

Vote 07

Department: *Cooperative Governance and Traditional Affairs*

Table 1: Summary of departmental

To be appropriated by Vote in 2023/24	R1 050 901 000
Responsible Executive Authority	MEC of Cooperative Governance and Traditional Affairs
Administering Department	Department of Cooperative Governance and Traditional Affairs
Accounting Officer	Head of Department

1. Overview

1.1. Vision

Development-oriented municipalities and institutions of traditional leadership that deliver sustainable quality services to communities in an integrated, responsive and accountable manner.

1.2. Mission

To co-ordinate support through government spheres and partnerships to municipalities and institutions of traditional leadership to fulfil their developmental mandates, for a better quality of life for all communities.

1.3. Core functions and responsibilities

- Facilitate the transformation of developmental local government in line with all relevant developmental legislation;
- Facilitate transformation in the institutions of traditional leadership and democratic structures of governance;
- Provide extensive measurable support to municipalities to improve their administrative, governance and financial capabilities in order to realise their constitutional mandate;
- Improve the provision of support (technical and administrative) to municipalities in order to fast track the delivery of basic services and access improvement thereof;
- Strengthen interventions that are supportive of the human settlement outcomes;
- Promote and support the implementation of Public Employment Programmes (CWP and EPWP);
- Promote the deepening of democracy through the implementation of the Ward Committee Model and Ward Base Planning at municipal level through Community Development Work (CDW) programme;
- Integrate municipal interventions support through a single window of coordination that enables communities to experience cohesion, predictability, excellence in service delivery and control over the environment they find themselves in;

- Facilitate the operationalized implementation of the Back to Basic (B2B) service delivery model by all municipalities;
- Provide administrative and infrastructural development support to traditional leadership institutions in order to meet their legislative requirements of their communities; and
- Promote and support the participation of traditional communities in developmental programmes.

1.4. Main services

- Assess compliance, performance and capacity of municipalities;
- Facilitate turn-around initiatives for improved audit outcomes in municipalities;
- Promote accountability and good governance in municipalities and institutions of traditional leadership;
- Support municipalities and institutions of traditional leadership to engage with their communities through public participation;
- Support municipalities on co-operative governance and the development of credible Integrated Development Plans (IDPs);
- Support strategies and capacity for Local Economic Development (LED), Spatial Planning and Land Use Management (SPLUM), Urban and Rural development to create decent work and sustainable livelihoods;
- Support the acceleration of service delivery to support the poor and vulnerable;
- Improve municipal capacity for infrastructure development programmes;
- Improve disaster management and fire services;
- Coordinate, monitor, report and evaluate municipal support programmes;
- Improve and strengthen indigent strategies; and
- Facilitate and support the transformation and development of effective traditional institutions.

1.5. Demands for and expected changes in the services

In line with the department's legislative framework, the focus will be on the approved Eastern Cape Prioritisation Framework and Mandate Paper 2023/24 which stipulates priorities mandated for the department for 2023/24. These are; Lead interventions in identified distressed municipalities through the three phased approach; Improvement of Municipal Audit Outcomes; Strengthening municipal financial management; Institutionalisation of DDM; Support functional Intergovernmental Relations (IGR) institutional structures as mechanism for coordination and integration.

The Traditional and Khoi-San Leadership Act (Act No. 3 of 2019) (TKLA) was adopted by Parliament and asserted into law by the President in 2019, and its commencement started on the 1 April 2021, in accordance with the proclamation issued by the President by a notice in the Gazette. Firstly, the establishment of Khoi-San structures (Kings/Queen Councils, Traditional Councils (TCs), Local House (LH) of Traditional Leaders (TL), etc.) in line with the Commission's recommendations means amendment

of EC legislation, reconstitution of TCs, transfer of recognition of Traditional Leadership functions to Office of the Premier (OTP) and the support to the TL institutions supported through partnerships which requires resources to achieve.

Openly stated, resources are required to intervene and to implement the priorities assigned to the Department, so as to maximise target setting to ensure transformation.

1.6. The Acts, rules and regulations

The department derives its mandate amongst others, from the Constitution of the Republic of South Africa, 1996. In carrying out its core functions and responsibilities, the department is governed by various Acts, rules and regulations; Constitution of the Republic of South Africa (1996); and these include Land Survey Act (1997); Municipal Structures Act (1998); Municipal Systems Act (2000, as amended); Fire Brigade Services Amendment Act (2000); Disaster Management Act (2002); Municipal Property Rates Act (2004); Inter-Governmental Relations Framework Act (2005); Spatial Planning and Land Use Management Act (2013); EC Traditional Leadership Governance Act (2017); Traditional and Khoi-San Leadership Act (2019); National LED Framework; Municipal Infrastructure Grant Policy Framework; and the Indigent Policy Framework.

1.7. Budget decisions

The department takes cognisance of the national electoral cycle and thus the need to enhance its footprint in the local government space towards intensifying the support to deliver the much-needed services to the people of the Eastern Cape Province. This coupled with the need to ensure that the supporting role is played to the province's Traditional Leadership Institutions remain high up in the priority list of the department.

However, the constrained economic growth forecast coupled with shrinking allocations which resulted to the recent 2021 MTEF budget cuts enforces the department to continually looking for trade-offs and re-prioritization within programmes and sub-programmes to counter the effect of the budget cuts overtime remains so as to ensure service delivery is not negatively impacted. This remains critical in ensuring that the department contributes to the provincial fiscal consolidation efforts.

For the 2023 MTEF period (2023/24 in particular), funds have been reprioritised across all economic classifications to ensure that the department remains in a path of achieving its mandate. In its efforts for proper delivery of services, the department is prioritising critical positions to be filled through the Annual Recruitment Plan (ARP) and Human Resource Planning. Some funds have been reprioritised to enhance the assistance to municipalities in ensuring that households gain access to sustainable and reliable basic services, municipalities demonstrate good financial governance and support to Traditional Leadership. The additional allocations received from 2023/24 budget will also go a long way in assisting the department to realizing these objectives.

1.8. Aligning departmental budgets to achieve government's prescribed.

The department has been affected by reductions in allocations over the 2021 MTEF which is still a factor in terms of service delivery targets for 2023 MTEF as the department plans from that lower base while the operating environment has changed due to removal of COVID-19 regulations.

The 2023/24 initiation Programme will be conducted within the confines of the legislation and risk adjusted strategies in safeguarding the initiates against initiation fatalities. The initiation takes place over two seasons in each year, of which the season is preceded by awareness campaigns on safe customary male initiation. During the 2020/21 initiation seasons, the winter season was deferred due to lockdown during the June and July 2020 Lockdown levels.

Municipalities continue to struggle in the area of revenue collection and the effects of COVID-19 are still felt by municipalities especially in the categories of households and business debts. Municipalities, in collaboration with other government stakeholders are embarking on economic recovery plans to deal with the advent of COVID-19 over 2023 MTEF period.

2. Review of the current financial year (2022/23)

2.1. Key achievements

Public participation remains critical in improving citizen interface and government responsiveness, as such twenty-nine municipalities were supported to have functionality ward committees for effective community participation on municipal activities. Eighteen municipalities against 33 targeted were supported to comply with the Municipal Systems Act, 2000 (Act 32 of 2000) (MSA) Regulations on the appointment of senior managers, namely, Amathole, Amahlathi, Ngqushwa, Makana, Sundays River Valley, Senqu, Sakhisizwe, Nyandeni, Great Kei, Ingquza Hill, Alfred Nzo, Amahlathi, Senqu, Sakhisizwe, Nyandeni, Great Kei, Ingquza Hill and Matatiele. This intervention seeks to ensure that only suitable officials are appointed to the management positions in municipalities. Furthermore, capacity building interventions were held with three municipalities, namely Ntabankulu, Amathole and OR Tambo. The department further analysed organograms from Ngqushwa and Umzimvubu Municipalities as part of the requirements of the Local Government (LG) Staff Regulations mandating municipalities to submit organograms to the Department to comment on the compliance with the underlying regulations.

The lessons learnt in District Development Model (DDM) showed a need to create DDM awareness, focusing on DDM policy, DDM resourcing and theory of change targeting local municipalities, organised business sector and civil society. The Department assisted the District and Metropolitan Municipalities to review their one in line with the National Assessment recommendation.

In response to the national urgent call to deal with the scourge (which is now referred to as a real pandemic) of Gender-Based Violence (GBV), 15 against 16 targeted municipalities were supported and monitored on the implementation of GBV programmes, namely; Joe Gqabi, Elundini, Senqu, Walter Sisulu, Matatiele,

Umzimvubu, Alfred Nzo, Winnie Madikizela-Mandela, Ntabankulu, Amathole, Amahlathi, Great Kei, Mnquma, Ngqushwa and Raymond Mhlaba. The GBV support was also given to Traditional Councils as part of deepening awareness at a grassroot, particularly rural areas. Moreover, the department monitored the progress with regard to the implementation of gender-based and violence framework in municipalities as reflected above.

As part of good governance, all thirty-nine municipalities were monitored on the implementation of Audit Response Plans (ARP) to ensure achievement of improved audit outcomes. The department facilitated three interventions to assist with revenue enhancement, and encourage sector department to pay electricity bills, for municipalities to be able to pay Eskom debts. To promote good governance, the Department monitored the functionality of Municipal Public Accounts Committee (MPACs). Furthermore, in support of the fight against corruption and harnessing ethical conduct, the Local Government Anti-Corruption Strategy and Municipal Integrity Management Framework was rolled to these municipalities, Umzimvubu, Ntabankulu, Intsika Yethu, Raymond Mhlaba, Emalahleni, Walter Sisulu, Mnquma, Sundays River Valley, Dr Beyers Naude and O.R. Tambo. The Department finalised seven investigations, and conducted section 106 investigation at Sunday's River Valley Local Municipality.

Twenty-eight municipalities against 9 targeted were also supported to implement indigent policies in ensuring that there is increased access of municipal services by all, notwithstanding its socio-economic status. The Department also supported nine municipalities to develop and implement Local Economic Development (LED) strategies, which are Enoch Mgijima, Ngqushwa, Dr Beyers Naude, Kouga, Koukamma, Ndlambe, Ntabankulu, Umzimvubu and Mhlontlo. Subsequently, 192 work opportunities were created through the Community Works Programme (CWP) to contribute towards poverty eradication. In addition, the department monitored municipalities on National Infrastructure grant spending in relation to the high demand for infrastructure development in many municipalities. As a result, the department managed to identify technical capacity challenges in various municipalities with the objective to render the required support where it is required as a result MISA Engineers are deployed to assist challenged municipalities in planning and implementation of projects.

In terms of Spatial Planning and Land Use Management Act (SPLUMA) implementation, ten municipalities against 12 targeted were supported, namely, Matatiele, Koukamma, Amahlathi, Walter Sisulu, Mnquma, Sarah Baartman, Joe Gqabi, Emalahleni, Raymond Mhlaba and Port St Johns in establishment of municipal planning tribunals and training of its members. Furthermore, Chris Hani, Winnie Madikizela-Mandela, Inxuba Yethemba, Dr Beyers Naude, Sakhisizwe, Alfred Nzo, Amathole, Sarah Baartman, Emalahleni, Matatiele and OR Tambo municipalities were supported on the development of a functional Integrated Geographic Information Systems (GIS).

