

VOTE 14

Public Works

Operational budget	R1 789 447 757
MEC remuneration	R 2 098 243
Total amount to be appropriated	R1 791 546 000
Responsible MEC	MEC for Human Settlements and Public Works
Administering department	Public Works
Accounting officer	Head: Public Works

1. Overview

Vision

The department's vision is: *An inclusive economy through sustainable infrastructure development and property management.*

Mission

The department's mission is: *To improve the lives of the people in KZN through sustainable infrastructure development and property management.*

Strategic outcomes

The department's outcomes are as follows:

- Increased access to economic opportunities to broaden the base of targeted groups for economic empowerment through infrastructure and property management.
- Improved immovable asset management and custodianship of all provincial assets and facilities.
- Provision of sustainable social infrastructure.

Core functions

In carrying out its mandate, the department undertakes the following core functions, which are in line with the outcomes in the five-year strategic plan (2020-2025) of the department:

- The acquisition of public buildings and land.
- The construction of public buildings, involving the physical erection or major improvements in respect of infrastructure in the building environment.
- The maintenance of state buildings including performing the necessary work to keep the required level of operation and the payment of property rates.
- The alienation of public buildings and land, including the disposal of fixed assets by selling, demolition, exchanging and donation.

Legislative mandate

Within the broad statutory mandates of government institutions, the following mandates guide the department's core functions:

- Constitution of the Republic of South Africa (No. 108 of 1996)
- Public Service Act (No. 30 of 2007)
- Public Finance Management Act (No. 1 of 1999, as amended) and the Treasury Regulations

- Government Immovable Asset Management Act (No. 19 of 2007)
- Local Government: Municipal Rates Act (No. 6 of 2004)
- Construction Industry Development Board Act (No. 38 of 2000)
- National Building Regulations and Building Standards Act (No. 103 of 1977)
- Occupational Health and Safety Act (No. 85 of 1993)
- State Land Disposal Act (No. 48 of 1961)
- Prevention of Eviction from and Unlawful Occupation of Land Act (No. 19 of 1998)
- KZN Land Administration Act (No. 3 of 2003)
- KZN Heritage Act (No. 10 of 1997)
- Broad Based Black Economic Empowerment Act (No. 53 of 2004)
- Labour Relations Act (No. 66 of 1995)
- Employment Equity Act (No. 55 of 1995)
- Skills Development Act (No. 97 of 1998)
- Basic Conditions of Employment Act (No. 75 of 1997)
- Intergovernmental Relations Framework Act (No. 13 of 2005)
- Preferential Procurement Policy Framework Act (No. 5 of 2000) and revised regulations dated 16 January 2023
- Cross-Boundary Municipalities Laws Repeal and Related Matters Act, as amended (No. 8 of 2009)
- Council for the Built Environment Act (No. 43 of 2000)
- Engineering Profession Act (No. 46 of 2000)
- Architectural Profession Act (No. 44 of 2000)
- Quantity Surveying Profession Act (No. 49 of 2000)
- Project and Construction Management Professions Act (No. 48 of 2000)
- Occupational Injuries and Diseases Act (No. 130 of 1993)
- Deeds Registry Act (No. 47 of 1937)
- Expropriation Act (No. 63 of 1975)
- Environmental Act (No. 107 of 1998)
- Promotion of Administrative Justice Act (No. 53 of 2002)
- Promotion of Access to Information Act (No. 54 of 2006)
- Protection of Personal Information Act (Act No. 4 of 2013)
- Skills Development Qualification Act (No. 58 of 1995)
- KZN Ingonyama Trust Amendment Act (No. 9 of 1997)
- South African Schools Act (No. 84 of 1996)
- Cross-boundary Municipalities Laws Repeal Related Matters Act (No. 23 of 2005)
- KZN Planning and Development Act (No. 6 of 2008)

Aligning the department's budget to achieve government's prescribed outcomes

The department's activities are directly aligned to the NDP's main objective of eliminating poverty and reducing inequality by 2030, and the five priorities of inclusive social and economic development, sustainable investment and growth, decent jobs and sustainable livelihoods, a capable development state, and expanding opportunities.

The department is aligned to three priority statements of the MTSF, namely building a capable, ethical and developmental state, economic transformation and job creation. The alignment is reflected in three outcomes, namely increased access to economic opportunities to broaden the base of targeted groups for economic empowerment through infrastructure and property management, improved immovable asset

management and custodianship of all provincial assets and facilities, as well as provision of sustainable social infrastructure.

The department's contribution to eliminating poverty and reducing inequality is through creating employment through its Expanded Public Works Programme (EPWP) beneficiaries, as well as creating an environment for sustainable employment and economic growth through delivery and maintenance of infrastructure. These activities are in line with the NDP, PGDS and MTSF priorities.

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, as well as providing a brief discussion on challenges and new developments.

Expanded Public Works Programme

The EPWP aims to provide unemployed people with work opportunities and training so that they increase their capacity to earn an income. The department set revised targets of 3 000 work opportunities and 810 Full Time Equivalents (FTEs) to be created in 2023/24. By the end of the third quarter, a total of 1 616 work opportunities were created and 413 FTEs were generated. The department set a target of four beneficiary empowerment interventions through training in respect of the EPWP in 2023/24. Beneficiary interventions were conducted for participants from the Izandla Ziyagezana programme, financial literacy training was provided to 42 EPWP participants in the Midlands region, and EPWP beneficiaries from the Southern region were trained on financial literacy by First National Bank (FNB).

In January 2024, the department undertook an internal equitable share reprioritisation of R5.300 million toward the EPWP, in addition to the EPWP Integrated Grant for Provinces allocation of R3.897 million, in order to realise the vision to maximise job creation through the EPWP. These funds will be utilised to create an additional 1 300 work opportunities by the end of March 2024 and will contribute towards the payment of stipends to the recruited EPWP maintenance beneficiaries, including three data capturers who will be mainly responsible for reporting of the work opportunities created by the department. The department is on track to reach this target by year-end.

The department will continue to ensure that the EPWP generates work opportunities and creates jobs, which will contribute meaningfully to poverty alleviation.

EPWP school maintenance programme

The EPWP school maintenance programme aims to assist poor, non-fee paying schools with basic maintenance of school grounds and buildings to ensure that children are able to learn in conducive and clean environments. The programme also provides cleaning and maintenance of vacant sites. This is done through the employment of youth and women. These individuals are recruited through the OSS structures and are assigned to schools and state vacant sites. The department continued to implement the EPWP school maintenance programme, and the EPWP annual target was revised from 5 126 to 3 000 work opportunities to be created. At the end of the third quarter, 1 616 work opportunities were created and the department is on track to reach the target of 3 000 by year-end.

