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|---------------------------------------|-----------------------------|
| To be appropriated by vote in 2023/24 | R 818 465 000 |
| Responsible MEC | MEC for Finance |
| Administering Department | Gauteng Provincial Treasury |
| Accounting Officer | Head of Department |

To be pioneers in fiscal prudence and good governance.

A Treasury that drives world class financial support through tight fiscal controls, upheld by culture of good corporate governance for our stakeholders.

Impact Statement

Optimally resourced provincial priorities and enhanced fiscal control which promote good governance in the delivery of services to Gauteng citizens.

Core functions and responsibilities

The functions of the Gauteng Provincial Treasury (GPT) are described in the PFMA (1999) and the Municipal Finance Management Act (MFMA, 2003). These can be summarised as follows:

- To manage the budget allocation for the GPG
- To ensure the instilling of fiscal discipline and corporate governance in the Province
- To ensure proper cash management
- To ensure the effective and efficient utilisation of resources – value for money and compliance with all relevant legislation
- To develop, implement and monitor compliance with corporate governance norms and standards relating to provincial and local government
- To ensure adequate financial accountability.

The mandate of GPT is to promote good governance by providing stewardship on all financial matters in the province, including preparing the provincial budget and exercising control over its implementation. The department aims to promote and enforce transparency and effective management in respect of revenue, expenditure, assets and liabilities of provincial departments and entities, and to monitor and enforce compliance of GPG institutions with various Acts. In essence, the role of the Department is to ensure that provincial strategies are funded through projects and initiatives aligned with the Growing Gauteng Together (GGT2030) vision and the Batho Pele principles.

The GPT envisions being pioneers in fiscal prudence and good governance, driving world-class financial support through tight fiscal controls upheld by a culture of good corporate governance for stakeholders. The department aims to achieve optimally resourced provincial priorities and enhanced fiscal control, promoting good governance in the delivery of services to Gauteng citizens. To realize its mandate, the GPT has developed five strategic outcomes, which are

Enhanced sound finances in the Province

The department will continue to provide effective and efficient administration of fiscal resources in provincial institutions, table a spatially referenced MTEF budget that resources the GGT2030 strategy and maximise provincial revenue collection through the implementation of the Own Revenue Enhancement Strategy.

Increased compliance with legislative prescripts

The GPT will promote accountability through substantive reflection of financial activities as well as compliance with financial norms and standards in PFMA compliant institutions and promote and enforce transparency and effective Supply Chain Management in the Province. In improving audit outcomes, the GPT will strengthen internal controls throughout the Province and provide

assurance through the implementation of internal audits.

Sustainable local government finances

The Department will support, guide and advise municipalities on MFMA compliance and promote accountability on financial activities and build capacity and capability to strengthen financial management practices in local government.

Reduced youth unemployment

The Department has adopted a multipronged approach to youth development (internship/ learnership) through several key programmes, namely, Supply Chain Management (SCM), Internal Audit, Corporate Services (HRD component), Financial Governance and Municipal Financial Governance with the focus being on exposing graduates to real-time, hands-on work experience to be better prepared for the labour market.

Alternative sources of funding

The Department, through the Gauteng Infrastructure Financing Agency (GIFA), will explore various alternative and innovative funding solutions and source infrastructure projects from provincial departments and municipalities and prepare them to reach a bankable state through feasibility studies and eventually releasing them to the market.

National Development Plan and the Growing Gauteng Together 2030 Vision

The GPT's plan and vision are anchored in the national and provincial priorities espoused by the National Development Plan (NDP) and GGT2030. The plan of the GPT is to ensure that the Medium Term Strategic Framework (MTSF) is realised and that the GGT2030 plan is adequately resourced.

The NDP is a long term vision for the country which provides a broad strategic framework to guide key government choices and actions, and focuses on the critical capabilities needed to transform the economy and society. The plan highlights that accelerated development in South Africa requires the active support of all citizens, leadership in all sectors that puts the country's collective interests ahead of narrow, short-term goals, and radically improved government performance. Some of the key objectives of the NDP are listed below:

- A state that is capable of playing a developmental and transformative role;
- A public service immersed in the development agenda but insulated from undue political interference;
- Relations between national, provincial, and local government that are improved through a more proactive approach to managing the intergovernmental system;
- Strengthening local government.

A new provincial cabinet has been pronounced in Gauteng and the newly elected Gauteng Premier, Mr. Panyaza Lesufi, outlined the plans that the Gauteng government intends to implement and prioritize in the remaining period of the 6th Administration. Whilst the GGT 2030 strategy remains the blueprint for guiding the work of the provincial government, a commitment has also been made to implement the following elevated priorities. The GPT will ensure that the strategies and policies that support the realisation of the provisions of the provincial plan are adequately resourced.

TABLE 1: MTSF AND PRIORITIES APPLICABLE TO GPT

| Medium Term Strategic Framework | Elevated Priorities | GPT Priorities |
|--|---|---|
| <ul style="list-style-type: none"> • Priority 1: Economy Transformation and Job Creation • Priority 5: A Capable, ethical and developmental State • Priority 6: A better Africa and world | <ul style="list-style-type: none"> • Accelerate Gauteng's recovery and reconstruction. • Declare crime, corruption, lawlessness, and vandalism as the enemy that must be defeated. • Drastically change the living conditions of people in townships, informal settlements, and provincially owned hostels. • Strengthen the capacity of the state to deliver quality services to the people of Gauteng and improve and capacitate Government communications with residents. • Improve health and wellness of communities. | <ul style="list-style-type: none"> • Enhanced sound finances in the province • Increased oversight and compliance with legislated prescripts • Sustainable local government finances • Reduced youth unemployment • Alternative sources of funding |

External activities and events relevant to budget decisions

South Africa's economic prospects have deteriorated due to an expected slowdown in economic growth in its major trading partners due to the war in Ukraine and the ongoing COVID19 pandemic.

Domestically, the inconsistent electricity supply capacity is hindering the sustainability of the recovery. Lower economic growth will add more pressure on public finances, given the limited fiscal space.

To curb growth in public debt, the government is maintaining its fiscal strategy of restricting growth in public expenditure. The main objective is to contain the growth in compensation spending while increasing infrastructure expenditure to support long-term economic growth. To support growth in the medium-term, the government intends restoring the capacity of Eskom to ensure adequate energy supply, in addition to implementation of the rest of government's structural reforms. This will boost confidence and unlock private investment, particular in sectors that were severely affected by pandemic containment measures and will bring

the economy back to levels of economic growth that can reduce the current levels of unemployment, inequality, and poverty.

Acts, rules and regulations

- Gauteng Finance Management Supplementary Act, 2018 (Act 1 of 2000)
- Gauteng Provincial Appropriation Act, 2019 (Act 7 of 2019)
- Protection of Personal Information Act, 2013 (Act 4 of 2013)
- State Liability Amendment Act, 2011 (Act 14 of 2011)
- Municipal Finance Management Act, 2003 (Act 56 of 2003)
- Broad-Based Black Empowerment Act, 2003 (Act 53 of 2003)
- Disaster Management Act, 2002 (Act 57 of 2002), as amended, and Regulations
- Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act 4 of 2000)
- Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) and Regulations
- Promotion of Access to Information Act, 2000 (Act 2 of 2000)
- Public Finance Management Act, 1999 (Act 1 of 1999) and Regulations
- Employment Equity Act, 1998 (Act 55 of 1998)
- Basic Conditions of Employment Act, 1997 (Act 75 of 1997)
- Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997)
- Labour Relations Act, 1995 (Act 66 of 1995)
- Public Service Act, 1994 (Act 103 of 1994) and Regulations

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2022/23)

The GGT2030 is the plan of the GPG, which is cascaded from the 2019-2024 Medium-Term Strategic Framework aligned with the National Development Plan. The Department supports all the priorities of the GGT2030 by ensuring that the plan's priorities are adequately funded. The department's mandate is aligned with two GGT2030 priorities, which are

- Building a capable, ethical and developmental state.
- Economy, jobs and infrastructure.

In line with the provincial priorities and its mandate, the Department formulated its own four key priority outcomes, as indicated below:

- Enhanced sound finances in the province.
- Increased compliance with legislated prescripts.
- Sustainable local government finances.
- Reduced youth unemployment.

Performance against these priorities is outlined below:

Enhanced sound finances in the province

The objective of this key focus area is multipronged and focuses on three main elements: improving fiscal management and increased compliance that promotes clean governance and accountability; integrating and synergising budget and planning processes; and improving revenue collection.

The Department aims to ensure effective functioning of the Provincial Revenue Fund and credible cash flow projections that result in optimal performance of the Provincial Investment Portfolio and a sustainable liquidity position in the province. In that regard, cash requisitions did not exceed provincial liquid assets (PRF cash and cash equivalents plus external investments). The Department ensured that MTBPS and spatially referenced adjustment budgets were tabled in line with the prescribed timeframes.

The Department will continue to implement cost-cutting practices on cost containment items; this will be done during both budget formulation and operations. It will apply appropriate fiscal policy to inform budgets and performance management reviews of compensation of employees to ensure outcome, impact, efficiency, and productivity gains to inform budgets. The optimisation and diversification of own revenue collection is critical in augmenting the equitable shares and conditional grant funding allocations that the province receives. Up to the end of the period under review, 73.3 per cent of the approved appropriation has been collected. The Provincial Revenue Fund obtained unqualified audit opinion with no other matters.

Increased compliance with legislated prescripts

This key focus area is critical as it aims to promote and enforce transparency and effective SCM in the Province and enhance and protect organisational value. This will be achieved by providing independent, objective assurance and consulting services that add value to the operations of GPG through systematic evaluation of governance risk management and controls that will fuel a culture of good governance in the province. The Department has promoted accountability through substantive reflection of financial activities as well as compliance with financial norms and standards in PFMA compliant institutions, while incorporating automated solutions in Gauteng government institutions. In improving audit outcomes, GPT strengthened internal controls throughout the province and provided assurance through implementation of risk based internal audits.

The Department has produced reports relating to the provincial target of spending 30 per cent of the procurement spend on township suppliers including ensuring that those suppliers also participate in high value contracts. It has also produced reports on sub-contracted suppliers. The Department also tracked all internal audit recommendations in provincial departments and entities with Annual Internal Control Assessments also conducted.

The Department continued to monitor the payment of suppliers by provincial departments to ensure compliance with the 30 days supplier payment policy. In supporting payment of suppliers on time, for the financial year to date, the department ensured that 99 per cent of supplier invoices are submitted electronically. GPT paid all invoices received within the stipulated 30 days. The GPT also ensured that consolidated AFS were tabled at Legislature in line with prescribed timeframes.

Sustainable local government finances

The objective of this outcome is to build capacity and capability to strengthen financial management practices in municipalities.

In support of municipalities, the department held 19 intergovernmental relations (IGR) engagements with relevant stakeholders as virtual platforms make it possible to have more engagements. As part of improving MFMA compliance by Gauteng delegated municipalities (across accountability cycle) quarterly assessments were conducted on all eight delegated municipalities to determine MFMA compliance. Further, eight assessments were carried out on the municipalities' draft and adopted budgets to assess their financial health and budget transfers from the provincial government to local government. Structured and targeted capacity building initiatives for delegated municipalities in Gauteng were also conducted and two gazette on provincial grants allocated to Gauteng municipalities were published.

Reduced youth unemployment

The focus of youth development programmes is to expose graduates to real-time hands-on work experience to be better prepared for the labour market. As part of the Tshepo 1 million initiative to reduce youth unemployment, the department has ensured that for the period under review, 87 youth are placed on development programmes and the programme is ongoing with new recruits anticipated before the end of the financial year. This includes internships, learnerships and provision of external bursaries by the department to deserving students.