Twenty-one Traditional Councils (TCs) against the 25 targeted were supported on the formulation of development plans to facilitate access to government programmes and development in rural communities. Furthermore, seven research reports on genealogies of Royal families were conducted under Emboland

Region. These research reports on genealogies of Royal families are for Nkosi Ranuga of Emaqakambeni Traditional Council in Tsoko, Nkosi Mcelu of Botwe Traditional Council in Qumbu, Nkosi Tyali of Dubulamanzi Traditional Council in Gcaleka, Nkosi Mfazwe of Zingisa Matshezi Traditional Council in Gcaleka, Nkosi Jiba of Amakhwalo Traditional Council in Qaukeni, Nkosi Dinwayo of Amantlane Traditional Council in Qaukeni and Nkosi Tyali of Ntshonalanga Traditional Council in Tsolo.

2.2. Key challenges

The huge debt owed by municipalities to ESKOM, SARS, Auditor General and other creditors remain a challenge that is likely to threaten electricity supply and basic service delivery to municipal communities and the financial viability. The municipalities' inability to collect revenue billed for the households and businesses remain a challenge and contribute to the inadequate supply of municipal services. This, coupled with the inaccurate billing that contributes to non-payment and or delayed payment for the municipal services exacerbates the problem. The consistent load shedding is also worsening the already dire situation municipalities are experiencing.

3. Outlook for the coming financial year (2023/24)

The department has embarked on a strategy to refine its role by changing the service provision, thus focusing on the needs of the municipalities and Traditional Leadership Institutions to ensure quality service delivery to the Eastern Cape community. The department will be looking on strengthening its capacity to support municipalities and Traditional Leadership Institutions through a variety of interventions. Through these interventions the departmental competence to the municipalities and Traditional Leadership Institutions will be replicated.

The revitalisation of MEC's outreach programmes, Public Participation Fora, stakeholders' engagement sessions and rollout of MEC's engagement programmes are in the conceptualisation phase and will be implemented in full during the financial year 2023/24 as a way of improving the interface of government with communities. Furthermore, the resuscitation and roll-out of the Integrated Service Delivery Model (ISDM) programme and Ward War Rooms will be done in all municipalities. The establishment of Ward Committees in Nelson Mandela Bay Metropolitan Municipality will be supported, and also clarify the roles and responsibilities of War Rooms to distinguish them from those of ward committees. Filling of vacant Community Development Worker's (CDW) posts will be very critical for this purpose. The slow response to petitions and coordination of sector partners necessitate the department to plan with stakeholders like Office of the Premier (OTP) to establish District Petitions Committees and to deploy employees to deal with petition management in 2023/24. The process of capacitation of district officials, councillors on how to respond to petitions to avoid service delivery protests and constant review of the petition register continues.

The Department is involved in municipalities identified for Section 139 intervention. These are: Amathole, OR Tambo and Chris Hani Districts, Walter Sisulu, Enoch Mgijima, Amahlathi and Makana Local Municipalities.

The functionality of council committees requires intense monitoring and capacity building in which the department will conduct workshops for the oversight committees on the Terms of Reference (ToR), Roles and Responsibilities, Legislation Obligations, Strengthen Sustainable Internal Audit and Risk Management fora. The oversight of the performance of managers and monitoring of the resolution tracking tool for Speaker's Offices will be strengthened in order to deal with the challenge that was identified, of non-implementation of the resolutions by municipal council.

Municipalities will be supported with the development of Performance Agreements of S54A and 56 managers, support for the municipal development/review of organograms, HR Plans, Employment Equity Plans (EEPs), and development of Workplace Skills Plans (WSPs). Furthermore, the department will analyse the review and implementation of staff establishment in accordance with the Legislative Framework. This will assist in dealing with bloated organograms in municipalities, recruitment of incompetent municipal officials, HR Plans drawn in isolation to Integrated Development Plans (IDPs) and municipal mandate.

In the 2023/24 horizon, the department seeks to intensify coordination of all of government support to Municipalities and Traditional Leadership Institutions. It is within the purview of District Coordination to support integrated departmental plans and monitoring compliance of municipalities and Traditional Leadership Institutions with legislation. District Coordination will implement quarterly municipal performance analysis plans and reporting. Within the period of 2023/24, IGR undertakes a commitment to build effective local government IGR system through support and monitoring of IGR structures functionality. In projecting 2023/24, the IGR Framework Act 13 of 2005 is currently under review and will be amended by 2024 with specific provisions on Binding Implementation Protocol Agreements and the new DDM Section 47 Regulations. Coupled with the institutionalisation of the DDM, the Department will support the coordination and implementation of DDM in Six Districts and Two Metro in the Province.

The lessons learnt in District Development Model (DDM) showed a need to create DDM awareness, focusing on DDM policy, DDM resourcing and theory of change targeting local municipalities, organised business sector and civil society. The province must mobilize social partners outside of government (private sector investors, communities, civil society organisations, etc.) to support the implementation of DDM catalytic projects. Inter-governmental planning and coordination of IGR platforms remains critical for successful implementation of DDM. The implementation of Inter-Governmental Relations (IGR) Forum resolutions will be done by introducing tools to ensure implementation of resolutions, provide technical support in capturing resolutions of the IGR Fora in the action issues template, populated Action Issues Template be a standing agenda item with progress, present the Implementation Protocols as a tool to commit stakeholders in implementation and monitoring resolutions / programmes and projects. The

Department will drive the multi-stakeholder and inter-spherical processes to support implementation of all pillars enshrined in the DDM.

The Department will continue to conduct a few Anti- Gender-Based Violence and Femicide (Anti-GBVF) campaigns for traditional leaders to curb gender-based violence in their communities and monitor 19 Municipalities on the implementation of GBVF responsive programmes. In the same vein the Department will also strive to curb corruption in the local space by monitoring measures put in place through 10 targeted municipalities, (Senqu, Elundini, Kouga, Ndlambe, Blue Crane Route, Matatiele, Winnie Madikizela-Mandela, Ingquza Hill Local Municipalities, Amathole District Municipality and Buffalo City Metropolitan Municipality).

During the financial year, the Department will construct the infrastructures for AmaMpondomise Kingship, Mqhekezweni Traditional Council (TC), and Mvumelwano TC. The Department will support Traditional Leadership Institutions through partnerships to play a meaningful role in the development of their communities, to promote co-operative relations in the development of traditional communities to create sound relations between Traditional Leadership Institutions and all government departments, parastatals, NGOs, Private sector, etc. The COVID-19 pandemic channelled the Department's outlook towards strengthening its systems and controls under the guidance of the Customary Male Initiation Practice Act to stop the deaths and injuries of initiates during the winter and summer initiation seasons, to work collaboratively towards assisting OTP in resolving claims and disputes and to restore cultural belief systems and identity.

Target all 39 municipalities to draft and adopt legally compliant IDPs which will address service delivery and development challenges, by revision of IDP Assessment Tool and re-prioritisation of positions within the IDP Directorate. The Department acknowledged that there are limited departmental and municipal valuation capacity to implement the Municipal Property Rates Act (MPRA) and will prioritise municipalities according to compliance status. Additionally, the Department will consult the Sector Education and Training Authority (SETA) and universities to provide training and funding of possible candidate valuers.

The Department will monitor and provide the required SPLUMA implementation support to all municipalities to have all the required systems and structures in place. The Department will support and guide municipalities in implementing land audit guidelines as well as developing anti-land invasion policy framework to control land invasions, providing technical advice and support to municipalities in the various Project Steering Committees (PSC's) in the development of land audits. The Province is facing high levels of unemployment and the Department will create Public Employment Programme (PEP) job opportunities, prioritise indigent beneficiaries, support municipalities in implementing Local Economic Development (LED) strategies through capacitation of municipalities, Small, Medium and Micro Enterprises (SMMEs) and identify Catalytic Projects. The Department will assess and improve Municipal Business Regulatory Framework, utilise and monitor labour intensive construction methods, assess and prioritize infrastructure development and maintenance for business sustainability, development master plans for regeneration and

face lifting of towns. The Province is in the process of finalizing a number of partnerships with private and public sector stakeholders which, once announced, will be implemented over the Medium Term Expenditure Framework (MTEF) with a view to boost LED.

4. Reprioritisation

The baseline assessment exercise of the 2023 MTEF indicatives aimed at realignment of the limited resources to critical areas to enhance the service delivery objective was conducted. Therefore funds have been reprioritised within the baseline to deal with issues relating to improving IT capacity, legal fees, Human Resource Management (HRM), operational obligations, District and Provincial District Greenest Municipality Awards, Support to Traditional Leaders, District Development Model (DDM), Cost pressures on contractual obligations, Resourcing the Provincial Disaster Management Centre to be operational, Initiation Programme, continuation with the procurement for Audio Visual Equipment for the Provincial Disaster Management Centre.

5. Procurement

The closing of infrastructural gap in the Traditional Institutions propagate the continuous construction and refurbishment of identified Traditional Councils in the coming financial year, as such the planning process for the construction of the Amampondomise kingdom will be initiated. The department intends to procure vehicles for MEC, 2 Kings as well as 6 Chairpersons of the Local Houses of Traditional Leaders. As part of the IT infrastructure capacitation, Uninterruptible Power Supply (UPS) will be procured for all departmental sites, server rooms, Districts and the Provincial Disaster Management Centre as well as firewalls. Monitoring and Evaluation software will be procured as a system of performance monitoring improvement mechanisms. For effective and efficiently running of a responsive Provincial Disaster Management Centre that is properly resourced and operational, Audio-Visual Equipment will be procured as well as the Licensing of Disaster Management Integrated Information System.

6. Receipts and financing

6.1. Summary of receipts

Table 2: Summary of departmental receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Equitable share	986 739	978 836	946 734	999 860	1 016 087	1 016 087	1 048 641	1 087 681	1 125 881	3.2
Conditional grants										
Expanded Public Works Programme Incentive	2 081	2 093	2 187	2 284	2 284	2 284	2 260	–	–	(1.1)
Grant For Provinces										
Departmental receipts	988 820	980 929	948 921	1 002 144	1 018 371	1 018 371	1 050 901	1 087 681	1 125 881	3.2
of which										
Total receipts	1 987	1 545	2 201	1 834	1 834	1 834	1 917	2 003	2 095	4.5

Table 2 above shows the summary of departmental receipts from 2019/20 to 2025/26. Sources of revenue for the department is mainly equitable share. The aggregate departmental allocation increased from R988.820 million in 2019/20 to a revised estimate of R1.018 billion in 2022/23. This increase is mainly due to funds allocated for Compensation of employees' cost of living (COLA) adjustment, rescheduled funds for Drones and Audio visual equipment for Provincial Disaster Management Centre (PDMC), allocations for tools of trade for traditional leaders in 2022/23 amongst other.

The receipts increase by 3.2 per cent in 2023/24 to R1.050 billion due to adjustment to the baseline due to carry-through for COLA, allocation for traditional leaders as an attempt to fund the handbook costs for Traditional Leaders, positive adjustment resulting from the PES formula data as well as rescheduled allocations for procurement of vehicles and infrastructure projects in the Traditional Councils.

6.2. Departmental receipts collection

Table 3: Summary of departmental receipts and collection

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Tax receipts										
Casino taxes										
Horse racing taxes										
Liquor licences										
Motor vehicle licences										
Sales of goods and services other than capital assets	1 118	1 120	1 131	1 340	1 340	1 143	1 398	1 460	1 525	22.3
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land						1				(100.0)
Sales of capital assets										
Transactions in financial assets and liabilities	869	425	1 070	494	494	690	519	543	570	(24.8)
Total departmental receipts	1 987	1 545	2 201	1 834	1 834	1 834	1 917	2 003	2 095	4.5

Table 3 depicts a summary of receipts for the department from 2019/20 to 2025/26. The department is not a major revenue contributor and all collections are attributed to the commissions earned from insurance deductions from employees for various medical aid schemes on behalf financial institutions for their contributions to their products. Own revenue decreases from R1.987 million in 2019/20 to R1.834 million in 2022/23. The decrease is mainly attributable to once-off payment of insurance claim received in the previous year for a vehicle that got written off. In 2023/24, revenue collection is anticipated to increase by 4.5 per cent to R1.917 million as the revenue estimates continue to increase, post COVID-19. The department will make endeavours to ensure that target is met for 2023/24.