EPWP provincial co-ordination and monitoring

The department continued to provide technical support to all provincial departments and municipalities in order to achieve the EPWP aim of creating work opportunity targets set for 2023/24. As at the third quarter of 2023/24, the department achieved 126 132 work opportunities which is 93 per cent against the annual target, while they achieved 40 160 FTEs which is 64 per cent of the annual target.

The department, as the provincial co-ordinator of EPWP, continued to provide support in order to ensure that 66 public bodies, comprising 54 municipalities and 12 provincial departments, report on the EPWP reporting system. Furthermore, the department continued with the implementation of planned interventions to assist public bodies to report their EPWP achievements by providing three data quality and records management sessions in the uThukela, uMzinyathi and Zululand Districts. The public bodies were supported through planned working sessions, as well as four district forum meetings in the Amajuba, uThukela, King Cetshwayo and uMzinyathi Districts.

The 6th annual KZN EPWP Indaba was successfully hosted in 2023/24. The main aim was to encourage public bodies to perform exceptionally well in the implementation of EPWP projects, to ensure that the province achieves the EPWP phase IV national target of 643 269 work opportunities by the end of 2023/24, and to motivate public bodies to come up with innovative projects and training that will provide meaningful and sustainable impacts to EPWP beneficiaries as part of the EPWP exit strategy.

Finalisation of R293 properties

The plan for 2023/24 was to verify and confirm properties that are eligible for transfer into the name of the KZN provincial government. Engagements with the municipalities took place to confirm the properties' eligibility for transfer. In this regard, the R293 properties were verified and confirmed to be eligible for transfer from the remaining two municipalities, namely eDumbe and uPhongolo. Thereafter a council resolution is to be requested by these municipalities. The transfer of these properties will be implemented in phases from 2024/25 onward, depending on budget availability.

Condition assessments

The revised condition assessments of 150 facilities were planned for 2023/24, for state-owned office accommodation for various client departments including COGTA, DOT, DOH, DOE, and DSD. The assessments assist in identifying building deficiencies and any corrective actions needed. This ensures that state-owned office accommodation complies with statutory requirements, once the corrective action is implemented. The current tender is at appeal stage for a service provider to undertake the assessments and the department is awaiting the outcome of the bids appeal tribunal. Should this be received before the end of 2023/24, attempts will be made with the appointed service provider to fast track the deliverables.

Izandla Ziyagezana programme

The department continued to contribute to the creation of sustainable jobs through the Izandla Ziyagezana programme. The department, by the end of the third quarter, employed 428 beneficiaries, of which 14 participants are living with disabilities.

KZN Infrastructure Master Plan (KZN-IMP)

The Infrastructure Programme Management unit (IPMU) continued to make progress with the structural reforms proposed in the KZN-IMP and to institutionalise the KZN-IMP. The focus was on the long-term demand management of infrastructure.

An approved KZN-IMP was developed to integrate budgeting processes and structures, and to ensure integrated planning, together with the recommendation that the IPMU assumes the role of co-ordinator and integrator of infrastructure delivery in the province as per the PGDS. The integrated approach is aimed at supporting sectors in developing demand models that complement each other. Alignment of the Strategic Integrated Projects and the KZN Economic Reconstruction and Transformation Plan with the catalytic projects and major projects in the province was done. The aims are to avoid duplication of projects and to ensure that updated project information that is relevant to entities is included from the Infrastructure Reporting Model, to ensure that asset registers are comprehensively updated, and to develop an asset numbering system that can accommodate the asset registers of entities, among others.

The department continued with its plan to establish a master planning capacity in terms of all infrastructure development for the province planned to be housed within the Strategic Infrastructure Development Agency (SIDA), but with support provided by the department in its initial development phases. The aim of the establishment of this agency is to enhance state capacity and ensure the sustainable planning and packaging of infrastructure to achieve socio-economic growth within the infrastructure sector.

eThekweni regional office: upgrading of parking for state vehicles

The upgrading of the parking facility for state vehicles commenced in March 2022 and practical completion was achieved in May 2023. The final account and final payment will be paid in 2024/25.

Vryheid sub-district office: conversion of the workshop into offices

The second phase, which is the final phase of upgrading the Vryheid sub-district office, entails completing the upgrade of the Vryheid office in Zululand. The project is currently on hold due to

inadequate funding resulting from the fiscal consolidation budget cuts and the resulting need to rather prioritise the maintenance of offices across the province.

New iLembe district office

The completion contract for the construction of the new iLembe district office commenced in January 2022 and was targeted to reach practical completion by January 2024. Currently progress on site is 96 per cent complete. The final account and final fees will be paid in 2024/25.

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 2024/25 budget resides in Programme 2: Public Works Infrastructure and caters for municipal property rates, the Government Immovable Asset Management Act (GIAMA) and Fixed Asset Register projects, various infrastructure projects, as well as other projects including condition assessments of various properties and infrastructure. Some of the projects planned to be completed in 2023/24 were delayed, with their construction period being extended into the next financial years.

Expanded Public Works Programme

EPWP is a nationwide programme which aims to provide unemployed people with work opportunities and training so that they increase their capacity to earn an income. The department will continue to implement the EPWP maintenance programme, with the aim of creating 3 000 work opportunities across all districts in 2024/25.

The department set a target of four beneficiary empowerment interventions through training in respect of this programme in 2024/25. This training includes, among others, basic financial literacy, paving of school yards and landscaping, end user computing, construction plant training, cleaning of government buildings belonging to the department, work ethic and conduct management. The department will cover all subjects in the four beneficiary empowerment interventions to be conducted in 2024/25.

The department will continue to ensure that EPWP generates work opportunities and creates jobs, which will contribute meaningfully to poverty alleviation. The programme includes beneficiaries living with disabilities.

EPWP provincial co-ordination and monitoring

The department aims to facilitate launching the EPWP Phase V Policy and Implementation Strategy in April 2024 after the EPWP provincial targets have been confirmed by the Department of Public Works and Infrastructure (DPWI) across all three sectors, namely the Infrastructure Sector, the Social Sector, as well as the Environment and Culture Sector. The department aims to continue providing technical support to 66 public bodies, namely 12 provincial departments and 54 municipalities, in order to achieve the EPWP work opportunity targets set for 2024/25 to be announced after the National Consultative Process for EPWP Policy Phase V is finalised, which is likely to be before the end of 2023/24. The department will continue to provide data quality and records management support to all 66 public bodies, in order to ensure quality reporting on the EPWP reporting system.

