610	84 331	88 126
Social contributions	8 893	9 669	8 588	10 774	10 954	9 505	9 119	10 594	11 071
Goods and services	121 687	90 310	24 906	80 740	76 462	76 419	84 999	87 123	91 043
Administrative fees	1 428	1 286	349	1 545	1 345	1 075	1 468	1 556	1 626
Advertising	16	2	2 804	65	380	385	150	160	168
Minor assets	896	117	252	2 250	1 475	3 904	3 287	3 456	3 612
Audit cost: External	4 419	4 813	4 646	4 000	5 335	6 845	5 100	5 500	5 748
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 874	1 779	1 225	1 965	1 674	2 173	2 000	2 036	2 128
Communication (G&S)	5 087	4 669	156	6 866	6 766	5 907	7 756	8 141	8 506
Computer services	2 791	751	428	-	-	-	1 497	-	-
Cons. and prof. serv.: Business and advisory services	16 364	524	211	2 315	-	1 028	1 309	620	648
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	121	500	-	-	500	500	523
Contractors	39 393	24 672	339	3 375	8 968	6 008	1 805	2 365	2 471
Agency and support / outsourced services	-	60	2 275	500	100	69	210	260	272
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	7 714	7 552	-	9 296	10 118	8 896	7 550	7 957	8 315
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	189	281	3 833	588	1 823	5 469	2 214	2 369	2 476
Consumable: Stationery, printing and office supplies	2 273	2 063	2 193	4 473	3 160	2 837	3 698	3 882	4 057
Operating leases	9 814	15 654	1 042	13 942	11 342	9 757	16 252	16 981	17 745
Property payments	10 999	12 977	737	14 013	13 877	11 665	14 790	15 591	16 292
Transport provided: Departmental activity	639	33	94	100	50	-	100	150	157
Travel and subsistence	13 384	11 390	3 805	13 581	9 223	9 498	13 957	14 699	15 360
Training and development	17	-	-	100	50	40	232	250	261
Operating payments	2 252	435	243	246	256	117	269	290	302
Venues and facilities	2 138	1 252	153	1 020	520	746	855	360	376
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 465	4 499	1 482	1 459	1 950	2 093	1 529	1 597	1 669
Provinces and municipalities	175	112	148	70	70	113	73	76	79
Provinces	175	112	148	70	70	113	73	76	79
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	175	112	148	70	70	113	73	76	79
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 290	4 387	1 334	1 389	1 880	1 980	1 456	1 521	1 590
Social benefits	1 180	4 387	1 334	1 389	1 880	1 980	1 456	1 520	1 588
Other transfers to households	110	-	-	-	-	-	-	1	2
Payments for capital assets	6 411	3 154	6 817	4 660	25 315	38 315	14 169	14 474	15 125
Buildings and other fixed structures	2 854	1 378	5 365	1 817	13 617	26 617	1 877	1 960	2 048
Buildings	2 854	1 378	5 365	1 817	13 617	26 617	1 877	1 960	2 048
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 557	1 776	1 452	2 843	11 698	11 698	12 292	12 514	13 077
Transport equipment	2 871	417	634	1 754	6 940	6 940	4 473	4 387	4 584
Other machinery and equipment	686	1 359	818	1 089	4 758	4 758	7 819	8 127	8 493
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	64	-	7	-	-	-	-	-	-
Total	208 769	185 491	111 445	189 368	214 236	206 236	193 426	198 119	207 034