6.3. Official development assistance (donor funding)

None.

7. Payment summary

7.1. Key assumptions

The following key factors provide the framework for the development of the departmental 2023 MTEF budget proposal:

- Growth in personnel wage bill as per the budget guide and hence zero-based costing of personnel while providing for only Pay-progression and the COLA implications as allocated by PT.
- Non personnel inflationary projections informed by the revised CPI estimates.
- Commitment to the implementation of the cost containment measures; and
- Implementation of National baseline budget adjustments in terms of the PES formula.

7.2. Programme summary

Table 4: Summary of provincial payments and estimates by programme.

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
1. Administration	254 915	247 539	253 538	245 671	268 747	268 747	275 469	274 886	287 510	25
2. Local Governance	247 310	252 236	244 321	264 487	246 902	246 902	262 342	276 193	285 388	63
3. Development and Planning	128 634	123 401	97 380	113 292	114 765	114 765	123 051	125 892	129 469	7.2
4. Traditional Institutional Management	330 277	334 267	328 022	351 236	368 514	368 514	367 425	377 277	388 885	(0.3)
5. House Of Traditional Leaders	27 684	23 336	25 660	27 338	29 443	29 443	32 614	33 433	34 629	10.8
Total payments and estimates	988 820	980 929	948 921	1 002 144	1 018 371	1 018 371	1 050 901	1 087 681	1 125 881	32

Table 5: Summary of provincial payments and estimates by programme

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Current payments	940 755	895 102	928 728	977 494	985 423	985 423	1 025 527	1 067 351	1 101 164	4.1
Compensation of employees	828 190	835 205	836 539	899 335	879 645	879 645	905 323	955 560	985 045	2.9
Goods and services	112 558	59 894	92 183	78 159	105 778	105 778	120 204	111 791	116 119	13.6
Interest and rent on land	7	3	6							
Transfers and subsidies to:	20 469	66 871	8 186	4 403	9 680	9 680	6 993	5 018	5 246	(27.8)
Provinces and municipalities	15 429	41 504								
Departmental agencies and accounts										
Higher education institutions										
Foreign governments and international organisations										
Public corporations and private enterprises										
Non-profit institutions										
Households	5 040	25 367	8 186	4 403	9 680	9 680	6 993	5 018	5 246	(27.8)
Payments for capital assets	27 596	18 399	11 273	20 247	23 268	23 268	18 381	15 312	19 471	(21.0)
Buildings and other fixed structures	5 569	2 869	445	2 000	2 000	2 000	3 430	5 276	5 423	71.5
Machinery and equipment	21 165	15 194	10 828	18 247	21 268	21 268	14 451	10 036	14 048	(32.1)
Heritage Assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets	862	336					500			
Payments for financial assets	–	557	734	–	–	–	–	–	–	
Total economic classification	988 820	980 929	948 921	1 002 144	1 018 371	1 018 371	1 050 901	1 087 681	1 125 881	3.2

Tables 4 and 5 above reflect the departmental expenditure summary per programme and economic classification from 2019/20 to 2025/26. Expenditure increased from R988.820 million in 2019/20 to a revised estimate of R1.018 billion in 2022/23 as the department continued to prioritise capacitation of the department and allocation funds towards its core business of support to municipalities and institutions of traditional leadership. In 2023/24, total expenditure is expected to increase by 3.2 per cent to R1.050 billion due to adjustment to the baseline as per the PES formula, the allocation of the wage agreement of the public officials and provincial allocations mainly directed at supporting Traditional Leadership Institutions as well as rescheduled allocations for procurement of vehicles, and infrastructure projects in the Traditional Councils funding element towards incremental realisation of the Tools of Trade as provided in the traditional leadership handbook.

Compensation of Employees increased from R828.190 million in 2019/20 to a revised estimate of R879.645 million in 2022/23, with the increase attributable to the on-going recruitment drive in the department including critical posts for the appointment of senior management officials. In 2023/24, the budget increases by 2.9 per cent to R905.323 million due to additional allocation for the continuous implementation of the 3 per cent wage increases implemented in 2022/23 over the 2023 MTEF as part of the outcome of the wage agreement as well as funding for traditional leadership matters.

Goods and Services decreased from R112.558 million in 2019/20 to a revised estimate of R105.778 million in 2022/23 due to significant reprioritisation of funds to cater for in-year cost pressures that were not funded through the adjustment budget process as well as reduction in the department's baseline during the 2021 MTEF. In the 2023/24, the budget increases by 13.6 per cent to R120.204 million as a result of additional funding to the baseline received as per the new data on the PES formula, conditional grant allocation to continue to participate in the EPWP programme, part of funding received for the tools of trade for traditional leaders / handbook which has been set aside to deal with capacity building initiatives for TLs as well as internal reprioritisation aimed at responding to implication of changed operating environment post COVID-19 recovery and critical issues that includes addressing capacity constraints impacting on the department's DGITO space and employee wellness.

Transfers and Subsidies decreased from R20.469 million in 2019/20 to a revised estimate of R9.680 million in 2022/23 due phasing out of transfers to municipalities in terms of support. In 2023/24, the budget decreases by 27.8 per cent to R6.993 million and this decrease is aligned to the once off provision for Ex-gratia payments in 2022/23 as well as the intention by the department to continue paying statutory payments and gratuity to Traditional Leaders, payment of leave gratuity and early retirements / retirements provisions in the 2023/24.

Payments for Capital Assets slightly decreased from R27.596 million in 2019/20 to a revised estimate of R23.268 million in 2022/23 due to scaling down of construction of traditional councils' baseline reductions and provisions made in 2022/23 for purchasing of laptops to improve the aging ones in the department. In 2023/24, the budget decreases by 21 per cent to R18.381 million as the department continue to implement

Traditional Councils infrastructure and plans to start with processes of addressing infrastructure challenges in the Emboland / AmaMpondomise Kingdom in line with the Handbook requirements in terms of Infrastructure requirements. Furthermore, funds have been set aside to address the tools of trade for Local House of Traditional Leaders (Office Furniture and Vehicles) as well as rescheduled funds for MEC and Kings vehicles.

7.1. Expenditure by municipal boundary

Table 6: Summary of departmental payments and estimates by benefiting municipal boundary

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			%change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Buffalo City	-	-	-	-	-	-	-	-	-	
Nelson Mandela Bay	-	-	-	-	-	-	-	-	-	
Sarah Baartman District Municipality	13 696	28 991	-	-	-	-	-	-	-	
Dr Beyers Naude	6 389	-	-	-	-	-	-	-	-	
Ndlambe	507	19 493	-	-	-	-	-	-	-	
Sundays River Valley	6 800	5 000	-	-	-	-	-	-	-	
Amatole District Municipality	-	10 000	-	-	-	-	-	-	-	
Chris Hani District Municipality	-	-	-	-	-	-	-	-	-	
Joe Gqabi District Municipality	-	-	-	-	-	-	-	-	-	
Q.R. Tambo District Municipality	1 733	-	-	-	-	-	-	-	-	
King Sabata Dalindyebo	1 733	-	-	-	-	-	-	-	-	
Alfred Nzo District Municipality	-	-	-	-	-	-	-	-	-	
District Municipalities	-	2 513	-	-	-	-	-	-	-	
Unallocated	973 391	939 425	948 921	1 002 144	1 018 371	1 018 371	1 050 901	1 087 681	1 125 881	3.2
Total Payments	988 820	980 929	948 921	1 002 144	1 018 371	1 018 371	1 050 901	1 087 681	1 125 881	3.2

Tables 6 above reflects the Summary of departmental payments and estimates by benefiting municipal boundary from 2019/20 to 2025/26. Expenditure increased from R988.820 million in 2019/20 to a revised estimate of R1.018 billion in 2022/23 as the department continued to prioritise capacitation of the department and allocation funds towards its core business of support to municipalities and institutions of traditional leadership. In 2023/24, total expenditure is expected to increase by 3.2 per cent to R1.050 billion due to adjustment to the baseline as per the PES formula, the allocation of the wage agreement of the public officials and provincial allocations mainly directed at supporting Traditional Leadership Institutions as well as rescheduled allocations for procurement of vehicles, and infrastructure projects in the Traditional Councils funding element towards incremental realisation of the Tools of Trade as provided in the traditional leadership handbook.

7.2. Infrastructure payments

Table 7: Departmental infrastructure payments

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Existing infrastructure assets	2 079	2 089	2 631	2 284	2 284	2 319	3 110	-	-	34.1
Maintenance and repairs	2 079	2 089	2 186	2 284	2 284	2 319	2 260	-	-	(2.5)
Upgrades and additions	-	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation	-	-	445	-	20	20	-	-	-	-
New infrastructure assets	5 569	2 869	-	2 000	1 980	1 980	3 430	5 276	5 423	29.0
Infrastructure transfers	15 429	26 504	-	-	-	-	-	-	-	-
Capital	15 429	26 504	-	-	-	-	-	-	-	-
Infrastructure payments for financial assets	-	-	-	-	-	-	-	-	-	-
Infrastructure leases	-	-	-	-	-	-	-	-	-	-
Non infrastructure	-	-	-	-	-	-	-	-	-	-
Total department infrastructure	23 077	31 462	2 631	4 284	4 284	4 319	5 690	5 276	5 423	31.7

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

Table 7 above shows the departmental expenditure on infrastructure from 2019/20 to 2025/26. Expenditure decreased from R23.077 million in 2019/20 to a revised estimate of R4.319 million in 2022/23 due to the completion of the construction of Traditional Councils. In 2023/24, the budget increases significantly by 31.7 per cent to R5.690 million due to rescheduled funds received as well as funds set aside in the current financial year to deal with the infrastructure as depicted in the detailed B5 / Infrastructure project list of the department.

7.3. Departmental Public-Private Partnership (PPP) projects

None.

7.4. Conditional grant payments

7.4.1 Conditional grants payments by grant

Table 8: Summary of departmental conditional grants by grant

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Expanded Public Works Programme Incentive Grant for Provinces	2 081	2 089	2 186	2 284	2 284	2 284	2 280	-	-	(1)
Total economic classification	2 081	2 089	2 186	2 284	2 284	2 284	2 280	-	-	(1)

7.4.2 Conditional grants payments by economic classification

Table 9: Summary of departmental conditional grants by economic classification

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Current payments	2 081	2 089	2 186	2 284	2 284	2 284	2 260	–	–	(1.1)
Goods and services	2 081	2 089	2 186	2 284	2 284	2 284	2 260	–	–	(1.1)
Transfers and subsidies	–	–	–	–	–	–	–	–	–	
Non										
Payments for capital assets	–	–	–	–	–	–	–	–	–	
Payments for financial assets	–	–	–	–	–	–	–	–	–	
Total economic classification	2 081	2 089	2 186	2 284	2 284	2 284	2 260	–	–	(1.1)

Table 8 and 9 above shows the departmental expenditure on conditional grants from 2019/20 to 2025/26. Expenditure increased from R2.081 million in 2019/20 to a revised estimate of R2.284 million in 2022/23. In 2023/24, the budget decreases by 1.1 percent as determined by National Department of Public Works and Infrastructure (DPW&I).