Data quality and records management sessions will continue on a quarterly basis as and when poorly performing public bodies require, and as per the A-G findings. Proposed new interventions include the department initiating and strengthening the partnership with state owned enterprises in creating and reporting on EPWP work opportunities, and building relations with institutions of higher learning in order to enhance skills development and exit strategies for the EPWP participants, especially through National Youth Services designed programmes.

A capacity building and training opportunity has been availed to the department through the Moses Kotane Institute and Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA) to the value of R22 million, envisaged to commence in 2024/25. This opportunity was identified as one that will add value to the planned exit strategies through accredited training.

Training will be provided in road construction and maintenance, government building cleaning and refurbishment, waste management/ recycling, as well as renewable energy.

Condition assessments

In 2024/25, the department aims to streamline the depth of the assessment so that at least 350 assessments can be conducted. The assessments are aimed at providing a strong basis for effective planning in terms of renovations, rehabilitations and productive use of infrastructure and will also contribute to maintaining the accuracy of the asset register. Detailed assessments will only be undertaken once projects are scheduled for rehabilitation and/or refurbishments.

Izandla Ziyagezana programme

The department will ensure that the Izandla Ziyagezana programme increases the number of beneficiaries with disabilities employed, through engaging with institutions that care for people living with disabilities, and will continue to explore the extension of the programme to the cleaning of schools in all regions.

Ugu district office: removal of existing roof sheeting and replace with new

A condition assessment was concluded for the removal of existing roof sheeting and replacement with a new roof in the Ugu district office. The department is planning to utilise internal professionals due to budgetary constraints and, currently, the architect is busy with the concept design. The project is planned for construction during the second quarter of 2024/25.

Nongoma sub-district: installation of new fencing

The department is currently in the process of procuring a service provider and the construction of the new fencing will commence in 2024/25.

Nongoma sub-district: Legislature Assembly Complex building

The department will undertake the rehabilitation and refurbishment of the Legislature Assembly (LA) Complex building in Ulundi in respect of internal roads, parking facilities and water supply system, and this will commence in 2024/25.

eThekweni regional office: Lecture hall facility

The department will undertake the rehabilitation and renovations of the lecture hall facility which is located in the eThekweni regional office in 2024/25.

4. Reprioritisation

The department undertook reprioritisation within and between programmes and economic classifications. In the 2024/25 MTEF, the department reprioritised funds mainly between Programmes 1 and 2. Note that reprioritisation was not undertaken against Programme 3: Expanded Public Works.

- Programme 1: Administration was reduced by R9.428 million in 2024/25 and R9.902 million in 2025/26, with carry-through, against *Compensation of employees* to align the baselines for salaries and wages and social contribution costs, make some provision for the carry-through of the 2023 wage agreement, as well as cater for expenditure pressures in respect of the filling of vacant posts. In addition, the department reprioritised R241 000 in 2024/25 and R506 000 in 2025/26, with carry-through, within this programme toward *Goods and services* to cater for computer services costs relating to SITA internet service charges which were under-budgeted for. These funds were moved from *Transfers and subsidies to: Departmental agencies and accounts* (R20 000 in 2024/25 and R29 000 in 2025/26, with carry-through) in respect of skills development levy, *Transfers and subsidies to: Households* (R24 000 in 2024/25 and R41 000 in 2025/26, with carry-through) in respect of bursaries to non-employees, as well as *Machinery and equipment* (R197 000 in 2024/25 and R436 000 in 2025/26, with carry-through) in respect of Telecom network equipment. These items still need to be funded, however, funding for the SITA internet service charges was prioritised at this stage. The department will review the budget for these items in the next budget process.
- Programme 2 was increased by R9.428 million in 2024/25 and R9.902 million in 2025/26, with carry-through, against *Compensation of employees* to align the baselines for salaries and wages and social contribution costs, make some provision for the carry-through of the 2023 wage agreement, as

well as cater for expenditure pressures in respect of the filling of vacant posts. In addition, R1.912 million in 2024/25 and R2.757 million in 2025/26, with carry-through, was reprioritised within this programme from *Buildings and other fixed structures* in respect of the new auditorium conference centre and the KZN Entrepreneurial Centre projects, which will be reviewed in-year. These funds were moved to *Goods and services* (R1.094 million in 2024/25 and R2.372 million in 2025/26, with carry-through) to cater for property payments relating to maintenance and repairs of infrastructure, *Transfers and subsidies to: Households* (R102 000 in 2024/25) for staff exit costs, as well as *Machinery and equipment* (R716 000 in 2024/25 and R385 000 in 2025/26, with carry-through) to cater for various tools of trade, such as computer equipment. These items were under-budgeted for and the department will continuously review the budget in the next budget process.

5. Procurement

The department developed their own policy for procurement in line with the PPPFA and the revised regulations, as promulgated on 16 January 2023 and will continue to develop and implement procurement plans for 2024/25 to ensure that the needs of the organisation are in line with the pillars underpinning the department's strategy, as well as the budget allocated to the department.

Major projects planned by the department for 2024/25 include capital infrastructure projects such as the rehabilitation and refurbishment of the LA Complex building in Ulundi in respect of internal roads, parking facilities, water supply system and the perimeter fence in the Nongoma sub-district office. Further projects include the rehabilitation and renovations to the lecture hall facility in the eThekweni regional office which will commence in 2024/25. The completion date is yet to be determined because the project is still at planning phase. Furthermore, the department will continue with the implementation of GIAMA projects, property valuations, clearing of vacant sites, and provision of security services in respect of unutilised buildings. The department will also purchase computer equipment, such as laptops and desktops for newly appointed personnel, and the replacement of obsolete equipment. The Fixed Asset Register project is also currently underway.

6. Receipts and financing

6.1 Summary of receipts

Table 14.1 indicates the sources of funding for Vote 14 for the period 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, and a national conditional grant allocation in respect of the EPWP Integrated Grant for Provinces.

The department's baseline has increased from R1.791 billion to R1.948 billion over the seven-year period. The department was initially allocated R5.032 million in respect of the EPWP Integrated Grant for Provinces for 2024/25, but this was subsequently cut by R1.310 million, with this cut being effected by National Treasury to provide for the Presidential Employment Stimulus. Therefore, the department receives only R3.722 million in 2024/25 in respect of this grant. These amendments are discussed in more detail in Section 7.2.

