

# VOTE 1

## Office of the Premier

Operational budget	R781 754 932
Remuneration of the Premier	R 2 398 068
Total amount to be appropriated	R784 153 000
Responsible Executive Authority	The Premier
Administering department	Office of the Premier
Accounting officer	Director-General: Office of the Premier

### 1. Overview

#### Vision

The vision of the Office of the Premier (OTP) is: *To be the centre of governance, providing leadership towards achieving KZN Vision 2030 through accelerated service delivery, addressing poverty, unemployment and inequality.*

#### Mission

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

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

#### Strategic outcomes

The **strategic policy direction** of the OTP is directly linked to national government's five-year Medium-Term Strategic Framework (MTSF 2019-2024) revised plan (2021) to which the PGDS is also aligned. The seven priorities in both plans are as follows:

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

The five-year outcomes of the department are as follows:

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

## **Core functions**

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

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

## **Legislative mandate**

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

- The Constitution of the Republic of South Africa, 1996
- Public Service Act, 1994, as amended
- Public Finance Management Act, 1999, as amended and Treasury Regulations
- Preferential Procurement Policy Framework Act, 2000 and revised regulations dated 16 January 2023
- KZN Supply Chain Management Policy Framework, 2006
- KZN Youth Commission Act, 2005
- Annual Division of Revenue Act (DORA)
- Public Service Regulations, 2016
- Labour Relations Act, 1995
- Employment Equity Act, 1998
- Basic Conditions of Employment Act, 1997
- Promotion of Access to Information Act, 2000
- Electronic Communications and Transactions Act, 2002
- State Information Technology Agency Act, 1999
- Promotion of Administrative Justice Act, 2000
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000
- Skills Development Act, 1998
- KZN Royal House Trust Act, 2018
- Traditional Leadership and Governance Framework Act, 2003
- Occupational Health and Safety Act, 1993
- Broad Based Black Economic Employment Act, 2003
- Protected Disclosures Act, 2000
- Spatial Planning and Land Use Management Act, 2013
- Inter-governmental Relations Framework Act, 2005

## **Aligning departmental budgets to achieve government's prescribed outcomes**

Economic and resource constraints remain a challenge facing government and hence the department will continue to build strategic partnerships with all stakeholders, including the private sector, to increase delivery capacity in the province. These partnerships are, thus, also critical in ensuring that the strategic intent, vision and developmental path set out in the PGDS Vision 2030 are achieved. The PGDS was reviewed in 2021 and incorporates the priorities of the MTSF 2019-2024, as amended. The revised MTSF 2019-2024 is also government's implementation plan of the NDP for the 6<sup>th</sup> Administration. The incorporation of the MTSF into the PGDS has strengthened alignment. The department's Strategic Plan is mainly aligned to Priority 1 – "A capable, ethical and developmental state" of the PGDS. In terms of the mandate of the department, it is also aligned, to some extent, to Priority 7 – "Better Africa and World". The latter is in relation to its inter-governmental relations role.

## **2. Review of the 2023/24 financial year**

Section 2 provides a review of 2023/24, outlining the main achievements and progress made by the department during the year, as well as giving a brief discussion on challenges and new developments.

### ***Provincial Planning Commission (PPC)***

The functions of the PPC remain similar to those of the National Planning Commission (NPC). The main purpose of the PPC is to advise and make recommendations to the Premier and the Provincial Executive on a long-term strategic development perspective and vision of the province. A key focus area for 2023/24 included the implementation of the MTSF and the PGDS. This included engagement on the prioritisation and progress with catalytic projects as enablers of socio-economic upliftment and spatial justice. The PPC commissioners continued to monitor and support the Action Work Groups (AWG) to improve the implementation of strategic interventions identified in the PGDS.

The PPC also engaged with various districts on progress made on the District One Plans (plans to address challenges in the integration of OSS and DDM), and the sessions were facilitated with the eThekweni Metro, and Amajuba and uMgungundlovu District Municipalities. The PPC continued to provide advisory support through inputs on strategic policy matters, such as strategies, plans and projects to facilitate policy coherence and planning for enhanced implementation of the MTSF and PGDS. This included guidance to prioritise key infrastructure projects, and monitoring of infrastructure spending and maintenance. Options were also explored on the completion of the Water Polygon Study to support interventions in the Ugu and Harry Gwala Districts. Work on this is still in progress.

### ***Policy and research co-ordination***

Following the adoption of the NDP Framework by the Provincial Executive Council in December 2020, OTP, working with the Presidency, embarked on a process to revive the implementation of the Socio-Economic Impact Assessment System (SEIAS) to improve policy development. The department continued to monitor the implementation of SEIAS by all provincial departments by reflecting on the status of compliance, and the extent to which sound policy and policy instrument development processes, as guided by national and provincial prescripts, are applied.

The reviewed Climate Change Strategy and Implementation Plan for the province was adopted. This was following amendments to include lessons learnt in the KZN Floods of April 2022.

### ***Strategic planning***

The department continued to implement its mandate to render support to provincial departments and their respective public entities with respect to their APPs. A key deliverable, as per the DPME, is the assessment of provincial departmental APPs to determine whether they are aligned with the revised MTSF and PGDS. The departments were also capacitated on self-assessments to improve the alignment of APPs to the national and provincial policies, AWGs and cluster plans, as well as alignment to the operational plans.

The approach of cluster plans aligned to the MTSF, as well as alignment of departmental plans to AWGs and cluster priorities found expression in the 2023/24 planning approaches and was piloted through the prioritisation of projects at the Lekgotla in February 2023.

Options for automation of planning and reports were explored, and the possibility of partnering with various national departments' efforts will further guide the way forward to streamline processes and systems.

#### ***Monitoring and evaluation***

There was a significant improvement in the overall management of performance information by provincial departments in 2022/23. The provincial average for the achievement of APP targets for 2022/23 was 73 per cent. This was further supplemented by six of the 13 provincial departments, or 46 per cent, obtaining clean audits for the external audit by the Auditor-General.

In 2023/24, all public entities reported on the DPME e-QPR reporting system, like provincial departments. Specific training and system support were provided. The provincial average for achievement of targets in the 2023/24 APP is 76.4 per cent. Out of 13 provincial departments that have submitted their quarterly reports, three achieved less than 50 per cent of their targets, nine achieved 50 per cent and more, and one achieved 100 per cent.

#### ***Inter-governmental relations (IGR)***

IGR continues to provide strategic co-ordination and support in the development and monitoring of co-operative governance Memoranda of Understanding (MOUs) between the three spheres of government, as well as other government agencies and institutions. Inter-provincial co-operation was the main focus of inter-governmental collaboration in 2023/24.

Since obtaining approval from the Provincial Executive Council for the adoption of the International Relations and Official Development Assistance (ODA) Strategy, a draft implementation framework is in place. The focus is on enhancing KZN's international relations agenda and how best engagements should be conducted to achieve optimal impact in achieving the shared goals of the PGDS and the NDP.

Working with COGTA, the department is fast-tracking the rolling out and the integration perspective of OSS and DDM to ensure alignment and integration. Furniture to strengthen the functionality of OSS is being procured for the war-rooms in batches per financial year in line with budget allocations and war-room audit findings.

#### ***International relations***

KZN enjoys good diplomatic relations with overseas provinces/states. Aside from regular exchanges between leaders, parliamentarians, and officials, the network of resident embassies and high commissions, non-resident ambassadors and honorary consuls-general helps KZN to maintain and strengthen links with various countries.

KZN co-operated closely with BRICS, the African Union (AU), individual South African Development Community (SADC) member states, the European Union (EU), as well as individual EU member states in a wide range of sectors. In 2023/24, KZN also expanded contacts and deepened relations with emerging economies in BRICS and the African continent.

#### ***Protection of human rights***

Stakeholder consultative sessions were held throughout the province in all district municipalities. The department improved in moving swiftly in the provision of interventions for cases reported through the community structures, government departments and social networks. This includes interventions in human rights violation reported cases and the protection of the rights of senior citizens and people with disabilities. The interventions usually involve getting all of the relevant stakeholders together to fast-track the resolution of the matter.

Human rights awareness sessions were co-ordinated in partnership with various departments. The community was sensitised on their basic human rights and all legal mandates that are relevant to the empowerment of the vulnerable sector. Another major achievement was the National Consultative Session on the formalisation of the Albinism Sector Structure, which then resulted in the provincial phase of the session where programmes for people with albinism were strategised and an action plan was developed to be implemented from 2023/24.

An inter-generational programme was implemented in all districts and, with the improved inter-sectoral collaborations, the department yielded more results in terms of the provision of psychosocial support to victims of abuse in collaboration with DSD.

The commemoration of significant calendar dates continued, such as World Elder Abuse Awareness Day, International Day for People with Disabilities, the International Day for Senior Citizens and the Human Rights Day.

#### ***Public service transformation***

The department continued with its mission to professionalise the public service and inculcate a culture of professionalism, thereby improving service delivery. The monitoring and reporting on the implementation of the approved KZN Provincial HR Turnaround Strategy are ongoing. Implementation protocols were developed and signed by all departmental HODs. Reports from provincial departments on the implementation of the Provincial HR Turnaround Strategy were assessed quarterly and feedback was presented to the COHOD.

Various HR strategies and plans, such as the HR Development Implementation Plan, HR Plan Implementation Report, the Employment Equity Implementation Plan, the Gender Equality Strategic Framework Report and Plan, among others, were managed in order to contribute to the objective of building the capacity of the State, by identifying areas of weakness and criticality.

#### ***Operation Sukuma Sakhe (OSS)***

OSS is a ward-based programme used to mobilise government and non-governmental resources to address social problems afflicting various households, vulnerable groups and communities. The department will continuously conduct war-room audits and verification to ensure safety of the equipment and to identify war-room needs and also ensure that items that were provided to war-rooms are still safeguarded by the local municipality. The department is currently in the process of procuring furniture and all-in-one desktops for 42 war-rooms. All of these war-rooms were audited and verified to be safe and secure to receive these items. The submission for the furniture is under process of approval.

A total number of 47 war-rooms in Msunduzi, Mkhambathini and Nongoma Local Municipalities were audited during OSS/DDM Cabinet Day programmes. An automated war-room functionality audit tool was successfully piloted in the Nongoma Local Municipality. In all, 18 out of 23 war-rooms were visited and audited using this tool. Based on the war-room audit findings, the department delivered computers to war-rooms to the Zululand District for the Pongola Local Municipality, as well as to the uMkhanyakude District for the Big Five Hlabisa Local Municipality. As part of war-room capacitation, the department provided training to war-room fieldworkers and stakeholders.

#### ***KZN Youth Empowerment Fund***

With regard to the KZN Youth Empowerment Fund, the first tranche of R50 million was transferred to the KZN Growth Fund Trust (KZNGFT) in 2018/19, with the second tranche of R50 million allocated in 2020/21. However, this amount was subsequently suspended to 2021/22, as the national lockdown resulted in a significant reduction in economic activity in the province resulting in insufficient requests for funding from potential beneficiaries. A further R100 million was allocated toward this in the 2023/24 Main Appropriation. This was not transferred as, during the year, OTP decided on a revised implementation method for the KZN Youth Empowerment Fund. The department no longer intends to utilise the KZNGFT for the disbursement of the funds, but is currently identifying projects that have the potential of creating mass jobs in different sectors, in partnership with the private sector, and new service providers are being sought including Dunlop Tyres, as well as other companies such as Huawei, Fuze Aviation, etc. It is envisaged that the full R100 million will be transferred to such private enterprises by year-end.

#### ***His Majesty, the King's activities***

The King participated in various important ceremonies and traditional functions in the province. Commemoration of the Burning of Ondini Palace, which was planned for 2023/24, was postponed due to the numerous rituals and traditions that needed to be performed during that time.

Apart from these events, the King participated in various important ceremonies and traditional functions,

including *Umgidi wamaNazaretha*, *Umkhosi Woselwa*, St John's Apostolic Church, and Seventh Day Adventist Church functions.

His Majesty, the King also took part in the commemoration of the *Battle of Isandlwana*, which began at Ulundi and ended in Nquthu. His Majesty, the King is also expected to participate in *Umkhosi Wamaganu*, which will take place in February/March 2024 at Ingwavuma Palace. The second part of this event will take place at KwaKhangelamankengana Palace.

An additional allocation was made in-year of R30 million towards legal fees incurred by the Royal Household in the various lawsuits that have arisen following His Majesty, the King's coronation. Of this, R14.382 million was transferred to the ZRHT, with the balance of R15.618 million allocated to *Goods and services*, and awaiting invoices from the Office of the State Attorney.

#### ***KZN Zulu Royal House Trust (ZRHT)***

In terms of the KZN Zulu Royal House Trust Act of 2018, the ZRHT is mandated to provide administrative support to the Zulu Royal family, as well as to undertake maintenance, and management of the Zulu Royal family's assets, including the Royal palaces and farms.

Despite the continuing court battles for the Zulu throne succession, the ZRHT continued to render support services to the Zulu Royal family. These support services include the maintenance of the Royal residences, provision for the Queens' travel and accommodation expenses, tuition fees for Princes and Princesses, transportation and medical expenses for members of the Zulu Royal family, among others. The ZRHT is also responsible for the provision of cattle feed and veterinary care in support of the Royal farming operations.

The ZRHT appointed a business consultant to assist with the development of a revenue-generating plan, as well as the financial and investment model for the newly established investment company, which will trade as an investment company on behalf of the ZRHT. While the ZRHT is currently pursuing investment into short-term investment projects, such as fast food franchises, the ZRHT is also finalising the identification and ranking of medium- to long-term investment projects, which will ensure the financial stability of the Zulu Royal family and less dependence on the provincial fiscus.

#### ***Forensic investigation services***

By the third quarter of 2023/24, the department completed 41 investigations, and conducted 39 follow-ups to track the status of implementation of recommendations arising from forensic investigation reports. The forensic audit unit undertook the following initiatives during the year, among others:

- Assisted law enforcement agencies, such as the Anti-Corruption Task Team, National Prosecuting Authority (NPA), South African Police Services (SAPS), Fusion Centre (an operational hub under the Financial Intelligence Centre that co-ordinates various law enforcement agencies activities), Specialised Commercial Crime Unit and the Asset Forfeiture Unit, on matters under criminal investigation. These teams met regularly to monitor the criminal investigation and prosecution of the top priority cases within the province.
- Monitored that the recommendations of various forensic reports were implemented by the respective Accounting Officers of departments by conducting thorough follow-up exercises. The bulk of these exercises related to disciplinary and remedial actions to be implemented by provincial departments, and the balance involved criminal matters conducted with SAPS.
- Commenced implementing a Forensic Case Management system that will be used to record, consolidate, and track all forensic investigations conducted within all spheres of provincial government. The system will also be used for the standardisation in reporting to clients and various stakeholders, and for the automation of current manual investigation processes within the unit. It will be used as an effective mechanism to monitor and evaluate the implementation of recommendations by forensic reports. The roll-out plan is anticipated to be completed by 31 March 2024.
- Some departments had established their own forensic investigations units resulting in a lack of independence and objectivity, thus compromising forensic investigations. OTP is currently finalising a framework for investigations which would ensure a centralised forensic unit in the province under

OTP, which will ensure a bigger, more efficient and skilled unit. Once the forensic investigations framework has been approved, all forensic investigations in the province will be centralised at OTP and all investigations (departments, municipalities, municipal entities and public entities) will be conducted by OTP.

### **3. Outlook for the 2024/25 financial year**

Section 3 looks at the key focus areas of 2024/25, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. The bulk of the department's budget allocation is for cross-cutting and transversal activities, such as OSS, integrity management, youth development, the Nerve Centre, support to the Royal Household, as well as transfers to its public entity, the ZRHT. In 2024/25 and over the medium-term, OTP will focus on the priorities listed below.

#### ***Provincial Planning Commission (PPC)***

The mandate for the PPC remains unchanged and, as such, the PPC will continue to monitor and facilitate alignment of provincial plans, policies and policy implementation instruments to the national and provincial priorities. This includes continuing the ongoing implementation of the reviewed PGDS, facilitating implementation monitoring through the alignment of the MTSF implementation plans/PGDS, as well as the continued support of the AWGs for reporting effectively on progress with implementation. The PPC will continue to monitor implementation strategies, plans and projects, including progress with the implementation of District One Plans and provincial priority programmes.

Whereas the MTSF 2019-2024 will be reviewed and replaced by the MTSF 2025-2029, the PPC will have a central role in supporting the revision of the provincial priorities as a parallel process, complementing the work of the DPME, while ensuring that provincial issues find expression in the plans of the province.

The PPC will also facilitate the realignment of AWG plans and inputs into the cluster system to promote alignment and also to ensure results-based implementation. The PPC will also continue to actively participate in supporting evaluations through the Provincial Evaluations Steering Committee to promote evaluations that will yield evidence-informed decision-making in the adjustment of policies and implementation programmes. This will include projects such as the final five- and 30-years reviews, reflecting on implementation over that period. Participation and engagement with academia to strengthen research and engagement with key stakeholders through participation in the AWGs and Provincial Sector Councils which are social councils will continue to encourage policy development and promote active citizenry in the implementation of provincial initiatives supporting the PGDS.

#### ***Policy and research co-ordination***

The need to strengthen relationships with tertiary institutions and research-orientated enterprises will be revisited to further maximise key areas to be prioritised and to build partnerships that will contribute towards innovation and strengthen knowledge. This will also be linked to exploring options to improve critical skills and resources to support a capable, ethical and developmental state, including 4IR. In addition to this, platforms for knowledge sharing remain important enablers and will continue. This will include the revival of the Provincial Research Forum, as well as the co-ordination and adoption of the Provincial Research Agenda, aligned to the priorities of the provincial government.