Elevated priorities

The department has conducted consultations with stakeholders leading to the due diligence reports which will be produced to provide an analysis of the current legislative environment, assess legally enabling and licensing requirements to establish a state bank and pharmaceutical company. A Provincial task team was established to ensure the development of preferential procurement guidelines to improve compliance with preferential procurement and processes. To promote clean governance and ethical governance in GPG (departments, entities, and delegated municipalities) and to address the issues that lead to wastage of government resources and a regression in audit outcomes, a clean audit strategy is in development.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2023/24)

A new provincial cabinet has been pronounced in Gauteng and the newly elected Gauteng Premier, Mr. Panyaza Lesufi, outlined the plans that the Gauteng government intends to implement and prioritize in the remaining period of the 6th Administration. As we approach the end of political term, it is critical that the department's plan fulfils the priorities in the GGT 2030 and those highlighted in the GPG mid-term review of performance report.

Whilst the GGT 2030 strategy will remain the blueprint for guiding the work of the provincial government, a commitment has also been made to the following elevated priorities:

- Accelerate Gauteng's recovery and reconstruction.
- Declare crime, corruption, lawlessness, and vandalism as the enemy that must be defeated.
- Drastically change the living conditions of people in townships, informal settlements, and provincially owned hostels.
- Strengthen the capacity of the state to deliver quality services to the people of Gauteng and improve and capacitate Government communications with residents.
- Improve health and wellness of communities.

These policy directives are aligned with the GGT 2030 plan and are focused on improving the living conditions of Gauteng citizens, particularly the poor and vulnerable, who live in townships, informal settlements, and hostels. It is through this directive that the Gauteng Provincial Treasury led by the MEC of Finance has been commissioned to ensure the achievement of the following elevated priorities for the remainder of the current political administration:

- Development of a revenue model aimed at funding the e-toll debt;
- Establish a state-run pharmaceutical company;
- Establish a State-owned bank.

Enhanced sound finances in the Province

The Department will continue providing effective and efficient administration of fiscal resources in provincial institutions and table a spatially referenced MTEF budget that resources the GGT2030 strategy.

Reliable cash flow forecasts will ensure that cashflows are in line with revenue streams, thereby keeping the provincial liquidity position at sustainable levels. Provincial own revenue collection will be maximized through the implementation of the Own Revenue Enhancement Strategy. The revenue strategy aims to optimise current revenue streams and explore new sources of revenue.

Increased compliance with legislated prescripts

The mandate of the Treasury requires it to ensure compliance with various legislated prescripts and regulations. The GPT will render audit services and conduct quality assurance reviews to ensure audit compliance with the international standards for the professional practice of internal auditing of the Institute of Internal Auditors and report to the relevant Audit Committees about internal controls in the GPG.

The Department will furthermore promote accountability through substantive reflection of financial activities as well as compliance with financial norms and standards in PFMA and MFMA compliant institutions. Provincial departments, entities and delegated municipalities will be supported to promote improved legislative compliance in line with financial regulations and improved audit outcomes.

The GPT intends to promote and enforce transparency and effective SCM in the province through functions in the Provincial SCM Programme. The PSCM programme will provide oversight on the implementation of approved procurement plans, the open te

subcontracted contracts in support of the Township Economy Revitalisation (TER) Strategy.

Training workshops will also be provided to Gauteng township-based suppliers in support of supplier development and raising awareness to township suppliers on government procurement opportunities. The workshops will focus on women-owned businesses, youth-owned businesses, and military veteran businesses in struggling corridors and designated groups as identified by GPG departments. The PSCM programme will also assist the departments in the development of the Preferential Procurement Policy that will replace the PPR2017 court order.

The Department will also put measures in place to ensure that GEYODI targets relating to women representation in senior management are met and will prioritise procurement spend that is directed to women-owned and township-based businesses and those businesses owned by people with disabilities.

Sustainable local government finances

The objective of this outcome is to ensure efficient and effective management in municipalities and municipal entities and coordinate the provisioning of capacity building. Municipalities will be supported through structured and targeted initiatives on capacity building and training to capacitate municipal officials with the aim to strengthen their financial management practices. MFMA compliance assessments will be conducted to monitor the level of implementation by municipalities of the MFMA and its Regulations, and to identify gaps needing remedial actions.

The GPT will participate in and host IGR stakeholder engagements through various fora and MFMA compliance assessments will be conducted to monitor the municipalities' level of implementing the MFMA and its regulations.

Reduced youth unemployment

According to the results of the Quarterly Labour Force Survey of quarter 1 of 2022, published by Statistics SA, the country's youth unemployment rate is at 34.5 per cent. To combat this, the department will continue to implement targeted initiatives such as internships (graduates without experience), workplace integrated learning (technical and vocational education and training students requiring experiential learning to obtain their qualifications), learnerships (structured workplace learning leading to attainment of a professional or academic qualification) and external bursaries, and the appointment of youth as part of its staff establishment, to contribute towards a reduction in youth unemployment and contribute to skills development.

Alternative sources of funding

Sourcing of alternative funds alleviates the pressure on the already strained fiscus for the delivery of strategic infrastructure projects.

The Gauteng Infrastructure Financing Agency (GIFA) will explore various alternative and innovative funding solutions and source infrastructure projects that support economic growth and job creation, from provincial departments and municipalities and prepare them to reach a bankable state through feasibility studies., eventually releasing them to the market. The establishment of a state bank and a pharmaceutical company will be explored.

State-owned bank and pharmaceutical company

As stated in the Medium-Term Budget Speech 2022, the department has started with the important work of responding to the mandate of establishing the state-owned bank and the state-owned pharmaceutical company in line with the directive of Premier Lesufi. A legal team has been established led by Senior Counsel to provide sound legal framework related to this work and will soon appoint an Advisory Panels to support the work of establishing these entities. The baseline study for the establishment of a State-owned pharmaceutical company and the legal due diligence exercise on the establishment of a State-owned Developmental Bank are completed. The department will be embarking on wider stakeholder consultations and engagements to determine feasible models for the entities.

Clean audit campaign

Clean audits in GPG institutions continue to be a priority matter and the GPT will enhance its oversight and support role to address findings that lead to regression in audit outcomes and improve on accountability and governance matters. The department will continue to provide support to the resolution of outstanding audit matters raised by internal audit and Auditor General South Africa (AGSA) to improve on areas of concerns in governance and financial management through targeted interventions. The Department plans on running a clean audit campaign that will be launched with the assistance of the media, then followed by individual meetings with departments' executives where they will outline their plans to honour their commitments of either sustaining or improving to clean audits.

4. REPORTISATION

Department reprioritised within compensation of employees to ensure alignment with the approved structure. The departmental 2023 MTEF indicates a change in the baseline between economic classifications, only reprioritisation within compensation of employees to goods and services and payment for capital assets which affected programmes such as Administration, Sustainable Fiscal Resource Management, Financial Governance, Municipal Financial Governance and Gauteng Audit Services, thereby allocating funds to accommodate the approved and implemented municipal hands on support programme, provision for audit committee members meetings, computer services, equipment and specialised audit assignments.

5. PROCUREMENT

The Department continues to make strides in pioneering open and transparent procurement through the open tender process. This has continued to enhance the oversight role through proactive assurance in monitoring compliance with SCM prescripts. Ensuring open, transparent, and compliant SCM practices will continue to be a strategic focus for the Department.

The Department will source/ implement the following key projects through the open tender process: multi-disciplinary team to provide technical support for Infrastructure Performance; Development of Information Verification System including support and maintenance.

The GPT continues to set the standard in terms of clean audits within the procurement space. The Department will focus on improving its performance in achieving the provincial targets of procurement spend on the designated groups, local content and in achieving its BBBEE commitments. The GPT has to formulate sound sourcing strategies in line with the prescripts to ensure an improved performance in empowering businesses owned by women, youth, people with disabilities, military veterans and businesses located in townships. This will ensure that the procurement spend of the Department is representative of the Gauteng's demographics and that it promotes equity.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 14.1: SUMMARY OF RECEIPTS: GAUTENG PROVINCIAL TREASURY

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|-----------------------|----------------|----------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Equitable share | 692 956 | 616 201 | 611 959 | 792 933 | 684 065 | 684 065 | 818 465 | 850 526 | 886 339 |
| Total receipts | 692 956 | 616 201 | 611 959 | 792 933 | 684 065 | 684 065 | 818 465 | 850 526 | 886 339 |

The equitable share spending of the Department decreased from R692.9 million in 2019/20 to R611.9 million in 2021/22. The main appropriation amounts to R792.9 million and the revised estimates amount to R684 million in 2022/23. The reduction was due to unfilled vacancies in the new approved structure. The allocation increases from R818.5 million in 2023/24 to R886.3 million in 2025/26. This increase in the allocation caters for the departmental plans to implement the approved structure after obtaining DPSA approval with the additional funding provided for improvement of conditions of service and to implement the projects and programmes planned for the MTEF period.

The Department's MTEF budget provides for various key projects and programmes, such as media services for citizen engagement in relation to the formulation and tabling of the province's budget and the implementation of the technical support capacity to ensure Infrastructure Performance across the three identified focus areas. The budget also provides for the software licenses, support to municipalities regarding the implementation of the municipal hands-on support programme and external training (i.e., annual financial statements, GRAP and the Institute of Internal Auditors training) as well as SCM interventions to improve procurement practices and combat corruption.

TABLE 14.2: SUMMARY OF DEPARTMENTAL RECEIPTS

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|---|------------------|----------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Tax receipts | | | | | | | | | |
| Sales of goods and services other than capital assets | 657 | 557 | 532 | 869 | 869 | 869 | 929 | 971 | 1 015 |
| Transfers received | | | | | | | | | |
| Interest, dividends and rent on land | 1 034 732 | 751 706 | 634 031 | 622 806 | 622 806 | 810 090 | 669 526 | 713 005 | 744 948 |
| Sales of capital assets | 8 | 133 | 14 | | | | | | |
| Transactions in financial assets and liabilities | 374 | 224 | 998 | 416 | 416 | 416 | 443 | 463 | 484 |
| Total departmental receipts | 1 035 771 | 752 620 | 635 575 | 624 091 | 624 091 | 811 375 | 670 898 | 714 439 | 746 447 |

The main source of departmental receipts is interest earned on cash balances. The other receipts are in a form of recoveries such as staff parking fees and recovery of debts from previous financial years. The interest revenue accounts for 99.8 percent of the total revenue collected by the Department.

The interest revenue decreased from R 1 billion in 2019/20 to R634 million in 2021/22, this is due to increased spending by other departments such as Health for the procurement of the PPEs. The interest revenue budget is set conservatively given that an increased spending in the province would reduce the cash balances and result in lower interest revenue earned. For this reason, the overall revenue budget is set to increase from R670.9 million in 2023/24 to R714.4 million in 2024/25 and R746.4 million in 2025/26.

Sales of goods and services other than capital assets include staff parking fees and the sale of tender documents. This source decreased from R657 000 in 2019/20 and R532 000 in 2021/22. The budget for sales of goods and services other than capital assets over the MTEF increases from R929 000 in 2023/24 to R1 million in 2025/26. The availability of tender documents online enables service providers to download documents for free from the tender portal. This has reduced revenue collected from this source.

PAYMENT SUMMARY

7.1 Key assumptions

The 2023 MTEF budget is informed by GPT's Strategic Plan, Annual Performance Plan, provincial outcomes and the Elevated Priorities GPG's sixth administration and the GGT 2030 Vision Plan. The following key assumptions inform the budget: COE growth within the MTEF technical guideline of 4.5 per cent in 2023/24, 4.49 per cent in 2024/25 and 4.48 per cent in 2025/26. The department has been allocated additional funds for improvement of conditions of service due to the wage agreement.