Table 14.1 : Summary of receipts and financing

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	1 626 467	1 705 864	1 969 670	1 735 058	1 735 058	1 735 058	1 787 824	1 863 292	1 948 077
Conditional grants	4 243	5 465	8 042	3 897	3 897	3 897	3 722	-	-
EPWP Integrated Grant for Provinces	4 243	5 465	8 042	3 897	3 897	3 897	3 722	-	-
Total receipts	1 630 710	1 711 329	1 977 712	1 738 955	1 738 955	1 738 955	1 791 546	1 863 292	1 948 077
Total payments	1 791 193	2 057 824	2 078 605	1 738 955	2 213 955	2 270 047	1 791 546	1 863 292	1 948 077
Surplus/(Deficit) before financing	(160 483)	(346 495)	(100 893)	-	(475 000)	(531 092)	-	-	-
Financing									
of which									
Provincial roll-overs	-	-	-	-	-	-	-	-	-
Provincial cash resources	165 000	350 000	100 897	-	470 000	470 000	-	-	-
Suspension from Vote 6: Treasury	-	-	-	-	5 000	5 000	-	-	-
Surplus/(Deficit) after financing	4 517	3 505	4	-	-	(56 092)	-	-	-

In 2020/21:

- The department received provincial cash resources of R165 million to assist with the pressures in the payment of property rates. The shortfall was brought about by a 10 per cent escalation in municipal property rates as a result of increases in market values for the municipalities that implemented their new general valuation rolls with effect from 01 July 2020, as well as to cover the tariff increases. Mitigating this was a reduction of R76.563 million in the Special Adjustments Estimate toward funding the provincial response to the Covid-19 pandemic and this reduction is shown against the equitable share.
- The department under-spent its 2020/21 budget by R4.517 million mainly against *Compensation of employees* due to delays in filling posts as a result of the review of the organisational structure.

In 2021/22:

- The department received additional funding of R366 million as follows:
 - Additional funding of R350 million was allocated from provincial cash resources to assist with the shortfall in municipal property rates in respect of all districts. This shortfall was brought about by a 10 per cent escalation in municipal property rates as a result of increases in market values for the municipalities that implemented their new general valuation rolls with effect from 01 July 2021, as well as to cover the tariff increases.
 - Additional funding of R16 million was allocated to the equitable share relating to the 2021 wage agreement, with the funds allocated by National Treasury to cover the costs relating to the non-pensionable cash allowance, which was not budgeted for by the department.
- The department under-spent its 2021/22 budget by R3.505 million mainly against *Goods and services* due to fewer than expected bursary applications from employees, as well as lower than anticipated expenditure in respect of property payments for GIAMA – Izandla Ziyagezana projects in respect of safeguarding and security services. Also contributing were delays in the commencement of the Fixed Asset Register project which recorded no spending at year-end. This was due to a number of challenges including a change in the management teams which negatively impacted on the project resulting in low expenditure.

In 2022/23:

- In the 2022/23 Adjusted Appropriation, the department received additional equitable share funding as follows:
 - R21.927 million was allocated for the carry-through implication of the 2021 non-pensionable allowance. These funds were allocated to the province by National Treasury.
 - R13.488 million was allocated to cover the provisional 3 per cent wage increase as announced in the MTBPS for all levels of employees. These funds were allocated to the province by National Treasury.
- In the 2022/23 Second Adjustments Estimate, the department received R100.897 million from the provincial reprioritisation exercise, to assist with the shortfall in municipal property rates, with these funds sourced from other departments that were in a position to surrender funds to the provincial fiscus. This explains the high growth in 2022/23 compared to the outer years.
- The department under-spent its 2022/23 budget by a minimal amount of R4 000 under Programme 2, and this is after the department undertook virements between economic categories to offset spending pressures.

In 2023/24:

- The department implemented the National Treasury baseline cuts of R13.894 million, R35.981 million and R43.053 million over the 2020/21 MTEF and cuts of R152.585 million, R199.810 million and R276.729 million over the 2021/22 MTEF, as detailed in the 2022/23 *EPRE*. Also, over the 2023/24 MTEF, the department's budget was cut by R22.057 million, R8.920 million and R15.701 million as a result of data updates of the equitable share formula, as well as downward

revisions to the own revenue projections. Offsetting the budget cuts was additional funding of R13.088 million, R13.022 million and R13.172 million for the 3 per cent cost of living adjustment carry-through in 2023/24, 2024/25 and 2025/26, respectively. The department received R3.897 million in 2023/24 in respect of the EPWP Integrated Grant for Provinces, which is incentive based. The 2023/24 amount is low compared to 2022/23 due to non-achievement of the targeted work opportunities largely as a result of budgetary constraints.

- The department received provincial cash resources of R470 million in respect of municipal property rates in the 2023/24 Adjustments Estimate. The baseline for property rates over the 2024/25 MTEF is under-funded, and the intention is to correct this baseline when the provincial fiscus is in a position to do so.
- R5 million was allocated to the department in Programme 2 under the sub-programme: Construction against *Buildings and other fixed structures*. These funds were suspended from Vote 6: Provincial Treasury in respect of the Government Precinct PPP Transaction Advisor.

In 2024/25:

- The department was initially allocated R5.032 million in respect of the EPWP Integrated Grant for Provinces for 2024/25, which was subsequently cut by R1.310 million, with this cut being effected by National Treasury to provide for the Presidential Employment Stimulus. Therefore, the department receives only R3.722 million in 2024/25 in respect of this grant.
- The department effected the National Treasury budget cuts of R38.612 million, R38.154 million and R40.836 million over the 2024/25 MTEF. These cuts were effected against Programmes 1 and 2 in respect of *Compensation of employees* (R26.320 million in 2024/25 and R28.689 million in 2025/26, with carry-through) and *Goods and services* (R12.292 million in 2024/25 and R9.465 million in 2025/26, with carry-through) relating to consultants' costs.

6.2 Departmental receipts collection

Table 14.2 reflects the estimated departmental receipts for Vote 14. The main sources of revenue are of a domestic nature and include housing rent, parking, etc. Details are provided in the *Annexure – Vote 14: Public Works*.