The department will continue to co-ordinate and update the existing inventory of public policies, policy instruments and research projects, and facilitate the co-ordination of policies, research and planning through the relevant forums. Repositories will also be maintained to promote access to relevant research reports, policy and planning documents and evaluation reports.

#### ***Strategic planning***

The 2024/25 planning cycle will be subjected to transitional arrangements due to the upcoming 2024 general elections. DPME will be issuing circulars to guide these arrangements, which are likely to include updated Strategic Plans and APPs to be tabled after the elections.

The department will provide technical planning support services to provincial government departments and public entities to enable them to develop APPs that are aligned with the PGDS and MTSF. The provision of such support is meant to ensure that departments and public entities produce credible APPs which directly address the priorities of the provincial government, taking into account the move to the 7<sup>th</sup> administration. The department will also support all public entities in developing and aligning their plans with the revised PGDS and reviewed MTSF.

#### ***Monitoring and evaluation***

The province will maintain an integrated planning, monitoring, reporting and evaluation system to provide credible data and an evidence base against indicators and targets in a single plan (MTSF).

The province will transition to a digital monitoring and evaluation system in 2024/25, for which development is at an advanced stage. The integrated system will enable accountability across various levels of planning and reporting (MTSF, PGDS and APP). The following outcomes will be pursued, among others:

- Track the development impact of government policies, plans and programmes primarily through evaluation studies, but informed by monitoring data.
- Track whether the NDP/MTSF and PGDS are translated into effective service delivery programmes at provincial and district levels.
- Track progress at the coalface of service delivery through frontline monitoring, citizen-based monitoring, *Izimbizo* and the Presidential hotline to assess real change and improvement in the lives of citizens.

#### ***Inter-governmental relations***

The IGR unit will continue to be the vehicle to ensure full and seamless integration between OSS and DDM. The OSS/DDM integration document provides a basis for areas of implementation to begin material OSS/DDM synergy. While the OSS and DDM have not yet been fully integrated in the province, in 2024/25, the focus will be on the integration of OSS/DDM structures focussing mainly on the review of Terms of Reference (TOR) for both structures to promote alignment through joint sittings. As part of the full integration of OSS/DDM in 2024/25, the reporting on the implementation of District One Plans is proposed to be elevated to COHOD, the various clusters, Premier's Co-ordination Forum and the Provincial Executive Council.

The reviewed twinning agreement with Baden-Württemberg, Germany, will be the springboard for KZN to enhance co-operation in the fields of environmental technology, sustainability, energy, health economy, engineering, automotive industry, agriculture and food industry. The finalisation of the review of the State of Maryland, USA twinning agreement is set to increase collaboration with KZN on economic development through business, trade and investment promotion of tourism, agriculture development and agribusiness, education, training exchange programmes, as well as port collaboration and maritime exchange programmes.

In 2024/25, the focus will be on the implementation of the BRICS+ Summit resolutions and commitments. The existing twinning agreements and BRICS+ Summit resolutions will be aligned to the Provincial Government Plan of Action, especially in the areas of the Jobs war-room, Energy war-room, vulnerable groups programmes, the Gender-Based Violence and Femicide (GBVF) strategy, as well as the Social Cohesion and Moral Regeneration strategies. The Governance, State Capacity and Institutional Development Cluster will lead in ensuring alignment and full participation by all clusters to ensure that international relations agreements add value to the implementation of the work of all clusters.

#### ***International relations***

International relations play a strategic role in the growth and development of an economy. Some of the province's major benefits of good international relations are access to markets, advantages of cost, economies of scale, technology and skills transfer, training and educational opportunities, exchanges, sharing of best practices, as well as promoting people to people relations.



Although the scope of KZN's international relations is global, efforts are focused on emerging economies, which can boost the province's economy, as well as on regions where KZN can make a difference on the African Agenda 2063.

KZN is dedicated to promoting a progressive and practical international relations strategy that encourages trade, foreign investment, and projects that can create new opportunities and put the province on the global map. Bilateral diplomacy continues to be a crucial tool for strengthening relationships between KZN and other overseas regions. Over the years, bilateral co-operation has expanded into other areas beyond political and economic activities.

OTP will continue to strive to actively participate in international relations for the benefit of the province and the country, promoting co-operation among developing countries and enhancing economic relations with neighbouring countries through affiliation with the SADC, as well as promoting intra-African trade as a cornerstone of South Africa's foreign policy, which includes active engagement with BRICS+ member states.

#### ***Protection of human rights***

The department is mandated to co-ordinate the implementation of programmes for the vulnerable, but also to prioritise human rights, which include disability rights, senior citizens' rights, women's rights, and children's rights. The department will continue to undertake its provincial oversight role in programmes for farm dwellers, the physical access audit of state buildings for persons with disabilities and capacity building for vulnerable groups, and this is an ongoing process.

The roll-out will continue in terms of developing a baseline database for human rights-related indicators in the province to determine the number of functional old age homes and disability centres, and this is an ongoing process.

OTP will monitor and support the implementation of active ageing programmes, such as the Golden Games. The roll-out of human rights awareness campaigns, such as the commemoration of the National Human Rights Day, International Day for People with Disabilities and the International Day for Senior Citizens, remains one of the priorities.

#### ***Public service transformation***

The department, on a quarterly basis, will analyse the implementation reports of the Provincial HR Turnaround Strategy submitted by all 13 provincial departments, assess the impact that the strategy has in improving the HR function at a departmental level and provide feedback to COHOD.

#### ***Operation Sukuma Sakhe (OSS)***

The OSS Revitalisation Strategy (to address challenges in integrating OSS with DDM) empowers structures to better co-ordinate the programme from the district to ward level. Co-ordination of Provincial Task Team meetings provides space to take stock of the functionality of the OSS programme and its integration to the DDM. The department will ensure that deployment of SMS members by the sector departments and municipalities is in order. The development of TORs as well as generic indicators provides a framework for SMS members to actively participate in OSS and DDM structures for the benefit of community members. The OSS/DDM Cabinet Day programme entails a visit by the members of the Provincial Executive Council in a district within a specific local municipality and wards. Visits by members of the Provincial Executive Council led by the Premier will be intensified and, in this regard, the responsible departments, municipalities and stakeholders will ensure that they honour commitments made and that there is alignment and collaboration. OTP will ensure that feedback is provided to beneficiaries, communities and stakeholders.

#### ***His Majesty, the King's activities***

The Royal Household annual events/programmes remain the same as for the previous years. The only variation may be on the dates resulting from consultations with His Majesty, the King.

#### ***KZN Zulu Royal House Trust***

The appointment of the new Board of Trustees is expected to be finalised during the first quarter of 2024/25, after the previous Board's term expired in June 2023. The list of beneficiaries of the reigning

Monarch is expected to be finalised before the start of 2024/25. The ZRHT will continue to provide support services to members of the Zulu Royal family in line with the approved beneficiary list.

The ZRHT will continue to explore medium- to long-term revenue-generating projects in sectors such as energy, mining, petroleum, and property development to ensure the long-term financial sustainability of the Zulu Royal family. The ZRHT will consider public-private partnerships, but private-sector participation will be prioritised. The planning and co-ordination of a fundraising event to celebrate the Zulu cultural heritage is currently underway, and the event is expected to take place early in 2024/25.

#### ***Forensic investigation services***

The department is hoping to develop a stronger collaboration to strengthen provincial compliance and to foster greater initiatives with COGTA to deal with fraud, corruption, irregularities and maladministration occurring within municipalities and municipal entities within the province. This will be done through an approved forensic investigations framework.

The Forensic investigation services unit plans to continue assisting law enforcement agencies on matters under criminal investigation. The unit will attend regular meetings with the respective agencies to monitor criminal investigation and monitor the prosecution of top priority cases within the province which will emanate from provincial forensic investigations.

The unit will continue to conduct follow-ups with departments to track the status of implementation of recommendations by Accounting Officers on investigations and to engage the SAPS on the status of criminal matters emanating from provincial forensic investigations. The bulk of the recommendations relates to disciplinary action, civil recovery, remedial actions to be implemented by provincial departments, and the balance involves criminal matters to be investigated by the SAPS.

OTP is currently finalising a framework for investigations which would ensure a centralised forensic unit in the province under OTP, which will ensure a bigger, more efficient and skilled unit. Once the forensic investigations framework has been approved, all forensic investigations in the province will be centralised at OTP and all investigations (departments, municipalities, municipal entities and public entities) will be conducted by OTP. The framework will be aligned to the new administration 2024-2029, and drafting will commence in 2024/25.

## **4. Reprioritisation**

The department undertook reprioritisation and movement of funds between programmes and economic classifications. The movements across economic categories are discussed below:

- *Compensation of employees* was decreased by R3.094 million in 2024/25, with R1.507 million reprioritised to *Goods and services*, while an additional R1.587 million was reprioritised to *Transfers and subsidies to: Households* to cover staff exit costs. The movements were largely from Programme 2: Institutional Development and Programme 3: Policy and Governance due to over-budgeting. There is an increase of R18.245 million against *Compensation of employees* in 2025/26, to address costs for filled positions, vacant funded positions, as well as the carry-through costs of the 2023 wage agreement over the MTEF.
- *Goods and services* was increased in 2024/25 by R1.507 million from *Compensation of employees* and R1 million from *Payments for capital assets* for the purchase of minor assets for the war-rooms, which were under-budgeted for. The net effect was an increase of R 2.507 million for 2024/25, with this allocation inclusive of inflationary adjustments. There is a decrease of R17.741 million for 2025/26, being enforced savings in Programmes 2 and 3 against computer services and contractors, to provide funding for pressures against *Compensation of employees*, as mentioned.
- *Transfers and subsidies to: Households* was increased by R1.587 million and R596 000 in 2024/25 and 2025/26, respectively, in all programmes from *Compensation of employees* to cater for additional staff exit costs.
- *Payments for capital assets* was reduced by R1 million in Programme 1: Administration, moved within the programme to *Goods and services* to cater for the purchase of minor assets for war-rooms.

All service delivery projects, as outlined in the departmental APP, will still proceed in 2024/25, but savings will be realised by scaling down various projects, particularly the scale of events, as well as implementing cost-cutting measures, to ensure that pressures experienced in 2023/24 are not repeated.

## 5. Procurement

The department will continue to implement the procurement plan for procurement activities in line with the strategic objective, preferential procurement objectives and the mandate of the department to ensure that there is compliance with the government's supply chain management guidelines, policies and regulations for effective and principled procurement of *Goods and services*. The department will also implement the procurement plan for procurement exceeding R500 000 and the demand management plan for procurement below R500 000 for 2024/25, to ensure that the organisation's needs are met.

The department aims to reduce the turnaround time for procuring *Goods and services*. Internal controls, contract management and inventory management will continue to be strengthened. The department will also intensify its efforts to ensure that suppliers and service providers are paid within 30 days, in line with Treasury Regulation 8.2.3. All quotations and bids will be awarded in a manner which is fair, equitable, transparent, competitive and cost effective. To implement the KZN Digital Strategy approved by the Provincial Executive Council, the department rolled out its own tracking system to effectively manage the process of paying invoices on time. Note that OTP developed their own policy for procurement in line with the PPPFA and the revised regulations, as promulgated on 16 January 2023.

The major procurement that the department will undertake relates to the advertising and hiring of services for events aimed at effectively implementing the department's mandate, as well as computer services in respect of the procurement of the provincial Broadband Connectivity project for all the departments in the province. The current budget of R30 million for this project will be fully spent by the end of 2023/24, but the project will be ongoing over the MTEF, with the pace of roll-out limited by available funding.

The department will also procure services for the maintenance and refurbishment of its buildings to address scheduled and *ad hoc* maintenance projects. The buildings targeted for routine maintenance include the Moses Mabhida building in Pietermaritzburg, the Marine building in Durban and the Premier's Parkside residence. The department also leases buildings, including offices in the Invesco Centre in Pietermaritzburg and the Marine building in Durban. The department is, through DOPW, looking for accommodation that is cheaper than the Invesco Centre, for which the lease agreement was extended by another 12 months to 31 March 2024. The lease agreement will again be extended by a further 12 months by DOPW to 31 March 2025.

## 6. Receipts and financing

### 6.1 Summary of receipts and financing

Table 1.1 gives the sources of funding of Vote 1 from 2020/21 to 2026/27. The table also compares actual and budgeted receipts against actual and budgeted payments. The department receives a provincial allocation in the form of an equitable share.

**Table 1.1 : Summary of receipts**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Equitable share	751 764	760 240	774 099	872 057	892 057	892 057	784 153	817 875	854 789
Conditional grants	-	-	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>751 764</b>	<b>760 240</b>	<b>774 099</b>	<b>872 057</b>	<b>892 057</b>	<b>892 057</b>	<b>784 153</b>	<b>817 875</b>	<b>854 789</b>
<b>Total payments</b>	<b>587 198</b>	<b>754 197</b>	<b>733 373</b>	<b>872 057</b>	<b>922 057</b>	<b>922 057</b>	<b>784 153</b>	<b>817 875</b>	<b>854 789</b>
Surplus/(Deficit) before financing	164 566	6 043	40 726	-	(30 000)	(30 000)	-	-	-
Financing									
of which									
Provincial roll-overs	11 000	-	-	-	-	-	-	-	-
Provincial cash resources	(77 104)	50 000	2 496	-	-	-	-	-	-
Suspension to future year	(43 068)	-	(30 000)	-	30 000	30 000	-	-	-
<b>Surplus/(Deficit) after financing</b>	<b>55 394</b>	<b>56 043</b>	<b>13 222</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

In 2020/21, the following adjustments are noted:

- R11 million was rolled over from 2019/20 comprising the following:
  - R9.160 million for an international payment meant to be made in March 2020 to Microsoft for licence agreements, but was delayed as approval was needed from South African Reserve Bank.
  - R1.840 million for orders committed in respect of computer equipment.
- A net amount of R77.104 million was reduced from the baseline in respect of provincial cash resources, as follows:
  - In the 2020/21 Main Appropriation, R50 million was allocated from provincial cash resources for the KZN Youth Empowerment Fund. However, this amount was subsequently suspended to 2021/22, as the national lockdown resulted in a significant reduction in economic activity in the province. As a result, there were insufficient requests for funding from potential beneficiaries of the KZN Youth Empowerment Fund to warrant a transfer in 2020/21.
  - R19.996 million was allocated due to the function shift of the Forensic Investigation Services component from Provincial Treasury to OTP with effect from 1 August 2020 in line with a Provincial Executive Council resolution in this regard.
  - The department's budget was decreased by R119.346 million in the Special Adjustments Estimate, to cater for the provincial response to the Covid-19 pandemic.
  - R21.754 million was reduced as a result of the non-implementation of the 2020 wage agreement due to the national fiscal consolidation efforts, with departments required to cut their *Compensation of employees* budgets.
  - R6 million was reduced in the Third Adjustments Estimate to support DOE related to Covid-19 budget pressures.
- As mentioned, R50 million was suspended to 2021/22 related to the KZN Youth Empowerment Fund, offset by R6.932 million suspended from 2019/20 related to the roof repairs of the Moses Mabhida building, which did not commence as expected. These funds were then reallocated to the department in 2020/21.

The under-spending of R55.394 million in 2020/21 was mainly attributed to expenditure not incurred for software upgrades for the Provincial Nerve Centre, e-Submission and e-Leave software, as well as tracking software to address audit findings. In addition, there were orders placed for tools of trade in respect of computer equipment and printers to facilitate working remotely. These orders were placed by year-end, but delivery did not occur.

In 2021/22, a total of R58 million was allocated to the department, as follows:

- The department received R50 million, allocated from provincial cash resources, suspended from 2020/21 for transfer to the KZNGFT for the KZN Youth Empowerment Fund.
- R8 million was allocated being an addition made to the equitable share by National Treasury for the 2021 wage agreement.

The under-spending of R56.043 million in 2021/22 was mainly attributed to *Goods and services*, with a number of items under-spent impacted by the national lockdown for Covid-19. In addition, *Compensation of employees* was under-spent partly due to additional funding of R8 million received in the Adjustments Estimate for the non-pensionable allowance, but this was funded from savings as vacant posts were filled later than anticipated. The slow filling of vacant posts also contributed to the under-spending.

The growth in 2022/23 was low, mainly due to the once-off reallocation of R50 million for the KZN Youth Empowerment Fund in 2021/22, as mentioned.

In 2022/23, there were additional allocations as follows:

- An addition of R6.548 million was made to the equitable share by National Treasury for the 2022 wage agreement.

- There was a further allocation of R2.670 million in respect of donor funds received from the AU towards the April flood disaster response. This amount was reduced to R2.496 million in the 2022/23 Second Adjustments Estimate as, when the donor funds were received in the provincial bank account in January 2023, the exchange rate had changed slightly. This amount is reflected against provincial cash resources.
- Mitigating the allocations was the suspension of R30 million in the 2022/23 Second Adjustments Estimate, with these funds to be allocated back to the department in 2023/24 for the implementation of the provincial Broadband Connectivity project.

The department ended 2022/23 with under-spending of R13.222 million largely attributed to external bursaries for which there was a lower uptake than expected. Also under-spent was *Goods and services* mainly attributed to the donor funds received from the AU for water distribution among communities affected by the flood disaster not being spent, due to lengthy consultation processes with the municipalities and COGTA on the determination of the greatest need. The under-spending was also attributed to outsourced forensic investigations, which only commenced in the latter part of the financial year, as a result of challenges experienced by the Forensic Investigations Services unit with obtaining a suitable service provider.