7.2 Programme summary

TABLE 14.3: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: GAUTENG PROVINCIAL TREASURY

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|---|----------------|----------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| 1. Administration | 141 191 | 132 517 | 125 106 | 168 190 | 173 506 | 173 113 | 174 486 | 175 470 | 182 665 |
| 2. Sustainable Fiscal Resource Management | 190 039 | 146 639 | 147 431 | 170 197 | 151 162 | 151 210 | 170 030 | 176 255 | 182 526 |
| 3. Financial Governance | 111 076 | 109 580 | 109 762 | 137 496 | 115 980 | 116 063 | 135 902 | 144 705 | 151 187 |
| 4. Provincial Supply Chain Management | 106 525 | 100 868 | 90 029 | 108 349 | 88 279 | 88 354 | 105 124 | 110 117 | 115 050 |
| 5. Municipal Financial Governance | 50 741 | 39 448 | 38 580 | 73 720 | 46 793 | 46 873 | 90 882 | 95 528 | 99 808 |
| 6. Gauteng Audit Services | 93 384 | 87 149 | 101 051 | 134 981 | 108 345 | 108 452 | 142 041 | 148 451 | 155 103 |
| Total payments and estimates | 692 956 | 616 201 | 611 959 | 792 933 | 684 065 | 684 065 | 818 465 | 850 526 | 886 339 |

7.3 Summary of economic classification

TABLE 14.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG PROVINCIAL TREASURY

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|--------------------------------------|----------------|----------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 580 612 | 546 465 | 545 237 | 728 589 | 605 768 | 605 768 | 745 619 | 783 303 | 817 729 |
| Compensation of employees | 469 617 | 469 914 | 473 398 | 665 389 | 515 121 | 515 121 | 657 425 | 693 124 | 723 512 |
| Goods and services | 110 995 | 76 551 | 71 839 | 63 200 | 90 647 | 90 647 | 88 194 | 90 179 | 94 217 |
| Transfers and subsidies to: | 106 247 | 62 230 | 66 146 | 64 163 | 66 328 | 66 328 | 65 946 | 65 967 | 67 298 |
| Departmental agencies and accounts | 101 940 | 61 406 | 64 044 | 63 706 | 63 706 | 63 706 | 65 468 | 65 468 | 66 777 |
| Non-profit institutions | | | | | | | | | |
| Households | 4 307 | 824 | 2 102 | 457 | 2 622 | 2 622 | 478 | 499 | 521 |
| | 6 097 | 7 506 | 538 | 181 | 11 969 | 11 969 | 6 900 | 1 256 | 1 312 |
| Machinery and equipment | 6 097 | 7 506 | 538 | 181 | 11 969 | 11 969 | 6 900 | 1 256 | 1 312 |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | 38 | | | | | | |
| Total economic classification | 692 956 | 616 201 | 611 959 | 792 933 | 684 065 | 684 065 | 818 465 | 850 526 | 886 339 |

The departmental 2023 MTEF indicates a change in the baseline due to the provision of additional funding on compensation of employees for the improvement of conditions of services. The equitable share spending of the Department decreased from R693 million in 2019/20 to R616.2 million in 2020/21. The expenditure further decreased in 2021/22 to R611.9 million. The revised estimates amount to R684.1 million in 2022/23. Over the MTEF the baseline allocation increases to R818.5 million in 2023/24, R850.5 million in 2024/25 and R886.3 million in 2025/26.

Expenditure on compensation of employees increased from R469.6 million in 2019/20 to a projected amount of R515.1 million in 2022/23. The budget continues to grow in the 2023 MTEF period, from R657.4 million in 2023/24 to R723.5 million in 2025/26, which corresponds with the departmental plans to implement the new organisational structure that was approved by the DPSA. The budget for compensation of employees provides for all personnel related costs including the additional funding improvement of conditions of services.

Regarding goods and services, the Department has made provisions for key projects and initiatives over the 2023 MTEF period, such as the media services for citizen engagement in relation to the formulation and tabling of the province's budget and the implementation of the technical support capacity to ensure Infrastructure Performance across the three identified focus areas. The budget also provides for the implementation of Accounts Payable Robotic Process Automation and Development of Information Verification System including support and maintenance, support to municipalities regarding the implementation of Municipal Standard Chart of Accounts (MSCOA) and General Advisors hands-on support, and external training (i.e., annual financial statements, GRAP, Infrastructure Asset Management Training and continuous professional development training for internal auditors). The budget also provides for Automation of Market Price Data Collection, Business Application Solution Development other SCM interventions.

The expenditure for goods and services decreased from R111 million in 2019/20 to R71.8 million in 2021/22 due to reprioritisation of funding towards measures implemented to contain COVID-19 and the suspension of probity audit budgets to GPG departments. The revised estimates for 2022/23 is R90.6 million. The allocation for goods and services over the MTEF is R88.2 million for 2023/24, R90.2 million for 2024/25 and R94.2 million for 2025/26. This budget also provides for operational expenses such as property payments and administrative fees. The increase is due to the reprioritisation exercise performed to cater for approved contract that required funds over the MTEF. The department will require further reprioritisation in order to fund the implementation processes for the establishment of the state-owned bank and state-owned pharmaceutical company.

Transfer payments to GIFA decreased from R101.9 million in 2019/20 to R64 million in 2021/22. The budget for the GIFA's operations amounts to R63.7 million in 2022/23 and it increases from R65.5 million to R66.8 million over the MTEF. Transfers to households decreased from R4.3 million in 2019/20 to R2.1 million in 2021/22, however revised estimates increased in 2022/23 to R2.6 million and over the 2023 MTEF amounts to R478 000 in 2023/24, R499 000 in 2024/25 and R521 000 in 2025/26. This is to provide for external bursaries to disadvantaged students.

Payments for capital assets expenditure decreased from R6 million in 2019/20 to R538 000 in 2021/22. The revised estimates budget in 2022/23 amounts to R11.9 million. Payments for capital assets mainly fund the provision of tools of trade for departmental officials such as laptops. The resourcing is based on a structured IT equipment refresh process which is informed by the economic useful life of the various IT assets and warranties. The allocation increases over the MTEF period from R6.9 million in 2023/24, and slightly decreases to R1.3 million in 2024/25 and R1.3 million in 2025/26. The funds are reprioritised during 2023/24 to cater for new employees, budget for 2024/25 and 2025/26 will cater for upgrades.

7.4 Infrastructure payments

N/A

7.4.1 Departmental infrastructure payments

N/A

7.4.2 Departmental Public-Private-Partnership (PPP) projects

The Department does not have any PPP projects. The Provincial Treasury's oversight responsibilities for PPPs within the Province are housed under Sub-programme: Infrastructure Management (Element: PPP unit).

Transfers to public entities

N/A

7.5.2 Transfers to other entities

TABLE 14.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES: GAUTENG PROVINCIAL TREASURY

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|--|----------------|---------------|---------------|--------------------|-----------------------------------|------------------|-----------------------|---------------|---------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| GAUTENG INFRA-STRUCTURE FINANCING AGENCY | 101 940 | 61 406 | 64 044 | 63 706 | 63 706 | 63 706 | 65 468 | 65 468 | 66 777 |
| Total departmental transfers | 101 940 | 61 406 | 64 044 | 63 706 | 63 706 | 63 706 | 65 468 | 65 468 | 66 777 |

Transfer payments to GIFA decreased from R101.9.5 million in 2019/20 to R64 million in 2021/22. The reduction was due to the capitalisation of the Project Preparation Facility (PPF). The budget for the GIFA's operations amounts to R63.7 million in 2022/23, increasing from R65.5 million to R66.8 million over the MTEF. The increase in allocation is aimed at ensuring a sustainable pipeline of strategic infrastructure projects that are catalysts for socio-economic development in the province. In the coming financial years, the GIFA will continue sourcing projects from municipalities and provincial departments and financing their feasibility studies through the Project Preparation Facility (PPF).

3.5.3 Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

- To provide effective and ethical leadership, management and administrative support to enable the Department to deliver on its mandate.

Programme objectives

- To provide proactive political, strategic, and administrative support to the MEC.
- To manage and facilitate the provision of executive support and stakeholder management services.
- To ensure sound financial management in the GPT.
- To ensure compliance to good governance principles by providing corporate support services to the Department.
- To manage and coordinate the implementation of strategic management services.

TABLE 14.6: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: ADMINISTRATION

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|---|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| 1. Office Of the MEC | 9 630 | 9 975 | 10 531 | 13 196 | 11 358 | 11 358 | 10 976 | 11 127 | 11 624 |
| 2. Office of The HoD | 20 250 | 19 354 | 2 990 | 14 029 | 29 017 | 17 782 | 14 660 | 15 317 | 16 002 |
| 3. Corporate Management | 81 667 | 71 441 | 76 127 | 88 517 | 83 986 | 93 653 | 94 103 | 97 151 | 101 502 |
| 4. Financial Management (CFO) | 29 644 | 31 747 | 26 910 | 37 911 | 38 724 | 39 030 | 39 556 | 36 003 | 36 956 |
| 5. Strategy Management and Transformation Program | | | 8 548 | 14 537 | 10 421 | 11 290 | 15 191 | 15 872 | 16 581 |
| Total payments and estimates | 141 191 | 132 517 | 125 106 | 168 190 | 173 506 | 173 113 | 174 486 | 175 470 | 182 665 |

TABLE 14.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--------------------------------------|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 134 764 | 124 793 | 123 885 | 167 552 | 159 970 | 159 970 | 167 108 | 173 715 | 180 832 |
| Compensation of employees | 94 512 | 99 089 | 96 117 | 139 924 | 114 342 | 114 342 | 139 205 | 145 808 | 151 678 |
| Goods and services | 40 252 | 25 704 | 27 768 | 27 628 | 45 628 | 45 628 | 27 903 | 27 907 | 29 154 |
| Interest and rent on land | | | | | | | | | |
| Transfers and subsidies to: | 330 | 218 | 645 | 457 | 1 567 | 1 174 | 478 | 499 | 521 |
| Provinces and municipalities | | | | | | | | | |
| Households | 330 | 218 | 645 | 457 | 1 567 | 1 174 | 478 | 499 | 521 |
| | 6 097 | 7 506 | 538 | 181 | 11 969 | 11 969 | 6 900 | 1 256 | 1 312 |
| Machinery and equipment | 6 097 | 7 506 | 538 | 181 | 11 969 | 11 969 | 6 900 | 1 256 | 1 312 |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | 38 | | | | | | |
| Total economic classification | 141 191 | 132 517 | 125 106 | 168 190 | 173 506 | 173 113 | 174 486 | 175 470 | 182 665 |

The expenditure for Administration programme increased from R141.2 million in 2019/20 to R132.5 million in 2020/21. Expenditure decreased to R125.1 million in the 2021/22 financial year. The revised estimates for 2022/23 amounts to R173.1 million in line with the funding requirements of the programme. Over the MTEF period, the budget increases from R174.5 million in the 2023/24 financial year to R175.5 million in 2024/25 and R182.7 million in 2025/26.

Expenditure on compensation of employees increased from R94.5 million in 2019/20 to R96.1 million in 2021/22 financial year. The revised estimate for 2022/23 amounts to R114.3 million. Over the MTEF period, the budget allocation is R139.2 million in 2023/24, R145.8 million in 2024/25 and R151.7 million in 2025/26. The increase in compensation of employees is due to increase in capacity to support the growth in the Department in terms of personnel and functions. The budget for compensation of employees provides for all personnel related costs.

The main cost drivers under goods and services are utilities, external audit costs, lease payments, communication, and property payments. The Department also has various projects earmarked and catered for under goods and services such IT equipment refreshing programme and Corporate Performance and Evaluation Information Systems such as MERMS.

Payments for capital assets expenditure decreased from R6 million in 2019/20 to R538 000 in 2021/22. The revised estimates budget in 2022/23 amounts to R11.9 million.

Payments for capital assets mainly fund the provision of tools of trade for departmental officials such as laptops. The resourcing is based on a structured IT equipment refresh process which is informed by the economically useful life of the various IT assets and warranties. The allocation increases over the MTEF period from R6.9 million in 2023/24, and slightly decreases to R1.3 million in 2024/25 and R1.3 million in 2025/26. The funds are reprioritised during 2023/24 to cater for new employees, and the budget for 2024/25 and 2025/26 will cater for refresher programme.