Table 14.2 : 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	6 987	6 137	8 492	7 077	7 077	7 652	7 328	7 559	8 542
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	283	276	221	263	263	263	275	287	299
Sale of capital assets	504	-	-	575	575	575	385	996	395
Transactions in financial assets and liabilities	833	2 374	300	988	988	2 574	1 031	1 077	1 127
Total	8 607	8 787	9 013	8 903	8 903	11 064	9 019	9 919	10 363

Sale of goods and services other than capital assets comprises revenue from parking and state-owned property rentals, tender fees, and commission received on PERSAL deductions such as insurance premiums and garnishee orders. The fluctuating trend against this category is due to the unpredictable nature of this source. Inflationary growth is anticipated over the MTEF.

Interest, dividends and rent on land derives its revenue from interest earned on outstanding staff debts, interest from trust accounts, as well as the rental from Vodacom for the use of government land for the installation of network towers. The revenue collection fluctuates in the prior years due to its uncertain nature. The revenue growth over the MTEF is inflationary.

Sale of capital assets relates to the sale of redundant motor vehicles, equipment, as well as the sale of land and buildings. The auction planned in 2023/24 is likely not to occur due to a directive issued by the

OTP to all departments to halt the processes of disposing of state vehicles that have reached the end of their life span, for these vehicles to be assessed for possible use in the provincial Crime Fighting Initiative. The budget over the MTEF is based on the planned sale of redundant vehicles and office equipment, and the budget is set in line with the departmental disposal policy.

Transactions in financial assets and liabilities relates to recoveries from previous years' expenditure, such as staff debts, over-payments to suppliers, etc. The fluctuating trend in the prior years is due to the unpredictable nature of these recoveries. The revenue budget grows steadily over the MTEF.

6.3 Donor funding – Nil

7. Payment summary

This section reflects payments and budgeted estimates in terms of programmes and economic classification. Details are given in *Annexure – Vote 14: Public Works*.

7.1 Key assumptions

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

- Where feasible, CPI projections were used to calculate inflation related items.
- Over the 2024/25 MTEF, National Treasury provided partial funding for the carry-through of the 2023 wage agreement to the Departments of Education, Health and Social Development only, while all other departments must absorb this higher cost from within their baselines. Although the department has undertaken some reprioritisation in this regard, the department will not be able to absorb the full costs of the carry-through wage agreement, more so in light of the 2024/25 MTEF budget cuts.
- In terms of *Compensation of employees*, the department provided for a 4.1 per cent increase in 2024/25 (based on the 2023/24 Revised Estimate) for the carry-through costs of filling critical vacant posts. There is growth of 3.6 per cent in 2025/26 and 3.2 per cent in 2026/27. The budget caters for the 1.5 per cent pay progression over the MTEF, as well as the carry-through of the 2023 wage agreement, although the department will not be able to absorb the full costs of the carry-through 2023 wage agreement. The department also will monitor the filling of posts in line with natural attrition and retirements and will then decide in-year whether to put the vacated posts on hold or to fill them based on the availability of funds, thus the department has not budgeted for the filling of posts at this stage.

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

Table 14.3 shows amendments to the provincial and equitable share funding received over the 2022/23, 2023/24 and 2024/25 MTEF periods, and excludes grant funding.

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 14.3 : 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	-	(8 969)	4 102	(2 529)	(2 643)
Cost of living adjustment carry-through (3%)		13 088	13 022	13 172	13 765
PES data update and own revenue reductions		(22 057)	(8 920)	(15 701)	(16 408)
2024/25 MTEF period	-	-	(38 612)	(38 154)	(40 836)
Fiscal consolidation reduction by National Treasury			(38 612)	(38 154)	(40 836)
Total	-	(8 969)	(34 510)	(40 683)	(43 479)

Over the 2022/23 MTEF, no amendments were made 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 R13.088 million, R13.022 million and R13.172 million over the 2023/24 MTEF, with carry-through, in respect of the carry-through of the 3 per cent cost of living adjustment emanating from the 2022 wage agreement.
- The department's equitable share was reduced by R22.057 million in 2023/24, R8.920 million in 2024/25 and R15.701 million in 2025/26, with carry-through, in respect of equitable share data update and own revenue reductions.

Over the 2024/25 MTEF, the department's equitable share was reduced by R38.612 million, R38.514 million and R40.836 million due to fiscal consolidation budget cuts made by National Treasury as a result of the lower than anticipated economic growth. These cuts were effected against Programmes 1 and 2 in respect of *Compensation of employees* (R26.320 million in 2024/25 and R28.689 million in 2025/26, with carry-through) and *Goods and services* (R12.292 million in 2024/25 and R9.465 million in 2025/26, with carry-through) relating to consultants' costs. The impact of these cuts will include the fact that the department will not be able to fill some of the vacant posts, and will not be able to absorb the full costs of the unfunded carry-through 2023 wage agreement. The department will also have to reduce the number of condition assessments in line with budget availability, among others.

Note that additional funding was allocated in the 2012/13 MTEF for improving infrastructure support. Although no longer visible in Table 14.3, this funding was specifically and exclusively appropriated and the department has not yet completed the implementation of its revised infrastructure staffing structure that this funding was intended for. Thus, amounts of R31.090 million in 2024/25, R31.556 million in 2025/26 and R32.970 million in 2026/27, respectively, remain ring-fenced for this purpose over the 2024/25 MTEF.

7.3 Summary by programme and economic classification

Tables 14.4 and 14.5 summarise payments and estimates by programme and economic classification.

In prior years, the department's structure did not conform fully to the generic programme structure of the Public Works sector and approval to deviate from the budget structure was received from National Treasury on 29 August 2022. Programmes 2 and 3 were different from the uniform structure, while Programme 1 largely conformed with the programme structure. Over the 2024/25 MTEF, the department has implemented changes in order to conform more closely to the uniform structure as required by National Treasury. The changes affected Programme 2: Property Management which is now reflected as Programme 2: Public Works Infrastructure, and Programme 3: Provision of Buildings, Structures and Equipment which is now Programme 3: Expanded Public Works. In this regard, the prior years' amounts were restated for comparative purposes, and 2023/24 remains unchanged. It is noted that the budget allocation against Programme 3 has reduced significantly, as provision which was included under this programme in the previous structure is now largely catered for against Programme 2. The reconciliation of structural changes is clearly depicted in Table 14.23 in Section 9.3.