7.5. Transfers

None.

7.5.1 Transfers to public entities

None.

7.5.2 Transfers to other entities

None.

7.5.3 Transfers to local government

Table 10: Summary of departmental transfers to local government by category: Cooperative Governance and Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Category A										
Category B	15 429	38 991								
Category C		2 513								
Unallocated										
Total departmental transfers	15 429	41 504	–	–	–	–	–	–	–	

Table 10 above reflects the summary of departmental transfers to local government by category: Cooperative Governance and Traditional Affairs. Transfers to local government decreased from R15.429 million in 2019/20 to a NIL revised estimate in 2022/23 mainly due to the completion of the Chris Hani

Water Intervention project and audit improvement support, which was later insourced by the department. There are no further transfers to municipalities made by the department due to budget cuts.

8. Programme description

8.1. Programme 1: Administration

Purpose: To give effective strategic leadership and proficient administration support services to the Department of Cooperative Governance and Traditional Affairs. The programme has 2 sub-programmes:

- **Office of the MEC:** To provide political direction and set policy priorities for intervention and play an oversight over the Department to ensure alignment to its mandate and mainstreaming the needs of vulnerable groups; and
- **Corporate Services:** To provide efficient and effective corporate support services to the Department.

Table 11: Summary of payments and estimates by sub-programme: Programme 1

Rthousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
1. Office of the MEC	12 042	12 882	12 406	11 882	12 824	12 824	11 120	10 308	10 531	(13.3)
2. Corporate Services	242 873	234 687	241 132	233 789	255 923	255 923	264 349	264 578	276 979	3.3
Total payments and estimates	254 915	247 569	253 538	245 671	268 747	268 747	275 469	274 886	287 510	2.5

Table 12: Summary of payments and estimates by economic classification: Programme 1

Rthousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Current payments	234 995	209 356	235 143	229 884	246 820	246 820	256 674	261 354	269 806	4.0
Compensation of employees	172 095	170 832	175 883	189 101	187 759	187 759	194 987	206 383	212 464	3.8
Goods and services	62 893	38 521	59 254	40 783	59 061	59 061	61 687	54 971	57 342	4.4
Interest and rent on land	7	3	6							
Transfers and subsidies to:	4 725	22 761	6 833	1 885	5 004	5 004	5 313	3 496	3 656	6.2
Provinces and municipalities										
Departmental agencies and accounts										
Higher education institutions										
Foreign governments and international organisations										
Public corporations and private enterprises										
Non-profit institutions										
Households	4 725	22 761	6 833	1 885	5 004	5 004	5 313	3 496	3 656	6.2
Payments for capital assets	15 195	14 895	10 828	13 902	16 923	16 923	13 482	10 036	14 048	(20.3)
Buildings and other fixed structures										
Machinery and equipment	15 195	14 895	10 828	13 902	16 923	16 923	12 982	10 036	14 048	(23.3)
Heritage Assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets							500			
Payments for financial assets	-	557	734	-	-	-	-	-	-	
Total economic classification	254 915	247 569	253 538	245 671	268 747	268 747	275 469	274 886	287 510	2.5

Tables 11 and 12 above reflect the programme expenditure summary per sub-programme and economic classification from 2019/20 to 2025/26. The total expenditure increased from R254.915 million in 2019/20

to a revised estimate of R268.747 million in 2022/23 mainly due to reprioritisation of funds to this programme to cater for in-year cost pressure relating to contractual obligations in the main. In 2023/24, the budget increases further by 2.5 per cent to R275.469 million due to additional funding received and internal reprioritisation.

Compensation of Employees increased from R172.095 million in 2019/20 to a revised estimate of R187.759 million in 2022/23 due to the on-going recruitment drive, including senior management officials and implementation of wage increment. In 2023/24, the budget allocation increases by 3.8 per cent to R194.987 million as a result of the allocation to absorb the impact of the continued implementation of the Annual Recruitment Plan (ARP), additional funding received for the carry-through cost of the implementation of the wage increment.

Goods and Services decreases from R62.893 million in 2019/20 to a revised estimate of R59.061 million in 2022/23 as a result of the impact of budget cuts as well as the function shift for Microsoft Licence payment from COGTA to Office of the Premier (OTP) over the 2023 MTEF. In 2023/24, the budget increases by 4.4 per cent to R61.787 million as the department continues to ensure that key contractual obligations remain reasonably funded over the MTEF through internal reprioritisation which has also made funding available to cater for the long standing challenges of ICT functionality in the department and addressing of the wellness Programme through the resuscitating plans to implement 24-hour counselling project amongst planned initiatives as well as funding the DDM coordination under District Coordination and IGR.

Transfer and subsidies increased from R4.725 million in 2019/20 to a revised estimate of R5.004 million in 2022/23 due to payment of leave gratuity for officials. In 2023/24, the budget increases by 6.2 per cent to R5.313 million to cater for anticipated retirees (early and normal).

Payments for Capital Assets increased from R15.195 million in 2019/20 to a revised estimate of R16.923 million in 2022/23 due to internal reprioritisation to fund the procurement of laptops to replace the aged ones. In 2023/24, the budget decreases by 20.3 per cent to R13.482 million due to internal reprioritisation as the department continue to implement the purchasing of vehicles through additional funding received and furniture for Chairpersons of local houses as explained under departmental expenditure trends analysis above.

8.2. Programme 2: Local Governance

Purpose: To ensure the transformation of developmental local government by strengthening municipal institutions that will be responsive to the needs of the communities. The Programme has 5 sub-programmes:

- **Municipal Administration:** To provide support services and monitor the effective municipal administration matters within the regulatory framework;
- **Municipal Finance:** To provide support services and monitor the implementation of efficient and effective financial management systems in municipalities in accordance with applicable Acts;
- **Public Participation:** To deepen democracy for better service delivery;
- **Capacity Development:** To provide support and management services to municipalities in respect of capacity building; and
- **Municipal Performance Monitoring, Reporting and Evaluation:** To provide effective, coordinated and hands-on support to municipalities, to improve performance, monitoring, reporting and evaluation services.

Table 14: Summary of payments and estimates by sub-programme: Programme 2 – Local Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
1. Municipal Administration	20352	14886	14433	19740	11282	15600	19384	20308	20765	243
2. Municipal Finance	12462	26145	9477	11041	10333	11228	11133	11703	12144	(08)
3. Public Participation	195759	193792	202015	213513	208994	199754	208766	221398	229019	45
4. Capacity Development	6757	6241	8275	8768	9781	9557	10471	9466	9814	92
5. Municipal Performance Monitoring, Reporting and Evaluation	11980	11292	10121	11425	11512	10733	12588	13288	13666	172
Total payments and estimates	247310	252296	244321	264487	246902	246902	262342	276193	285398	63

Table 15: Summary of payments and estimates by economic classification: Programme 2 – Local Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Current payments	247 310	236 782	244 321	264 487	246 902	246 902	262 342	276 193	285 398	6.3
Compensation of employees	236 458	233 052	237 138	257 302	238 857	238 857	252 690	267 814	276 741	5.8
Goods and services	10 852	3 730	7 183	7 185	8 045	8 045	9 652	8 379	8 657	20.0
Interest and rent on land	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies to:	—	15 514	—	—	—	—	—	—	—	—
Provinces and municipalities	—	15 000	—	—	—	—	—	—	—	—
Departmental agencies and accounts	—	—	—	—	—	—	—	—	—	—
Higher education institutions	—	—	—	—	—	—	—	—	—	—
Foreign governments and international organisations	—	—	—	—	—	—	—	—	—	—
Public corporations and private enterprises	—	—	—	—	—	—	—	—	—	—
Non-profit institutions	—	—	—	—	—	—	—	—	—	—
Households	—	514	—	—	—	—	—	—	—	—
Payments for capital assets	—	—	—	—	—	—	—	—	—	—
Buildings and other fixed structures	—	—	—	—	—	—	—	—	—	—
Machinery and equipment	—	—	—	—	—	—	—	—	—	—
Heritage Assets	—	—	—	—	—	—	—	—	—	—
Specialised military assets	—	—	—	—	—	—	—	—	—	—
Biological assets	—	—	—	—	—	—	—	—	—	—
Land and sub-soil assets	—	—	—	—	—	—	—	—	—	—
Software and other intangible assets	—	—	—	—	—	—	—	—	—	—
Payments for financial assets	—	—	—	—	—	—	—	—	—	—
Total economic classification	247 310	252 296	244 321	264 487	246 902	246 902	262 342	276 193	285 398	6.3

Table 14 and 15 above reflect the programme expenditure summary per-sub programme and economic classification from 2019/20 to 2025/26. The total programme expenditure decreased from R247.310 million in 2019/20 to a revised estimate of R246.902 million in 2022/23 due to the implementation of ARPs and costs associated with personnel over this period. In 2023/24, the budget increases by 6.3 per cent to R262.342 million due to the on-going recruitment drive and efforts made to implement a rigorous reprioritisation in the face of increased demand for the department to be visible in the municipalities as the Department provides support as per requirements of section 154 of the constitution of RSA, 1996.

Compensation of Employees increased from R236.458 million in 2019/20 to a revised estimate of R238.857 million in 2022/23 due to appointment and replacement of personnel as well as the implementation of wage increment. In 2023/24, the budget allocation increases by 5.8 per cent to R252.690 million due allocation received to absorb the impact of the implementation ARPs and wage increment, funding set aside for resource to attend to municipal interventions as and when the situation dictates – albeit not being sufficient given the demand for these services.

Goods and Services decreased from R10.852 million in 2019/20 to a revised estimate of R8.045 million in 2022/23 due to budget cuts. In 2023/24, the budget increases by 20 per cent to R9.652 million due to internal reprioritisation to fund coordination efforts of making the service to the municipalities better as well as municipal intervention and implementation of capacity development in municipalities, this is despite limited budget.

Transfers and Subsidies decreased from R15.514 million in 2020/21 to a NIL revised estimate 2022/23 due to the discontinuation of financial assistance to municipalities as well as the completion of the section 139 intervention in identified municipalities. There is no further allocation made to municipalities going forward due to a change in municipal support strategy which is now implemented through capacitation of municipalities to be self-reliant.

8.2.1 Service delivery measures

Table 16: Selected service delivery measures for the programme: Programme 2

Programme performance measures	Estimated performance	Medium term estimates		
	2022/23	2023/24	2024/25	2025/26
Number of consolidated assessment quarterly reports produced in compliance with relevant legislation	4	4	4	4
Number of quarterly interventions conducted to monitor government debt payable to municipalities (Sub-outcome 3, Action 1)	4	4	4	4
Number of municipalities supported to respond to community concerns (Outcome 9, Sub-outcome 2) (B2B Pillar 1)	Demand Driven	Demand Driven	Demand Driven	Demand Driven
Number of municipalities supported to promote participation in community based local governance processes (Priority 1: Capable, Ethical and Developmental State) (Priority 6 MTEF indicator: Social Cohesion and Safer Communities)	8	8	8	8
Number of municipalities supported in preparation for the by-elections	33			
CDMP implemented in all municipalities	4	4	4	4
Number of municipalities supported in reviewing Draft Integrated HR Plans	2	2	2	2
Number of municipalities supported in aligning their reviewed organograms with IDPs	2	2	2	2
Number of municipalities supported in resolving Labour Relations Matters	Demand Driven	Demand Driven	Demand Driven	Demand Driven
Number of municipalities supported to institutionalise the performance management (PMS) (Linked to MTSF 2019-2024, Priority 1)	39	39	39	39
Number of Section 47 reports compiled as prescribed by the MSA (linked to MTSF 2019-2024, Priority 1) (B2B Pillar 5)	1	1	1	1
Report on implementation of municipal support and intervention plans by municipalities	4	4	4	4
Number of evaluation reports with findings compiled	1	1	1	1

This programme drives one of the core mandates of the Department. Consistent with its mandate, programme two performance measure development and setting progresses from the MTEF period and the recent departmental integrated strategic and budget consultative sessions. The nature and frequent of municipal need for intervention is not a rigid environment because that's where policy meets people in terms of implementation. Therefore, programme two's performance measures and targets responds to the needs of the municipalities to ensure access to basic services. The department developed support packages (support plans) for the amalgamated municipalities and other identified municipalities to be able to serve our communities better. Intensive support, according to the B2B principles on public participation, good governance, institutional capacity, sound financial management and basic services, creating decent living conditions will be the key performance areas for the department.