SERVICE DELIVERY MEASURES**PROGRAMME1: ADMINISTRATION**

| Programme performance measures | Estimated performance | Medium-term estimates | | |
|---|--|--|---------------------------|---------------------------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| AG audit outcome | Unqualified audit outcome | Unqualified audit outcome | Unqualified audit outcome | Unqualified audit outcome |
| % of supplier payments paid within 30 days after receipt of valid invoice | 100% | 100% | 100% | 100% |
| Number of APP submitted to GPL on due date | 2 | 1 | 1 | 1 |
| Number of approved departmental risk register | 1 | 1 | 1 | 1 |
| Number of workshops and/or training conducted to promote awareness on transformation agenda matters | 4 | 4 | 4 | 4 |
| Number of reports submitted to OoP to monitor the implementation of GEYODI programmes | 4 | 4 | 4 | 4 |
| % of women appointed at SMS level | 50% | 50% | 50% | 50% |
| % of youth in development programmes | 10% | 10% | 10% | 10% |
| Business Case on the establishment of a state bank | Legal due diligence report on establishment of a state-owned bank conducted | Business Case for establishment of state-owned bank developed and approved | - | - |
| Business Case on the establishment of a pharmaceutical company | Legal due diligence reports on the establishment of a pharmaceutical company | Business Case for establishment of a pharmaceutical company developed and approved | - | - |

PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT**Programme description**

- To enforce the effective and efficient administration of fiscal resources at provincial institutions.

Programme objectives

- To provide socio-economic research and analysis as well as ensure effective oversight over revenue.
- To develop and manage the implementation of policy frameworks.
- To enhance and monitor infrastructure performance of provincial departments, entities and municipalities.
- To promote and enforce transparency and effective management of the provincial financial assets' portfolio.
- To monitor and report on financial and non-financial performance in provincial institutions.

TABLE 14.8: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|---|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| 1. SFRM Programme Support | 106 113 | 64 715 | 67 093 | 68 593 | 67 874 | 67 887 | 70 592 | 70 821 | 72 371 |
| 2. Budget Management | 26 061 | 25 791 | 24 054 | 30 052 | 25 001 | 25 086 | 27 365 | 28 683 | 29 968 |
| 3. Economic and Fiscal Policy Oversight | 13 461 | 12 550 | 12 721 | 15 421 | 13 354 | 13 568 | 16 112 | 16 837 | 17 591 |
| 4. Infrastructure Management | 12 906 | 13 540 | 14 108 | 22 236 | 13 849 | 13 536 | 21 529 | 23 935 | 25 006 |
| 5. Financial Asset and Liabilities Management | 12 385 | 13 028 | 13 389 | 15 239 | 14 556 | 14 556 | 15 788 | 16 497 | 17 235 |
| 6. Public Finance | 19 113 | 17 015 | 16 066 | 18 656 | 16 528 | 16 577 | 18 644 | 19 482 | 20 355 |
| Total payments and estimates | 190 039 | 146 639 | 147 431 | 170 197 | 151 162 | 151 210 | 170 030 | 176 255 | 182 526 |

TABLE 14.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|-----------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 87 909 | 85 233 | 83 370 | 106 491 | 87 443 | 87 443 | 104 562 | 110 787 | 115 749 |
| Compensation of employees | 69 530 | 68 454 | 70 309 | 91 642 | 73 594 | 73 594 | 89 021 | 94 549 | 98 784 |
| Goods and services | 18 379 | 16 779 | 13 061 | 14 849 | 13 849 | 13 849 | 15 541 | 16 238 | 16 965 |
| Interest and rent on land | | | | | | | | | |
| Transfers and subsidies to: | 102 130 | 61 406 | 64 061 | 63 706 | 63 719 | 63 767 | 65 468 | 65 468 | 66 777 |

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--------------------------------------|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Departmental agencies and accounts | 101 940 | 61 406 | 64 044 | 63 706 | 63 706 | 63 706 | 65 468 | 65 468 | 66 777 |
| Households | 190 | | 17 | | 13 | 61 | | | |
| Buildings and other fixed structures | | | | | | | | | |
| Land and sub-soil assets | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 190 039 | 146 639 | 147 431 | 170 197 | 151 162 | 151 210 | 170 030 | 176 255 | 182 526 |

Expenditure for Sustainable Fiscal Resource Management decreased from R190 million in 2019/20 to R147.4 million in the 2021/22 due to vacant posts on the new approved structure that have not been filled yet. The revised estimate amounts to R151.2 million in 2022/23 with the programme anticipating filling the vacant posts in the new approved structure. The budget is set to increase from R170 million in 2023/24 to R182.5 million in 2025/26 to provide for transfer payments, personnel costs and goods and services.

The average spending on compensation of employees was R69.4 million during the first three years under review. The budget for compensation of employees over the MTEF increases from R89 million in 2023/24 to R94.5 million in 2024/25 and R98.8 million 2025/26 to accommodate the requirements of the approved organisational structure.

Expenditure on goods has decreased from R18.4 million in 2019/20 to R16.8 million in 2020/21 and R13.1 million in 2021/2022. Over the MTEF period the allocation for goods and services is R15.5 million in 2023/24, R16.2 million in 2024/25 and R17 million in 2025/26. The main cost drivers under this programme are media services, implementation of the Infrastructure Performance across the three identified focus areas, and the printing of provincial publications such as SERO, MTBPS, and the budget books.

Transfer payments to GIFA decreased from R101.9.5 million in 2019/20 to R64 million in 2021/22. The reduction was due to the capitalisation of the Project Preparation Facility (PPF). The budget for the GIFA's operations amounts to R63.7 million in 2022/23, increasing from R65.5 million to R66.8 million over the MTEF. The increase in allocation is aimed at ensuring a sustainable pipeline of strategic infrastructure projects that are catalysts for socio-economic development in the province. In the coming financial years, the GIFA will continue sourcing projects from municipalities and provincial departments and financing their feasibility studies through the Project Preparation Facility (PPF).

SERVICE DELIVERY MEASURES

PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

| Programme performance measures | Estimated performance | Medium-term estimates | | |
|---|---|--|--|--|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| % of GPG wage bill against allocated budget | 60% or less | 60% or less | 60% or less | 60% or less |
| Number of spatially referenced MTEF and adjustment budgets tabled in line with prescribed timeframes | 1 MTEF spatially referenced budget tabled in line with prescribed timeframes | 1 MTEF spatially referenced budget tabled in line with prescribed timeframes | 1 MTEF spatially referenced budget tabled in line with prescribed timeframes | 1 MTEF spatially referenced budget tabled in line with prescribed timeframes |
| | 1 spatially referenced adjustment budgets tabled in line with prescribed timeframes | 1 spatially referenced adjustment budget tabled in line with prescribed timeframes | 1 spatially referenced adjustment budget tabled in line with prescribed timeframes | 1 spatially referenced adjustment budget tabled in line with prescribed timeframes |
| % of assessment reports of the submitted planning documents completed and submitted to the departments before the prescribed legislated timeframe | 100% | 100% | 100% | 100% |
| Cash disbursements to departments in line with appropriation | Cash disbursed to departments to not exceed appropriation | Cash disbursed to departments to not exceed appropriation | Cash disbursed to departments to not exceed appropriation | Cash disbursed to departments to not exceed appropriation |
| AG Audit outcome for the Provincial Revenue Fund | Unqualified audit opinion with no other matters | Unqualified audit opinion with no other matters | Unqualified audit opinion with no other matters | Unqualified audit opinion with no other matters |
| % increase in provincial own revenue collection | 6.7% | 7.5% increase in provincial own revenue collection | 7.5% increase in provincial own revenue collection | CPI +2 increase in provincial own revenue collection |

| | | | | |
|--|--|--|--|--|
| Number of SERO tabled in line with prescribed timeframes | 1 SERO publication tabled in line with prescribed timeframes | 1 SERO tabled in line with prescribed timeframes | 1 SERO tabled in line with prescribed timeframes | 1 SERO tabled in line with prescribed timeframes |
| Number of MTBPS tabled in line with prescribed timeframes | 1 MTBPS tabled in line with prescribed timeframes | 1 MTBPS tabled in line with prescribed timeframes | 1 MTBPS tabled in line with prescribed timeframes | 1 MTBPS tabled in line with prescribed timeframes |
| Number of Provincial Gazettes on allocations to schools and hospitals | 2 Gazettes on allocations to schools and hospitals | 2 Gazettes on allocations to schools and hospitals | 2 Gazettes on allocations to schools and hospitals | 2 Gazettes on allocations to schools and hospitals |
| Number of legislated provincial reports produced according to the National Treasury (NT) timeframes (i.e., Departmental IYM reports and Entities' IYM reports) | 12 IYM submissions for departments | 12 Consolidated IYM reports for departments | 12 Consolidated IYM reports for departments | 12 Consolidated IYM reports for departments |
| | 40 Individual IYM reports for entities | 40 Individual IYM reports for entities | 40 Individual IYM reports for entities | 40 Individual IYM reports for entities |

PROGRAMME 3: FINANCIAL GOVERNANCE

Programme description

- To promote accountability through substantive reflection of financial activities as well as compliance with financial standards, norms and standards as contained in the PFMA.

Programme objectives

To provide advisory services, monitor and enforce compliance with the PFMA.

- To provide oversight and managements of transversal financial systems and ensure compliance in the implementation of new provincial automation processes.
- To manage and provide oversight on provincial audit and risk management services.
- To enforce the effective implementation of accounting practices and prepare accurate consolidated financial statements.

TABLE 14.10: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: FINANCIAL GOVERNANCE

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| 1. FG Programme Support | 5 102 | 3 713 | 3 374 | 7 553 | 1 849 | 1 849 | 4 503 | 4 704 | 4 914 |
| 2. Provincial Accounting Services | 54 149 | 53 474 | 55 193 | 61 703 | 56 750 | 56 751 | 65 050 | 67 969 | 71 014 |
| 3. Transversal Internal Audit and Risk Management | 16 886 | 17 870 | 17 795 | 22 935 | 18 580 | 18 622 | 21 580 | 23 715 | 24 777 |
| 4. Compliance | 3 504 | 3 555 | 3 003 | 5 589 | 4 098 | 4 118 | 5 785 | 6 045 | 6 316 |
| 5. Transversal Financial Information Management Systems and SAP ERP Process and System Support | 31 435 | 30 968 | 30 397 | 39 716 | 34 703 | 34 723 | 38 984 | 42 272 | 44 166 |
| Total payments and estimates | 111 076 | 109 580 | 109 762 | 137 496 | 115 980 | 116 063 | 135 902 | 144 705 | 151 187 |

TABLE 14.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FINANCIAL GOVERNANCE

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--------------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 111 039 | 109 063 | 109 105 | 137 496 | 115 859 | 115 859 | 135 902 | 144 705 | 151 187 |
| Compensation of employees | 103 109 | 102 483 | 101 345 | 128 773 | 106 136 | 106 136 | 125 785 | 134 178 | 140 188 |
| Goods and services | 7 930 | 6 580 | 7 760 | 8 723 | 9 723 | 9 723 | 10 117 | 10 527 | 10 999 |
| Interest and rent on land | | | | | | | | | |
| Transfers and subsidies to: | 37 | 517 | 657 | | 121 | 204 | | | |
| Provinces and municipalities | | | | | | | | | |
| Households | 37 | 517 | 657 | | 121 | 204 | | | |
| Machinery and equipment | | | | | | | | | |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 111 076 | 109 580 | 109 762 | 137 496 | 115 980 | 116 063 | 135 902 | 144 705 | 151 187 |

Expenditure for Financial Governance programme has decreased from R111 million in the 2019/20 financial year to R109.8 million in the 2021/22 financial year. The 2022/23 revised estimate amounts to R116.1 million. The budget allocation over the MTEF

period is R135.9 million in 2023/24, R144.7 million in 2024/25 and R151.2 million in the 2025/26 financial years. The increase will fund various system developments and enhancement projects as a commitment to modernising the public service for effective service delivery.

Expenditure on compensation of employees decreased from R103.1 million in 2019/20 to R101.3 million in 2021/22. The revised estimate for 2022/23 amounts to R106.1 million. The budget increases from R125.8 million in 2023/24 to R140.2 million in 2025/26 over the MTEF period to fund the requirements of the approved organisational structure.