In 2023/24, the Main Appropriation was R872.057 million. The high growth from 2022/23 is due to a once-off allocation of R100 million for the KZN Youth Empowerment Fund. There were further additional allocations as follows:

- R30 million was allocated, being funds suspended from the department's budget in the 2022/23 Second Adjustments Estimate to be reallocated in 2023/24. These funds are for the provincial Broadband Connectivity project.
- R30 million was allocated from provincial cash resources towards legal fees incurred by the Royal Household.
- Mitigating these allocations was an equitable share reduction of R10 million suspended from the Vote for allocation to Vote 9: Community Safety and Liaison for the provincial Crime Fighting Initiative.

These allocations increased the 2023/24 budget to R922.057 million. The department is projecting a balanced budget at year-end, as per the December 2023 IYM.

In 2024/25, the negative growth relates to the once-off funding of R100 million in 2023/24 for the KZN Youth Empowerment Fund and the impact of the fiscal consolidation budget cuts made over the 2024/25 MTEF. Growth in the two outer years of the MTEF is inflationary only.

## 6.2 Departmental receipts

Table 1.2 reflects details of departmental receipts per main category over the seven-year period.

Details of the department's revenue are reflected in *Annexure – Vote 1: Office of the Premier*.

**Table 1.2 : Summary of departmental receipts collection**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	178	165	165	352	352	168	190	213	223
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	46	5	2	1	1	1	1	1	1
Sale of capital assets	-	-	600	1 115	1 115	-	1 217	1 273	1 332
Transactions in financial assets and liabilities	284	974	536	58	58	326	64	67	70
<b>Total</b>	<b>508</b>	<b>1 144</b>	<b>1 303</b>	<b>1 526</b>	<b>1 526</b>	<b>495</b>	<b>1 472</b>	<b>1 554</b>	<b>1 626</b>

*Sale of goods and services other than capital assets* comprises of revenue from commission on PERSAL deductions such as insurance premiums and garnishee orders and tender fees. The revenue trend fluctuates over the period due to the uncertain nature of this category. The revenue projections were adjusted downward over the MTEF, in order to be in line with the actual revenue collected in prior years, and estimated to be collected in 2023/24.

*Interest, dividends and rent on land* is derived from interest on staff debts. The department is very conservative in terms of budgeting for this source due to its unpredictable nature. As such, there is no growth provided over the MTEF.

*Sale of capital assets* is from the sale of redundant assets, such as motor vehicles and equipment. Revenue collected against this category depends on factors such as the asset disposal policy, size of the fleet and the price received at the auction, hence the unpredictable trend in the prior years. The 2023/24 Revised Estimate reflects no revenue due to a directive issued by OTP to all departments to halt the processes of disposing of state vehicles that have reached the end of their life span. This initiative is part of the provincial Crime Fighting Initiative, with the intention to donate these vehicles to community safety structures. This category shows positive growth of 6.1 per cent over the MTEF.

*Transactions in financial assets and liabilities* is in respect of recoveries from previous financial years, such as staff debts. The collection fluctuates from 2020/21 to the 2023/24 Revised Estimate, in line with the recovery of staff debts. The revenue growth is conservative over the MTEF due to its uncertain nature.

### 6.3 Agency funding

Tables 1.3 and 1.4 reflect the details of agency funding for the period 2020/21 to 2026/27. The department received agency receipts in respect of the Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA) and the National Skills Fund (NSF).

**Table 1.3 : Details of agency funding receipts**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Agency funding	16 088	20 000	8 424	1 925	8 958	8 958	-	-	-
NSF	1 687	-	1 439	-	-	-	-	-	-
MERSETA	14 401	20 000	6 985	1 925	8 958	8 958	-	-	-
<b>Total</b>	<b>16 088</b>	<b>20 000</b>	<b>8 424</b>	<b>1 925</b>	<b>8 958</b>	<b>8 958</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 1.4 : Details of agency funding payments and estimates**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Agency funding	14 649	13 089	6 657	1 925	8 958	10 721	-	-	-
NSF	248	-	-	-	-	1 439	-	-	-
MERSETA	14 401	13 089	6 657	1 925	8 958	8 958	-	-	-
PSETA	-	-	-	-	-	324	-	-	-
<b>Total</b>	<b>14 649</b>	<b>13 089</b>	<b>6 657</b>	<b>1 925</b>	<b>8 958</b>	<b>10 721</b>	<b>-</b>	<b>-</b>	<b>-</b>

The department, through the Training Academy, received funding in the past from the NSF. The NSF project implemented learnerships, apprenticeships and skills programmes for the training of unemployed youth, in areas such as toolmaking and digital television installation. Although the contract between OTP and the NSF ended in March 2020, the funding will be used for a Graduate Recruitment Scheme, which is one of the developmental programmes supporting job creation for the youth.

The department received funding from MERSETA for training apprentices in various trades such as fitting and turning, electricians, spray painting, petrol, welding, millwright and diesel mechanics. During 2020/21, the department, through the Training Academy, signed a contract to the value of R55 million from MERSETA to train 200 apprentices which was later revised to 113 apprentices and 892 skills programmes to be spent up to 2023/24. The department was allocated R41.386 million for the fiscal years 2020/21 to 2022/23. An amount of R8.958 million was received in 2023/24. The project is scheduled to end on 31 March 2024. However, there are ongoing discussions about extending the project.

There is residual funding for the Public Sector Education and Training Authority (PSETA) of R324 000. The funding for this project ended in 2018 when the last and final tranche was received. However, the department had utilised a payroll company to pay the learner stipends and this contract also ended in 2018. The sum of R324 000 is a roll-over from an internship project that was managed by OTP to place graduates. However, not all of the funds were used, as some graduates left the project due to finding permanent employment elsewhere. This money will be used to fund internships to replace those that left the project.

## 7. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including payments and budgeted estimates by programme and economic classification. Further details are given in Section 7, as well as in the *Annexure – Vote 1: Office of the Premier*.

### 7.1 Key assumptions

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

- All inflation related increases are based on CPI projections.
- The department has provided for *Compensation of employees* to increase by 13.5 per cent in 2024/25 (as based on the 2023/24 Revised Estimate) to provide for carry-through costs of filling critical vacant posts. There is growth of 6 per cent in 2025/26 and 6 per cent in the outer year of the MTEF. These increases are sufficient for the 1.5 per cent pay progression, the carry-through of the unfunded 2023 wage agreement, as well as possible wage agreements.
- OTP has budgeted R2.800 million per year over the MTEF to employ 33 people as interns to support administrative functions within the department.

### 7.2 Amendments to provincial and equitable share funding: 2022/23 to 2024/25 MTEF

Table 1.5 shows amendments to provincial and equitable share funding received by the department over the 2022/23, 2023/24 and 2024/25 MTEF periods. The carry-through allocations for the outer year (i.e. 2026/27) are based on the incremental percentage used in the 2024/25 MTEF.

**Table 1.5 : Summary of amendments to provincial and equitable share allocations for the 2022/23 to 2024/25 MTEF**

R thousand	2022/23	2023/24	2024/25	2025/26	2026/27
2022/23 MTEF period	-	-	-	-	-
2023/24 MTEF period	-	96 546	3 321	390	408
Cost of living adjustment carry-through (3%)		6 354	7 287	7 372	7 704
KZN Youth Empowerment Fund		100 000	-	-	-
PES data update and own revenue reductions		(9 808)	(3 966)	(6 982)	(7 296)
2024/25 MTEF period	-	-	(29 499)	(29 149)	(30 461)
Fiscal consolidation reduction by National Treasury			(29 499)	(29 149)	(30 461)
<b>Total</b>	-	<b>96 546</b>	<b>(26 178)</b>	<b>(28 759)</b>	<b>(30 053)</b>

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

In the 2023/24 MTEF, the following changes were made to the department's budget:

- The department's equitable share was increased by R6.354 million in 2023/24, with carry-through, related to the previously mentioned funding for the 2022 wage agreement (3 per cent). The funds were allocated proportionately to all programmes.
- The department's equitable share was increased by a once-off amount of R100 million in 2023/24 for the KZN Youth Empowerment Fund, in line with the SOPA, 2022 pronouncement.
- The department's equitable share was reduced by R9.808 million in 2023/24, R3.966 million in 2024/25 and R6.982 million in 2025/26, with carry-through. These reductions relate to the equitable share reduction as a result of the annual updates of the data that informs the equitable share formula, as well as reductions in the province's own revenue baseline. The cuts were effected proportionately against all programmes.

In the 2024/25 MTEF, the department's equitable share was reduced against all programmes by R29.499 million in 2024/25, with carry-through, due to the fiscal consolidation reduction by National Treasury. Further detail of these cuts is provided in Section 8.

### 7.3 Summary by programme and economic classification

Tables 1.6 and 1.7 summarise payments and estimates by programme and economic classification. Note that the historical numbers for programmes differ slightly from those published in the 2023/24 EPRE due to the movement from 2024/25 of the Youth and Democracy Support components from Programme 2 to Programme 3, as well as the external bursaries function from Programme 3 to Programme 2. The prior years were only partly restated, as the operational costs of the external bursaries function was unable to be restated. There is also a minor amendment from the 2023/24 EPRE amounts for Programme 1 due to some aspects of the OSS movement in that year not being fully restated. There are no changes in economic categories.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
1. Administration	120 703	200 499	214 387	212 767	222 117	222 117	226 733	233 251	243 847
2. Institutional Development	292 825	326 684	261 921	310 717	303 644	303 644	329 778	348 928	364 263
3. Policy and Governance	173 670	227 014	257 065	348 573	396 296	396 296	227 642	235 696	246 679
<b>Total</b>	<b>587 198</b>	<b>754 197</b>	<b>733 373</b>	<b>872 057</b>	<b>922 057</b>	<b>922 057</b>	<b>784 153</b>	<b>817 875</b>	<b>854 789</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
<b>Current payments</b>	<b>504 344</b>	<b>586 929</b>	<b>652 995</b>	<b>691 601</b>	<b>725 193</b>	<b>724 379</b>	<b>703 451</b>	<b>734 542</b>	<b>768 123</b>
Compensation of employees	312 270	321 427	333 761	379 583	354 592	354 592	402 417	426 564	452 158
Goods and services	192 074	265 502	319 234	312 018	370 601	369 787	301 034	307 978	315 965
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>52 671</b>	<b>121 106</b>	<b>48 665</b>	<b>155 209</b>	<b>178 278</b>	<b>178 278</b>	<b>57 601</b>	<b>59 151</b>	<b>61 872</b>
Provinces and municipalities	148	212	136	76	76	76	79	83	87
Departmental agencies and accounts	30 654	46 163	24 888	25 983	41 965	41 965	26 337	27 517	28 783
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	100 000	100 000	-	-	-
Non-profit institutions	-	50 000	-	100 000	-	-	-	-	-
Households	21 869	24 731	23 641	29 150	36 237	36 237	31 185	31 551	33 002
<b>Payments for capital assets</b>	<b>25 626</b>	<b>46 162</b>	<b>31 713</b>	<b>25 247</b>	<b>18 586</b>	<b>19 400</b>	<b>23 101</b>	<b>24 182</b>	<b>24 794</b>
Buildings and other fixed structures	5 365	17 847	6 366	1 960	1 960	2 393	2 048	2 140	2 238
Machinery and equipment	20 261	28 315	25 347	23 287	16 626	17 007	21 053	22 042	22 556
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>4 557</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>587 198</b>	<b>754 197</b>	<b>733 373</b>	<b>872 057</b>	<b>922 057</b>	<b>922 057</b>	<b>784 153</b>	<b>817 875</b>	<b>854 789</b>

The structure of the department consists of three programmes, and does not conform fully to the generic programme structure of the sector at this stage, but National Treasury approval was received in July 2018 for the deviation. Variances to the generic programme structure include:

- Unique to KZN, following the signing of the proclamation to combine the former Department of the Royal Household with Vote 1, the budget of the former Department of the Royal Household was added to Vote 1's budget as a sub-programme under Programme 3, effective from 1 April 2015.
- The sub-programme: IGR was moved to Programme 1 and this was approved by National Treasury.
- The inclusion of the Forensic Investigation Services function is not part of the formal budget structure of Offices of the Premier but is in line with a Provincial Executive Council resolution in this regard.



- During 2023/24, the external bursaries function, formerly under Youth Services, was transferred to the Training Academy with the operational costs unable to be restated.

The department was subjected to budget cuts in 2020/21 to fund the provincial response to the Covid-19 pandemic, as well as budget cuts related to freezing public sector wages at the time. In addition, the budget is impacted by the carry-through of budget cuts related to the public sector wage freeze, as well as cuts related to fiscal consolidation and equitable share amendments, the details of which were provided in the 2021/22 EPRE. Growth is negative in 2022/23, largely due to the once-off nature of the spending in 2022/23, related to the completion of the Moses Mabhida building roof repairs and the purchase of motor vehicles. There were also budget cuts in the 2023/24 MTEF related to the previously mentioned equitable share reduction and reductions in the province's own revenue baseline, with further fiscal consolidation budget cuts made over the 2024/25 MTEF. The details thereof are provided at programme level in Section 8.

In Programme 1, the increase in 2021/22 was mainly due to once-off budget cuts in 2020/21 due to the provincial Covid-19 response, as well as increases in economic activities as the Covid-19 restrictions were relaxed. The impact of the eased restrictions was that more outreach activities were undertaken. Also, wage increases and the filling of posts were on the rise, and there was once-off spending relating to the Moses Mabhida building roof repairs, as well as the purchases of replacement motor vehicles. The decrease in the 2023/24 Main Appropriation largely relates to once-off funding reprioritised for the Command Centre for Disaster Management in 2022/23, which was responsible for co-ordinating the province's response to the April 2022 flood disaster. The increase in the 2023/24 Adjusted Appropriation is mainly to cater for activities undertaken in terms of the District champions for OSS/DDM responsibilities (R4.800 million) emanating from two unplanned Provincial Executive Council meetings held in the uMkhanyakude and Amajuba Districts, which were not budgeted for. In addition, funding was reprioritised to cater for unbudgeted spending on special projects (R6.150 million), such as the BRICS Africa Trade Conference, BRICS Gender Dividend Debate, OTP Career Expo, state funeral expenses in respect of Prince Mangosuthu Buthelezi, the Premier's *Izimbizo* and Premier's stakeholder engagements. The increase in the 2024/25 MTEF is largely attributed to personnel costs to cater for posts to be filled, as well as inflationary increases and the carry-through of the 2023 wage agreement. The programme's budget was cut over the 2024/25 MTEF by R8.868 million in 2024/25, with carry-through. The cuts were effected against *Goods and services* and *Machinery and equipment*. This will impact on some services such as events, which will have to be scaled down, and the department will delay the procurement of computer equipment and office furniture.

Programme 2 shows an increase in 2021/22 mainly due to low expenditure in 2020/21 attributed to the need to contain costs during Covid-19. The decrease in 2022/23 was mainly due to the digital transformation strategy funding being once-off in 2021/22, funded through internal reprioritisation. The increase in the 2023/24 Main Appropriation is mainly attributed to the hiring of unemployed graduate personnel, who add capacity to various units in the department. Contributing to this increase is the advertising budget (centralised in Programme 2) that was high, related to various activities undertaken, such as the Dunlop Tyres partnership (related to the KZN Youth Empowerment Fund), profiling of potential beneficiaries of the KZN Youth Empowerment Fund, International Women's Day and the Premier's *Izimbizo*, as well as provision to fill vacant posts. There is an increase in the 2023/24 Adjusted Appropriation mainly due to once-off funding for the provincial Broadband Connectivity project, with R30 million suspended from 2022/23 in this regard and allocated back to the department in the 2023/24 Adjusted Appropriation, offset by a reduction of R10 million toward funding the provincial Crime Fighting Initiative. This programme was also cut over the 2024/25 MTEF by R14.662 million in 2024/25, with carry-through. The cuts were effected against *Goods and services*, which will result in the scaling back of planned events, *Machinery and equipment*, which will delay the procurement of computer equipment and office furniture, as well as *Transfers and subsidies to: Households*, which will result in a reduced number of external bursaries offered. The growth in 2024/25 is to mainly provide for the filling of vacant posts, as well as to undertake the implementation of HRM&D strategies, policies and projects through the hosting of relevant strategic forums, the roll-out of the implementation plan of the provincial HR Turnaround Strategy in all provincial departments, and continued investigations and interventions to automate various HR processes, among others. Growth in the outer years is inflationary only.

Programme 3 shows high growth in 2021/22, mainly due to the once-off allocation of the second tranche of R50 million for the KZN Youth Empowerment Fund. Despite this once-off funding, growth in 2022/23 was positive due to more activities occurring, such as events and campaigns, as a result of more people being vaccinated against Covid-19 and national restrictions being eased. The increase in the 2023/24 Main Appropriation largely relates to a once-off allocation of R100 million for the KZN Youth Empowerment Fund. The increase in the Adjusted Appropriation is mainly attributed to funds being made available through internal reprioritisation for the crime prevention activities undertaken by the department, including two Premier's *Izimbizo* held in eThekweni and the uMkhanyakude District, GBVF screening and awareness campaigns, as well as providing victim friendly parkhome offices at three police stations as a safe place for profiling of victims. There was also provision made through internal reprioritisation to cover commitments from 2022/23 for which a roll-over was requested but not approved relating to the Aviation Programme. This programme was cut over the 2024/25 MTEF by R5.969 million in 2024/25, with carry-through. The cut was largely effected against *Goods and services*, which will result in events needing to be held on a reduced scale. There was also a cut against *Transfers and subsidies to: Departmental agencies and accounts*, partially passing on the impact of the cuts to the ZRHT. The significant decrease from 2023/24 to 2024/25 is due to the once-off allocation in 2023/24 for the KZN Youth Empowerment Fund. The growth in the outer years is inflationary only.