8.3. Programme 3: Development and Planning

Purpose: To render support services regarding integrated planning and development in municipalities. The programme has 6 sub-programmes:

- **Spatial Planning:** To support municipalities with spatial planning;
- **Land Use Management:** To support municipalities with effective and efficient land use management and administration;
- **Local Economic Development:** To provide seamless and integrated local economic development facilitation;
- **Municipal Infrastructure:** To build efficient social infrastructure to support service delivery;
- **Disaster Management:** To improve disaster prevention; mitigation and responses; and

- **IDP Coordination:** To provide support for effective and efficient municipal integrated development planning.

Table 17: Summary of payments and estimates by sub-programme: Programme 3 – Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
1. Spatial Planning	12 842	12 099	14 361	14 171	15 306	15 306	15 618	16 401	16 876	2.0
2. Land Use Management	19 427	17 153	18 745	24 305	19 728	19 728	22 905	23 387	23 997	16.1
3. Local Economic Development (LED)	25 623	22 635	23 135	25 168	25 768	25 768	28 251	26 448	27 159	9.6
4. Municipal Infrastructure	26 055	24 226	23 761	23 894	26 269	26 269	28 660	29 408	30 262	9.1
5. Disaster Management	36 113	39 470	11 096	18 723	20 821	20 821	20 336	22 566	23 231	(2.3)
6. IDP Co-ordination	8 574	7 818	6 282	7 031	6 873	6 873	7 281	7 682	7 934	5.9
Total payments and estimates	128 634	123 401	97 380	113 292	114 765	114 765	123 051	125 892	129 459	7.2

Table 18: Summary of payments and estimates by economic classification: Programme 3 – Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Current payments	106 373	96 397	97 380	108 947	110 420	110 420	121 614	125 892	129 459	10.1
Compensation of employees	91 158	89 686	89 888	98 791	97 527	97 527	104 899	112 332	115 363	7.6
Goods and services	15 215	6 711	7 492	10 156	12 893	12 893	16 715	13 560	14 096	29.6
Interest and rent on land										
Transfers and subsidies to:	15 429	26 504	-	-	-	-	-	-	-	
Provinces and municipalities	15 429	26 504	-							
Departmental agencies and accounts										
Higher education institutions										
Foreign governments and international organisation										
Public corporations and private enterprises										
Non-profit institutions										
Households										
Payments for capital assets	6 832	500	-	4 345	4 345	4 345	1 437	-	-	(66.9)
Buildings and other fixed structures										
Machinery and equipment	5 970	164	-	4 345	4 345	4 345	1 437			(66.9)
Heritage Assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets	862	336	-							
Payments for financial assets	-	-	-	-	-	-	-	-	-	
Total economic classification	128 634	123 401	97 380	113 292	114 765	114 765	123 051	125 892	129 459	7.2

Tables 17 and 18 above reflect the programme expenditure per sub-programme and economic classification from 2019/20 to 2025/26. The total expenditure decreased from R128.634 million in 2019/20 to a revised estimate of R114.765 million in 2022/23 due once off rescheduled funds received for Disaster projects over this period. In 2022/23, the budget increases by 7.2 per cent to R123.051 million due to internal reprioritisation to fund anticipated cost pressure areas not funded by Provincial Treasury (PT) to increase.

Compensation of Employees increased from R91.158 million in 2019/20 to a revised estimate of R97.527 million in 2022/23 due to the capacitation of the programme to fill critical vacant posts to enhance

the implementation of SPLUMA and improve the effectiveness of support to municipalities in terms of Development and planning in general terms. In 2023/24, the budget increases by 7.6 per cent to R104.899 million due to the on-going capacitation as well the additional funding received to cater for the carry through cost on the implementation of the wage increment.

Goods and Services decreased from R15.215 million in 2019/20 to a revised estimate of R12.893 million in 2022/23 due to fall away of additional funding received as for the disaster management centre projects as well as overall impact of the 2021 MTEF budget cuts. In 2023/24, the budget increases significantly by 29.6 per cent to R16.715 million as a result of internal reprioritisation to fund co-funding set aside for the hosting of District and Provincial District Greenest Municipality Awards. Also, planned 2 Master Plan Precincts as well as funding of the licencing for the DMIIS system, funds set aside for all emergency interventions and PDMS to improve its capacity.

Transfers and Subsidies decreased from R15.429 million in 2019/20 to Nil revised estimate in 2022/23 due to the fall away allocation made for Drought Relief Funding allocated for disasters.

Payments for Capital Assets decrease from R6.832 million in 2019/20 to a revised estimate of R4.345 million in 2022/23 due fall away of rescheduled funds received for Disaster projects. In 2023/24, the budget decreases to R1.437 million due to downwards adjustment of the budget and setting aside of funds (through reprioritisation) to continue with implementation of the Audio Visual System procurement (through SITA). The procurement is highly unlikely that it will be finalised in the 2022/23.

8.3.1 Service delivery measures

Table 19: Selected service delivery measures for the programme: Programme 3

Programme performance measures	Estimated performance	Medium-term estimates			
	2022/23	2023/24	2024/25	2025/26	
Number of municipalities supported with the implementation of SPLUMA (Outcome 9, Sub-outcome 1) non-standardised (8)	12	12	12	12	
Number of municipalities supported to develop functional Integrated Geographic Information Systems	15	16	16	16	
Number of municipalities guided to comply with MPRA(Linked to MTSF 2019-2024, Priority 1) (B2B Pillar4)	16	12	12	12	
Number of district municipalities supported to conduct cadastral surveys for access to land rights	2	2	2	2	
Number of municipalities supported to administer land use management in the implementation of SPLUMA	5	5	5	5	
Number of municipalities monitored to implement Local Economic Development projects in line with updated municipal LED	9	12	12	12	
Number of LED IGR structures supported in municipalities to promote strategic collaboration	8	6	6	6	
Number of municipalities supported to implement Community Work Programmes CWP	33	33	33	33	
Number of EPWP work opportunities created through CWP norms and standards	190	190	190	190	
Number of municipalities supported to promote the Small Town Development Programme.	7	7	7	7	
Number of municipalities monitored on the implementation of infrastructure delivery programmes (Outcome 9, Sub-outcome 1)	36	36	36	36	
Number of Districts monitored on the spending of National Grants	6	6	6	6	
Number of supported municipalities assessed with the implementation of Institutional and Social Development (ISD) principles	36	36	36	36	
Number of municipalities monitored on the implementation of indigent policies (Sub-outcome 1) (B2B Pillar 2)	38	38	38	38	
Number of municipalities supported to maintain functional Disaster Management Centres	8	8	8	8	
Number of municipalities supported on Fire Brigade Services	8	8	8	8	
Number of municipalities with legally compliant IDPs	39	39	39	39	

Municipal development indicators in terms of Statistics South Africa indicates a high demand for the creation of vibrant economies that are able to contribute to job creation through Local Economic

Development (LED), Small Town revitalisation and spatial planning towards the provision of sustainable infrastructure development. Equally so, public participation is at the centre for any development to avoid unnecessary service delivery protest at a local level. The programme continues to empower the communities through a priority programme called Community Development Workers to bridge the gap between government and citizens in response to community needs. The department will continue to support the transformation of agriculture as a game changer for the country through accelerating the cadastral surveys for access to land rights in the district municipalities.

8.4. Programme 4: Traditional Institutional Management

Purpose: To support and capacitate institutions of Traditional Leadership to effectively perform their statutory and customary obligations. The programme has 3 sub-programmes:

- **Traditional Institutional Administration:** To conduct Traditional Leadership research and policy development, and to provide administrative, capacity building and financial management support to Traditional Leadership Institutions;
- **Traditional Resource Administration:** To provide administrative and infrastructural support to Traditional Leadership Institutions, and
- **Rural Development Facilitation:** To facilitate traditional community development initiatives.

Table 20: Summary of payments and estimates by sub-programme: Programme 4 – Traditional Institutional Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Mid-year estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
1. Traditional Institutional Administration	17534	14285	14435	16819	16133	16133	16940	17662	18171	50
2. Traditional Resource Administration	301942	310335	304000	324187	331615	331615	329265	347751	338465	(07)
3. Rural Development Facilitation	10801	9607	9556	10280	10766	10766	11220	11864	12249	42
Total payments and estimates	330277	334267	328022	351266	358514	358514	357425	372277	368885	(03)

Table 21: Summary of payments and estimates by economic classification: Programme 4 – Traditional Institutional Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Current payments	324 393	329 171	326 224	348 796	353 662	353 662	352 315	370 479	381 872	(0.4)
Compensation of employees	309 936	321 511	313 156	333 107	333 898	333 898	330 200	345 140	355 816	(1.1)
Goods and services	14 457	7 660	13 068	15 689	19 764	19 764	22 115	25 339	26 056	11.9
Interest and rent on land										
Transfers and subsidies to:	315	2 092	1 353	500	2 852	2 852	1 680	1 522	1 590	(41.1)
Provinces and municipalities										
Departmental agencies and accounts										
Higher education institutions										
Foreign governments and international organisations										
Public corporations and private enterprises										
Non-profit institutions										
Households	315	2 092	1 353	500	2 852	2 852	1 680	1 522	1 590	(41.1)
Payments for capital assets	5 569	3 004	445	2 000	2 000	2 000	3 430	5 276	5 423	71.5
Buildings and other fixed structures	5 569	2 869	445	2 000	2 000	2 000	3 430	5 276	5 423	71.5
Machinery and equipment		135								
Heritage Assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets										
Payments for financial assets	-	-	-	-	-	-	-	-	-	
Total economic classification	330 277	334 267	328 022	351 296	358 514	358 514	357 425	377 277	388 885	(0.3)

Tables 20 and 21 above reflect the programme's expenditure summary per sub-programme and economic classification from 2019/20 to 2025/26. The expenditure increased from R330.277 million in 2019/20 to a revised estimate of R358.514 million in 2022/23 due to funding received for the implementation of the Determination of Remuneration of Public Office Bearers. In 2023/24, the budget decreases by 0.3 per cent to R357.425 million due to departmental reprioritisation to deal with cost pressures for 2023/24.

Compensation of Employees increased from R309.936 million in 2019/20 to a revised estimate of R333.898 million in 2022/23 due to the on-going recognitions to fill the position of traditional leaders and implementation of wage increment for Traditional Leaders backdated from 2021/22 in the 2022/23 financial year. In 2023/24, the budget decreases by 1.1 per cent to R330.200 million due falling away of the 2 financial year payment of salary adjustment implemented in 2022/23 and only carrying over the implications of that implementation for the carry-through costs as well as funding received from PT for incremental implementation of the handbook for tools of trade in respect of support staff for Chairpersons of the local house of Traditional Leaders established in 2017 in the province. Furthermore, internal reprioritisation to fund the initiation programme, funerals support as well as gratuities for traditional leaders is contributing to this decline.