Goods and services expenditure decreases from R7.9 million in 2019/20 to R7.8 million in 2021/22. The revised estimate for 2022/23 is R9.7 million. Over the MTEF, the goods and services budget ranges between R10.1 million 2023/24 to R11 million in 2025/26. The spending focus over MTEF will be on implementation of Accounts Payable Robotic Process Automation and Development of Information Verification System including support and maintenance and the payment for audit committee members. These efforts are in line with the promotion of accountability through substantive reflection of financial activities as well as compliance with financial norms and standards.

SERVICE DELIVERY MEASURES

PROGRAMME 3: FINANCIAL GOVERNANCE

| Programme performance measures | Estimated performance | Medium-term estimates | | |
|--|--|--|--|--|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| % of Annual Financial Statements submitted by departments | 100% | 100% | 100% | 100% |
| % of Annual Financial Statements submitted by entities | 100% | 100% | 100% | 100% |
| Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines | 21/22 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines | 22/23 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines | 23/24 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines | 24/25 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines |
| Number of 30-day suppliers' payment compliance reports produced | 4 | 4 | 4 | 4 |
| % of supplier invoices submitted electronically | 90% | 90% | 90% | 90% |
| Number of targeted training workshops provided to GPG departments and entities | New Indicator | 2 | 2 | 2 |
| Number of audit committee meetings held | New Indicator | 25 | 25 | 25 |

PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

Programme description

- To promote and enforce transparency and effective Supply Chain Management.

Programme objective

- To establish uniform SCM policy, norms and standards, governance mechanisms and to enforce compliance.
- To provide SCM client support within the GPG.
- To establish SCM transversal contract management and strategic procurement mechanisms.

TABLE 14.12: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: PROVINCIAL SUPPLY CHAIN MANAGEMENT

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|---|----------------|----------------|---------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| 1. PSCM Programme Support | 34 344 | 26 605 | 16 569 | 5 834 | 8 113 | 8 112 | 6 108 | 6 381 | 6 667 |
| 2. SCM Norms and Standards, Governance, Compliance, Monitoring and Evaluation | 15 119 | 15 700 | 11 977 | 19 748 | 14 727 | 14 728 | 18 613 | 19 537 | 20 412 |
| 3. SCM Client Support | 29 609 | 27 600 | 34 794 | 44 941 | 37 561 | 37 627 | 42 965 | 45 080 | 47 099 |
| 4. Contract Management and Strategic Procurement | 27 453 | 30 963 | 26 689 | 37 826 | 27 878 | 27 887 | 37 438 | 39 119 | 40 872 |
| Total payments and estimates | 106 525 | 100 868 | 90 029 | 108 349 | 88 279 | 88 354 | 105 124 | 110 117 | 115 050 |

TABLE 14.13: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL SUPPLY CHAIN MANAGEMENT

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|--------------------------------------|----------------|----------------|---------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 103 380 | 100 867 | 89 783 | 108 349 | 87 458 | 87 458 | 105 124 | 110 117 | 115 050 |
| Compensation of employees | 76 952 | 78 882 | 76 431 | 105 309 | 81 918 | 81 918 | 101 947 | 106 798 | 111 582 |
| Goods and services | 26 428 | 21 985 | 13 352 | 3 040 | 5 540 | 5 540 | 3 177 | 3 319 | 3 468 |
| Interest and rent on land | | | | | | | | | |
| Transfers and subsidies to: | 3 145 | 1 | 246 | | 821 | 896 | | | |
| Non-profit institutions | | | | | | | | | |
| Households | 3 145 | 1 | 246 | | 821 | 896 | | | |
| Land and sub-soil assets | | | | | | | | | |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 106 525 | 100 868 | 90 029 | 108 349 | 88 279 | 88 354 | 105 124 | 110 117 | 115 050 |

Expenditure for the Provincial Supply Chain Management programme decreased from R106.5 million in the 2019/20 financial year to R90 million in 2021/22 due to Covid-19 restrictions and decentralisation of Probity Audits to GPG departments. The revised estimate for 2022/23 amounts to R88.3 million to implement crucial interventions aimed at improving supply chain management in the province. The allocations over the MTEF amount to R105.1 million in 2023/24, R110.1 million in 2024/25 and R115 million in 2025/26. These allocations provide for increasing the capacity in the various sub-units within the programme; supplier development to support the Township Economy Revitalisation Strategy.

Expenditure on compensation of employees decreased from R77 million in 2019/20 to R76.4 in 2021/22 million due to vacant posts on the approved structure that have not been filled yet. The revised estimate for 2022/23 is R81.9 million. Over the MTEF, the budget increases from R101.9 million in 2023/24 to R111.6 million in 2025/26 to capacitate the various business units within the programme.

Expenditure on goods and services decreased from R26.4 million in 2019/20 to R13.4 million in 2021/22 due to decrease in payments of probity audits for the open tender projects. The revised estimate for 2022/23 amounts to R5.5 million. The allocation for goods and services over the MTEF is R3.2 million for 2023/24, R3.3 million for 2024/25 and R3.5 million for 2025/26. The reduction in goods and services is due to the reallocation of funds for the probity audits from GPT to GPG departments. The focus will be on implementation of Township Economy Revitalisation Strategy, Automation of Market Price Data Collection, Business Application Solution Development other SCM interventions aimed at combatting corruption as well as other operational requirements.

The revised estimates on transfers and subsidies relates to the payment of leave gratuities to former employees.

SERVICE DELIVERY MEASURES

PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

| Programme performance measures | Estimated performance | Medium-term estimates | | |
|---|-----------------------|-----------------------|---------|---------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| Number of SCM compliance registers produced for departments | 4 | 56 | 56 | 56 |
| Number of SCM compliance registers produced for Public Entities | 4 | 32 | 32 | 32 |
| Number of reports produced on 30% spend on township suppliers | 4 | 4 | 4 | 4 |
| Number of training workshops provided to Gauteng township-based suppliers | 8 | 8 | 8 | 8 |
| Number of reports produced on monitoring implementation of Open Tender Process (OTP) by departments | 4 | 4 | 4 | 4 |
| Number of reports produced on monitoring implementation of Open Tender Process (OTP) by entities | 4 | 4 | 4 | 4 |
| Number of reports produced on monitoring implementation of procurement plans by departments | 2 | 2 | 2 | 2 |

PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE**Programme description**

- To ensure efficient and effective management in Municipalities and municipal entities and coordinate the provisioning of capacity building.

Programme objective

- Ensure optimal and sustainable budget management and monitor the effective and efficient compliance with financial assets and liabilities management.
- Monitor compliance with financial management and annual reporting frameworks. Enhance, monitor, and enforce transparent and effective asset management and coordinate, monitor and report on MFMA implementation
- Ensure municipal compliance on financial management.

TABLE 14.14: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB PROGRAMME: MUNICIPAL FINANCIAL GOVERNANCE

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|--|---------------|---------------|---------------|--------------------|-----------------------------------|------------------|-----------------------|---------------|---------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| 1. Programme Support/ Office of The DDG | 50 741 | 39 448 | 16 939 | 12 640 | 15 876 | 15 840 | 27 806 | 28 200 | 29 464 |
| 2. Local Government Financial Services | | | 12 880 | 23 259 | 14 030 | 14 067 | 23 554 | 23 791 | 24 857 |
| 3. Municipal Accounting Reporting and Asset Management | | | | 20 803 | 5 759 | 5 795 | 21 739 | 23 835 | 24 903 |
| 4. Municipal Compliance and Financial Management Support | | | 8 761 | 17 018 | 11 128 | 11 171 | 17 783 | 19 702 | 20 584 |
| Total payments and estimates | 50 741 | 39 448 | 38 580 | 73 720 | 46 793 | 46 873 | 90 882 | 95 528 | 99 808 |

TABLE 14.15: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MUNICIPAL FINANCIAL GOVERNANCE

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|--------------------------------------|---------------|---------------|---------------|--------------------|-----------------------------------|------------------|-----------------------|---------------|---------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 50 741 | 39 429 | 38 356 | 73 720 | 46 793 | 46 793 | 90 882 | 95 528 | 99 808 |
| Compensation of employees | 43 958 | 38 878 | 37 294 | 69 906 | 39 635 | 39 635 | 69 804 | 74 358 | 77 689 |
| Goods and services | 6 783 | 551 | 1 062 | 3 814 | 7 158 | 7 158 | 21 078 | 21 170 | 22 119 |
| Interest and rent on land | | | | | | | | | |
| Transfers and subsidies to: | | 19 | 224 | | | 80 | | | |
| Provinces and municipalities | | | | | | | | | |
| Households | | 19 | 224 | | | 80 | | | |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 50 741 | 39 448 | 38 580 | 73 720 | 46 793 | 46 873 | 90 882 | 95 528 | 99 808 |

Municipal Financial Governance spending decreased from R50.7 million in 2019/20 to R38.6 million in 2021/22. The 2022/23 revised estimate is R46.9 million whilst the allocation over MTEF amount to R90.9 million in 2023/24, R95.5 million in 2024/25 and R99.8million in 2025/26.

Personnel spending amounted to R43.9 million in 2019/20 and R37.3 million in 2021/22. The revised estimate for 2022/23 is R39.6 million. The budget increases from R69.8 million in 2023/24 to R77.7 million in 2025/26 to provide for the additional capacity under Municipal Compliance and Financial Management Support.

Expenditure on goods and services amounted to R6.8 million in 2019/20 and it decreased to R 1.1million in 2021/22 due to external training not provided to municipalities during Covid-19 restrictions as well as cancelled project such as Infrastructure asset management plans. The revised estimate for 2022/23 is R7.2 million.

The allocation for goods and services over the MTEF is R21.1 million for 2023/24, R21.2 million for 2024/25 and R22.1 million for 2025/26. The expenditure estimates over MTEF makes provision for the printing of gazettes, travel expenditure to municipalities, municipal IQ subscription as well as external training and development for municipalities. The projects that will be supported by the programme are Municipal Standard Chart of Accounts (MSCOA) and General Advisors hands-on support, and external training namely: Annual Financial Statements, GRAP , Infrastructure Asset Management Training and continued professional development training for internal auditors.

SERVICE DELIVERY MEASURES

PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

| Programme performance measures | Estimated performance | Medium-term estimates | | |
|---|-----------------------|-----------------------|---------|---------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| Number of IGR engagements with relevant stakeholders | 16 | 16 | 20 | 25 |
| Number of structured and targeted capacity building initiatives provided to municipalities in Gauteng | 6 | 10 | 12 | 15 |
| Number of assessments conducted on MFMA compliance by delegated municipalities in Gauteng | 32 | 32 | 32 | 32 |
| Number of municipal budget assessments conducted | 24 | 24 | 24 | 24 |
| Number of publications on provincial grants allocated to Gauteng Municipalities | 3 | 3 | 3 | 3 |

PROGRAMME 6: GAUTENG AUDIT SERVICES

Programme description

- To render audit services in the GPG departments.

Programme objective

- Conduct quality assurance reviews to ensure audit compliance with the international standards for the professional practice of internal auditing of the Institute of Internal Auditors.
- Manage and ensure performance of risk and compliance audit for the GPG.
- Manage and conduct performance and computer audits for GPG departments.
- Report to the relevant Audit Committees about internal control in GPG.