*Compensation of employees* grows steadily from 2020/21 to 2023/24, as the department fills vacant approved posts in a phased-in process. The increase in the 2023/24 Main Appropriation largely relates to provision made for the filling of critical vacant funded posts. The decrease in the Adjusted Appropriation is mainly due to internal reprioritisation from enforced savings by reducing the number of vacant posts that will be filled, moved to fund pressures from costs carried over from 2022/23 for staff exits and bursaries. In addition, the department surrendered R10 million towards the provincial Crime Fighting Initiative. The growth in 2024/25 is mainly to cater for 50 vacant funded posts to be filled, as well as the carry-through of the unfunded 2023 wage agreement. Growth over the two outer years of the MTEF is inflationary only, and includes provision for the carry-through costs of the 2023 wage agreement. It is noted that the 2024/25 MTEF budget cuts were not effected against this category.

*Goods and services* growth in 2021/22 and 2022/23 is mainly related to provision for training programmes undertaken by the Training Academy and the return to holding events as national lockdown restrictions were eased, as well as for the implementation of the provincial Monitoring and Evaluation system and once-off costs related to the King's coronation in 2022/23. The increase in the 2023/24 Adjusted Appropriation largely relates to the implementation of the provincial Broadband Connectivity project, with a once-off amount suspended from 2022/23 to 2023/24, but the project will be undertaken over several years, funded by in-year reprioritisation, as well as high advertising costs related to various activities undertaken, such as the Dunlop Tyres partnership (related to the KZN Youth Empowerment Fund), profiling of potential beneficiaries of the KZN Youth Empowerment Fund, International Women's Day and the Premier's *Izimbizo*. The increase in the Adjusted Appropriation is mitigated to some extent by enforced savings on expenses such as communication and computer services to address spending pressures elsewhere in the budget. This once-off funding accounts for the decrease in 2024/25. This category was subjected to fiscal consolidation cuts over the 2024/25 MTEF of R25.538 million in 2024/25, with carry-through. The growth over the outer years is inflationary only and provides for maintaining the current levels of service.

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

- *Provinces and municipalities* caters for the motor vehicle licences for the department as a whole. The increase in 2021/22 was due to new vehicles being licensed. The lower baseline from 2022/23 and 2023/24 was in line with the planned scrapping of redundant vehicles, with steady growth from the lower base over the 2024/25 MTEF.
- *Departmental agencies and accounts* caters for transfers to the ZRHT. The increase in the 2023/24 Adjusted Appropriation was to cater for the Zulu Royal family's legal costs, with R14.382 million allocated for transfer to the ZRHT for legal fees, as well as R1.600 million reprioritised for the purchase of a vehicle for Her Majesty, the Queen. These once-off costs account for the decrease in 2024/25. This category was cut over the 2024/25 MTEF by R815 000 in 2024/25,

with carry-through, with the department passing on some of the impact of the cuts to the ZRHT. The MTEF provides for inflationary increases only.

- With regard to *Non-profit institutions*, the department had budgeted to transfer the second tranche of funding in 2020/21 for the KZN Youth Empowerment Fund, to the KZNGFT, as mentioned. This funding was suspended in the 2020/21 Adjusted Appropriation as economic activity was insufficient to generate funding requests largely due to the Covid-19 pandemic, and the funding was reallocated in 2021/22. The fund was administered by the KZNGFT under EDTEA, hence the transfer to this entity. The department was allocated a further R100 million for the fund in 2023/24, originally allocated to *Non-profit institutions* for transfer to the KZNGFT, but moved in the 2023/24 Adjusted Appropriation to *Public corporations and private enterprises*. This was due to an amendment to the plans for the KZN Youth Empowerment Fund, as the department will no longer utilise the KZNGFT for the disbursement of the funds. The department is currently identifying projects that have the potential of creating mass jobs in different sectors, in partnership with the private sector, and new service providers have been identified, including Dunlop Tyres, as well as other companies such as Huawei, Fuze Aviation, etc.
- *Households* consists of staff exit costs, medical aid contributions for ex-parliamentarians (PARMED), the Provincial Bursary Programme, etc. The fluctuations in the prior years relate to staff exit costs, which are difficult to accurately predict. The amounts budgeted in 2023/24 and over the 2024/25 MTEF provide for staff exit costs, external bursaries and PARMED. Note that external bursaries were originally administered under Programme 3 but this function was shifted to the Strategic Human Resources sub-programme in Programme 2 from 2024/25. The historical data was not able to be restated as the operational costs for external bursaries were not able to be accurately identified. Note also that there are currently discussions underway with the Provincial Legislature and National Treasury regarding movement of PARMED, as there was a finding by the A-G that this function is incorrectly placed in OTP. There is currently no finalisation of this issue.

With regard to *Buildings and other fixed structures*, the high spending in 2021/22 relates to savings reprioritised from events held on a smaller scale as a result of the national lockdown restrictions, to cater for the final phase of the roof repairs project at the Moses Mabhida building. The 2024/25 MTEF provides for refurbishment of the department's buildings, including planned replacement of the cladding at the Moses Mabhida building to address water leaks. This project is still in progress.

*Machinery and equipment* mainly relates to the purchase of essential office computers, furniture and equipment for new appointments and the purchase of official vehicles, accounting for the high growth in 2021/22. The decrease in 2022/23 was mainly due to the fact that fewer vehicles were procured than in previous years. The further decrease in the 2023/24 Main Appropriation is due to once-off expenditure for the unanticipated purchase of a motor vehicle for His Majesty, the King in 2022/23. The decrease in the Adjusted Appropriation is due to funds shifted to *Goods and services* within Programme 1 in respect of office and equipment purchases for the war-rooms that are now classified as assets for distribution under *Goods and services*, as well as funding moved for transfer to the ZRHT for a motor vehicle for Her Majesty, the Queen. The high increase in 2024/25 provides for the replacement of furniture and computer equipment, with inflationary growth thereafter.

*Payments for financial assets* is attributed to debts written off.

#### **7.4 Summary of conditional grant payments and estimates – Nil**

#### **7.5 Summary of infrastructure payments and estimates**

Tables 1.8 summarises the infrastructure payments and estimates relating to the department. Further details of the department's infrastructure payments and estimates are presented in the 2024/25 ECE.

Table 1.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
<b>Existing infrastructure assets</b>	<b>7 580</b>	<b>21 669</b>	<b>11 825</b>	<b>6 449</b>	<b>5 971</b>	<b>6 624</b>	<b>7 180</b>	<b>7 680</b>	<b>8 358</b>
Maintenance and repair: Current	2 215	3 822	5 459	4 489	4 011	4 231	5 132	5 540	6 120
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	5 365	17 847	6 366	1 960	1 960	2 393	2 048	2 140	2 238
<b>New infrastructure assets: Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Infrastructure transfers</b>	<b>2 350</b>	<b>19 455</b>	<b>2 625</b>	<b>2 740</b>	<b>2 740</b>	<b>2 740</b>	<b>2 863</b>	<b>2 991</b>	<b>3 129</b>
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	2 350	19 455	2 625	2 740	2 740	2 740	2 863	2 991	3 129
<b>Infrastructure: Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Infrastructure: Leases</b>	<b>8 335</b>	<b>6 955</b>	<b>10 463</b>	<b>10 102</b>	<b>10 102</b>	<b>9 449</b>	<b>11 111</b>	<b>11 609</b>	<b>12 782</b>
<b>Non infrastructure<sup>1</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>18 265</b>	<b>48 079</b>	<b>24 913</b>	<b>19 291</b>	<b>18 813</b>	<b>18 813</b>	<b>21 154</b>	<b>22 280</b>	<b>24 269</b>
Capital infrastructure	7 715	37 302	8 991	4 700	4 700	5 133	4 911	5 131	5 367
Current infrastructure	10 550	10 777	15 922	14 591	14 113	13 680	16 243	17 149	18 902

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

With regard to *Maintenance and repair: Current* over the 2024/25 MTEF, the funding is to address scheduled and *ad hoc* maintenance projects. The buildings targeted for routine maintenance include the Moses Mabhida building in Pietermaritzburg, the Marine building in Durban and the Premier's Parkside residence. These repairs are undertaken on a needs basis and are determined in-year. The growth in this category is inflationary only.

*Refurbishment and rehabilitation: Capital* reflects expenditure related to projects at the Premier's Parkside residence and the Moses Mabhida building. The high spending in 2021/22 relates to savings from events held on a smaller scale as a result of the national lockdown restrictions, reprioritised from *Goods and services* for the final phase of the roof repairs project at the Moses Mabhida building. The 2024/25 MTEF allocations provide for refurbishment of the department's buildings, including planned replacement of the cladding at the Moses Mabhida building to address water leaks. This project is still in progress.

*Infrastructure transfers: Capital* relates to the transfer to the ZRHT for infrastructure projects at the Royal palaces, with inflationary growth over the MTEF. Planned projects include upgrading the King's official palace at KwaNkomonye, where the current King resides, and maintenance and repairs of all nine Royal palaces.

*Infrastructure: Leases* relates to the lease of buildings for use by the department. Currently, the department leases a number of buildings, including offices in the Invesco Centre in Pietermaritzburg and the Marine building in Durban. The department is, through DOPW, looking for accommodation that is cheaper than the Invesco Centre, for which the lease agreement was extended by another 12 months to 31 March 2024. No progress was made in 2023/24, and the lease agreement will again be extended by a further 12 months by DOPW, to 31 March 2025.

## 7.6 Summary of Public Private Partnerships – Nil

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

Over the 2024/25 MTEF, the OTP will exercise oversight over one public entity, namely ZRHT. Table 1.9 shows transfers made to ZRHT, as well as one other entity (namely the KZNGFT) over the seven years under review.

The financial summary received from ZRHT is given in *Annexure – Vote 1: Office of the Premier*.

Note that no financial summary is included for the KZNGFT in the annexure, as OTP is not the parent department of that entity.

Table 1.9 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PMFA) and other entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
<b>Transfers to public entities</b>	<b>30 654</b>	<b>46 163</b>	<b>24 888</b>	<b>25 983</b>	<b>41 965</b>	<b>41 965</b>	<b>26 337</b>	<b>27 517</b>	<b>28 783</b>
Zulu Royal House Trust    3.3 Royal Household	30 654	46 163	24 888	25 983	41 965	41 965	26 337	27 517	28 783
<b>Transfers to other entities</b>	<b>-</b>	<b>50 000</b>	<b>-</b>	<b>100 000</b>	<b>100 000</b>	<b>100 000</b>	<b>-</b>	<b>-</b>	<b>-</b>
KZNGFT                      3.2 Premier's Priority Prog.	-	50 000	-	100 000	-	-	-	-	-
Other entities              3.2 Premier's Priority Prog.	-	-	-	-	100 000	100 000	-	-	-
<b>Total</b>	<b>30 654</b>	<b>146 163</b>	<b>24 888</b>	<b>225 983</b>	<b>241 965</b>	<b>241 965</b>	<b>26 337</b>	<b>27 517</b>	<b>28 783</b>

The ZRHT was established in 2009/10 as an entity in terms of the KZN Royal Household Trust Act, 2007, but is now governed by the KZN Zulu Royal House Trust Act, 2018. The entity was registered as a Schedule 3C provincial public entity in 2012/13. The MTEF provides for operational costs of the ZRHT such as municipal costs, fuel, food supplies, etc., relating to the Queens and other members of the Zulu Royal family. The increase in the 2023/24 Adjusted Appropriation was to cater for the Zulu Royal family's legal costs, with R30 million allocated in total, of which R14.382 million was allocated for transfer to the ZRHT, and R1.600 million was reprioritised by the department for the purchase of a vehicle for Her Majesty, the Queen. These once-off costs account for the decrease in 2024/25. This category was cut over the 2024/25 MTEF by R815 000 in 2024/25, with carry-through, with the department passing on the impact of the cuts to the ZRHT. The MTEF provides for inflationary increases only.

In 2020/21, the department had budgeted to transfer the second tranche of funding for the KZN Youth Empowerment Fund, to the KZNGFT, as mentioned. This funding was suspended in the 2020/21 Adjusted Appropriation as economic activity was insufficient to generate funding requests largely due to the Covid-19 pandemic, and the funding was reallocated in 2021/22. The fund was administered by the KZNGFT under EDTEA, hence the transfer to this entity. The department was allocated a further R100 million for the fund in 2023/24, originally allocated to *Transfers and subsidies to: Non-profit institutions*, but moved in the 2023/24 Adjusted Appropriation to *Transfers and subsidies to: Public corporations and private enterprises*. This was due to an amendment to the plans for the KZN Youth Empowerment Fund as the department no longer intended to utilise the KZNGFT for the disbursement of the funds. The department is currently identifying projects that have the potential of creating mass jobs in different sectors, in partnership with the private sector, and new service providers have been identified, including Dunlop Tyres, as well as other companies such as Huawei, Fuze Aviation, etc.

## 7.8 Transfers to local government

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

## 7.9 Transfers and subsidies

Table 1.10 summarises transfers by programme and main category over the seven-year period, detailed above and below the table.

Programme 1 reflects the following transfers:

- *Provinces and municipalities* relates to the motor vehicle licences for the department as a whole. The increase in 2021/22 was due to new vehicles being licensed. The lower baseline from 2022/23 and 2023/24 was in line with the planned scrapping of redundant vehicles, with steady growth from the lower base over the 2024/25 MTEF.
- *Households* caters for social benefits relating to staff exit costs, as well as medical aid contributions for ex-parliamentarians (PARMED). Note that there are currently discussions underway with the Provincial Legislature and National Treasury regarding the correct placement of this function, possibly to the Legislature or National Parliament, as there was a finding by the A-G that this function is incorrectly placed in OTP. There is no progress in this regard, at this stage. The increase in the 2023/24 Adjusted Appropriation relates to staff exit costs due to a number of staff retiring.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
<b>1. Administration</b>	<b>1 672</b>	<b>1 896</b>	<b>1 497</b>	<b>1 597</b>	<b>2 858</b>	<b>2 858</b>	<b>2 669</b>	<b>1 878</b>	<b>1 964</b>
Provinces and municipalities	148	212	136	76	76	76	79	83	87
Motor vehicle licences	148	212	136	76	76	76	79	83	87
Households	1 524	1 684	1 361	1 521	2 782	2 782	2 590	1 795	1 877
Staff exit costs	211	534	-	-	1 261	1 261	1 000	134	140
PARMED	1 313	1 150	1 361	1 521	1 521	1 521	1 590	1 661	1 737
<b>2. Institutional Development</b>	<b>1 003</b>	<b>3 374</b>	<b>3 399</b>	<b>68</b>	<b>2 294</b>	<b>2 294</b>	<b>28 374</b>	<b>29 628</b>	<b>30 991</b>
Households	1 003	3 374	3 399	68	2 294	2 294	28 374	29 628	30 991
Staff exit costs	1 003	3 374	3 399	68	2 294	2 294	437	408	427
External Bursaries	-	-	-	-	-	-	27 937	29 220	30 564
<b>3. Policy and Governance</b>	<b>49 996</b>	<b>115 836</b>	<b>43 769</b>	<b>153 544</b>	<b>173 126</b>	<b>173 126</b>	<b>26 558</b>	<b>27 645</b>	<b>28 917</b>
Departmental agencies and accounts	30 654	46 163	24 888	25 983	41 965	41 965	26 337	27 517	28 783
ZRHT	30 654	46 163	24 888	25 983	41 965	41 965	26 337	27 517	28 783
Public corporations and private enterprises	-	-	-	-	100 000	100 000	-	-	-
Dunlop, Huawei, Fuze Aviation, etc.	-	-	-	-	100 000	100 000	-	-	-
Non-profit institutions	-	50 000	-	100 000	-	-	-	-	-
KZN Growth Fund Trust	-	50 000	-	100 000	-	-	-	-	-
Households	19 342	19 673	18 881	27 561	31 161	31 161	221	128	134
Staff exit costs	1 200	1 851	1 500	-	800	800	221	128	134
External Bursaries	18 142	17 822	17 381	27 561	30 361	30 361	-	-	-
<b>Total</b>	<b>52 671</b>	<b>121 106</b>	<b>48 665</b>	<b>155 209</b>	<b>178 278</b>	<b>178 278</b>	<b>57 601</b>	<b>59 151</b>	<b>61 872</b>

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

- *Departmental agencies and accounts* relates to transfers to the ZRHT, as detailed in Section 7.7.
- The amount of R50 million reflected against *Non-profit institutions* in 2021/22 is for the KZN Youth Empowerment Fund. The first tranche of R50 million was transferred to the KZNGFT in 2018/19, with the second tranche allocated in 2020/21, but reallocated to the department in 2021/22, as mentioned, and these funds were transferred to the KZNGFT. A further amount of R100 million was allocated toward this in 2023/24, but moved to *Public corporations and private enterprises* in the 2023/24 Adjusted Appropriation, as mentioned.
- *Households* caters for external bursaries and staff exit costs. It must be noted that, although the Provincial Bursary Programme was decentralised back to the departments from which the funds were originally moved, a portion of the budget remains for the external bursaries administered by the OTP, which were originally administered under Programme 3 but were shifted to the Strategic Human Resources sub-programme in Programme 2 from 2024/25. The historical data was not able to be restated as the operational costs for external bursaries was not able to be accurately identified. The growth in the external bursaries budget over the MTEF is inflationary only. The budget for external bursaries is based on previous intakes, which range between 150 and 200, and include progressing and new intake students. The department has made a minimal provision for staff exit costs under Programmes 2 and 3 over the MTEF.