The structure of the department consists of three programmes, and now aligns more closely to the generic programme structure of the sector as follows:

- Programme 1: Administration conforms fully with three sub-programmes, namely: Office of the MEC, Management of the Department and Corporate Support.
- Programme 2: Public Works Infrastructure conforms with two sub-programmes, namely: Immovable Asset Management and Construction, but there are several sub-programmes in the sector structure that are not being used by the provincial department.
- Programme 3: Expanded Public Works conforms with two sub-programmes, namely: Programme Support and Community Development, but there are several sub-programmes in the sector structure that are not being used by the provincial department.

Table 14.4 : Summary of payments and estimates by programme: Public Works

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	416 859	434 099	442 045	448 489	443 593	445 721	439 368	454 328	466 878
2. Public Work Infrastructure	1 347 060	1 593 017	1 602 863	839 476	1 285 357	1 296 081	1 306 262	1 364 589	1 434 834
3. Expanded Public Works	27 274	30 708	33 697	450 990	485 005	528 245	45 916	44 375	46 365
Total	1 791 193	2 057 824	2 078 605	1 738 955	2 213 955	2 270 047	1 791 546	1 863 292	1 948 077

Table 14.5 : Summary of payments and estimates by economic classification: Public Works

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
Current payments	912 674	972 401	957 753	994 779	973 575	1 007 792	1 001 036	1 046 749	1 096 004
Compensation of employees	699 336	682 860	692 830	741 024	724 602	718 902	748 218	776 226	801 224
Goods and services	213 327	289 541	264 923	253 755	248 973	288 874	252 818	270 523	294 780
Interest and rent on land	11	-	-	-	-	16	-	-	-
Transfers and subsidies to:	841 756	1 061 511	1 075 952	724 271	1 196 717	1 200 378	770 141	797 970	833 679
Provinces and municipalities	829 146	1 048 885	1 061 914	716 191	1 186 191	1 186 254	761 805	789 552	824 924
Departmental agencies and accounts	-	-	-	612	612	612	600	619	647
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	3	-	-	-
Households	12 610	12 626	14 038	7 468	9 914	13 509	7 736	7 799	8 108
Payments for capital assets	36 748	23 912	44 734	19 905	43 663	61 778	20 369	18 573	18 394
Buildings and other fixed structures	27 105	18 418	35 714	14 678	38 436	53 029	13 412	13 280	12 592
Machinery and equipment	4 031	5 494	8 523	5 227	5 227	8 749	6 957	5 293	5 802
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 612	-	497	-	-	-	-	-	-
Payments for financial assets	15	-	166	-	-	99	-	-	-
Total	1 791 193	2 057 824	2 078 605	1 738 955	2 213 955	2 270 047	1 791 546	1 863 292	1 948 077

Programme 1 reflects low spending in 2020/21 due to the budget cuts implemented, as previously mentioned. Also contributing to the decrease was low spending on items such as advertising tenders, audit costs, legal costs, as well as a decrease in spending on fleet services and travel and subsistence costs due to the Covid-19 pandemic and the national lockdown, which impacted on spending and also explains the increase in 2021/22. The increased spending in 2022/23 relates to audit costs, bursaries for employees, fleet services and travel and subsistence due to high fuel costs, as well as *Machinery and equipment* for computer equipment. The slight decrease in the 2023/24 Adjusted Appropriation is mainly attributed to low spending on *Compensation of employees*, mainly due to a number of posts still in the recruitment process. Over the 2024/25 MTEF, the department reprioritised R9.428 million in 2024/25 and R9.902 million in 2025/26, with carry-through, from this programme to Programme 2, within *Compensation of employees* to align the baselines for salaries and wages and social contribution costs, make some provision for the carry-through of the 2023 wage agreement, as well as cater for expenditure pressures in respect of the filling of vacant posts. The department undertook various other reprioritisation within this programme toward *Goods and services* to cater for computer services costs relating to SITA internet service charges which were under-budgeted for, as explained in Section 4.

With regard to the 2024/25 MTEF fiscal consolidation reductions effected by National Treasury, the department reduced this programme by R19.320 million in 2024/25 and R21.689 million in 2025/26, with carry-through, against *Compensation of employees*. The impact of these cuts is that the department will not be able to fill some of the vacant posts, and will not be able to absorb the full costs of the unfunded carry-through 2023 wage agreement. The MTEF estimates show a steady trend and the budget is aligned to the new budget structure which conforms to the Public Works sector. The prior year amounts were restated, but 2023/24 remains unchanged, for comparative purposes. The MTEF caters for the filling of vacant posts, advertising costs, audit costs, fleet services for fuel and the maintenance of the department's vehicles, office printers, operating payments for cleaning and security services, as well as the purchase of tools of trade for filled posts.

Programme 2 shows an increasing trend from 2020/21 to 2022/23 and over the 2024/25 MTEF. The substantially high spending in 2021/22 relates mainly to *Goods and services* for condition assessments

undertaken of facilities, as well as additional funding of R350 million allocated to the department for the shortfall in property rates. Also contributing to the high spending was property payments for security and municipal services. As part of the 2021/22 MTEF allocation, once-off funding of R204.866 million and R6.760 million was received to alleviate the pressures against municipal property rates in 2022/23 and 2023/24, respectively, however, this item continues to show spending pressure. The increase in the 2023/24 Adjustments Estimate relates to the further additional funding of R470 million that was allocated to the department in respect of property rates to alleviate pressure against this item.

Over the 2024/25 MTEF, the department reprioritised R9.428 million in 2024/25 and R9.902 million in 2025/26, with carry-through, from Programme 1 to this programme, within *Compensation of employees*, as mentioned. The department undertook various other reprioritisation within this programme toward *Goods and services* (R1.094 million in 2024/25 and R2.372 million in 2025/26, with carry-through) to cater for property payments relating to maintenance and repairs of infrastructure, *Transfers and subsidies to: Households* (R102 000 in 2024/25) to cater for staff exit costs, as well as *Machinery and equipment* (R716 000 in 2024/25 and R385 000 in 2025/26, with carry-through) to cater for various tools of trade, such as computer equipment, as explained in Section 4. With regard to the 2024/25 MTEF fiscal consolidation reductions effected by National Treasury, the department reduced this programme by R7 million in 2024/25 and 2025/26, with carry-through, against *Compensation of employees*, as well as by R12.292 million in 2024/25 and R9.465 million in 2025/26, with carry-through, against *Goods and services* in respect of consultants' costs, as mentioned. The impact of these cuts will include the fact that the department will not be able to fill some vacant posts, and will not be able to fully absorb the unfunded carry-through 2023 wage agreement. The department will also have to reduce the number of condition assessments in line with budget availability, among others.