TABLE 14.16: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG AUDIT SERVICES

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|---|---------------|---------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| 1. GAS Programme Support | 12 309 | 6 635 | 12 728 | 18 876 | 15 157 | 15 136 | 22 635 | 23 826 | 24 894 |
| 2. Risk and Compliance Audit Services(Cluster1,2,3) | 26 291 | 25 786 | 29 399 | 42 819 | 37 272 | 37 353 | 44 745 | 46 754 | 48 849 |
| 3. Risk and Compliance Audit Services(Cluster 4,5,6) | 30 274 | 30 660 | 31 978 | 32 754 | 22 867 | 22 860 | 32 306 | 33 614 | 35 121 |
| 4. Performance and Computer Audit Services | 24 510 | 24 068 | 26 946 | 40 532 | 33 049 | 33 103 | 42 355 | 44 257 | 46 239 |
| Total payments and estimates | 93 384 | 87 149 | 101 051 | 134 981 | 108 345 | 108 452 | 142 041 | 148 451 | 155 103 |

TABLE 14.17: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

| R thousand | Outcome | | | Main appropri- ation | Adjusted appro- priation 2022/23 | Revised estimate | Medium-term estimates | | |
|--------------------------------------|---------------|---------------|----------------|-------------------------|--|---------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 92 779 | 87 080 | 100 738 | 134 981 | 108 245 | 108 245 | 142 041 | 148 451 | 155 103 |
| Compensation of employees | 81 556 | 82 128 | 91 902 | 129 835 | 99 496 | 99 496 | 131 663 | 137 433 | 143 591 |
| Goods and services | 11 223 | 4 952 | 8 836 | 5 146 | 8 749 | 8 749 | 10 378 | 11 018 | 11 512 |
| Interest and rent on land | | | | | | | | | |
| Transfers and subsidies to: | 605 | 69 | 313 | | 100 | 207 | | | |
| Provinces and municipalities | | | | | | | | | |
| Households | 605 | 69 | 313 | | 100 | 207 | | | |
| Machinery and equipment | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 93 384 | 87 149 | 101 051 | 134 981 | 108 345 | 108 452 | 142 041 | 148 451 | 155 103 |

Spending under the Gauteng Audit Services programme increased from R93.3 million in 2019/20 to R101 million in 2021/22. The programme's expenditure is driven by compensation of employees as most of the audit work is personnel driven. Over the MTEF, increasing the capacity of the programme is prioritised to enable the programme to deliver on its mandate that contributes towards the achievement of clean audits in the province.

Personnel costs increased from R81.5 million in 2019/20 to R91.9 million in 2021/22. The revised estimate amounts to R99.5 million in 2022/23. The budget increases from R131.7 million in 2023/24 to R143.6 million in 2025/26. Over the MTEF, the programme is envisaged to increase its staff complement. The programme is actively recruiting in the audit market and adopting various strategies to attract and retain audit talent.

The expenditure for goods and services decreases from R11.2 million in 2019/20 to R8.8 million in 2021/22 due to spending activities that have been scaled down or prohibited due to COVID-19 regulations. The budget for goods and services over the MTEF increases from R10.4 million in 2023/24 to R11.5 million in 2025/26 financial year. Goods and services under this programme consist mainly of provision for specialised auditors who are not available internally. This will assist with the execution of the specialised audits.

SERVICE DELIVERY MEASURES

PROGRAMME 6: GAUTENG AUDIT SERVICES

| Programme performance measures | Estimated performance | Medium-term estimates | | |
|--|-----------------------|-----------------------|---------|---------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| % of audit reports issued to departments and trading entities against the approved audit plans | 95% | 95% | 95% | 95% |
| Number of Audit Committee approved audit plans issued to departments and trading entities | 19 | 19 | 19 | 19 |
| % of action plans for internal audit findings tracked at departments and entities | 100% | 100% | 100% | 100% |
| % of Auditor General's management letter key findings followed up through a follow-up audit | 100% | 100% | 100% | 100% |
| Number of annual internal control assessments conducted | 19 | 19 | 19 | 19 |

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 14.18: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT

| R thousands | Actual | | Revised estimate | | | | Medium-term expenditure estimate | | | | | | Average annual growth over MTEF | | | | |
|---|--------------------------------|---------|--------------------------------|---------|--------------|------------------|----------------------------------|---------|--------------------------------|---------|--------------------------------|---------|---------------------------------|-------------------|------------------|-----|------|
| | 2020/21 | | 2021/22 | | 2022/23 | | 2023/24 | | 2024/25 | | 2025/26 | | 2022/23 - 2025/26 | | | | |
| | 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 growth rate | Costs growth rate | % Costs of Total | | |
| Salary level | | | | | | | | | | | | | | | | | |
| 1 – 6 | 249 | 10 726 | 339 | 69 441 | 271 | 68 | 339 | 85 200 | 339 | 103 116 | 339 | 108 241 | 339 | 112 757 | 0% | 10% | 16% |
| 7 – 10 | 434 | 243 589 | 448 | 192 370 | 449 | | 449 | 215 451 | 449 | 266 758 | 449 | 280 320 | 449 | 292 648 | 0% | 11% | 41% |
| 11 – 12 | 165 | 119 661 | 179 | 121 613 | 179 | | 179 | 126 574 | 179 | 161 842 | 179 | 170 002 | 179 | 177 619 | 0% | 12% | 25% |
| 13 – 16 | 91 | 92 343 | 94 | 84 330 | 93 | | 93 | 85 062 | 93 | 123 145 | 93 | 130 173 | 93 | 135 903 | 0% | 17% | 18% |
| Other | 5 | 3 298 | 5 | 5 644 | 5 | | 5 | 2 834 | 5 | 2 564 | 5 | 4 388 | 5 | 4 585 | 0% | 17% | 1% |
| Total | 944 | 469 617 | 1 065 | 473 398 | 997 | 68 | 1 065 | 515 121 | 1 065 | 657 425 | 1 065 | 693 124 | 1 065 | 723 512 | 0% | 12% | 100% |
| Programme | | | | | | | | | | | | | | | | | |
| 1. Administration | 224 | 94 512 | 324 | 96 117 | 256 | 68 | 324 | 114 342 | 324 | 139 205 | 324 | 145 808 | 324 | 151 678 | 0% | 10% | 21% |
| 2. Sustainable Fiscal Resource Management | 102 | 69 530 | 102 | 70 309 | 102 | | 102 | 73 594 | 102 | 89 021 | 102 | 94 549 | 102 | 98 784 | 0% | 10% | 14% |
| 3. Financial Governance | 182 | 103 109 | 203 | 101 345 | 203 | | 203 | 106 136 | 203 | 125 785 | 203 | 134 178 | 203 | 140 188 | 0% | 10% | 20% |
| 4. Provincial Supply Chain Management | 160 | 76 952 | 160 | 76 431 | 160 | | 160 | 81 918 | 160 | 101 947 | 160 | 106 798 | 160 | 111 582 | 0% | 11% | 16% |
| 5. Municipal Financial Governance | 89 | 43 958 | 89 | 37 294 | 89 | | 89 | 39 635 | 89 | 69 804 | 89 | 74 358 | 89 | 77 689 | 0% | 25% | 10% |
| 6. Gauteng Audit Services | 187 | 81 556 | 187 | 91 902 | 187 | | 187 | 99 496 | 187 | 131 663 | 187 | 137 433 | 187 | 143 591 | 0% | 13% | 20% |
| Total | 944 | 469 617 | 1 065 | 473 398 | 997 | 68 | 1 065 | 515 121 | 1 065 | 657 425 | 1 065 | 693 124 | 1 065 | 723 512 | 0% | 12% | 100% |

The department's personnel costs increased from R469.6 million in 2019/20 to R473.4 million in 2021/22. Personnel numbers increased from 944 in 2019/20 to a revised estimate of 1 065 in 2022/23.. Projected personnel numbers increase to 1 065 in 2025/26. The increase is in line with the Department's plan to fill vacant posts and implement the new structure. The significant growth in personnel costs and numbers is to ensure that the Department continues to provide adequate oversight and technical support to GPG departments. Compensation of employees is affected by the budget cuts, which includes reduction in head counts.

9.2 Training

TABLE 14.19: INFORMATION ON TRAINING: GAUTENG PROVINCIAL TREASURY

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|---|--------------|------------|--------------|--------------------|-----------------------------------|------------------|-----------------------|--------------|--------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Number of staff | 944 | 1 065 | 1 065 | 1 065 | 1 065 | 1 065 | 1 065 | 1 065 | 1 065 |
| Number of personnel trained | 586 | 619 | 619 | 400 | 400 | 400 | 420 | 440 | 470 |
| of which | | | | | | | | | |
| Male | 215 | 223 | 223 | 160 | 160 | 160 | 170 | 180 | 200 |
| Female | 371 | 396 | 396 | 240 | 240 | 240 | 250 | 260 | 270 |
| Number of training opportunities | 60 | 879 | 879 | 879 | 879 | 879 | 724 | 754 | 784 |
| of which | | | | | | | | | |
| Tertiary | 30 | 434 | 434 | 434 | 434 | 434 | 300 | 320 | 340 |
| Workshops | 25 | 371 | 371 | 371 | 371 | 371 | 350 | 360 | 370 |
| Seminars | 5 | 74 | 74 | 74 | 74 | 74 | 74 | 74 | 74 |
| Other | - | - | - | - | - | - | - | - | - |
| Number of bursaries offered | 265 | 248 | 163 | 220 | 220 | 220 | 260 | 270 | 260 |
| | 70 | 55 | 39 | 55 | 55 | 55 | 70 | 70 | 70 |
| Number of learnerships appointed | 28 | 28 | 25 | 28 | 28 | 28 | 18 | 18 | 18 |
| Number of days spent on training | - | - | - | - | - | - | - | - | - |
| Payments on training by programme | | | | | | | | | |
| 1. Administration | 2 065 | 89 | 746 | 634 | 634 | 534 | 663 | 693 | 724 |
| 2. Sustainable Fiscal Resource Management | 179 | | | 666 | 666 | 666 | 696 | 727 | 760 |
| 3. Financial Governance | 811 | 69 | | 193 | 193 | 143 | 218 | 228 | 238 |
| 4. Provincial Supply Chain Management | 157 | 145 | 137 | 845 | 845 | 365 | 861 | 900 | 940 |
| 5. Municipal Financial Governance | 4 320 | | 298 | 238 | 238 | 238 | 300 | 313 | 327 |
| 6. Gauteng Audit Services | 570 | 24 | 304 | 73 | 73 | 573 | 76 | 79 | 83 |
| Total payments on training | 8 102 | 327 | 1 485 | 2 649 | 2 649 | 2 519 | 2 814 | 2 940 | 3 072 |

The Skills Development Act, No.97 of 1998 as amended, stipulates that the Department must set aside at least a minimum of 1 per cent of the personnel budget for Training and Development (T&D) matters to capacitate and develop its workforce. The GPT has been budgeting and spending over 1 per cent yearly given the scale of its development mandate for the benefit of both employees and unemployed youth. In 2022/23, 280 employees were granted financial assistance in a form of bursaries; 87 interns appointed; 4 external students offered bursaries and additional 10-25 more to be awarded bursaries on/before 31 March 2023; 19 SAIPA accountant trainees continued with their learnership.

Over the MTEF, the Department will continue to partner with schools within Gauteng Province with the intention to fund more external bursary students and placement of unemployed youth equivalent to 10 per cent of staff establishment in different business units through programmes such as SAIPA accountant trainees learnership, internship and work integrated Learners (WIL). The initiative helps the Department in building a pool of talent for possible appointment. Employees especially women and persons with disability to be priorities for different training interventions earmarked to uplift them which included bursary funds.