## 8. Programme description

The services rendered by this department are, as per the generic sector structure, categorised under three programmes, the details of which are discussed below. However, the department does not conform fully to the generic programme structure of the sector at this stage, but National Treasury approval was obtained for the deviation, as explained. The amounts for each programme are summarised in terms of economic classification, with details given in *Annexure – Vote 1: Office of the Premier*.

### 8.1 Programme 1: Administration

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

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

The objectives of this programme are as follows:

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

Tables 1.11 and 1.12 reflect a summary of payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2020/21 to 2026/27. There is a minor amendment from the 2023/24 EPRE amounts for the Intergovernmental sub-programme due to some aspects of the OSS movement in that year not being fully restated.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
1. Premier Support	24 568	26 456	28 366	31 691	25 007	29 266	25 859	27 184	28 452
2. Executive Council Support	11 484	11 574	12 484	10 840	12 390	12 286	12 648	13 372	14 000
3. Director-General Support	18 037	22 723	20 448	22 299	20 199	31 262	25 010	26 289	27 514
4. Financial Management	40 995	104 964	116 200	111 763	111 897	93 171	117 725	123 686	129 173
5. Intergovernmental Relations	25 619	34 782	36 889	36 174	52 624	56 132	45 491	42 720	44 708
<b>Total</b>	<b>120 703</b>	<b>200 499</b>	<b>214 387</b>	<b>212 767</b>	<b>222 117</b>	<b>222 117</b>	<b>226 733</b>	<b>233 251</b>	<b>243 847</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
<b>Current payments</b>	<b>112 167</b>	<b>168 223</b>	<b>188 098</b>	<b>194 635</b>	<b>206 385</b>	<b>206 385</b>	<b>209 190</b>	<b>215 826</b>	<b>225 871</b>
Compensation of employees	83 733	99 324	97 443	101 895	94 434	94 434	110 043	116 645	123 645
Goods and services	28 434	68 899	90 655	92 740	111 951	111 951	99 147	99 181	102 226
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>1 672</b>	<b>1 871</b>	<b>1 497</b>	<b>1 597</b>	<b>2 858</b>	<b>2 858</b>	<b>2 669</b>	<b>1 878</b>	<b>1 964</b>
Provinces and municipalities	148	212	136	76	76	76	79	83	87
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 524	1 659	1 361	1 521	2 782	2 782	2 590	1 795	1 877
<b>Payments for capital assets</b>	<b>6 857</b>	<b>30 405</b>	<b>24 792</b>	<b>16 535</b>	<b>12 874</b>	<b>12 874</b>	<b>14 874</b>	<b>15 547</b>	<b>16 012</b>
Buildings and other fixed structures	5 365	17 847	6 366	1 960	1 960	2 393	2 048	2 140	2 238
Machinery and equipment	1 492	12 558	18 426	14 575	10 914	10 481	12 826	13 407	13 774
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>120 703</b>	<b>200 499</b>	<b>214 387</b>	<b>212 767</b>	<b>222 117</b>	<b>222 117</b>	<b>226 733</b>	<b>233 251</b>	<b>243 847</b>

The significant increase in 2021/22 in most sub-programmes and particularly in *Goods and services* is attributed to the once-off budget cuts in 2020/21 to provide for the provincial response to the Covid-19 pandemic. As mentioned in Section 7.2, there were budget cuts in 2023/24, with carry-through, also effected against *Goods and services* and affecting all sub-programmes. The programme's budget was cut over the 2024/25 MTEF by R8.868 million in 2024/25, with carry-through. The cuts were across all sub-programmes and mainly against *Goods and services*. This will impact on some services, such as events, which will have to be scaled down.

The sub-programme: Premier Support provides technical, administrative and advisory support to the Premier in executing her constitutional mandate. Growth from 2022/23 to 2023/24 is high to cater for

increased travel and subsistence costs due to the post Covid-19 relaxation of restrictions on travel, as well as increased outreach programmes. The decrease in the 2023/24 Adjusted Appropriation is due to savings from the reduction of the number of vacant posts that will be filled in-year. The projected over-spending in the Revised Estimate is attributed to higher than expected travel and subsistence costs relating to events/outreach programmes. The sub-programme was subjected to a fiscal consolidation cut of R688 000 in 2024/25, with carry-through, which will impact on travel and catering costs. The negative growth in 2024/25 from the 2023/24 Revised Estimate is attributed to the movement of the PPC commissioners to Programme 3, where all PPC activities are located. Historical figures were not restated. Over the remainder of the MTEF, increases are inflationary.

The sub-programme: Executive Council Support renders secretariat support services to the Provincial Executive Council. The significant decrease in the 2023/24 Main Appropriation relates to a once-off amount funded through internal reprioritisation for the Command Centre for Disaster Management in 2022/23, which was responsible for co-ordinating the province's response to the April 2022 flood disaster. The increase in the 2023/24 Adjusted Appropriation is due to further reprioritisation undertaken to address pressures against *Compensation of employees*, as well as some pressures for catering and travel costs for the Provincial Command Council, which is the executive authority that was put in place to oversee the provincial responses to unforeseeable and unavoidable events, as well as monitor the progress and impact of interventions. The sub-programme was subjected to a fiscal consolidation cut of R118 000 in 2024/25, with carry-through, with more meetings to be held virtually. The growth in the outer year of the MTEF is inflationary.

The Director-General Support sub-programme provides operational support to the Director-General in strategically managing the province. The decrease in 2022/23 was in relation to a personnel exit through natural attrition and the post was not filled. The decrease in the 2023/24 Adjusted Appropriation is due to savings on posts not filled, as well as lower travel costs than expected. The high spending in the 2023/24 Revised Estimate is attributed to support provided to vulnerable families, as well as higher than expected travel and subsistence costs. Due to this once-off spending in 2023/24, there is a decrease in 2024/25. The sub-programme was subjected to a fiscal consolidation cut of R733 000 in 2024/25, with carry-through, with more meetings to be held virtually. Over the outer years of the MTEF, the budget increases in line with inflation.

The Financial Management sub-programme provides financial management support and advisory services to the Premier and Director-General in fulfilling their legislative and oversight functions and in promoting good corporate governance. The significant increase in 2021/22 was largely attributed to the once-off budget cuts in 2020/21 to provide for the provincial response to the Covid-19 pandemic. In addition, there were savings under *Goods and services* in Programme 3, allocated to *Buildings and other fixed structures* against the Financial Management sub-programme for the roof repairs at the Moses Mabhida building. The savings were due to the scaling down of stakeholder activities and engagements (events) as a result of the national lockdown regulations. Also moved from *Goods and services* in Programme 2 were savings due to reduced advertising costs in respect of campaigns and radio slots that were severely impacted on by the national lockdown regulations, allocated to *Machinery and equipment* in the Financial Management sub-programme for the replacement of departmental vehicles that reached their expected lifespan, and this was not budgeted for. The projected under-spending in the 2023/24 Revised Estimate is attributed to the department budgeting for additional office accommodation, which has not materialised, as mentioned. The sub-programme was subjected to a fiscal consolidation cut of R5.641 million in 2024/25, with carry-through, impacting on travel and fleet costs, with more meetings to be held virtually. The significant increase from 2023/24 to 2024/25, with growth continued in the outer years of the 2024/25 MTEF, relates to personnel costs to cater for posts to be filled and the carry-through of the 2023 wage agreement, made possible through reprioritisation, as well as for inflationary increases.

The purpose of the IGR sub-programme is to improve inter- and intra-governmental relations and promote effective co-operative governance through the implementation of the IGR Act. OTP co-ordinates all departments to ensure effective delivery of all MTSF outcomes. The increase in 2021/22 was to cover inter-governmental and related activities and associated increased foreign travel expenses due to the easing in the national lockdown restrictions. The increase in the 2023/24 Adjusted Appropriation is to



cater for activities undertaken in terms of the District champions for OSS/DDM responsibilities (R4.800 million) emanating from two unplanned and hence unbudgeted for Provincial Executive Council meetings held in the uMkhanyakude and Amajuba Districts. In addition, funding was reprioritised to cater for unbudgeted spending on special projects (R6.150 million), such as the BRICS Africa Trade Conference, BRICS Gender Dividend Debate, OTP Career Expo, state funeral expenses in respect of Prince Mangosuthu Buthelezi, the Premier's *Izimbizo* and Premier's stakeholder engagements. The sub-programme was subjected to a fiscal consolidation cut of R1.688 million in 2024/25, with carry-through impacting on travel, with more meetings to be held virtually, as well as fewer events/outreach activities. The negative growth in 2024/25 and 2025/26 is also attributed to cost containment, with funding moved to address pressures elsewhere in the budget. Growth in the outer year is inflationary only.

*Compensation of employees* shows high growth in 2021/22 attributed to the filling of six vacant posts, as well as the carry-through of the 2020 wage increase. The decrease in the 2023/24 Adjusted Appropriation is due to enforced savings in the category by reducing the number of vacant posts that will be filled. The funds were moved to *Goods and services* to cater for activities undertaken in terms of the District champions for OSS/DDM responsibilities, as well as *Transfers and subsidies to: Households* to cater for staff exit costs and retirement penalties. The increase in 2024/25 is attributed to the filling of posts already approved for filling in 2023/24. The increase in the outer years is inflationary and provides for the carry-through costs of the 2023 wage agreement.

With regard to *Goods and services*, the increase in the 2023/24 Adjusted Appropriation is to cater for activities undertaken in terms of the District champions for OSS/DDM responsibilities, as well as unbudgeted spending on special projects. This once-off expenditure partly accounts for the decrease in 2024/25. The category was subjected to a fiscal consolidation cut of R7.463 million in 2024/25, with carry-through, with the cut resulting in events being scaled down in number and size. This contributes to the negative growth in 2024/25 and the flat trend in 2025/26. Growth in 2026/27 is inflationary only.

*Transfers and subsidies to: Provinces and municipalities* relates to the motor vehicle licences for the department as a whole.

*Transfers and subsidies to: Households* caters for social benefits relating to staff exit costs, as well as medical aid contributions for ex-parliamentarians (PARMED), as mentioned.

*Buildings and other fixed structures* historical spending relates to various projects, such as the Terry Street parking project, as well as the roof repairs project at the Moses Mabhida building. The significant increase in 2021/22 relates to the roof repairs at the Moses Mabhida building, as mentioned. The increase in 2022/23 was to cater for the completion of the security upgrades at the Premier's Parkside residence. The 2023/24 amounts provide for refurbishment of the department's buildings, including planned replacement of the cladding at the Moses Mabhida building to address water leaks. The projected over-spending in the Revised Estimate relates to carry-over costs from 2022/23 for the security upgrade project at the Premier's Parkside residence. The 2024/25 MTEF increases are inflationary only.

The significant increase in 2021/22 against *Machinery and equipment* takes into account the movement of funding from other programmes due to a decision taken to centralise office furniture and vehicle procurement under Programme 1. Historical records were not complete enough to allow restatement of expenditure for comparative purposes. The increase in 2022/23 relates to reprioritisation from Programme 2 for the replacement of motor vehicles. The decrease in the 2023/24 Main Appropriation is due to once-off expenditure for the unanticipated purchase of a motor vehicle for His Majesty, the King in 2022/23. The decrease in the 2023/24 Adjusted Appropriation is due to funds shifted to *Goods and services* within Programme 1 in respect of office and equipment purchases for the war-rooms that are now classified as assets for distribution under *Goods and services*, as well as funding moved for transfer to the ZRHT for a motor vehicle for Her Majesty, the Queen. The high increase in 2024/25 provides for the replacement of furniture and computer equipment, with inflationary growth thereafter.

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

## Service delivery measures: Administration

Table 1.13 illustrates service delivery measures pertaining to Programme 1. It is noted that the OTP sector has not yet agreed on standardised service delivery measures. Two measures are annual in nature.

Note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP.

**Table 1.13 : Service delivery measures: Administration**

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2023/24	2024/25	2025/26	2026/27
<b>1. Executive Council Support</b>					
1.1 Improved governance and accountability	<ul style="list-style-type: none"> <li>No. of Provincial Executive Council decision matrix implementation progress reports submitted to the Executive Council</li> </ul>	24	24	24	24
<b>2. Financial Management</b>					
2.1 Audit improvement	<ul style="list-style-type: none"> <li>% reduction of wasteful and fruitless expenditure</li> </ul>	Annual	20% reduction from 2023/24 baseline	20% reduction from 2024/25 baseline	20% reduction from 2025/26 baseline
	<ul style="list-style-type: none"> <li>% reduction of irregular expenditure</li> </ul>	Annual	20% reduction from 2023/24 baseline	20% reduction from 2024/25 baseline	20% reduction from 2025/26 baseline
	<ul style="list-style-type: none"> <li>% of invoices paid within 30 days</li> </ul>	90%	90%	90%	90%
<b>3. IGR</b>					
3.1 Strengthening IGR structures	<ul style="list-style-type: none"> <li>No. of Premier's Co-ordinating Forum decision matrix implementation reports</li> </ul>	4	4	4	4
	<ul style="list-style-type: none"> <li>No. of COHOD meeting decision matrixes implementation reports</li> </ul>	12	12	12	12
3.2 International Relations strategy implementation	<ul style="list-style-type: none"> <li>No. of International Relations and ODA Strategy implementation monitoring reports</li> </ul>	2	2	2	2
	<ul style="list-style-type: none"> <li>No. of Twinning Agreements reviewed in line with the South African Foreign policy</li> </ul>	8	8	8	8

## 8.2 Programme 2: Institutional Development

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

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

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

Tables 1.14 and 1.15 summarise payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2020/21 to 2026/27. Note that the centralisation of the ICT function from 2021/22 to this programme adds to the perceived growth, as historical records were not complete enough to allow restatement of expenditure for comparative purposes. Note that external bursaries were originally administered under Programme 3 but were shifted to the Strategic Human Resources sub-programme in Programme 2 from 2024/25. Again, the historical data was not able to be restated as the operational costs for external bursaries were not able to be accurately identified.

In 2020/21, this programme was subject to cuts to fund the provincial response to the Covid-19 pandemic, as well as cuts related to the freezing of public sector wages. In addition, the programme was subject to fiscal consolidation cuts over the 2021/22 MTEF to *Compensation of employees* and events cuts across all sub-programmes, but mainly affecting the Strategic Human Resources, the Special Programmes, as well as the Forensic Investigations and Integrity Management sub-programmes. This programme was cut over the 2023/24 MTEF by R4.676 million, with carry-through, effected against all sub-programmes against *Goods and services*. There are also cuts over the 2024/25 MTEF of R14.662 million in 2024/25, with carry-through. The 2024/25 MTEF cuts were effected against all sub-programmes based on an analysis of each sub-programme's budget and projects. As a result, the cuts were effected against *Goods and services*, which will result in the scaling back of planned events, *Machinery and equipment*, which will delay the procurement of computer equipment and office furniture, as well as *Transfers and subsidies to: Households*, which will result in fewer bursaries offered.

As mentioned, prior year numbers are different to those in the 2023/24 EPRE due to the movement of the Youth and Democracy Support components to Programme 3 from this programme, with prior history restated for comparative purposes.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
1. Strategic Human Resources	71 564	76 108	73 676	83 569	79 546	80 744	124 896	132 429	138 611
2. Information Communication Technology (ICT)	114 988	123 065	68 597	83 676	89 826	88 628	67 874	73 576	76 061
3. Legal Services	11 936	12 847	13 140	12 997	14 997	15 475	15 868	16 746	17 730
4. Communication Services	51 380	51 533	57 084	69 921	66 721	66 442	62 998	68 958	71 968
5. Special Programmes	10 730	32 798	16 308	16 140	16 368	16 368	16 857	13 668	14 305
6. Forensic Investigations and Integrity Management	32 227	30 333	33 116	44 414	36 186	35 987	41 285	43 551	45 588
<b>Total</b>	<b>292 825</b>	<b>326 684</b>	<b>261 921</b>	<b>310 717</b>	<b>303 644</b>	<b>303 644</b>	<b>329 778</b>	<b>348 928</b>	<b>364 263</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
<b>Current payments</b>	<b>273 426</b>	<b>307 587</b>	<b>251 601</b>	<b>301 937</b>	<b>295 638</b>	<b>294 824</b>	<b>293 177</b>	<b>310 665</b>	<b>324 490</b>
Compensation of employees	130 429	137 894	125 678	153 180	131 531	131 531	159 768	169 246	179 399
Goods and services	142 997	169 693	125 923	148 757	164 107	163 293	133 409	141 419	145 091
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>1 003</b>	<b>3 374</b>	<b>3 399</b>	<b>68</b>	<b>2 294</b>	<b>2 294</b>	<b>28 374</b>	<b>29 628</b>	<b>30 991</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 003	3 374	3 399	68	2 294	2 294	28 374	29 628	30 991
<b>Payments for capital assets</b>	<b>18 352</b>	<b>15 723</b>	<b>6 921</b>	<b>8 712</b>	<b>5 712</b>	<b>6 526</b>	<b>8 227</b>	<b>8 635</b>	<b>8 782</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	18 352	15 723	6 921	8 712	5 712	6 526	8 227	8 635	8 782
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>292 825</b>	<b>326 684</b>	<b>261 921</b>	<b>310 717</b>	<b>303 644</b>	<b>303 644</b>	<b>329 778</b>	<b>348 928</b>	<b>364 263</b>

The Strategic Human Resources sub-programme facilitates, co-ordinates, monitors and promotes strategic human resources and development within provincial government, as well as internally within the OTP. This sub-programme includes the Training Academy. The increase in 2021/22 relates to the filling of eight posts. The negative growth in 2022/23 relates to the reduced spending on *Compensation of employees* as a result of the significant number of officials who vacated the service due to retirement, and the process of filling posts was slower than expected. The growth in the 2023/24 Main Appropriation is to cater for the filling of critical vacant posts. The decrease in the 2023/24 Adjusted Appropriation is due to enforced savings by reducing the number of vacant posts that the department intends to fill in-year in order to cover spending pressures in other programmes. The sub-programme was subjected to a fiscal consolidation cut of R1.770 million in 2024/25, with carry-through, with meetings to be held virtually, as well as fewer bursaries being awarded. The higher growth in 2024/25 is to provide for the filling of vacant posts, as well as to undertake the implementation of HRM&D strategies, policies and projects through the hosting of relevant strategic forums, the roll-out of the implementation plan of the provincial HR Turnaround Strategy in provincial departments, and interventions to automate various HR processes will continue to be investigated, among others. Growth in the outer years is inflationary only.