Goods and Services increased from R14.457 million in 2019/20 to a revised estimate of R19.764 million in 2022/23 due to continued reprioritisation to deal with underfunded activities relating to support to institutions of Traditional leaders. In 2023/24, the budget increases by 11.9 per cent to R22.115 million additional funding received for incremental implementation of the handbook for tools of trade, mainly directed at Capacity building of Traditional leaders over the MTEF amongst others and also contributing

is the internal reprioritisation to improve on the support to Traditional Institutions, with focus being the Local House of Traditional Leaders, dealing with funerals support to all traditional leaders amongst others.

Transfers and subsidies increased from R315 thousand in 2019/20 to a revised estimate of R2.852 million in 2022/23 due to anticipated increased payments of leave gratuities for Traditional Leaders. In 2023/24, the budget decreases by 41.1 per cent to R1.680 million as the department continue to provide for gratuity as well as statutory payments to traditional leaders.

Payment for Capital Assets decreased from R5.569 million in 2019/20 to a revised estimate of R2.000 million in 2022/23 due to completion of construction of Traditional Councils as well as absorbing the 2021 MTEF budget cuts. In 2023/24, the budget increases by 71.5 per cent to R3.430 million mainly as a result of internal reprioritisation to continue to prioritise the infrastructure challenges in the traditional space implemented through Department of Public Works and Infrastructure (DPW&I) as well as the rescheduled funds to continue with the construction of kings house.

8.4.1 Service delivery measures

Table 22: Selected service delivery measures for the programme: Programme 4 – Traditional Institutional Management

Programme performance measures	Estimated performance	Medium-term estimates		
	2022/23	2023/24	2024/25	2025/26
Number of policies reviewed for improved governance	4	2	2	2
No of awareness sessions conducted with stakeholders on approved policies and legislations	2	42		
Number of research reports on genealogies of Royal Families conducted	8	10	10	10
Number of Traditional Councils (TCs) supported to perform their functions	150	150	150	150
Number of Anti GBVF Intervention/campaigns for traditional leaders (Final M&E Plan for the NSP on GBVF) (Pillar 2: Prevention and Restoration of Social Fabric)	2	1	2	2
Number of Traditional Leadership Institutions monitored in construction towards completion	4	4	2	2
Number of Capacity building interventions administered for traditional leaders	1	1	1	1
Number of induction sessions (orientation and re-orientation) conducted for Traditional Leaders	2	2	1	1
Number of Traditional Councils supported on formulation of Development Plans	25	15	20	20
Number of Traditional Leadership Institutions supported through partnerships	60	30	40	40

The above relates to measures that will be prioritised by the Programme in as far as provision of support by the department is concerned in the new financial year, 2023/24 and over the 2023 MTEF.

8.5. Programme 5: House of Traditional Leaders

Purpose: To ensure effective and efficient functioning of the Eastern Cape House of Traditional Leaders.

The programme has 2 sub-programmes:

- **Administration of House of Traditional Leaders:** To provide administrative support services to the House of Traditional Leaders in line with good governance principles, and
- **House Operations and Secretariat Services:** To provide operational and secretariat support to the House of Traditional Leaders to enable it to realise its legislative mandate.

Table 23: Summary of payments and estimates by sub-programme: Programme 5 – House of Traditional Leaders

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium term estimates			% change from 2022/23
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26	
1. Administration of House of Traditional Leaders	13 682	10 257	10 532	12 932	13 283	13 283	12 523	13 712	14 173	(5.7)
2. Committees and Local Houses of Traditional Leaders	14 002	13 139	15 128	14 436	16 160	16 160	20 091	19 721	20 456	24.3
Total payments and estimates	27 684	23 396	25 660	27 368	29 443	29 443	32 614	33 433	34 629	10.8

Table 24: Summary of payments and estimates by economic classification: Programme 5 – House of Traditional Leaders

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium term estimates			% change from 2022/23
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26	
Current payments	27 684	23 396	25 660	25 380	27 619	27 619	32 582	33 433	34 629	18.0
Compensation of employees	18 543	20 124	20 474	21 034	21 604	21 604	22 547	23 891	24 661	4.4
Goods and services	9 141	3 272	5 186	4 346	6 015	6 015	10 035	9 542	9 968	66.8
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	2 018	1 824	1 824	-	-	-	(100.0)
Provinces and municipalities	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	2 018	1 824	1 824	-	-	-	(100.0)
Payments for capital assets	-	-	-	-	-	-	32	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	32	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total economic classification	27 684	23 396	25 660	27 398	29 443	29 443	32 614	33 433	34 629	10.8

Tables 23 and 24 above reflect the programme's expenditure summary per sub-programme and economic classification from 2019/20 to 2025/26. Expenditure increased from R27.684 million in 2019/20 to a revised estimate of R29.443 million in 2022/23 mainly due to funding towards the operations of the programme such as opening of the Provincial House of Traditional Leaders, the initiation programme and accounting for the wage increment over this period. In 2023/24, the budget increases by 10.8 per cent to R32.614 million due to funds received by way of internal reprioritisation to enhance the initiation programme.

Compensation of Employees increased from R18.543 million in 2019/20 to a revised estimate of R21.604 million in 2022/23 due to reprioritisation of funds to fill critical posts and impact of salary adjustment. In 2023/24, the budget increases by 4.4 per cent to R22.547 million due to additional funding received for the carry through cost of the implementation of the wage increment of 2022/23.

Goods and Services decreased from R9.141 million in 2019/20 to a revised estimate of R6.015 million in 2022/23 due to impact of the 2021 MTEF budget cuts while means had been made with the department to try and limit its impact on the activities of the house, especially the initiation programme. In 2023/24, the budget increases by 66.8 per cent to R10.035 million due to funds received by way of internal reprioritisation to enhance awareness campaign and monitoring of the initiation programme in the main.

Transfers and subsidies reflects a decrease from 2022/23 by 100 per cent due to once-off payment of ex-gratia to Members of the Provincial House for the last term(s) served.

8.5.1 Service delivery measures

Table 25: Selected service delivery measures for the programme: Programme 5 – House of Traditional Leaders

Programme performance measures	Estimated performance	Medium-term estimates			
	2022/23	2023/24	2024/25	2025/26	
Number of partnerships entered into to support pro-poor rural community programmes	Demand Driven	Demand Driven	Demand Driven	Demand Driven	
Number of District initiation fora monitored on the extent of compliance with the National Customary Male initiation Act	8	8	8	8	
Number of districts supported to promote preservation of culture and heritage	5	2	2	2	
Number of oversight engagements conducted with Local Houses	4	4	4	4	

The roles and functions of the Eastern Cape Traditional Leaders are premised on the preservation of the traditional, cultural and customary practices of the Eastern Cape rural communities. The election of new office bearers in the House of Traditional Leaders will require orientation and induction for the newly elected members and all other Traditional Leaders to understand their mandate and what is expected of them as they execute their customary duties within the confines of the constitution and other relevant prescripts of the institution to enhance their effectiveness and efficiency. In ensuring proper functioning of traditional institutions, funds have been made available for infrastructure renovation and to construct two new traditional councils.

9. Other programme information

9.1. Personnel numbers and costs

Table 26: Personnel numbers and costs per component

	Actual						Revised estimate				Medium-term expenditure estimate						Average annual growth over MEF 2022/23 - 2025/26		
	2019/20		2020/21		2021/22		2022/23		2023/24		2024/25		2025/26				Personnel growth rate	Costs growth rate	% Costs of Total
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs			
R thousands																			
Salary level																			
Total	2 760	828 190	2 660	835 205	2 624	836 539	2 884	-	2 884	859 645	2 884	905 322	2 802	955 530	2 802	955 045	-1.0%	3.8%	100.0%
Programme																			
Total	2 760	828 190	2 660	835 205	2 624	836 539	2 884	-	2 884	859 645	2 884	905 322	2 802	955 530	2 802	955 045	-1.0%	3.8%	100.0%
Employee dispensation on classification																			
Public Service Act appointees not covered by CSDs																			
Public Service Act appointees still to be covered by CSDs																			
Professional Nurses, Staff Nurses and Nursing Assistants																			
Engineering Professions and related occupations																			
Therapeutic, Diagnostic and other related Allied Health Professions																			
Others such as interns, EPWP, learnerships, etc.																			
Total	2 760	828 190	2 660	835 205	2 624	836 539	2 884	-	2 884	859 645	2 884	905 322	2 802	955 530	2 802	955 045	-1.0%	3.8%	100.0%

¹ Personnel numbers include all filled posts together with those posts attributed to the approved establishment

Table 26 above shows personnel numbers by salary levels, and employee dispensation and cost from 2019/20 to 2025/26. The employee numbers increased from 2 760 in 2019/20 to 2 884 in 2022/23. In 2023/24 remained the same at 2 884. These numbers slightly decrease in the middle and outer year to 2 802 as the Department continue to revise and align its organogram.

9.2. Training

Table 27: Information on training

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Number of staff	2 760	2 643	2 624	2 884	2 884	2 884	2 884	2 802	2 802	0.0
Number of personnel trained	200	94	200	200	200	200	200	200	200	0.0
of which										
Male	100	28	100	100	100	100	100	100	100	0.0
Female	100	66	100	100	100	100	100	100	100	0.0
Number of training opportunities	145	71	155	155	155	155	155	155	155	0.0
of which										
Tertiary	100	21	100	100	100	100	100	100	100	0.0
Workshops	30	35	40	40	40	40	40	40	40	0.0
Seminars	15	15	15	15	15	15	15	15	15	0.0
Other										
Number of bursaries offered	60	21	60	60	60	60	60	60	60	0.0
Number of interns appointed				20	20	20	20			0.0
Number of learnerships appointed										
Number of days spent on training	2	5	2	2	2	2	2	2	2	0.0
Payments on training by programme										
1. Administration	1 002	20	567	871	871	871	812	813	866	(6.8)
Total payments on training	1 173	20	1 754	871	871	871	3 012	1 013	1 136	245.8

Table 27 above reflects the number of personnel trained and planned to be trained from 2019/120 to 2021/22 audited years, current year, and over the 2023 MTEF. The number of personnel trained remained the same at 200 in 2019/20 and 2022/23.

Also indicated are the personnel costs and planned personnel costs from 2019/120 to 2021/22 audited years, current year, and over the 2023 MTEF. The personnel costs decreased from R1.173 million in 2019/20 to R871 000 in 2022/23 due to impact of 2020/21 budget cuts. In 2023/24 increased to R3.012 million as a result of internal reprioritisation with the department.

9.3. Structural changes

None.