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	261 322	263 861	297 448	344 837	339 562	339 319	363 545	364 578	380 961
Compensation of employees	130 311	136 544	150 252	158 653	158 653	158 410	175 580	174 705	182 542
Salaries and wages	114 166	121 705	131 278	143 534	143 534	139 266	159 367	157 791	164 867
Social contributions	16 145	14 839	18 974	15 119	15 119	19 144	16 213	16 914	17 675
Goods and services	131 011	127 317	147 196	186 184	180 909	180 909	187 965	189 873	198 419
Administrative fees	3 171	1 214	305	800	600	788	778	818	855
Advertising	26 925	27 382	38 431	57 997	39 757	38 592	55 619	57 410	59 993
Minor assets	392	400	812	2 196	1 891	1 667	1 334	2 314	2 419
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	456	229	117	730	730	365	1 260	1 290	1 348
Catering: Departmental activities	1 257	1 457	533	1 659	1 041	1 511	1 355	1 337	1 396
Communication (G&S)	5 459	6 510	12 468	10 821	10 398	13 330	10 696	10 747	11 231
Computer services	11 026	19 213	45 269	48 576	79 989	76 581	62 281	63 804	66 674
Cons. and prof. serv.: Business and advisory services	1 004	12 463	706	13 010	10 753	13 448	4 750	5 120	5 351
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	613	478	960	431	1 257	2 275	1 196	1 126	1 177
Contractors	33 033	18 234	869	19 246	9 021	7 877	16 999	13 797	14 419
Agency and support / outsourced services	12 043	11 054	4 371	455	128	98	560	860	899
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	(1)	217	5 537	1 725	550	177	15	15	16
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	40	130	136
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 483	2 068	1 800	1 462	1 692	1 285	511	552	577
Consumable: Stationery, printing and office supplies	2 534	3 043	2 814	2 698	2 209	3 130	5 292	6 009	6 280
Operating leases	1 725	1 331	9 581	2 099	2 216	1 379	1 837	1 990	2 080
Property payments	5 012	4 986	17 003	4 111	4 416	5 059	4 351	3 701	3 868
Transport provided: Departmental activity	1 503	2 576	143	1 200	1 200	1 292	1 700	1 600	1 672
Travel and subsistence	13 948	9 346	3 571	12 602	9 465	9 740	12 412	12 581	13 146
Training and development	3 230	1 247	1 466	3 296	2 526	1 282	2 412	2 595	2 712
Operating payments	2 987	363	2	20	20	70	22	27	28
Venues and facilities	3 211	3 506	438	1 050	1 050	963	2 545	2 050	2 142
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	23 357	24 812	19 368	76 461	73 474	73 717	26 464	27 629	28 872
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	50 000	50 000	50 000	-	-	-
Households	23 357	24 812	19 368	26 461	23 474	23 717	26 464	27 629	28 872
Social benefits	1 621	174	1 036	62	3 075	3 318	65	68	71
Other transfers to households	21 736	24 638	18 332	26 399	20 399	20 399	26 399	27 561	28 801
Payments for capital assets	5 034	405	18 706	6 650	11 586	11 538	8 481	8 712	9 104
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	5 034	405	18 706	6 650	11 586	11 538	8 481	8 712	9 104
Transport equipment	3 865	-	12 273	-	-	-	-	-	-
Other machinery and equipment	1 169	405	6 433	6 650	11 586	11 538	8 481	8 712	9 104
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	48	-	-	-
Payments for financial assets	159	208	93	-	-	-	-	-	-
Total	289 872	289 286	335 615	427 948	424 622	424 622	398 490	400 919	418 937

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	202 085	204 465	103 757	152 601	144 801	143 823	148 919	148 429	155 054
Compensation of employees	88 244	88 601	83 785	88 329	88 329	87 351	84 133	86 244	90 071
Salaries and wages	79 328	79 302	74 266	80 467	80 467	78 586	75 118	77 059	80 473
Social contributions	8 916	9 299	9 519	7 862	7 862	8 765	9 015	9 185	9 598
Goods and services	113 841	115 864	19 972	64 272	56 472	56 472	64 786	62 185	64 983
Administrative fees	1 151	1 412	144	2 882	982	1 272	1 395	1 435	1 499
Advertising	1	2 621	19	675	925	249	1 458	1 510	1 576
Minor assets	463	118	71	1 836	3 709	3 307	1 490	1 332	1 392
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	3 718	2 240	713	7 679	5 159	7 824	4 734	5 885	6 150
Communication (G&S)	153	24	20	280	340	107	1 610	1 420	1 484
Computer services	12 190	14 867	4 343	500	20	207	-	-	-
Cons. and prof. serv.: Business and advisory services	8 467	4 341	453	6 267	3 807	3 370	7 435	7 055	7 373
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	66 296	66 525	1 182	19 941	18 623	13 845	18 831	18 344	19 169
Agency and support / outsourced services	-	438	273	300	1 500	1 512	200	100	105
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	1 586	2 055	775	1 161	1 061	609	900	910	951
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 247	1 583	1 433	389	1 614	2 664	653	597	624
Consumable: Stationery, printing and office supplies	1 742	1 135	2 668	1 970	2 175	1 110	4 198	4 236	4 426
Operating leases	678	411	367	1 154	1 254	592	744	826	864
Property payments	914	2 022	488	270	60	219	-	-	-
Transport provided: Departmental activity	1 817	2 589	258	5 600	2 700	4 457	5 910	3 320	3 469
Travel and subsistence	12 197	13 031	3 961	10 212	9 707	11 023	13 083	13 197	13 791
Training and development	-	-	-	295	125	85	75	68	71
Operating payments	466	70	2 140	1 330	630	759	100	100	105
Venues and facilities	755	382	664	1 531	2 081	3 261	1 970	1 850	1 934
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	20 729	23 421	31 821	23 748	24 541	25 519	24 888	25 983	27 152
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	19 600	22 586	30 654	23 748	23 748	23 748	24 888	25 983	27 152
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	19 600	22 586	30 654	23 748	23 748	23 748	24 888	25 983	27 152
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 129	835	1 167	-	793	1 771	-	-	-
Social benefits	1 129	835	1 167	-	793	1 771	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	704	2 306	103	8 575	2 040	2 040	1 828	2 061	2 154
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	704	2 306	103	8 575	2 040	2 040	1 828	2 061	2 154
Transport equipment	-	1 884	-	386	-	-	-	-	-
Other machinery and equipment	704	422	103	8 189	2 040	2 040	1 828	2 061	2 154
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	4	1	4 457	-	-	-	-	-	-
Total	223 522	230 193	140 138	184 924	171 382	171 382	175 635	176 473	184 360