The ICT sub-programme co-ordinates provincial government ICT policy and renders internal ICT support and auxiliary services to the department. The increase in 2021/22 was to fund the digital transformation strategy which entails the digitisation of all internal processes such as memoranda, submissions, leave, orders and tenders including the increase as a result of the purchase of computer equipment, as well as IT related services for the department. The decrease in 2022/23 was due to the digital transformation strategy funding being once-off in 2021/22, funded through internal reprioritisation. The sub-programme was further reduced in 2022/23 attributed to slow recruitment processes, with funding moved to Programme 3 for the new King's coronation costs. The significant increase in the 2023/24 Main Appropriation relates to the unemployed graduate personnel who are linked to this sub-programme. The increase in the 2023/24 Adjusted Appropriation was due to a once-off amount for the provincial Broadband Connectivity project, with R30 million suspended from 2022/23 to 2023/24, as mentioned. This was mitigated to some extent by movements from this sub-programme to fund other issues, including to partially fund the provincial Crime Fighting Initiative, as well as to cater for unbudgeted spending on special projects, the state funeral expenses in respect of Prince Mangosuthu Buthelezi, the Premier's *Izimbizo* and Premier's stakeholder engagements. The sub-programme was subjected to a fiscal consolidation cut of R6.610 million in 2024/25, with carry-through, with projects to be rolled-out at a slower pace than planned, including the provincial Broadband Connectivity project, the provincial Strategic Management Tool project, as well as the provincial e-Leave and e-Submission projects. The provincial Broadband Connectivity project received once-off funding in 2023/24, as mentioned, hence the decrease in 2024/25. Growth over the remainder of the MTEF is inflationary only. Activities over the MTEF include the continuation of the digital transformation strategy, including asset management processes.

The Legal Services sub-programme provides comprehensive and professional internal legal support services to OTP and provides inter-departmental, transversal state law advisory services to departments. The minimal growth in 2022/23 was due to the need to contain costs. The growth in the 2023/24 Adjusted Appropriation is due to the appointment of the Chief Director: Legal Services (level 14). The sub-programme was subjected to a fiscal consolidation cut of R91 000 in 2024/25, with carry-through, with stationery supplies to be limited. The low increase in 2024/25 is attributed to cost containment. Growth in the outer years is inflationary.

The Communication Services sub-programme provides integrated and co-ordinated government communication services in the province, as well as internally within OTP. The increase in 2022/23 was due to more activities occurring, such as events and campaigns, as a result of more people being vaccinated against Covid-19 and national restrictions being eased. The increase in the 2023/24 Main Appropriation is in respect of centralised advertising costs that were high related to various activities undertaken, such as the Dunlop Tyres partnership (related to the KZN Youth Empowerment Fund), profiling of potential beneficiaries of the KZN Youth Empowerment Fund, International Women's Day and the Premier's *Izimbizo*. The decrease in the Adjusted Appropriation is due to enforced savings by reducing the number of vacant posts that the department intends to fill in 2023/24 in order to cover spending pressures. The sub-programme was subjected to a fiscal consolidation cut of R4.831 million in

2024/25, with carry-through, with the department needing to minimise advertising costs, accounting for the negative growth in 2024/25. The increase over the remainder of the MTEF is inflationary only and this sub-programme will continue to co-ordinate various communication publications, campaigns and strategies, such as Simama, Anti-Rape, Anti-Xenophobia, Human Rights Day, Youth Day, Heritage Day, etc. This sub-programme also administers the Communication Forum which meets bi-annually and includes all departments.

The Special Programmes sub-programme provides Security Support Services to the department. The growth in 2021/22 was high due to the lower expenditure in 2020/21 attributed to the need to contain costs during Covid-19. The negative growth in 2022/23 was due to the movement of the Youth and Democracy Support units to the Premier's Priority Programmes sub-programme in Programme 3. The historical data could not be restated. The negative growth in 2023/24 is due to delays in filling posts. The sub-programme was subjected to a fiscal consolidation cut of R666 000 in 2024/25, with carry-through, impacting on the level of security services. The negative growth in 2025/26 is due to cost containment.

The Forensic Investigations and Integrity Management sub-programme was a new sub-programme in the 2021/22 MTEF to accommodate the Forensic Investigation Services function moved from Provincial Treasury. The department also moved the Integrity function from the Special Programmes sub-programme to this new sub-programme at the time, due to similarities in the areas of operation. Historical figures were restated for comparative purposes. The negative growth in 2021/22 relates to vacant posts not being filled, with funding reprioritised for the digital transformation strategy. The department notes that the Integrity Management staff were moved to this sub-programme on PERSAL in 2022/23, hence the increase in 2022/23. The increase in 2022/23 is also attributed to the filling of posts to address concerns raised by the Legislature in terms of the slow pace of finalisation of forensic investigations. The higher growth in the 2023/24 Main Appropriation is due to provision to fill vacant posts. The decrease in the Adjusted Appropriation is due to this sub-programme enforcing savings to provide partial funding for the provincial Crime Fighting Initiative. The sub-programme was subjected to fiscal consolidation cuts of R694 000 in 2024/25, with carry-through, impacting on the scale of events and the number of consultants hired. The higher growth in 2024/25 is attributed to activities planned over the MTEF, including follow-ups with departments to track the status of implementation of recommendations by Accounting Officers on investigations. The Fraud Prevention Plan strategies of all departments and public entities will also be reviewed, as well as strengthening provincial compliance to deal with fraud, corruption, irregularities and maladministration occurring within municipalities and municipal entities within the province. This will be done through an approved forensic investigations framework for the unit. Growth in the outer years is inflationary.

The decrease in 2022/23 in *Compensation of employees* is attributed to the reduction in the number of staff as a result of retirement and staff exits and fewer interns due to slow recruitment processes, as well as from filling posts later than anticipated. The high increase in the 2023/24 Main Appropriation relates to provision made for the filling of 15 critical vacant funded posts. The decrease in the Adjusted Appropriation is attributed to enforced savings by reducing the number of vacant posts that the department intends to fill in order to cover spending pressures, as well as to provide R10 million for the provincial Crime Fighting Initiative. The high growth in 2024/25 is to cater for vacant funded posts to be filled. Growth over the MTEF is inflationary. No 2024/25 MTEF budget cuts were effected against this category.

*Goods and services* reflects high growth in 2021/22 related to provision for training programmes within the Training Academy. The decrease in 2022/23 is attributed to savings from advertising costs in respect of the scaling down of communication activities in respect of departmental activities during the April 2022 flood disaster, as many areas were inaccessible, with funding moved to Programme 3 for the King's coronation, as well as for OSS costs. The increase in the 2023/24 Adjusted Appropriation relates to advertising spending related to various activities undertaken, such as the Dunlop Tyres partnership (related to the KZN Youth Empowerment Fund), profiling of potential beneficiaries of the KZN Youth Empowerment Fund, International Women's Day and the Premier's *Izimbizo*. The increase in the Adjusted Appropriation was due to once-off funding suspended from 2022/23 for the provincial Broadband Connectivity project, mitigated to some extent by enforced savings on expenses, such as advertising, communication related expenses and computer services, to address spending pressures elsewhere in the

budget. This once-off funding partly accounts for the decrease in 2024/25. The category was subjected to a fiscal consolidation cut of R12.921 million in 2024/25, with carry-through, which limits growth, with the cuts resulting in events being scaled down in number and size, reducing the pace of implementing IT projects, holding meetings virtually, reducing the number of consultants and reducing advertising costs, among others. The growth over the outer years of the MTEF is inflationary only.

The amounts against *Transfers and subsidies to: Households* cater for external bursaries and staff exit costs. It must be noted that, although the Provincial Bursary Programme was decentralised back to the departments from which the funds were originally moved, a portion of the budget remains for the external bursaries administered by the OTP, which were originally administered under Programme 2, but were shifted to the Premier's Priority Programmes sub-programme in Programme 3 from 2023/24 and now shifted back to this programme from 2024/25. The historical data was not able to be restated as the operational costs for external bursaries were not able to be accurately identified. The growth in the external bursaries budget over the MTEF is inflationary only. The budget for external bursaries is based on previous intakes, which range between 150 and 200, and include progressing and new intake students. There is minimal growth over the MTEF to cater for the provision for staff exit costs.

The negative growth against *Machinery and equipment* in 2021/22 relates to the once-off procurement of motor vehicles in 2020/21. The further decrease in 2022/23 relates to no vehicles procured. The high increase in the 2023/24 Main Appropriation is due to a provision to replace redundant office furniture and equipment. The decrease in the 2023/24 Adjusted Appropriation is due to enforced savings on computer equipment to address pressure elsewhere in the budget. The increase in 2024/25 is due to a provision to replace redundant office furniture and equipment. Growth in 2025/26 is inflationary only. The minimal increase in 2026/27 is due to cost containment.

The department wrote off various losses against *Payments for financial assets* in 2020/21.

### Service delivery measures: Institutional Development

Table 1.16 illustrates service delivery measures pertaining to Programme 2. Note that only a few main measures are reflected, and the full set of measures is detailed in the APP. Note that some measures have changed from the 2023/24 EPRE due to alignment with the 2024/25 APP.

**Table 1.16 : Service delivery measures: Institutional Development**

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2023/24	2024/25	2025/26	2026/27	
<b>1. Strategic Human Resources</b>						
1.1 Operations management productivity assessment reports	• No. of operations management implementation assessments	4	4	4	4	
1.2 Public service training sessions held	• No. of training sessions held with number of attendees less than eight	160	200	200	200	
<b>2. Information Communication Technology (ICT)</b>						
2.1 Systems developed for KZN Information and Innovation Hub	• No. of systems developed for the KZN Innovation and Information Hub	3	2	1	-	
<b>3. Legal Services</b>						
3.1 Reports on provincial legislative compliance	• No. of quarterly reports on provincial legislative programme	4	4	4	4	
<b>4. Communication Services</b>						
4.1 Reports on implementation of the provincial communication strategy	• No. of monitoring reports on implementation of provincial communication strategy	4	4	4	4	
<b>5. Special Programmes</b>						
5.1 Ethics and integrity campaign (I Do Right)	• No. of awareness workshops on fraud and ethics	14	14	14	14	
5.2 Ombudsperson co-ordination	• No. of OTP Ombudsperson reports	2	2	2	2	
<b>6. Forensic Investigation and Integrity Management</b>						
6.1 Report on Provincial Forensic Investigations	• No. of reports on the status of provincial investigations	4	4	4	4	

### 8.3 Programme 3: Policy and Governance

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

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

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

Tables 1.17 and 1.18 provide a summary of payments and estimates by sub-programme and economic classification for the period 2020/21 to 2026/27.

In 2020/21, this programme was subject to cuts to fund the provincial response to the Covid-19 pandemic. In addition, the programme was subject to fiscal consolidation cuts over the 2021/22 MTEF and these were effected across all sub-programmes and the cuts remain in the baseline. This programme was also cut over the 2023/24 MTEF by R2.217 million in 2023/24, with carry-through, effected against all sub-programmes and against *Goods and services*.

This programme was cut over the 2024/25 MTEF by R5.969 million in 2024/25, with carry-through. The cuts were effected proportionately against all sub-programmes and against *Goods and services*, which will result in events needing to be held on a reduced scale. There was also a cut against *Transfers and subsidies to: Departmental agencies and accounts*, passing on some of the impact of the cuts to the ZRHT.

As mentioned, prior year numbers are slightly different to those in the 2023/24 *EPRE* due to the movement of the Youth and Democracy Support components to Programme 3 from Programme 2, with prior history restated for comparative purposes.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
1. Provincial Policy Management	35 517	24 515	41 551	50 149	54 949	54 949	64 896	62 631	65 564
2. Premier's Priority Programmes	64 733	116 072	124 341	218 859	230 732	239 153	85 239	92 022	96 305
3. Royal Household	73 420	86 427	91 173	79 565	110 615	102 194	77 507	81 043	84 810
<b>Total</b>	<b>173 670</b>	<b>227 014</b>	<b>257 065</b>	<b>348 573</b>	<b>396 296</b>	<b>396 296</b>	<b>227 642</b>	<b>235 696</b>	<b>246 679</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
<b>Current payments</b>	<b>118 751</b>	<b>111 119</b>	<b>213 296</b>	<b>195 029</b>	<b>223 170</b>	<b>223 170</b>	<b>201 084</b>	<b>208 051</b>	<b>217 762</b>
Compensation of employees	98 108	84 209	110 640	124 508	128 627	128 627	132 606	140 673	149 114
Goods and services	20 643	26 910	102 656	70 521	94 543	94 543	68 478	67 378	68 648
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>49 996</b>	<b>115 861</b>	<b>43 769</b>	<b>153 544</b>	<b>173 126</b>	<b>173 126</b>	<b>26 558</b>	<b>27 645</b>	<b>28 917</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	30 654	46 163	24 888	25 983	41 965	41 965	26 337	27 517	28 783
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	100 000	100 000	-	-	-
Non-profit institutions	-	50 000	-	100 000	-	-	-	-	-
Households	19 342	19 698	18 881	27 561	31 161	31 161	221	128	134
<b>Payments for capital assets</b>	<b>417</b>	<b>34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	417	34	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>4 506</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>173 670</b>	<b>227 014</b>	<b>257 065</b>	<b>348 573</b>	<b>396 296</b>	<b>396 296</b>	<b>227 642</b>	<b>235 696</b>	<b>246 679</b>

The Provincial Policy Management sub-programme provides for strategic planning, research co-ordination, and monitoring and evaluation. The PPC resides in this sub-programme. The decrease in 2021/22 was due to the deferred implementation of the provincial Monitoring and Evaluation system, which will evaluate the impact of service delivery activities. The project was deferred due to slow tender processes and this accounts for the high growth in 2022/23. The increase in 2022/23 was also due to the implementation of the Monitoring and Evaluation Impact Assessment project in response to the April 2022 flood disaster, as well as the spending in respect of the unemployed graduate employees. The increase in the 2023/24 Appropriation was from reprioritisation to cater for the unfunded 2023 wage agreement. The sub-programme was subjected to fiscal consolidation budget cuts in 2024/25, with carry-through, against *Goods and services*, which will result in events needing to be held on a reduced scale. The increase in 2024/25 is due to the relocation of the PPC commissioners from Programme 1 to this sub-programme, where all PPC activities are located, as mentioned. The decrease in 2025/26 is due to cost containment. The increase in 2026/27 is inflationary.

The sub-programme: Premier's Priority Programmes promotes the culture of engagement by co-ordinating stakeholder participation, priority programmes incorporating Veterans' Support, HIV and AIDS, OSS, includes the Office of the Ombudsperson and Democracy Support Services. Democracy Support Services ensures that government translates its constitutional, political and global commitments into measurable and meaningful programmes on gender, disability, children, as well as senior citizens and other vulnerable groups. The high growth in 2021/22 was due to the once-off second tranche of R50 million for the KZN Youth Empowerment Fund. Despite this once-off funding, growth in 2022/23 was positive due to more activities such as events and campaigns occurring as a result of more people being vaccinated against Covid-19 and national restrictions being eased. The significant increase in the 2023/24 Main Appropriation relates to a further R100 million allocated for the KZN Youth Empowerment Fund. The increase in the 2023/24 Adjusted Appropriation is attributed to funds being reprioritised for the crime prevention activities undertaken by the department, including two Premier's *Izimbizo* held in eThekweni and the uMkhanyakude District, GBVF screening and awareness campaigns, as well as providing victim friendly parkhome offices at three police stations as a safe place for profiling of victims. There was also provision to cover commitments from 2022/23 for which a roll-over was requested but not approved relating to the Aviation Programme. The projected over-spending in the Revised Estimate relates to higher than expected costs for events. The significant decrease in 2024/25 is due to the once-off allocation in 2023/24 for the KZN Youth Empowerment Fund. The sub-programme was subjected to a fiscal consolidation cut of R2.819 million in 2024/25, with carry-through, against *Goods and services*, which will result in events needing to be held on a reduced scale. The growth in the outer years is inflationary.



The sub-programme: Royal Household provides support services to His Majesty, the King and the Royal Household. The increase in 2021/22 relates to activities/events for the Royal Household under the King's Support component, as a result of the easing of the national lockdown restrictions, the unanticipated funerals for the late King and Queen, as well as an increased transfer to the ZRHT for the replacement of fencing at the seven palaces as the poor condition of the fences posed safety and security risks for the Queens and *Amazinyane*. The decrease in the 2023/24 Main Appropriation is due to the scaling down of events for cost containment. The increase in the Adjusted Appropriation is attributable to additional funds allocated for legal fees incurred by the Royal Household, as well as internal reprioritisation for the unbudgeted purchase of a vehicle for Her Majesty, the Queen, with these once-off costs accounting for the decrease in 2024/25. The projected under-spending in the Revised Estimate relates to legal fees, with spending linked to anticipated invoices from the various court cases. The sub-programme was subjected to a fiscal consolidation cut of R1.884 million in 2024/25, with carry-through, partly against *Goods and services*, which will result in a reduced scale of events. There was also a cut against *Transfers and subsidies to: Departmental agencies and accounts*, passing on some of the impact of the cuts to the ZRHT. The growth in the outer years is inflationary.