The MTEF estimates show a steady trend and the budget is more closely aligned to the Public Works sector structure, although not all sub-programmes are being used by the department. The prior year amounts were restated, but 2023/24 remains unchanged, for comparative purposes, and this contributes to the significant reduction from 2022/23 to the 2023/24 Main Appropriation. The bulk of the 2024/25 MTEF budget caters for municipal property rates, as well as the implementation of GIAMA – Izandla Ziyagezana projects, which entails the provision of security services to unutilised buildings and property valuations. The MTEF also caters for the department's capital projects, as well as maintenance and repair projects, improving infrastructure support, and the filling of vacant posts. It should be noted that the 2023/24 MTEF budget cuts of R22.057 million in 2023/24, R8.920 million in 2024/25 and R15.701 million in 2025/26 were implemented entirely against *Transfers and subsidies to: Provinces and municipalities* in this programme, specific to the sub-programme Immovable Asset Management.

Programme 3 shows a fluctuating trend from 2020/21 to 2022/23 and this was due to the EPWP Integrated Grant for Provinces which is dependent on the evaluation by DPWI of targets achieved. The high 2023/24 Revised Estimate is mainly attributed to higher than anticipated increases under *Compensation of employees* as a result of the costs of the 2023 wage agreement, over-expenditure under *Goods and services* in respect of consultant services costs for the appointment of specialists for the implementation of the IPMU, as well as outstanding contractor costs in respect of maintenance and repairs of the uninterruptible power supply (UPS) arising from the previous financial year. In addition, there were higher than anticipated increases in consumable costs for the procurement of fuel supplies due to load-shedding which was not budgeted for, higher than budgeted travel and subsistence spending due to higher than anticipated increases in fuel prices for professionals utilising their own vehicles for site visits, property payments in respect of shared services in the North Coast region, as well as higher than anticipated expenditure for day-to-day maintenance work and repairs of departmental buildings in the regions. The budget structure used over the MTEF is more closely aligned to the Public Works sector structure, although not all sub-programmes are being used by the department. In this regard, the prior year amounts were restated, but 2023/24 remains unchanged, for comparative purposes. This contributes to the significant increase from 2022/23 to the 2023/24 Main Appropriation, and significant reduction from 2023/24 to 2024/25. The MTEF budget includes provision for the GIAMA – Maintenance programme. This programme also caters for the EPWP Integrated Grant for Provinces, which has only been allocated for 2024/25, at this stage.

With regard to *Compensation of employees*, the reduction in the 2023/24 Adjusted Appropriation and Revised Estimate relates to savings realised due to vacant posts which were moved to other categories. The baseline allocation over the 2024/25 MTEF includes stipends in respect of the GIAMA – Maintenance programme. This function is managed by Programme 3 and beneficiaries paid through PERSAL. With regard to the 2024/25 MTEF fiscal consolidation reductions effected by National Treasury, the department reduced this category by R26.320 million in 2024/25 and R28.689 million in 2025/26, with carry-through, and the impact of these cuts will include the fact that the department will not be able to fill some of the vacant posts, and will not be able to fully absorb the costs of the unfunded carry-through 2023 wage agreement. The budget reflects positive growth over the MTEF and includes provision for the 1.5 per cent pay progression, as well as the carry-through of the 2023 wage agreement, although the department will not be able to absorb the full costs of the carry-through 2023 wage agreement, as mentioned. The department will monitor the filling of posts in line with natural attrition and retirements and will then decide in-year whether to put the vacated posts on hold or to fill them based on the availability of funds, thus the department has not budgeted for the filling of posts at this stage.

Goods and services shows a fluctuating trend from 2020/21 to 2024/25. The low spending in 2020/21 was mainly due to decreased property payments costs relating to electricity and water for shared services in the LA Complex building in Ulundi and was mainly as a result of the impact of the national lockdown. The substantially high spending in 2021/22 was mainly due to increased property payments costs relating to electricity and water for shared services in the LA Complex building. The low spending in 2022/23 was mainly due to the GIAMA – Condition assessment project, which did not materialise because there were several appeals which were awaiting finalisation at the Bid Appeals Tribunal, hence, resulting in the allocation not being fully utilised. With regard to the 2024/25 MTEF fiscal consolidation reductions effected by National Treasury, the department reduced this category by R12.292 million in 2024/25 and R9.465 million in 2025/26, with carry-through, in respect of consultants' costs, as mentioned. The department will have to reduce the number of condition assessments in line with budget availability, among others. The MTEF budget shows a steady trend and includes R2 million per annum in respect of the district champion of OSS/DDM responsibilities. The MTEF budget caters for the GIAMA – Condition assessment projects, and property payments in respect of security services, among others.

Interest and rent on land relates largely to interest charged on late audit fees and has not been budgeted for over the MTEF.

Transfers and subsidies to: Provinces and municipalities shows a fluctuating trend, which relates to the payment of municipal property rates. This category caters mainly for the payment of property rates, as well as motor vehicle licences. These municipal property rates account for the high amounts in 2020/21 to 2023/24, as additional funds were allocated to the department to alleviate the pressure. The substantially high spending in 2021/22 and 2022/23 relates to additional funding of R350 million and R100.897 million, respectively, which was allocated for the shortfall in municipal property rates. In 2023/24, the department received additional funding of R470 million in this regard. As mentioned, the baseline over the 2024/25 MTEF should be corrected to cater for the property rates pressure, but this will only be done when the provincial fiscus is in a position to allocate additional funds sustainably.

Transfers and subsidies to: Departmental agencies and accounts is largely driven by the skills development levy and workmen's compensation payments based on claims related to injuries on duty.

Transfers and subsidies to: Households caters for external bursaries and staff exit costs, and shows a fluctuating trend due to the unpredictable nature of these costs. The high spending in 2020/21 was due to unanticipated staff exit costs, as well as costs relating to external bursaries awarded to students in professional disciplines, such as engineering. The high spending in 2022/23 was due to unanticipated staff exits. The budget increases steadily over the MTEF and largely caters for bursaries to non-employees and staff exit costs.