Annexure to the Estimates of Provincial Revenue and Expenditure

Table B. 1: Specification of receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Tax receipts										
Casino taxes										
Horse racing taxes										
Liquor licences										
Motor vehicle licences										
Sales of goods and services other than capital assets	1 118	1 120	1 131	1 340	1 340	1 143	1 398	1 460	1 525	22.3
Sale of goods and services produced by department (excluding capital assets)	1 118	1 120	1 131	1 340	1 340	1 143	1 398	1 460	1 525	22.3
Administrative fees										
Other sales	1 118	1 120	1 131	1 340	1 340	1 143	1 398	1 460	1 525	22.3
Of which										
Commission on insurance										
Other (Specify)	1 118	1 120	1 131	1 340	1 340	1 143	1 398	1 460	1 525	22.3
Other (Specify)										
Other (Specify)										
Transfers received from:										
Other governmental units										
Higher education institutions										
Foreign governments										
International organisations										
Fines, penalties and forfeits										
Interest, dividends and rent on land										
Interest						1				(100.0)
Dividends										
Rent on land										
Sales of capital assets										
Land and sub-soil assets										
Other capital assets										
Transactions in financial assets and liabilities	869	425	1 070	494	494	690	519	543	570	(24.8)
Total departmental receipts	1 987	1 545	2 201	1 834	1 834	1 834	1 917	2 003	2 095	4.5

Table B. 2: Details of payments and estimates by economic classification: Summary

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Current payments	940 755	895 102	928 728	977 494	985 423	985 423	1 025 527	1 067 351	1 101 164	4.1
Compensation of employees	828 190	835 205	836 539	899 335	879 645	879 645	905 323	955 560	985 045	2.9
Salaries and wages	733 104	739 017	739 587	794 301	773 741	778 237	795 871	838 661	862 258	2.3
Social contributions	95 086	96 188	96 952	105 034	105 904	101 408	109 452	116 899	122 787	7.9
Goods and services	112 558	59 894	92 183	78 159	105 778	105 778	120 204	111 791	116 119	13.6
Administrative fees	4	5	5	3	3	3	3	3	3	0.0
Advertising	618	432	868	260	547	548	987	848	1 062	80.1
Minor assets	1 526	442	303	240	172	172	45	45	45	(73.8)
Audit cost: External	5 300	3 619	5 553	3 819	7 094	7 094	5 569	5 820	6 106	(21.5)
Bursaries: Employees	696	176	392	620	1 020	1 020	2 920	3 160	3 173	186.3
Catering: Departmental activities	3 016	965	1 825	2 611	3 085	3 076	3 900	3 995	4 111	26.8
Communication (G&S)	11 415	12 162	10 240	8 636	11 472	11 472	10 760	11 632	12 250	(6.2)
Computer services	3 439	1 360	1 416	1 462	1 235	1 235	4 326	5 249	5 307	250.3
Consultants and professional services: Business and advisory services	9 621	2 833	4 462	5 405	7 604	7 604	11 661	7 276	7 477	53.4
Infrastructure and planning										
Laboratory services										
Scientific and technological services										
Legal services	6 117	1 004	13 156	2 921	6 018	6 018	5 388	7 408	7 711	(10.5)
Contractors	2 970	2 505	2 337	2 150	3 322	3 322	2 785	228	228	(16.2)
Agency and support / outsourced services	421	89	909	654	748	748	1 289	1 108	1 193	72.3
Entertainment	226	218	232	256	242	242	175	360	365	(27.7)
Fleet services (including government motor transport)	6 690	4 155	6 736	6 365	10 335	10 335	9 720	7 739	7 909	(6.0)
Housing										
Inventory: Clothing material and accessories										
Inventory: Farming supplies										
Inventory: Food and food supplies										
Inventory: Chemicals, fuel, oil, gas, wood and coal										
Inventory: Learner and teacher support material										
Inventory: Materials and supplies										
Inventory: Medical supplies										
Inventory: Medicine										
Medias inventory interface										
Inventory: Other supplies	413	915	—							
Consumable supplies	807	3 569	526							
Consumable: Stationery, printing and office supplies	1 835	1 788	1 059	1 704	1 142	1 134	2 120	2 049	2 188	86.9
Operating leases	3 678	4 500	4 870	5 225	2 096	2 096	4 376	4 376	4 572	108.8
Property payments	2 550	2 946	2 256	2 094	2 644	2 644	3 214	3 991	4 079	21.6
Transport provided: Departmental activity										
Travel and subsistence	39 317	11 075	24 100	24 797	34 411	34 424	34 023	33 804	35 022	(1.2)
Training and development	1 173	20	1 720	871	793	793	3 012	1 031	1 136	279.8
Operating payments	4 296	3 596	4 190	3 218	4 682	4 682	4 761	3 677	3 603	1.7
Venues and facilities	5 310	949	3 557	3 742	5 165	5 154	7 229	4 855	5 170	40.3
Rental and hiring	1 120	569	1 471	432	1 460	1 460	1 012	1 563	1 757	(30.7)
Interest and rent on land	7	3	6							
Interest	7	—	6							
Rent on land	—	3	—							
Transfers and subsidies	20 469	66 871	8 186	4 403	9 680	9 680	6 993	5 018	5 246	(27.8)
Provinces and municipalities	15 429	41 504	—							
Provinces										
Municipalities	15 429	41 504	—							
Municipalities	15 429	41 504	—							
Prov										
Other										
Non-profit institutions										
Households	5 040	25 367	8 186	4 403	9 680	9 680	6 993	5 018	5 246	(27.8)
Social benefits	5 040	25 367	8 186	4 403	9 680	9 680	6 993	5 018	5 246	(27.8)
Payments for capital assets	27 596	18 399	11 273	20 247	23 268	23 268	18 381	15 312	19 471	(21.0)
Buildings and other fixed structures	5 569	2 869	445	2 000	2 000	2 000	3 430	5 276	5 423	71.5
Buildings	5 569	2 869	445	2 000	2 000	2 000	3 430	5 276	5 423	71.5
Machinery and equipment	21 165	15 194	10 828	18 247	21 268	21 268	14 451	10 036	14 048	(32.1)
Transport equipment	15 667	11 352	7 950	15 886	13 312	13 312	9 906	7 996	8 353	(25.6)
Other machinery and equipment	5 498	3 842	2 878	2 361	7 956	7 956	4 545	2 040	5 695	(42.9)
Heritage Assets										
Biological assets										
Software and other intangible assets	862	336	—				500			
Payments for financial assets	—	557	734	—	—	—	—	—	—	—
Total economic classification	988 820	980 929	948 921	1 002 144	1 018 371	1 018 371	1 050 901	1 087 681	1 125 881	3.2

Table B.2C: Details of payments and estimates by economic classification: P3

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Current payments	106 373	96 397	97 380	108 947	110 420	110 420	121 614	125 892	129 459	10.1
Compensation of employees	91 150	89 686	89 888	98 791	97 527	97 527	104 890	112 332	115 363	7.6
Salaries and wages	80 219	78 846	79 113	86 736	85 016	85 579	91 851	98 425	100 914	7.3
Social contributions	10 939	10 840	10 775	12 055	12 511	11 948	13 048	13 907	14 449	9.2
Goods and services	15 215	6 711	7 492	10 156	12 893	12 893	16 715	13 560	14 096	29.6
Administrative fees										
Advertising	38	20	—	12	7	7	25	6	—	257.1
Minor assets		16	—	240	170	170	45	46	46	(73.5)
Audit cost: External										
Bursaries: Employees										
Catering: Departmental activities	372	76	60	164	112	112	227	176	180	102.7
Communication (G&S)										
Computer services	1 553	250	232	250	—	—	3 161	4 160	4 320	
Consultants and professional services: Business and advisory services	1 907	378	655	820	3 305	3 305	2 050	1 472	1 482	(38.0)
Infrastructure and planning										
Laboratory services										
Scientific and technological services										
Legal services										
Contractors	2 483	2 053	2 186	2 150	2 294	2 294	2 558	14	14	11.5
Agency and support / outsourced services			70	600	608	608	1 000	770	821	64.5
Entertainment	18	9	10	30	21	21	19	14	16	(9.5)
Fleet services (including government motor transport)										
Housing										
Inventory: Clothing material and accessories										
Inventory: Farming supplies										
Inventory: Food and food supplies										
Inventory: Chemicals, fuel, oil, gas, wood and coal										
Inventory: Learner and teacher support material										
Inventory: Materials and supplies										
Inventory: Medical supplies										
Inventory: Medicine										
Medias inventory interface										
Inventory: Other supplies	413	915	—							
Consumable supplies	50	1 603	—	179	26	26	169	40	46	636.0
Consumable: Stationery, printing and office supplies	100	41	73	148	105	105	104	116	113	(1.0)
Operating leases										
Property payments										
Transport provided: Departmental activity										
Travel and subsistence	7 276	1 289	3 835	4 751	5 474	5 474	5 350	5 492	5 674	(2.3)
Training and development	30	—	—	—	—	—	500	—	—	
Operating payments	37	62	130	74	88	88	58	56	51	(34.1)
Venues and facilities	938	—	241	838	684	684	1 463	1 184	1 320	113.9
Rental and hiring							6	6	6	
Transfers and subsidies	15 429	26 504	—	—	—	—	—	—	—	
Provinces and municipalities	15 429	26 504	—	—	—	—	—	—	—	
Municipalities	15 429	26 504	—	—	—	—	—	—	—	
Municipalities	15 429	26 504	—	—	—	—	—	—	—	
Prov										
Subsidies on production										
N										
Payments for capital assets	6 832	500	—	4 345	4 345	4 345	1 437	—	—	(66.9)
Machinery and equipment	5 970	164	—	4 345	4 345	4 345	1 437	—	—	(66.9)
Transport equipment	5 597	—	—	2 908	2 908	2 908	—	—	—	(100.0)
Other machinery and equipment	373	164	—	1 437	1 437	1 437	1 437	—	—	0.0
Software and other intangible assets	862	336	—	—	—	—	—	—	—	
Payments for financial assets	—	—	—	—	—	—	—	—	—	
Total economic classification	128 634	123 401	97 380	113 292	114 765	114 765	123 051	125 892	129 459	7.2

Table B.2D: Details of payments and estimates by economic classification: P4

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Current payments	324 393	329 171	326 224	348 796	353 662	353 662	352 315	370 479	381 872	(0.4)
Compensation of employees	309 936	321 511	313 156	333 107	333 898	333 898	330 200	345 140	355 816	(1.1)
Salaries and wages	289 955	301 405	292 467	311 231	312 224	312 066	308 314	321 739	331 175	(1.2)
Social contributions	19 981	20 106	20 689	21 876	21 674	21 832	21 886	23 401	24 641	0.2
Goods and services	14 457	7 660	13 068	15 689	19 764	19 764	22 115	25 339	26 056	11.9
Administrative fees										
Advertising					24	25				(100.0)
Minor assets	399	202								
Audit cost: External										
Bursaries: Employees	50	123		320	320	320	2 620	2 860	2 860	718.8
Catering: Departmental activities	613	297	458	1 222	1 485	1 485	1 819	1 843	1 898	22.5
Communication (G&S)								118	118	
Computer services										
Consultants and professional services: Business and advisory services	2 347	729	1 730	2 306	1 834	1 834	1 199	2 111	2 204	(34.6)
Infrastructure and planning										
Laboratory services										
Scientific and technological services										
Legal services			164							
Contractors	10									
Agency and support / outsourced services										
Entertainment	21	111	56	72	64	64	12	202	203	(81.3)
Fleet services (including government motor transport)				365	335	335				(100.0)
Housing										
Inventory: Clothing material and accessories										
Inventory: Farming supplies										
Inventory: Food and food supplies										
Inventory: Chemicals, fuel, oil, gas, wood and coal										
Inventory: Learner and teacher support material										
Inventory: Materials and supplies										
Inventory: Medical supplies										
Inventory: Medicine										
Medias inventory interface										
Inventory: Other supplies										
Consumable supplies	75	571	229	170	208	208	411	1 240	1 240	97.6
Consumable: Stationery, printing and office supplies	197	692	225	375	325	324	472	468	500	45.7
Operating leases										
Property payments	372	540	585	855	855	855	1 677	2 478	2 498	96.1
Transport provided: Departmental activity										
Travel and subsistence	8 517	3 240	6 198	8 011	11 236	11 236	10 866	11 085	11 470	(3.3)
Training and development	141		471				290	290	270	
Operating payments	46	23	149	371	206	206	160	60	60	(22.3)
Venues and facilities	874	601	1 410	1 242	1 742	1 742	1 859	1 337	1 359	6.7
Rental and hiring	795	531	1 393	380	1 130	1 130	820	1 337	1 376	(27.4)
Interest										
Rent on land										
Transfers and subsidies	315	2 092	1 353	500	2 852	2 852	1 680	1 522	1 590	(41.1)
Provinces										
Municipalities										
Municipalities										
Social security funds										
Prov										
Public corporations										
Other transfers										
Private enterprises										
Other transfers										
Non-profit institutions										
Households	315	2 092	1 353	500	2 852	2 852	1 680	1 522	1 590	(41.1)
Social benefits	315	2 092	1 353	500	2 852	2 852	1 680	1 522	1 590	(41.1)
Payments for capital assets	5 569	3 004	445	2 000	2 000	2 000	3 430	5 276	5 423	71.5
Buildings and other fixed structures	5 569	2 869	445	2 000	2 000	2 000	3 430	5 276	5 423	71.5
Buildings	5 569	2 869	445	2 000	2 000	2 000	3 430	5 276	5 423	71.5
Other fixed structures										
Transport equipment										
Heritage Assets										
Biological assets										
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total economic classification	330 277	334 267	328 022	351 296	358 514	358 514	357 425	377 277	388 885	(0.3)