The negative growth in *Compensation of employees* in 2021/22 was due to posts vacated through natural attrition. The increase in 2022/23 was due to the re-alignment of the department's revised organogram in respect of the Democracy Support unit, with funding moved from Programme 2, as mentioned, including His Majesty, the King's staff complement. The increase in the 2023/24 Main Appropriation is due to the planned filling of critical vacant posts. The further increase in the 2023/24 Adjusted Appropriation relates to movement within the programme to cater for the unfunded 2023 wage agreement. Growth over the MTEF is inflationary only and provides for the carry-through costs of the 2023 wage agreement.

*Goods and services* includes funding for the PPC, OSS, Diakonia Council of Churches, as well as various events. There was significantly low spending in 2020/21 due to Covid-19 related cuts, as well as the movement of the Nerve Centre to IT services under Programme 2, hence the high growth in 2021/22 and 2022/23 in line with the return to holding events as national lockdown restrictions were eased, as well as for the implementation of the Monitoring and Evaluation system and once-off costs related to the King's coronation. This category is subjected to budget cuts which limits growth, with the cuts resulting in events being scaled down in number and size. The significant decrease in the 2023/24 Main Appropriation is due to the 2023/24 MTEF budget cuts that were effected mainly against contractors' costs and business advisory services. The increase in the Adjusted Appropriation relates to additional funding allocated to cater for legal fees incurred by the Royal Household. The funds are split between *Goods and services* (R15.618 million) to cater for His Majesty, the King's legal costs, and *Transfers and subsidies to: Departmental agencies and accounts* (R14.382 million) for transfer to the ZRHT to cater for the Royal Family's legal costs. The category was subjected to a fiscal consolidation cut of R5.154 million in 2024/25, with carry-through, against *Goods and services*, which will result in events needing to be held on a reduced scale.

The transfers to the ZRHT are reflected against *Transfers and subsidies to: Departmental agencies and accounts*, as detailed in Section 7.9.

*Transfers and subsidies to: Non-profit institutions* relates to the R50 million allocated to the KZN Youth Empowerment Fund in 2020/21 but was unspent and suspended to 2021/22. A further amount of R100 million was allocated for this purpose in the 2023/24 Main Appropriation. These funds were moved in the 2023/24 Adjusted Appropriation to *Transfers and subsidies to: Public corporations and private enterprises*, as mentioned. Contributing to the decrease under *Transfers and subsidies* under this programme is the movement of the external bursaries function and the budget from Programme 3 to Programme 2.

*Transfers and subsidies to: Households* provides for the payment of external bursaries and staff exit costs. Details are provided in Section 7.9: *Transfers and subsidies*.

The amounts against *Machinery and equipment* mainly relate to the purchase of departmental vehicles, office furniture and computer equipment for newly appointed staff. The decrease in 2021/22 was related to savings realised in respect of office furniture and equipment requirements that were put on hold, pending

the securing of additional office accommodation. No provision is made at this stage for this category over the MTEF and this will be reviewed in-year, once additional office accommodation is secured.

*Payments for financial assets* relates to losses written-off.

## Service delivery measures: Policy and Governance

Table 1.19 provides information on the service delivery measures pertaining to Programme 3. It is noted that the OTP sector has not yet agreed on standardised service delivery measures. Note that only a few main measures are reflected, and the full set of measures is detailed in the department's APP. Note also that some measures have changed from the 2023/24 *EPRE* due to alignment with the 2024/25 APP.

**Table 1.19 : Service delivery measures: Policy and Governance**

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2023/24	2024/25	2025/26	2026/27
<b>1. Provincial Policy Management</b>					
1.1 Priority Programmes Monitoring reports	• No. of Provincial Priority Programmes assessments	12	12	12	12
<b>2. Premier's Priority Programmes</b>					
2.1 Integrated Planning System: Consolidated planning alignment report	• No. of consolidated provincial strategic planning alignment reports	1	1	1	1
2.2 Strategic partnership co-ordination reports	• No. of Moral Regeneration Movement (MRM) and social cohesion co-ordination reports	4	4	4	4
	• No. of progress reports compiled on the interventions co-ordinated for farm dwellers and farm workers	4	4	4	4
2.3 Progress reports on implementation of GBVF plan	• No. of monitoring reports on the implementation of the Provincial Gender Based Violence and Femicide Strategic Implementation Plan	4	4	4	4
<b>3. King's Support and Royal Household</b>					
3.1 Reports on support plan to the Zulu Monarch	• No. of reports compiled on the implementation of the KZN Government Service Support Plan to the Zulu Monarch	4	4	4	4
3.2 Entity oversight: ZRHT APP assessment report	• No. of monitoring reports compiled on the performance of the ZRHT	4	4	4	4

## 9. Other programme information

### 9.1 Personnel numbers and costs

Table 1.20 reflects personnel estimates for the OTP, per programme.

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

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2023/24 - 2026/27		
	2020/21		2021/22		2022/23		2023/24				2024/25		2025/26		2026/27		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs	Filled posts	Add. posts	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs			
<b>R thousands</b>																			
<b>Salary level</b>																			
1 – 7	246	81 957	232	83 636	232	82 802	227	-	227	98 507	237	122 716	237	127 631	237	135 292	1.4%	11.2%	29.3%
8 – 10	130	61 163	131	63 260	143	70 162	156	-	156	73 456	192	72 126	192	78 155	192	82 844	7.2%	4.1%	19.0%
11 – 12	80	71 363	78	73 629	84	74 414	96	-	96	70 996	108	83 023	108	89 581	108	94 956	4.0%	10.2%	20.7%
13 – 16	69	85 338	69	87 390	75	83 721	94	-	94	83 719	93	94 337	93	100 697	93	106 736	(0.4%)	8.4%	23.6%
Other	33	12 449	38	13 512	31	22 661	31	-	31	27 914	31	30 215	31	30 500	31	32 330	-	5.0%	7.4%
<b>Total</b>	<b>558</b>	<b>312 270</b>	<b>548</b>	<b>321 427</b>	<b>565</b>	<b>333 761</b>	<b>604</b>	<b>-</b>	<b>604</b>	<b>354 592</b>	<b>661</b>	<b>402 417</b>	<b>661</b>	<b>426 564</b>	<b>661</b>	<b>452 158</b>	<b>3.1%</b>	<b>8.4%</b>	<b>100.0%</b>
<b>Programme</b>																			
1. Administration	139	83 733	142	99 324	149	97 443	119	-	119	94 434	172	110 043	172	116 645	172	123 645	13.1%	9.4%	27.1%
2. Institutional Development	239	130 429	223	137 894	232	125 678	250	-	250	131 531	302	159 768	302	169 246	302	179 399	6.5%	10.9%	38.9%
3. Policy and Governance	180	98 108	183	84 209	184	110 640	235	-	235	128 627	187	132 606	187	140 673	187	149 114	(7.3%)	5.0%	33.9%
<b>Total</b>	<b>558</b>	<b>312 270</b>	<b>548</b>	<b>321 427</b>	<b>565</b>	<b>333 761</b>	<b>604</b>	<b>-</b>	<b>604</b>	<b>354 592</b>	<b>661</b>	<b>402 417</b>	<b>661</b>	<b>426 564</b>	<b>661</b>	<b>452 158</b>	<b>3.1%</b>	<b>8.4%</b>	<b>100.0%</b>
<b>Employee dispensation classification</b>																			
P.S.A. appointees not covered by OSDs	518	287 573	503	295 343	527	305 721	558	-	558	312 372	623	357 252	623	380 444	623	403 489	3.7%	8.9%	88.9%
Legal Professionals	7	12 248	7	12 922	7	13 703	7	-	7	14 306	7	14 950	7	15 620	7	16 339	-	4.5%	3.8%
Others (interns, EPWP, learnerships)	33	12 449	38	13 162	31	14 337	31	-	31	27 914	31	30 215	31	30 500	31	32 330	-	5.0%	7.4%
<b>Total</b>	<b>558</b>	<b>312 270</b>	<b>548</b>	<b>321 427</b>	<b>565</b>	<b>333 761</b>	<b>596</b>	<b>-</b>	<b>596</b>	<b>354 592</b>	<b>661</b>	<b>402 417</b>	<b>661</b>	<b>426 564</b>	<b>661</b>	<b>452 158</b>	<b>3.5%</b>	<b>8.4%</b>	<b>100.0%</b>

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

The department obtained approval to fill 50 posts at the end of the third quarter of 2023/24 and has only filled three of these posts, with the remainder at various stages in the recruitment process. It is anticipated that the balance of 47 posts will be filled in the latter part of 2023/24. However, past history indicates that this process may carry-over into 2024/25. The department has budgeted to fill 55 posts over the MTEF.

The department will not fully implement the entire organisational structure over the MTEF due to budget constraints. The strong growth in personnel numbers in 2022/23 is in line with filling of posts, with further growth in 2023/24 and 2024/25 to cover some of the remaining appointments. Further posts will be filled in a staggered approach should funding become available. *Compensation of employees* was reduced by budget cuts in 2020/21 due to the provincial Covid-19 response and the wage freeze. In addition, there were cuts over the 2021/22 MTEF related to the public sector wage freeze, as well as fiscal consolidation cuts. These cuts influence the growth in *Compensation of employees*. Despite the cuts, the growth in 2024/25 is 13.5 per cent, related to the planned filling of the remaining approved posts, followed by growth of 6 per cent in 2025/26, which is sufficient for a wage increase and pay progression. Growth in the outer year is 6 per cent, which is sufficient for anticipated inflation linked increases and pay progression, as well as the carry-through of the 2023 wage agreement.

## 9.2 Training

Table 1.21 reflects payments and estimates on training per programme, providing actual and estimated expenditure on training for the period 2020/21 to 2026/27. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. The department is under this target over the MTEF, averaging 0.5 per cent, and this will be addressed in-year and in the next budget process.

**Table 1.21 : Information on training: Office of the Premier**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Number of staff	558	548	565	604	604	604	661	661	661
Number of personnel trained	350	350	350	350	350	350	350	350	350
of which									
Male	85	85	85	85	85	85	85	85	85
Female	265	265	265	265	265	265	265	265	265
Number of training opportunities	479	484	489	489	489	489	489	489	489
of which									
Tertiary	410	415	420	420	420	420	420	420	420
Workshops	50	50	50	50	50	50	50	50	50
Seminars	19	19	19	19	19	19	19	19	19
Other	-	-	-	-	-	-	-	-	-
Number of bursaries offered	21	21	21	21	21	21	21	21	21
Number of interns appointed	56	56	56	56	56	56	56	56	56
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	-	-	-	-	-	-	-	-	-
<b>Payments on training by programme</b>									
1. Administration	-	-	1	400	20	8	56	54	56
2. Institutional Development	1 000	1 325	1 056	2 454	1 715	2 268	1 717	1 705	1 283
3. Policy and Governance	466	18	-	125	210	159	165	165	173
<b>Total</b>	<b>1 466</b>	<b>1 343</b>	<b>1 057</b>	<b>2 979</b>	<b>1 945</b>	<b>2 435</b>	<b>1 938</b>	<b>1 924</b>	<b>1 512</b>