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 14.20: SPECIFICATION OF RECEIPTS: GAUTENG PROVINCIAL TREASURY

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--|------------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Tax receipts | | | | | | | | | |
| Sales of goods and services other than capital assets | 657 | 557 | 532 | 869 | 869 | 869 | 929 | 971 | 1 015 |
| Sale of goods and services produced by department (excluding capital assets) | 657 | 557 | 532 | 869 | 869 | 869 | 929 | 971 | 1 015 |
| Sales by market establishments | 657 | 557 | 532 | 869 | 869 | 869 | 929 | 971 | 1 015 |
| Transfers received from: | | | | | | | | | |
| Public corporations and private enterprises | | | | | | | | | |
| Fines, penalties and forfeits | | | | | | | | | |
| Interest, dividends and rent on land | 1 034 732 | 751 706 | 634 031 | 622 806 | 622 806 | 810 090 | 669 526 | 713 005 | 744 948 |
| Interest | 1 034 732 | 751 706 | 634 031 | 622 806 | 622 806 | 810 090 | 669 526 | 713 005 | 744 948 |
| Sales of capital assets | 8 | 133 | 14 | | | | | | |
| Other capital assets | 8 | 133 | 14 | | | | | | |
| Transactions in financial assets and liabilities | 374 | 224 | 998 | 416 | 416 | 416 | 443 | 463 | 484 |
| Total departmental receipts | 1 035 771 | 752 620 | 635 575 | 624 091 | 624 091 | 811 375 | 670 898 | 714 439 | 746 447 |

TABLE 14.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG PROVINCIAL TREASURY

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|---|----------------|----------------|----------------|--------------------|------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 580 612 | 546 465 | 545 237 | 728 589 | 605 768 | 605 768 | 745 619 | 783 303 | 817 729 |
| Compensation of employees | 469 617 | 469 914 | 473 398 | 665 389 | 515 121 | 515 121 | 657 425 | 693 124 | 723 512 |
| Salaries and wages | 412 743 | 410 849 | 414 181 | 563 405 | 444 567 | 442 579 | 552 627 | 581 077 | 606 446 |
| Social contributions | 56 874 | 59 065 | 59 217 | 101 984 | 70 554 | 72 542 | 104 798 | 112 047 | 117 066 |
| Goods and services | 110 995 | 76 551 | 71 839 | 63 200 | 90 647 | 90 647 | 88 194 | 90 179 | 94 217 |
| Administrative fees | 2 797 | 730 | 896 | 1 334 | 1 309 | 1 986 | 1 456 | 1 520 | 1 588 |
| Advertising | 7 920 | 7 411 | 4 910 | 5 395 | 5 393 | 5 579 | 5 633 | 5 885 | 6 148 |
| Minor assets | 307 | 135 | 26 | 350 | 272 | 272 | 366 | 382 | 399 |
| Audit cost: External | 3 182 | 3 167 | 3 807 | 4 488 | 4 488 | 4 488 | 4 675 | 4 885 | 5 104 |
| Bursaries: Employees | 5 537 | 3 281 | 3 945 | 2 841 | 2 841 | 2 841 | 2 971 | 3 104 | 3 243 |
| Catering: Departmental activities | 1 413 | 199 | 398 | 371 | 536 | 689 | 367 | 382 | 397 |
| Communication (G&S) | 3 047 | 3 293 | 2 845 | 3 405 | 3 405 | 3 405 | 1 093 | 842 | 879 |
| | 11 666 | 9 445 | 10 987 | 8 970 | 9 790 | 9 790 | 10 875 | 10 420 | 10 888 |
| Consultants and professional services: Business and advisory services | 43 336 | 34 480 | 28 409 | 17 008 | 42 569 | 30 813 | 40 740 | 41 845 | 43 722 |
| Legal services | 1 052 | 805 | 1 121 | 571 | 971 | 971 | 597 | 624 | 652 |
| Contractors | 849 | 371 | 326 | 677 | 415 | 415 | 708 | 739 | 772 |
| Fleet services (including government motor transport) | 716 | 524 | 798 | 728 | 728 | 756 | 761 | 795 | 831 |
| Consumable supplies | 404 | 1 245 | 299 | 1 194 | 866 | 869 | 1 247 | 1 302 | 1 359 |
| Consumable: Stationery, printing and office supplies | 1 724 | 1 159 | 678 | 1 758 | 1 542 | 1 542 | 1 827 | 1 910 | 1 996 |
| Operating leases | 8 196 | 5 135 | 3 957 | 3 717 | 4 437 | 4 437 | 3 887 | 4 062 | 4 244 |
| Property payments | 3 799 | 2 690 | 3 468 | 3 221 | 2 721 | 12 652 | 3 368 | 3 519 | 3 676 |
| Travel and subsistence | 2 528 | 326 | 550 | 1 276 | 1 635 | 1 715 | 1 309 | 1 366 | 1 426 |
| Training and development | 8 102 | 327 | 1 485 | 2 649 | 2 519 | 2 519 | 2 814 | 2 940 | 3 072 |
| Operating payments | 2 153 | 1 601 | 2 227 | 2 665 | 2 793 | 2 793 | 2 847 | 2 975 | 3 108 |
| Venues and facilities | 2 177 | 42 | 558 | 472 | 1 307 | 2 005 | 538 | 562 | 588 |
| Transfers and subsidies | 106 247 | 62 230 | 66 146 | 64 163 | 66 328 | 66 328 | 65 946 | 65 967 | 67 298 |
| Departmental agencies and accounts | 101 940 | 61 406 | 64 044 | 63 706 | 63 706 | 63 706 | 65 468 | 65 468 | 66 777 |
| Provide list of entities receiving transfers | 101 940 | 61 406 | 64 044 | 63 706 | 63 706 | 63 706 | 65 468 | 65 468 | 66 777 |
| Non-profit institutions | | | | | | | | | |
| Households | 4 307 | 824 | 2 102 | 457 | 2 622 | 2 622 | 478 | 499 | 521 |

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|--------------------------------------|----------------|----------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Social benefits | 1 168 | 824 | 1 749 | | 1 165 | 1 559 | | | |
| Other transfers to households | 3 139 | | 353 | 457 | 1 457 | 1 063 | 478 | 499 | 521 |
| Payments for capital assets | 6 097 | 7 506 | 538 | 181 | 11 969 | 11 969 | 6 900 | 1 256 | 1 312 |
| Machinery and equipment | 6 097 | 7 506 | 538 | 181 | 11 969 | 11 969 | 6 900 | 1 256 | 1 312 |
| Other machinery and equipment | 6 067 | 6 770 | 538 | 181 | 11 969 | 11 969 | 6 900 | 1 256 | 1 312 |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | 38 | | | | | | |
| Total economic classification | 692 956 | 616 201 | 611 959 | 792 933 | 684 065 | 684 065 | 818 465 | 850 526 | 886 339 |

TABLE 14.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|---|----------------|----------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 134 764 | 124 793 | 123 885 | 167 552 | 159 970 | 159 970 | 167 108 | 173 715 | 180 832 |
| Compensation of employees | 94 512 | 99 089 | 96 117 | 139 924 | 114 342 | 114 342 | 139 205 | 145 808 | 151 678 |
| Salaries and wages | 83 643 | 86 755 | 84 092 | 110 926 | 98 882 | 98 882 | 108 903 | 114 145 | 118 596 |
| Social contributions | 10 869 | 12 334 | 12 025 | 28 998 | 15 460 | 15 460 | 30 302 | 31 663 | 33 082 |
| Goods and services | 40 252 | 25 704 | 27 768 | 27 628 | 45 628 | 45 628 | 27 903 | 27 907 | 29 154 |
| Administrative fees | 61 | 33 | 22 | 132 | 107 | 604 | 138 | 143 | 150 |
| Advertising | 484 | 227 | 525 | 520 | 518 | 619 | 543 | 567 | 592 |
| Minor assets | 307 | 135 | 26 | 350 | 272 | 272 | 366 | 382 | 399 |
| Audit cost: External | 2 289 | 2 332 | 2 642 | 2 981 | 2 981 | 2 981 | 3 115 | 3 255 | 3 401 |
| Bursaries: Employees | 5 537 | 3 281 | 3 945 | 2 841 | 2 841 | 2 841 | 2 971 | 3 104 | 3 243 |
| Catering: Departmental activities | 701 | 121 | 323 | 105 | 273 | 412 | 109 | 113 | 117 |
| Communication (G&S) | 3 047 | 3 293 | 2 845 | 3 405 | 3 405 | 3 405 | 1 093 | 842 | 879 |
| | 6 473 | 4 232 | 5 296 | 3 656 | 3 616 | 3 616 | 5 320 | 4 614 | 4 822 |
| Consultants and professional services: Business and advisory services | 455 | 60 | 212 | 263 | 18 363 | 7 305 | 272 | 285 | 298 |
| Legal services | 1 052 | 805 | 1 121 | 571 | 971 | 971 | 597 | 624 | 652 |
| Contractors | 849 | 371 | 316 | 677 | 415 | 415 | 708 | 739 | 772 |
| Fleet services (including government motor transport) | 716 | 524 | 798 | 728 | 728 | 756 | 761 | 795 | 831 |
| Consumable supplies | 395 | 1 245 | 290 | 1 194 | 852 | 852 | 1 247 | 1 302 | 1 359 |
| Consumable: Stationery, printing and office supplies | 951 | 418 | 291 | 711 | 525 | 525 | 743 | 777 | 812 |
| Operating leases | 8 196 | 5 135 | 3 957 | 3 717 | 4 437 | 4 437 | 3 887 | 4 062 | 4 244 |
| Property payments | 3 799 | 2 690 | 3 468 | 3 221 | 2 721 | 12 652 | 3 368 | 3 519 | 3 676 |
| Travel and subsistence | 719 | 39 | 135 | 271 | 353 | 387 | 281 | 293 | 305 |
| Training and development | 2 065 | 89 | 746 | 634 | 534 | 534 | 663 | 693 | 724 |
| Operating payments | 843 | 569 | 669 | 1 425 | 1 305 | 1 305 | 1 488 | 1 554 | 1 623 |
| Venues and facilities | 1 312 | 42 | 141 | 226 | 411 | 739 | 233 | 244 | 255 |
| Transfers and subsidies | 330 | 218 | 645 | 457 | 1 567 | 1 174 | 478 | 499 | 521 |
| Households | 330 | 218 | 645 | 457 | 1 567 | 1 174 | 478 | 499 | 521 |
| Social benefits | 93 | 218 | 292 | | 110 | 111 | | | |
| Other transfers to households | 237 | | 353 | 457 | 1 457 | 1 063 | 478 | 499 | 521 |
| Payments for capital assets | 6 097 | 7 506 | 538 | 181 | 11 969 | 11 969 | 6 900 | 1 256 | 1 312 |
| Machinery and equipment | 6 097 | 7 506 | 538 | 181 | 11 969 | 11 969 | 6 900 | 1 256 | 1 312 |
| Other machinery and equipment | 6 067 | 6 770 | 538 | 181 | 11 969 | 11 969 | 6 900 | 1 256 | 1 312 |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | 38 | | | | | | |
| Total economic classification | 141 191 | 132 517 | 125 106 | 168 190 | 173 506 | 173 113 | 174 486 | 175 470 | 182 665 |