Table B.2E: Details of payments and estimates by economic classification: P5

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Current payments	27 684	23 396	25 660	25 380	27 619	27 619	32 582	33 433	34 629	18.0
Compensation of employees	18 543	20 124	20 474	21 034	21 604	21 604	22 547	23 891	24 661	4.4
Salaries and wages	15 875	17 512	17 838	18 006	18 471	18 578	19 305	20 431	21 033	3.9
Social contributions	2 668	2 612	2 636	3 028	3 133	3 026	3 242	3 460	3 628	7.1
Goods and services	9 141	3 272	5 186	4 346	6 015	6 015	10 035	9 542	9 968	66.8
Administrative fees										
Advertising	33	61	303	140	120	120	358	480	600	198.3
Minor assets										
Audit cost: External										
Bursaries: Employees										
Catering: Departmental activities	747	219	540	372	590	588	517	639	650	(12.1)
Communication (G&S)	821	218	310	249	414	414	1 040	610	720	151.2
Computer services										
Consultants and professional services: Business and advisory services	1 368	764	988	1 090	1 100	1 100	1 963	1 989	2 043	78.5
Infrastructure and planning										
Laboratory services										
Scientific and technological services										
Legal services										
Contractors	70						47	80	80	
Agency and support / outsourced services										
Entertainment	43	16	12	18	18	18	18	20	20	0.0
Fleet services (including government motor transport)										
Housing										
Inventory: Clothing material and accessories										
Inventory: Farming supplies										
Inventory: Food and food supplies										
Inventory: Chemicals, fuel, oil, gas, wood and coal										
Inventory: Learner and teacher support material										
Inventory: Materials and supplies										
Inventory: Medical supplies										
Inventory: Medicine										
Medcas inventory interface										
Inventory: Other supplies										
Consumable supplies	164	40		30	22	22	262	182	202	1046.5
Consumable: Stationery, printing and office supplies	236	100	80	65	30	30	205	227	297	583.3
Operating leases										
Property payments	10									
Transport provided: Departmental activity										
Travel and subsistence	5 080	1 743	2 844	2 340	3 205	3 207	4 761	4 577	4 765	48.5
Training and development										
Operating payments	115	73	4	9	48	48	40	361	54	(16.7)
Venues and facilities	198		45	33	138	138	704	217	217	410.1
Rental and hiring	256	38	60		330	330	130	160	320	(60.6)
Interest and rent on land										
Interest										
Rent on land										
Transfers and subsidies	-	-	-	2 018	1 824	1 824	-	-	-	(100.0)
Provinces										
Municipalities										
Municipalities										
Social security funds										
Public corporations										
Other transfers										
Private enterprises										
Other transfers										
Non-profit institutions										
Households				2 018	1 824	1 824				(100.0)
Social benefits				2 018	1 824	1 824				(100.0)
Payments for capital assets	-	-	-	-	-	-	32	-	-	
Buildings										
Other fixed structures										
Machinery and equipment							32			
Transport equipment							32			
Heritage Assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Payments for financial assets	-	-	-	-	-	-	-	-	-	
Total economic classification	27 684	23 396	25 660	27 398	29 443	29 443	32 614	33 433	34 629	10.8

Table B. 3: Conditional grant payments and estimates by economic classification: Summary

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Current payments	2 081	2 089	2 186	2 284	2 284	2 284	2 260	–	–	(1.1)
Salaries and wages										
Social contributions										
Goods and services	2 081	2 089	2 186	2 284	2 284	2 284	2 260			(1.1)
Administrative fees										
Advertising										
Minor assets										
Audit cost: External										
Bursaries: Employees										
Catering: Departmental activities										
Communication (G&S)										
Computer services										
Consultants and professional services: Business and advisory services										
Infrastructure and planning										
Laboratory services										
Scientific and technological services										
Legal services										
Contractors	2 081	1 982	2 186	2 140	2 140	2 140	2 121			(0.9)
Agency and support / outsourced services										
Entertainment										
Fleet services (including government motor transport)										
Housing										
Inventory: Clothing material and accessories										
Inventory: Farming supplies										
Inventory: Food and food supplies										
Inventory: Chemicals, fuel, oil, gas, wood and coal										
Inventory: Learner and teacher support material										
Inventory: Materials and supplies										
Inventory: Medical supplies										
Inventory: Medicine										
Medias inventory interface										
Inventory: Other supplies										
Consumable supplies		107		144	144	144	139			(3.5)
Consumable: Stationery, printing and office supplies										
Operating leases										
Property payments										
Transport provided: Departmental activity										
Travel and subsistence										
Training and development										
Operating payments										
Venues and facilities										
Rental and hiring										
Interest and rent on land										
Interest										
Rent on land										
Transfers and subsidies	–	–	–	–	–	–	–	–	–	
Provinces										
Municipalities										
Municipalities										
Social security funds										
Prov										
Public corporations										
Other transfers										
Private enterprises										
Other transfers										
Non-profit institutions										
Households										
Social benefits										
Payments for capital assets	–	–	–	–	–	–	–	–	–	
Buildings										
Other fixed structures										
Machinery and equipment										
Transport equipment										
Other										
Heritage Assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Payments for financial assets	–	–	–	–	–	–	–	–	–	
Total economic classification	2 081	2 089	2 186	2 284	2 284	2 284	2 260	–	–	(1.1)

Table B.3A: Conditional grant payments and estimates by economic classification: Expanded Public Works Programme Integrated Grant for Provinces

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates			% change from 2022/23
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26	
Current payments	2 081	2 089	2 186	2 284	2 284	2 284	2 260	–	–	(1.1)
Salaries and wages										
Social contributions										
Goods and services	2 081	2 089	2 186	2 284	2 284	2 284	2 260			(1.1)
Administrative fees										
Advertising										
Minor assets										
Audit cost: External										
Bursaries: Employees										
Catering: Departmental activities										
Communication (G&S)										
Computer services										
Consultants and professional services: Business and advisory services										
Infrastructure and planning										
Laboratory services										
Scientific and technological services										
Legal services										
Contractors	2 081	1 982	2 186	2 140	2 140	2 140	2 121			(0.9)
Agency and support / outsourced services										
Entertainment										
Fleet services (including government motor transport)										
Housing										
Inventory: Clothing material and accessories										
Inventory: Farming supplies										
Inventory: Food and food supplies										
Inventory: Chemicals,fuel,oil,gas,wood and coal										
Inventory: Learner and teacher support material										
Inventory: Materials and supplies										
Inventory: Medical supplies										
Inventory: Medicine										
Medias inventory interface										
Inventory: Other supplies										
Consumable supplies		107		144	144	144	130			(9.5)
Consumable: Stationery,printing and office supplies										
Operating leases										
Property payments										
Transport provided: Departmental activity										
Travel and subsistence										
Training and development										
Operating payments										
Venues and facilities										
Rental and hiring										
Interest and rent on land										
Interest										
Rent on land										
Transfers and subsidies	–	–	–	–	–	–	–	–	–	
Provinces										
Municipalities										
Municipalities										
Social security funds										
Prov										
Public corporations										
Other transfers										
Private enterprises										
Subsidies on production										
Other transfers										
Non-profit institutions										
Households										
Social benefits										
Payments for capital assets	–	–	–	–	–	–	–	–	–	
Buildings										
Other fixed structures										
Machinery and equipment										
Transport equipment										
Heritage Assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Payments for financial assets	–	–	–	–	–	–	–	–	–	
Total economic classification	2 081	2 089	2 186	2 284	2 284	2 284	2 260	–	–	(1.1)

◆ END OF EPRE ◆

Type of Infrastructure	Project Name	IDMS Stage	District Municipality	Local Municipality	Project Duration		Source of Funding	Budget program name	Total Project Cost	Total Expenditure to date from previous years	Total Available	MTEF Forward Estimates		
					Date: start	Date: finish						23/24	24/25	25/26
1. Maintenance and Repairs														
Building/Structures	Exp Public Works	Stage 5: Works	Buffalo City	Buffalo City	02/Apr/23	31/Mar/24	Expanded Public Works Programme Integrated Grant for Provinces	Programme 3 - Development and Planning	2 260	12 549	2 260	0	0	0
TOTAL: Maintenance and Repairs(1 project)														
2. New or Replaced Infrastructure														
Building/Structures	Mqhekezweni	Stage 1: Initiation/ Pre-feasibility	O.R.Tambo	King Sabata Dalindyebo	03/Apr/23	31/Mar/26	Equitable Share	Programme 4 - Traditional Institutional Management	2 800	0	690	1 850	1 000	1 000
Building/Structures	Mvumelwano	Stage 1: Initiation/ Pre-feasibility	O.R.Tambo	King Sabata Dalindyebo	18/May/23	31/Mar/26	Equitable Share	Programme 4 - Traditional Institutional Management	2 655	0	670	1 000	1 000	1 000
Building/Structures	Lusikiski King's House Erf 320	Stage 2: Concept/ Feasibility	O.R.Tambo	Inguza Hill	03/Apr/23	29/Mar/24	Equitable Share	Programme 4 - Traditional Institutional Management	850	0	850	0	0	0
Building/Structures	AMAZIZI JSSI(FINGOLAND)	Stage 1: Initiation/ Pre-feasibility	Anathole	Ngqushwa	01/Aug/23	31/Mar/26	Equitable Share	Programme 4 - Traditional Institutional Management	30	0	30	696	1 424	1 424
Building/Structures	AMAGQUNUKHWEBE	Stage 5: Works	Anathole	Raymond Mhlaba	01/Apr/22	19/Oct/23	Equitable Share	Programme 4 - Traditional Institutional Management	830	3 065	830	0	0	0
Building/Structures	Amampondomise Great Place	Stage 2: Concept/ Feasibility	O.R.Tambo	Mlionto	01/Apr/23	31/Mar/26	Equitable Share	Programme 4 - Traditional Institutional Management	4 000	0	360	1 730	2 000	2 000
TOTAL 1: New or Replaced Infrastructure(6 projects)									11 165	3 065	3 430	5 276	5 424	5 424
TOTAL: Cooperative Governance and Traditional Affairs(7 projects)									13 425	15 614	5 690	5 276	5 424	5 424