Estimates of Provincial Revenue and Expenditure

Table 1. F : Financial summary for Zulu Royal Trust (ZRHT)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19*	2019/20*	2020/21*	2021/22			2022/23	2023/24	2024/25
Revenue									
Tax revenue	-	-	-	-	-	-	-	-	-
Non-tax revenue	19 793	22 776	25 696	23 962	29 130	29 130	25 105	26 210	27 389
Sale of goods and services other than capital assets	-	-	-	-	-	-	-	-	-
Entity revenue other than sales	193	190	210	214	214	214	217	227	237
Transfers received	19 600	22 586	25 486	23 748	28 916	28 916	24 888	25 983	27 152
Of which:									
OTP	18 040	19 086	20 136	21 243	21 243	21 243	22 263	23 242	24 289
Capital projects**	1 560	3 500	2 761	2 505	2 505	2 505	2 625	2 741	2 863
Roll-over: OTP***	-	-	-	-	5 168	5 168	-	-	-
Covid-19 requirements	-	-	2 589	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Other non-tax revenue	-	-	-	-	-	-	-	-	-
Total revenue	19 793	22 776	25 696	23 962	29 130	29 130	25 105	26 210	27 389
Expenses									
Programmes									
1. Administration	6 168	5 008	4 788	5 597	6 082	6 082	5 699	7 360	7 691
2. Operations Management	12 153	12 156	16 404	14 980	19 798	19 798	15 909	15 450	16 199
3. Fund Raising	-	3 069	2 054	3 384	3 250	3 250	3 497	3 400	3 500
Total	18 322	20 233	23 246	23 962	29 130	29 130	25 105	26 210	27 389
Economic classification									
Current expenses	18 300	20 211	23 223	23 937	23 937	23 937	25 079	26 183	27 360
Compensation of employees	4 275	3 390	3 373	3 732	3 818	3 818	3 844	3 938	4 115
Goods and services	14 025	16 804	19 850	20 205	20 119	20 119	21 235	22 244	23 245
Interest on rent and land	-	17	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	22	22	23	25	5 193	5 193	26	27	28
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total expenses	18 322	20 233	23 246	23 962	29 130	29 130	25 105	26 210	27 389
Surplus / (Deficit)	1 471	2 543	2 450	-	-	-	-	-	-
Adjustments for Surplus / (Deficit)	(1 471)	(2 543)	(2 450)	-	-	-	-	-	-
(Outstanding creditors) / Deficit	(1 471)	(2 543)	(2 450)	-	-	-	-	-	-
Surplus / (Deficit) after adjustments	-	-	-	-	-	-	-	-	-

*Note: Prior year numbers have been restated in line with the AFS

**Note: The funding for the capital projects was only allocated by OTP to the ZRHT from 2020/21 onward, however, the historic figures have been restated to show the budget trend

***Note: The amounts reflected does not equal the amount reflected in Table 1.9, due to a timing difference in the approval of the roll-over

Table 1.G : Personnel summary for ZRHT

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Board members									
Personnel cost (R thousand)	43	67	90	86	86	86	91	95	105
Personnel numbers (head count)	7	7	7	7	7	7	7	7	7
Unit cost	6	10	13	12	12	12	13	14	15
Executive management									
Personnel cost (R thousand)	702	-	1 074	1 162	1 073	1 073	1 102	1 128	1 178
of which:									
Chief Financial Officer	702	-	1 074	1 162	1 073	1 073	1 100	1 128	1 178
Chief Executive Officer	-	-	-	-	-	-	-	-	-
Personnel numbers (head count)	1	-	1	1	1	1	1	1	1
Unit cost	702	-	1 074	1 162	1 073	1 073	1 102	1 128	1 178
Senior management									
Personnel cost (R thousand)	1 000	1 036	1 036	1 132	1 036	1 036	1 062	1 092	1 137
Personnel numbers (head count)	1	1	1	1	1	1	1	1	1
Unit cost	1 000	1 036	1 036	1 132	1 036	1 036	1 062	1 092	1 137
Middle management									
Personnel cost (R thousand)	913	945	-	-	69	69	-	-	-
Personnel numbers (head count)	1	1	-	-	1	1	-	-	-
Unit cost	913	945	-	-	69	69	-	-	-
Professionals									
Personnel cost (R thousand)	961	661	514	550	541	541	555	575	594
Personnel numbers (head count)	2	2	2	1	1	1	1	1	1
Unit cost	480	331	257	550	541	541	555	575	594
Semi-skilled									
Personnel cost (R thousand)	598	646	646	780	979	979	1 004	1 035	1 075
Personnel numbers (head count)	3	3	3	3	4	4	4	4	4
Unit cost	199	215	215	260	245	245	251	259	269
Very low skilled									
Personnel cost (R thousand)	98	103	103	108	119	119	122	108	130
Personnel numbers (head count)	1	1	1	1	1	1	1	1	1
Unit cost	98	103	103	108	119	119	122	108	130
Total for entity									
Personnel cost (R thousand)*	4 315	3 457	3 463	3 818	3 904	3 904	3 935	4 033	4 220
Personnel numbers (head count)	16	15	15	14	16	16	15	15	15
Unit cost	270	230	231	273	244	244	262	269	281

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