TABLE 14.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SUSTAINABLE FISCAL RESOURCES MANAGEMENT

| R thousand | Outcome | | | Main appropri- ation | Adjusted appro- priation 2022/23 | Revised estimate | Medium-term estimates | | |
|---|----------------|----------------|----------------|-------------------------|--|---------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 87 909 | 85 233 | 83 370 | 106 491 | 87 443 | 87 443 | 104 562 | 110 787 | 115 749 |
| Compensation of em- ployees | 69 530 | 68 454 | 70 309 | 91 642 | 73 594 | 73 594 | 89 021 | 94 549 | 98 784 |
| Salaries and wages | 61 744 | 60 678 | 62 571 | 78 620 | 64 313 | 64 313 | 75 414 | 79 530 | 83 093 |
| Social contributions | 7 786 | 7 776 | 7 738 | 13 022 | 9 281 | 9 281 | 13 607 | 15 019 | 15 691 |
| Goods and services | 18 379 | 16 779 | 13 061 | 14 849 | 13 849 | 13 849 | 15 541 | 16 238 | 16 965 |
| Administrative fees | 1 370 | 204 | 636 | 724 | 724 | 890 | 752 | 786 | 821 |
| Advertising | 7 318 | 7 115 | 4 353 | 4 826 | 4 826 | 4 911 | 5 040 | 5 266 | 5 502 |
| Audit cost: External | 484 | 709 | 640 | 909 | 909 | 909 | 950 | 993 | 1 037 |
| Catering: Departmental activities | 151 | 9 | 3 | 85 | 84 | 98 | 93 | 97 | 101 |
| | 27 | 101 | 31 | 126 | 126 | 126 | 132 | 138 | 144 |
| Consultants and profes- sional services: Business and advisory services | 7 259 | 7 610 | 5 980 | 5 563 | 4 595 | 4 282 | 5 836 | 6 097 | 6 370 |
| Legal services | | | | | | | | | |
| Contractors | | | | | | | | | |
| Consumable supplies | | | | | 1 | 1 | | | |
| Consumable: Statio- nery,printing and office supplies | 266 | 254 | 121 | 536 | 506 | 506 | 550 | 575 | 601 |
| Travel and subsistence | 255 | 11 | 5 | 200 | 230 | 278 | 222 | 232 | 242 |
| Training and development | 179 | | | 666 | 666 | 666 | 696 | 727 | 760 |
| Operating payments | 809 | 644 | 1 143 | 1 009 | 977 | 977 | 1 055 | 1 103 | 1 153 |
| Venues and facilities | 172 | | | 95 | 95 | 95 | 100 | 104 | 109 |
| Transfers and subsidies | 102 130 | 61 406 | 64 061 | 63 706 | 63 719 | 63 767 | 65 468 | 65 468 | 66 777 |
| Departmental agencies and accounts | 101 940 | 61 406 | 64 044 | 63 706 | 63 706 | 63 706 | 65 468 | 65 468 | 66 777 |
| Provide list of entities receiving transfers | 101 940 | 61 406 | 64 044 | 63 706 | 63 706 | 63 706 | 65 468 | 65 468 | 66 777 |
| Households | 190 | | 17 | | 13 | 61 | | | |
| Social benefits | 190 | | 17 | | 13 | 61 | | | |
| Payments for capital assets | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classi- fication | 190 039 | 146 639 | 147 431 | 170 197 | 151 162 | 151 210 | 170 030 | 176 255 | 182 526 |

TABLE 14.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FINANCIAL GOVERNANCE

| R thousand | Outcome | | | Main appropri- ation | Adjusted appro- priation 2022/23 | Revised estimate | Medium-term estimates | | |
|---|----------------|----------------|----------------|-------------------------|--|---------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 111 039 | 109 063 | 109 105 | 137 496 | 115 859 | 115 859 | 135 902 | 144 705 | 151 187 |
| Compensation of em- ployees | 103 109 | 102 483 | 101 345 | 128 773 | 106 136 | 106 136 | 125 785 | 134 178 | 140 188 |
| Salaries and wages | 89 366 | 88 600 | 87 772 | 111 033 | 90 417 | 90 417 | 107 902 | 114 513 | 119 643 |
| Social contributions | 13 743 | 13 883 | 13 573 | 17 740 | 15 719 | 15 719 | 17 883 | 19 665 | 20 545 |
| Goods and services | 7 930 | 6 580 | 7 760 | 8 723 | 9 723 | 9 723 | 10 117 | 10 527 | 10 999 |
| Administrative fees | 7 | 1 | | 6 | 6 | 6 | 6 | 6 | 6 |
| Advertising | | | | | | | | | |
| Minor assets | | | | | | | | | |
| Audit cost: External | 409 | 126 | 525 | 598 | 598 | 598 | 610 | 637 | 666 |
| Catering: Departmental activities | 180 | 4 | 3 | 95 | 93 | 92 | 46 | 48 | 50 |
| | 4 246 | 3 818 | 4 528 | 4 899 | 4 759 | 4 759 | 5 135 | 5 367 | 5 608 |
| Consultants and profes- sional services: Business and advisory services | 1 875 | 2 553 | 2 682 | 2 619 | 3 829 | 3 829 | 3 716 | 3 838 | 4 010 |
| Consumable supplies | | | 7 | | 2 | 3 | | | |
| Consumable: Statio- nery,printing and office supplies | 22 | | | | | | | | |
| Travel and subsistence | 270 | 9 | 5 | 207 | 187 | 187 | 200 | 208 | 217 |
| Training and development | 811 | 69 | | 193 | 143 | 143 | 218 | 228 | 238 |

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|--------------------------------------|----------------|----------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Operating payments | 31 | | | 82 | 82 | 82 | 148 | 155 | 162 |
| Venues and facilities | 79 | | | 24 | 24 | 24 | 38 | 40 | 42 |
| Transfers and subsidies | 37 | 517 | 657 | | 121 | 204 | | | |
| Households | 37 | 517 | 657 | | 121 | 204 | | | |
| Social benefits | 37 | 517 | 657 | | 121 | 204 | | | |
| Payments for capital assets | | | | | | | | | |
| Machinery and equipment | | | | | | | | | |
| Other machinery and equipment | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 111 076 | 109 580 | 109 762 | 137 496 | 115 980 | 116 063 | 135 902 | 144 705 | 151 187 |

TABLE 14.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL SUPPLY CHAIN MANAGEMENT

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|---|----------------|----------------|---------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 103 380 | 100 867 | 89 783 | 108 349 | 87 458 | 87 458 | 105 124 | 110 117 | 115 050 |
| Compensation of employees | 76 952 | 78 882 | 76 431 | 105 309 | 81 918 | 81 918 | 101 947 | 106 798 | 111 582 |
| Salaries and wages | 66 362 | 67 775 | 65 762 | 90 953 | 70 788 | 68 800 | 87 142 | 91 329 | 95 420 |
| Social contributions | 10 590 | 11 107 | 10 669 | 14 356 | 11 130 | 13 118 | 14 805 | 15 469 | 16 162 |
| Goods and services | 26 428 | 21 985 | 13 352 | 3 040 | 5 540 | 5 540 | 3 177 | 3 319 | 3 468 |
| Administrative fees | 8 | | | | | 14 | | | |
| Advertising | 72 | 69 | 32 | 49 | 49 | 49 | 50 | 52 | 54 |
| Catering: Departmental activities | 38 | 60 | 51 | 27 | 27 | 28 | 28 | 29 | 30 |
| Consultants and professional services: Business and advisory services | 25 961 | 21 693 | 12 815 | 1 951 | 4 201 | 3 816 | 2 064 | 2 157 | 2 254 |
| Contractors | | | | | | | | | |
| Consumable: Stationery, printing and office supplies | 1 | | | | | | | | |
| Travel and subsistence | 104 | 3 | 41 | 114 | 104 | 104 | 119 | 124 | 130 |
| Training and development | 157 | 145 | 137 | 845 | 365 | 365 | 861 | 900 | 940 |
| Operating payments | 44 | | | | 80 | 80 | | | |
| Venues and facilities | 36 | | 274 | 54 | 704 | 1 074 | 55 | 57 | 60 |
| Transfers and subsidies | 3 145 | 1 | 246 | | 821 | 896 | | | |
| Non-profit institutions | | | | | | | | | |
| Households | 3 145 | 1 | 246 | | 821 | 896 | | | |
| Social benefits | 243 | 69 | 313 | | 821 | 896 | | | |
| Payments for capital assets | | | | | | | | | |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 106 525 | 100 868 | 90 029 | 108 349 | 88 279 | 88 354 | 105 124 | 110 117 | 115 050 |

TABLE 14.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MUNICIPAL FINANCIAL GOVERNANCE

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|-----------------------------------|---------------|---------------|---------------|--------------------|-----------------------------------|------------------|-----------------------|---------------|---------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 50 741 | 39 429 | 38 356 | 73 720 | 46 793 | 46 793 | 90 882 | 95 528 | 99 808 |
| Compensation of employees | 43 958 | 38 878 | 37 294 | 69 906 | 39 635 | 39 635 | 69 804 | 74 358 | 77 689 |
| Salaries and wages | 39 932 | 34 916 | 33 198 | 58 126 | 33 405 | 33 405 | 56 991 | 61 052 | 63 787 |
| Social contributions | 4 026 | 3 962 | 4 096 | 11 780 | 6 230 | 6 230 | 12 813 | 13 306 | 13 902 |
| Goods and services | 6 783 | 551 | 1 062 | 3 814 | 7 158 | 7 158 | 21 078 | 21 170 | 22 119 |
| Administrative fees | 247 | | 238 | 472 | 472 | 472 | 560 | 585 | 611 |
| Catering: Departmental activities | 305 | 4 | 9 | 31 | 31 | 31 | 61 | 64 | 67 |
| | | | | 13 | 13 | 13 | | | |

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|---|---------------|---------------|---------------|--------------------|-----------------------------------|------------------|-----------------------|---------------|---------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Consultants and professional services: Business and advisory services | | | | 1 999 | 5 235 | 5 235 | 19 031 | 19 031 | 19 884 |
| Legal services | | | | | | | | | |
| Consumable supplies | | | | | 1 | 1 | | | |
| Consumable: Stationery, printing and office supplies | 484 | 472 | 266 | 511 | 511 | 511 | 534 | 558 | 583 |
| Travel and subsistence | 752 | 75 | 108 | 443 | 550 | 550 | 444 | 464 | 485 |
| Training and development | 4 320 | | 298 | 238 | 238 | 238 | 300 | 313 | 327 |
| Operating payments | 76 | | | 59 | 59 | 59 | 62 | 65 | 68 |
| Venues and facilities | 553 | | 143 | 48 | 48 | 48 | 86 | 90 | 94 |
| Transfers and subsidies | | 19 | 224 | | | 80 | | | |
| Households | | 19 | 224 | | | 80 | | | |
| Social benefits | | 19 | 224 | | | 80 | | | |
| Payments for capital assets | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 50 741 | 39 448 | 38 580 | 73 720 | 46 793 | 46 873 | 90 882 | 95 528 | 99 808 |

TABLE 14.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation 2022/23 | Revised estimate | Medium-term estimates | | |
|---|---------------|---------------|----------------|--------------------|-----------------------------------|------------------|-----------------------|----------------|----------------|
| | 2019/20 | 2020/21 | 2021/22 | | | | 2023/24 | 2024/25 | 2025/26 |
| Current payments | 92 779 | 87 080 | 100 738 | 134 981 | 108 245 | 108 245 | 142 041 | 148 451 | 155 103 |
| Compensation of employees | 81 556 | 82 128 | 91 902 | 129 835 | 99 496 | 99 496 | 131 663 | 137 433 | 143 591 |
| Salaries and wages | 71 696 | 72 125 | 80 786 | 113 747 | 86 762 | 86 762 | 116 275 | 120 508 | 125 907 |
| Social contributions | 9 860 | 10 003 | 11 116 | 16 088 | 12 734 | 12 734 | 15 388 | 16 925 | 17 684 |
| Goods and services | 11 223 | 4 952 | 8 836 | 5 146 | 8 749 | 8 749 | 10 378 | 11 018 | 11 512 |
| Administrative fees | 1 104 | 492 | | | | | | | |
| Advertising | | | | | | | | | |
| Catering: Departmental activities | 38 | 1 | 9 | 28 | 28 | 28 | 30 | 31 | 32 |
| | 920 | 1 294 | 1 132 | 276 | 1 276 | 1 276 | 288 | 301 | 314 |
| Consultants and professional services: Business and advisory services | 7 786 | 2 564 | 6 720 | 4 613 | 6 346 | 6 346 | 9 821 | 10 437 | 10 906 |
| Consumable: Stationery, printing and office supplies | | | | | | | | | |
| Travel and subsistence | 428 | 189 | 256 | 41 | 211 | 209 | 43 | 45 | 47 |
| Training and development | 570 | 24 | 304 | 73 | 573 | 573 | 76 | 79 | 83 |
| Operating payments | 350 | 388 | 415 | 90 | 290 | 290 | 94 | 98 | 102 |
| Venues and facilities | 25 | | | 25 | 25 | 25 | 26 | 27 | 28 |
| Transfers and subsidies | 605 | 69 | 313 | | 100 | 207 | | | |
| Households | 605 | 69 | 313 | | 100 | 207 | | | |
| Social benefits | 605 | 69 | 313 | | 100 | 207 | | | |
| Payments for capital assets | | | | | | | | | |
| Machinery and equipment | | | | | | | | | |
| Other machinery and equipment | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 93 384 | 87 149 | 101 051 | 134 981 | 108 345 | 108 452 | 142 041 | 148 451 | 155 103 |