## ANNEXURE – VOTE 1: OFFICE OF THE PREMIER

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
<b>Tax receipts</b>	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
<b>Sale of goods and services other than capital assets</b>	<b>178</b>	<b>165</b>	<b>165</b>	<b>352</b>	<b>352</b>	<b>168</b>	<b>190</b>	<b>213</b>	<b>223</b>
Sale of goods and services produced by department (excluding capital assets)	178	165	165	352	352	168	190	213	223
Sale by market establishments	12	3	-	17	17	3	13	15	16
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	166	162	165	335	335	165	177	198	207
Of which									
Commission	155	160	165	175	175	303	191	200	209
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
<b>Transfers received from:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
<b>Fines, penalties and forfeits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Interest, dividends and rent on land</b>	<b>46</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Interest	46	5	2	1	1	1	1	1	1
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Sale of capital assets</b>	<b>-</b>	<b>-</b>	<b>600</b>	<b>1 115</b>	<b>1 115</b>	<b>-</b>	<b>1 217</b>	<b>1 273</b>	<b>1 332</b>
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	-	600	1 115	1 115	-	1 217	1 273	1 332
<b>Transactions in financial assets and liabilities</b>	<b>284</b>	<b>974</b>	<b>536</b>	<b>58</b>	<b>58</b>	<b>326</b>	<b>64</b>	<b>67</b>	<b>70</b>
<b>Total</b>	<b>508</b>	<b>1 144</b>	<b>1 303</b>	<b>1 526</b>	<b>1 526</b>	<b>495</b>	<b>1 472</b>	<b>1 554</b>	<b>1 626</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
<b>Current payments</b>	<b>504 344</b>	<b>586 929</b>	<b>652 995</b>	<b>691 601</b>	<b>725 193</b>	<b>724 379</b>	<b>703 451</b>	<b>734 542</b>	<b>768 123</b>
Compensation of employees	312 270	321 427	333 761	379 583	354 592	354 592	402 417	426 564	452 158
Salaries and wages	275 189	283 877	296 435	340 339	315 348	313 444	361 151	380 347	403 169
Social contributions	37 081	37 550	37 326	39 244	39 244	41 148	41 266	46 217	48 989
Goods and services	192 074	265 502	319 234	312 018	370 601	369 787	301 034	307 978	315 965
Administrative fees	798	1 879	3 755	3 320	3 034	4 922	3 092	4 483	4 690
Advertising	41 254	32 381	32 887	54 935	52 645	48 058	46 909	51 099	53 040
Minor assets	1 135	3 050	2 900	6 013	5 549	483	8 777	7 640	7 919
Audit cost: External	4 646	6 740	5 526	6 056	5 776	5 069	5 705	5 930	6 203
Bursaries: Employees	117	246	278	1 030	970	509	930	980	1 025
Catering: Departmental activities	2 471	7 834	29 002	4 736	19 411	29 952	7 509	7 470	7 651
Communication (G&S)	12 644	14 617	15 065	16 179	9 523	12 517	13 051	12 199	12 761
Computer services	50 040	96 444	46 455	52 745	75 149	68 605	45 648	50 794	52 463
Cons. and prof. serv.: Business and advisory services	1 370	5 681	16 047	14 914	13 076	16 906	16 004	13 898	13 515
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 081	2 159	930	1 771	16 839	1 263	1 485	1 603	1 677
Contractors	2 390	8 006	17 424	32 299	32 876	29 699	28 095	24 637	25 313
Agency and support / outsourced services	6 919	1 358	363	1 225	1 035	577	1 420	1 440	1 506
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	6 312	7 881	10 610	8 632	8 760	7 865	8 993	11 046	11 554
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	9	2 708	10	2 070	287	64	64	67
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	670	2 225	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	12 428	-	3 941	13 601	-	-	-
Consumable supplies	7 066	7 807	5 394	7 205	7 615	1 991	6 190	6 333	6 478
Consumable: Stationery, printing and office supplies	7 675	6 070	8 639	12 234	11 944	7 561	10 633	11 258	11 709
Operating leases	10 990	9 705	13 170	19 325	19 799	12 406	19 285	19 894	20 808
Property payments	18 228	18 705	23 706	24 904	24 781	20 355	25 268	23 018	23 319
Transport provided: Departmental activity	495	4 672	17 484	1 709	11 207	16 972	5 541	5 767	6 032
Travel and subsistence	11 337	21 622	40 583	34 401	31 155	50 656	36 358	38 123	37 959
Training and development	1 466	1 343	1 057	2 979	1 945	2 435	1 938	1 924	1 512
Operating payments	2 385	744	1 318	1 060	1 041	1 298	1 014	1 030	1 078
Venues and facilities	1 255	6 549	11 149	4 336	9 790	10 590	7 125	7 348	7 686
Rental and hiring	-	-	356	-	-	2 985	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>52 671</b>	<b>121 106</b>	<b>48 665</b>	<b>155 209</b>	<b>178 278</b>	<b>178 278</b>	<b>57 601</b>	<b>59 151</b>	<b>61 872</b>
Provinces and municipalities	148	212	136	76	76	76	79	83	87
Provinces	148	212	136	76	76	76	79	83	87
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	148	212	136	76	76	76	79	83	87
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	30 654	46 163	24 888	25 983	41 965	41 965	26 337	27 517	28 783
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	30 654	46 163	24 888	25 983	41 965	41 965	26 337	27 517	28 783
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	100 000	100 000	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	100 000	100 000	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	100 000	100 000	-	-	-
Non-profit institutions	-	50 000	-	100 000	-	-	-	-	-
Households	21 869	24 731	23 641	29 150	36 237	36 237	31 185	31 551	33 002
Social benefits	3 727	6 855	6 260	1 589	5 876	5 876	3 248	2 331	2 438
Other transfers to households	18 142	17 876	17 381	27 561	30 361	30 361	27 937	29 220	30 564
<b>Payments for capital assets</b>	<b>25 626</b>	<b>46 162</b>	<b>31 713</b>	<b>25 247</b>	<b>18 586</b>	<b>19 400</b>	<b>23 101</b>	<b>24 182</b>	<b>24 794</b>
Buildings and other fixed structures	5 365	17 847	6 366	1 960	1 960	2 393	2 048	2 140	2 238
Buildings	5 365	17 847	6 366	1 960	1 960	2 393	2 048	2 140	2 238
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	20 261	28 315	25 347	23 287	16 626	17 007	21 053	22 042	22 556
Transport equipment	12 907	6 311	8 945	4 387	2 587	2 154	4 079	4 284	4 481
Other machinery and equipment	7 354	22 004	16 402	18 900	14 039	14 853	16 974	17 758	18 075
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>4 557</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>587 198</b>	<b>754 197</b>	<b>733 373</b>	<b>872 057</b>	<b>922 057</b>	<b>922 057</b>	<b>784 153</b>	<b>817 875</b>	<b>854 789</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
<b>Current payments</b>	<b>112 167</b>	<b>168 223</b>	<b>188 098</b>	<b>194 635</b>	<b>206 385</b>	<b>206 385</b>	<b>209 190</b>	<b>215 826</b>	<b>225 871</b>
Compensation of employees	83 733	99 324	97 443	101 895	94 434	94 434	110 043	116 645	123 645
Salaries and wages	74 645	87 463	86 171	91 945	84 484	83 347	99 944	104 318	110 578
Social contributions	9 088	11 861	11 272	9 950	9 950	11 087	10 099	12 327	13 067
Goods and services	28 434	68 899	90 655	92 740	111 951	111 951	99 147	99 181	102 226
Administrative fees	372	890	1 481	1 596	1 397	2 147	1 252	1 388	1 452
Advertising	2 804	410	306	350	220	142	750	778	814
Minor assets	287	1 372	1 521	5 633	4 942	312	8 177	6 290	6 580
Audit cost: External	4 646	6 740	5 526	6 056	5 776	5 069	5 705	5 930	6 203
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 365	3 331	5 161	2 380	7 130	11 261	2 469	2 674	2 633
Communication (G&S)	158	4 504	3 984	5 373	3 978	2 347	4 129	4 184	4 377
Computer services	428	-	-	619	-	-	-	-	-
Cons. and prof. serv.: Business and advisory services	232	36	1 625	1 609	1 084	105	965	1 030	1 077
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	121	-	-	500	150	-	250	250	262
Contractors	459	2 369	959	4 451	14 104	13 200	11 229	6 685	6 992
Agency and support / outsourced services	2 275	484	121	150	410	77	350	350	366
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	7 285	10 052	8 031	8 159	7 475	7 486	9 276	9 703
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	754	-	2 060	48	9	9	10
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	1 096	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	6 471	-	2 061	10 317	-	-	-
Consumable supplies	4 808	5 418	2 100	1 886	3 181	959	2 591	2 744	2 870
Consumable: Stationery, printing and office supplies	3 493	2 207	3 869	3 979	5 035	2 889	4 018	4 414	4 617
Operating leases	1 094	8 348	11 783	16 275	16 817	10 454	16 360	17 039	17 823
Property payments	737	13 183	16 313	16 970	16 847	13 864	17 688	19 225	19 459
Transport provided: Departmental activity	134	987	1 852	959	2 000	2 871	750	850	889
Travel and subsistence	4 205	9 171	14 844	14 113	12 440	23 148	13 861	14 582	14 548
Training and development	-	-	1	400	20	8	56	54	56
Operating payments	413	66	102	310	190	90	162	225	236
Venues and facilities	403	2 098	1 830	1 100	3 950	3 354	890	1 204	1 259
Rental and hiring	-	-	-	-	-	718	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 672</b>	<b>1 871</b>	<b>1 497</b>	<b>1 597</b>	<b>2 858</b>	<b>2 858</b>	<b>2 669</b>	<b>1 878</b>	<b>1 964</b>
Provinces and municipalities	148	212	136	76	76	76	79	83	87
Provinces	148	212	136	76	76	76	79	83	87
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	148	212	136	76	76	76	79	83	87
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 524	1 659	1 361	1 521	2 782	2 782	2 590	1 795	1 877
Social benefits	1 524	1 630	1 361	1 521	2 782	2 782	2 590	1 795	1 877
Other transfers to households	-	29	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>6 857</b>	<b>30 405</b>	<b>24 792</b>	<b>16 535</b>	<b>12 874</b>	<b>12 874</b>	<b>14 874</b>	<b>15 547</b>	<b>16 012</b>
Buildings and other fixed structures	5 365	17 847	6 366	1 960	1 960	2 393	2 048	2 140	2 238
Buildings	5 365	17 847	6 366	1 960	1 960	2 393	2 048	2 140	2 238
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 492	12 558	18 426	14 575	10 914	10 481	12 826	13 407	13 774
Transport equipment	634	6 311	8 945	4 387	2 587	2 154	4 079	4 284	4 481
Other machinery and equipment	858	6 247	9 481	10 188	8 327	8 327	8 747	9 123	9 293
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>120 703</b>	<b>200 499</b>	<b>214 387</b>	<b>212 767</b>	<b>222 117</b>	<b>222 117</b>	<b>226 733</b>	<b>233 251</b>	<b>243 847</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
<b>Current payments</b>	<b>273 426</b>	<b>307 587</b>	<b>251 601</b>	<b>301 937</b>	<b>295 638</b>	<b>294 824</b>	<b>293 177</b>	<b>310 665</b>	<b>324 490</b>
Compensation of employees	130 429	137 894	125 678	153 180	131 531	131 531	159 768	169 246	179 399
Salaries and wages	113 807	121 675	110 416	141 527	119 878	113 031	143 448	150 959	160 016
Social contributions	16 622	16 219	15 262	11 653	11 653	18 500	16 320	18 287	19 383
Goods and services	142 997	169 693	125 923	148 757	164 107	163 293	133 409	141 419	145 091
Administrative fees	240	635	735	427	390	868	428	475	496
Advertising	38 027	31 755	32 228	52 486	51 386	46 398	45 432	49 521	51 389
Minor assets	808	832	610	380	547	111	600	1 350	1 339
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	117	246	263	760	700	454	850	850	889
Catering: Departmental activities	40	995	3 932	658	773	790	657	710	743
Communication (G&S)	12 441	10 107	11 060	9 679	4 679	10 155	8 072	7 015	7 338
Computer services	45 269	96 433	46 455	52 026	75 138	68 577	45 648	50 774	52 442
Cons. and prof. serv.: Business and advisory services	664	3 754	3 735	3 767	3 767	7 805	3 765	4 697	4 440
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	960	2 159	930	1 271	1 071	1 263	1 235	1 353	1 415
Contractors	617	2 220	2 849	3 613	3 338	1 378	2 966	3 330	3 226
Agency and support / outsourced services	4 371	53	54	100	100	30	120	140	146
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	5 537	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	9	-	10	10	92	5	5	5
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	679	-	-	106	-	-	-
Consumable supplies	1 289	1 115	317	779	559	949	523	568	594
Consumable: Stationery, printing and office supplies	2 715	2 521	2 863	3 905	3 489	1 791	3 077	3 524	3 685
Operating leases	9 374	988	932	1 725	1 647	1 187	1 857	1 880	1 966
Property payments	17 003	5 393	7 393	7 934	7 934	6 491	7 580	3 793	3 860
Transport provided: Departmental activity	-	1 222	978	-	-	-	200	-	-
Travel and subsistence	2 508	6 318	7 847	6 743	6 606	12 090	6 231	7 411	7 410
Training and development	1 000	1 325	1 056	2 454	1 715	2 268	1 717	1 705	1 283
Operating payments	2	67	2	-	203	361	-	-	-
Venues and facilities	15	1 546	649	40	55	109	2 446	2 318	2 425
Rental and hiring	-	-	356	-	-	20	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 003</b>	<b>3 374</b>	<b>3 399</b>	<b>68</b>	<b>2 294</b>	<b>2 294</b>	<b>28 374</b>	<b>29 628</b>	<b>30 991</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 003	3 374	3 399	68	2 294	2 294	28 374	29 628	30 991
Social benefits	1 003	3 374	3 399	68	2 294	2 294	437	408	427
Other transfers to households	-	-	-	-	-	-	27 937	29 220	30 564
<b>Payments for capital assets</b>	<b>18 352</b>	<b>15 723</b>	<b>6 921</b>	<b>8 712</b>	<b>5 712</b>	<b>6 526</b>	<b>8 227</b>	<b>8 635</b>	<b>8 782</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	18 352	15 723	6 921	8 712	5 712	6 526	8 227	8 635	8 782
Transport equipment	12 273	-	-	-	-	-	-	-	-
Other machinery and equipment	6 079	15 723	6 921	8 712	5 712	6 526	8 227	8 635	8 782
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>292 825</b>	<b>326 684</b>	<b>261 921</b>	<b>310 717</b>	<b>303 644</b>	<b>303 644</b>	<b>329 778</b>	<b>348 928</b>	<b>364 263</b>



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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
<b>Current payments</b>	<b>118 751</b>	<b>111 119</b>	<b>213 296</b>	<b>195 029</b>	<b>223 170</b>	<b>223 170</b>	<b>201 084</b>	<b>208 051</b>	<b>217 762</b>
Compensation of employees	98 108	84 209	110 640	124 508	128 627	128 627	132 606	140 673	149 114
Salaries and wages	86 737	74 739	99 848	106 867	110 986	117 066	117 759	125 070	132 575
Social contributions	11 371	9 470	10 792	17 641	17 641	11 561	14 847	15 603	16 539
Goods and services	20 643	26 910	102 656	70 521	94 543	94 543	68 478	67 378	68 648
Administrative fees	186	354	1 539	1 297	1 247	1 907	1 412	2 620	2 742
Advertising	423	216	353	2 099	1 039	1 518	727	800	837
Minor assets	40	846	769	-	60	60	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	15	270	270	55	80	130	136
Catering: Departmental activities	1 066	3 508	19 909	1 698	11 508	17 901	4 383	4 086	4 275
Communication (G&S)	45	6	21	1 127	866	15	850	1 000	1 046
Computer services	4 343	11	-	100	11	28	-	20	21
Cons. and prof. serv.: Business and advisory services	474	1 891	10 687	9 538	8 225	8 996	11 274	8 171	7 998
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	15 618	-	-	-	-
Contractors	1 314	3 417	13 616	24 235	15 434	15 121	13 900	14 622	15 095
Agency and support / outsourced services	273	821	188	975	525	470	950	950	994
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	775	596	558	601	601	390	1 507	1 770	1 851
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	1 954	-	-	147	50	50	52
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	670	1 129	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	5 278	-	1 880	3 178	-	-	-
Consumable supplies	969	1 274	2 977	4 540	3 875	83	3 076	3 021	3 014
Consumable: Stationery, printing and office supplies	1 467	1 342	1 907	4 350	3 420	2 881	3 538	3 320	3 407
Operating leases	522	369	455	1 325	1 335	765	1 068	975	1 019
Property payments	488	129	-	-	-	-	-	-	-
Transport provided: Departmental activity	361	2 463	14 654	750	9 207	14 101	4 591	4 917	5 143
Travel and subsistence	4 624	6 133	17 892	13 545	12 109	15 418	16 266	16 130	16 001
Training and development	466	18	-	125	210	159	165	165	173
Operating payments	1 970	611	1 214	750	648	847	852	805	842
Venues and facilities	837	2 905	8 670	3 196	5 785	7 127	3 789	3 826	4 002
Rental and hiring	-	-	-	-	-	2 247	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>49 996</b>	<b>115 861</b>	<b>43 769</b>	<b>153 544</b>	<b>173 126</b>	<b>173 126</b>	<b>26 558</b>	<b>27 645</b>	<b>28 917</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	30 654	46 163	24 888	25 983	41 965	41 965	26 337	27 517	28 783
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	30 654	46 163	24 888	25 983	41 965	41 965	26 337	27 517	28 783
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	100 000	100 000	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	100 000	100 000	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	100 000	100 000	-	-	-
Non-profit institutions	-	50 000	-	100 000	-	-	-	-	-
Households	19 342	19 698	18 881	27 561	31 161	31 161	221	128	134
Social benefits	1 200	1 851	1 500	-	800	800	221	128	134
Other transfers to households	18 142	17 847	17 381	27 561	30 361	30 361	-	-	-
<b>Payments for capital assets</b>	<b>417</b>	<b>34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	417	34	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	417	34	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>4 506</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>173 670</b>	<b>227 014</b>	<b>257 065</b>	<b>348 573</b>	<b>396 296</b>	<b>396 296</b>	<b>227 642</b>	<b>235 696</b>	<b>246 679</b>

# Estimates of Provincial Revenue and Expenditure

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21*	2021/22*	2022/23	2023/24			2024/25	2025/26	2026/27
<b>Revenue</b>									
<b>Tax revenue</b>	-	-	-	-	-	-	-	-	-
<b>Non-tax revenue</b>	<b>30 692</b>	<b>48 794</b>	<b>27 141</b>	<b>26 210</b>	<b>43 826</b>	<b>43 826</b>	<b>26 574</b>	<b>27 758</b>	<b>29 035</b>
Sale of goods and services other than capital assets	-	-	-	-	-	-	237	241	252
Entity revenue other than sales	38	126	1 043	227	227	227	-	-	-
Transfers received***	30 654	48 668	26 098	25 983	43 599	43 599	26 337	27 517	28 783
Of which:									
OTP	28 304	26 708	22 263	23 243	39 225	39 225	23 474	24 526	25 654
Capital projects**	2 350	19 455	2 625	2 740	2 740	2 740	2 863	2 991	3 129
Roll-over: OTP	-	2 505	1 210	-	1 634	1 634	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Other non-tax revenue	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>30 692</b>	<b>48 794</b>	<b>27 141</b>	<b>26 210</b>	<b>43 826</b>	<b>43 826</b>	<b>26 574</b>	<b>27 758</b>	<b>29 035</b>
<b>Expenses</b>									
<b>Programmes</b>									
1. Administration	4 345	5 206	6 098	7 360	7 360	7 360	7 691	8 035	8 404
2. Operations Management	20 181	42 901	21 536	15 450	31 432	31 432	15 384	16 124	16 931
3. Fund Raising	60	-	366	3 400	5 034	5 034	3 500	3 600	3 700
<b>Total</b>	<b>24 586</b>	<b>48 107</b>	<b>28 000</b>	<b>26 210</b>	<b>43 826</b>	<b>43 826</b>	<b>26 575</b>	<b>27 759</b>	<b>29 035</b>
<b>Economic classification</b>									
<b>Current expenses</b>	<b>24 552</b>	<b>22 968</b>	<b>24 863</b>	<b>26 183</b>	<b>39 458</b>	<b>39 458</b>	<b>23 683</b>	<b>24 737</b>	<b>25 875</b>
Compensation of employees	3 385	3 087	3 100	3 938	3 938	3 938	4 115	4 294	4 492
Goods and services	21 167	19 881	21 763	22 245	35 520	35 520	19 568	20 443	21 383
Interest on rent and land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>34</b>	<b>25 139</b>	<b>3 137</b>	<b>27</b>	<b>4 368</b>	<b>4 368</b>	<b>2 891</b>	<b>3 021</b>	<b>3 160</b>
Buildings and other fixed structures	-	19 287	2 625	-	2 741	2 741	2 863	2 991	3 129
Machinery and equipment	10	5 826	485	-	1 600	1 600	-	-	-
Software and other intangible assets	24	26	27	27	27	27	28	30	31
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenses</b>	<b>24 586</b>	<b>48 107</b>	<b>28 000</b>	<b>26 210</b>	<b>43 826</b>	<b>43 826</b>	<b>26 574</b>	<b>27 758</b>	<b>29 035</b>
<b>Surplus / (Deficit)</b>	<b>6 106</b>	<b>687</b>	<b>(859)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Adjustments for Surplus / (Deficit)</b>	<b>(6 106)</b>	<b>(687)</b>	<b>859</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provision for non-cash items	(6 106)	(687)	859	-	-	-	-	-	-
<b>Surplus / (Deficit) after adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow from investing activities</b>	<b>(33)</b>	<b>(131)</b>	<b>(512)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Acquisition of assets	(33)	(131)	(512)	-	-	-	-	-	-
Other flows from Investing activities	-	-	-	-	-	-	-	-	-
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>6 106</b>	<b>(1 818)</b>	<b>(2 069)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance sheet data</b>									
Carrying value of assets	2 243	2 188	2 656	2 237	2 237	2 237	1 963	1 704	1 588
Investments	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	5 984	4 166	2 097	-	-	-	-	-	-
Receivables and prepayments	680	17 036	417	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>8 908</b>	<b>23 390</b>	<b>5 170</b>	<b>2 237</b>	<b>2 237</b>	<b>2 237</b>	<b>1 963</b>	<b>1 704</b>	<b>1 588</b>
Capital and reserves	7 590	3 776	3 904	2 237	2 237	2 237	1 963	1 704	1 588
Borrowings	-	-	-	-	-	-	-	-	-
Post retirement benefits	-	-	-	-	-	-	-	-	-
Trade and other payables	1 317	19 444	1 088	-	-	-	-	-	-
Deferred income	-	-	-	-	-	-	-	-	-
Provisions	-	170	178	-	-	-	-	-	-
Funds managed (e.g. Poverty Alleviation Fund)	-	-	-	-	-	-	-	-	-
<b>Total equity and liabilities</b>	<b>8 908</b>	<b>23 390</b>	<b>5 170</b>	<b>2 237</b>	<b>2 237</b>	<b>2 237</b>	<b>1 963</b>	<b>1 704</b>	<b>1 588</b>
<b>Contingent liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

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

\*\*\*Note: The transfer as reflected in Table 1.9 includes transfers for operational expenses, as well as capital projects