Buildings and other fixed structures fluctuates over the seven years, as it is based on actual capital infrastructure requirements. The budget cut in 2021/22 explains the negative growth in that year. The significant spending in 2022/23 was mainly due to the iLembe district office and the new administration wing in the Southern region. The substantially high 2023/24 Revised Estimate is mainly due to expenditure arising from the previous financial year in respect of the completion of the new district office

building project in the eThekweni region and the completion of the new administration wing in the Southern region which was not adequately budgeted for. The MTEF allocations provide for major projects planned by the department for 2024/25 which include capital infrastructure projects such as the completion of the new iLembe district office, rehabilitation and refurbishment of the LA Complex building: internal roads and parking facilities, emergency structural repairs, water supply system repairs and the perimeter fence, as well as rehabilitation and renovations to the lecture hall facility in the eThekweni region. In addition, the MTEF budget also caters for the upgrading of the parking facility for state vehicles and damage caused during the July 2021 unrest in the eThekweni region. It must be noted that several of these projects are currently in progress and will continue over the MTEF. All of these projects are budgeted for over the 2024/25 MTEF.

Machinery and equipment reflects high spending in 2021/22 due to the purchase of computer equipment in the eThekweni region, as a result of losses sustained during the unrest in KZN in July 2021. The increase in 2022/23 relates to the unanticipated procurement of motor vehicles, as well as computer equipment procured from the previous financial year but only delivered in 2022/23. These were to cater for the replacement of the balance of computers stolen during the July 2021 unrest. The MTEF provides for telephone network equipment and computer hardware.

Software and other intangible assets in 2020/21 provides for the payment of COGNOS user licences, Microsoft software licences and datalines. The budget over the MTEF was moved to *Goods and services* in respect of the annual Microsoft licence renewals in line with SCOA classification, and takes into account that Microsoft licences are based on the Rand/dollar exchange rate, which fluctuates.

The department wrote off various losses against *Payments for financial assets* in 2020/21, 2022/23 and 2023/24.

7.4 Summary of conditional grant payments and estimates

Tables 14.6 and 14.7 relate to the summary of conditional grants receipts and payments. Note that the historical figures set out in Table 14.6 reflect actual expenditure per grant, and should not be compared to those reflected in Table 14.1, which represent the actual receipts for each grant. Further details are provided in the *Annexure – Vote 14: Public Works*.

Table 14.6 : Summary of conditional grants payments and estimates by name

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
EPWP Integrated Grant for Provinces	4 243	5 465	8 042	3 897	3 897	3 897	3 722	-	-
Total	4 243	5 465	8 042	3 897	3 897	3 897	3 722	-	-

Table 14.7 : Summary of conditional grants payments and estimates by economic classification

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
Current payments	4 243	5 465	8 042	3 897	3 897	3 897	3 722	-	-
Compensation of employees	4 243	5 465	8 042	3 897	3 897	3 897	3 722	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 243	5 465	8 042	3 897	3 897	3 897	3 722	-	-

The department receives funding for the EPWP Integrated Grant for Provinces, which is used for the EPWP maintenance programme, which entails basic infrastructure maintenance, replacing faulty locks, repairing or replacing doors, clearing of ground and cleaning the school and office sites. The budget for this grant is allocated against *Compensation of employees* in Programme 3. The department was initially allocated R5.032 million in respect of the EPWP Integrated Grant for Provinces for 2024/25, which was subsequently cut by R1.310 million, with this cut being effected by National Treasury to provide for the Presidential Employment Stimulus. Therefore, the department receives only R3.722 million in 2024/25 in respect of this grant. The grant allocation is dependent on the evaluation by DPWI of targets achieved, as well as fiscal consolidation, which largely accounts for the fluctuations over the years, and the non-allocation of the grant funding in the two outer years, at this stage.

7.5 Summary of infrastructure payments and estimates

Table 14.8 summarises the infrastructure payments and estimates relating to the department. Detailed information on infrastructure are provided in the *2024/25 ECE*.

Table 14.8 : 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
Existing infrastructure assets	34 126	39 677	30 263	19 187	19 627	26 662	21 412	29 133	30 438
Maintenance and repair: Current	19 688	28 849	22 568	12 006	12 446	17 741	14 446	15 853	17 846
Upgrades and additions: Capital	13 942	7 659	5 041	3 028	3 028	3 848	450	-	-
Refurbishment and rehabilitation: Capital	496	3 169	2 654	4 153	4 153	5 073	6 516	13 280	12 592
New infrastructure assets: Capital	12 667	7 590	28 019	7 497	31 255	44 108	6 446	-	-
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Non infrastructure¹	-	-	-	-	-	-	-	-	-
Total	46 793	47 267	58 282	26 684	50 882	70 770	27 858	29 133	30 438
Capital infrastructure	27 105	18 418	35 714	14 678	38 436	53 029	13 412	13 280	12 592
Current infrastructure	19 688	28 849	22 568	12 006	12 446	17 741	14 446	15 853	17 846

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

Maintenance and repair: Current shows high spending in 2021/22 due to higher than anticipated costs of unplanned repairs and maintenance largely as a result of the July 2021 unrests. The 2022/23 spending was also high due to maintenance and repairs to the LA Complex building in respect of electrical and mechanical repairs, as well as landscaping. The 2023/24 Revised Estimate is high largely due to higher than anticipated costs relating to unplanned day-to-day maintenance work and repairs of departmental buildings in the regions, including the eThekweni region in respect of several underground burst pipes within the office, roof leaks, a broken electricity cable at the office of the MEC, repairs of the air-conditioner plant room at the eThekweni regional offices, as well as other repairs and maintenance work of staff residential buildings and office buildings in the North Coast region. The budget over the MTEF caters for planned general maintenance and repairs of buildings in the eThekweni region, the LA Complex building in Ulundi, as well as the Midlands and Southern regions.

Upgrades and additions: Capital reflects high spending in 2020/21 and this relates to the completion of the Mayville conference centre dining hall project following contractor delays in completing the project in 2019/20. The department thereafter implemented an improved strategy to complete the project which resulted in over-expenditure on the allocated budget in 2020/21. The spending in 2021/22 was in respect of the eThekweni region, Ladysmith, Vryheid district office and the uMgungundlovu district office projects. The 2022/23 and 2023/24 amounts include provision for the Vryheid carpenter workshop conversion. Over the MTEF, the budget also caters for the upgrading of the parking facility for state vehicles and damage caused during the July 2021 unrest in the eThekweni region.

Refurbishment and rehabilitation: Capital fluctuates from 2020/21 to 2022/23. The substantially low spending in 2020/21 was due to delays in the finalisation of scope of works for the KZN Entrepreneurial Centre in the Southern region, among others. The substantially high spending in 2021/22 was due to the rehabilitation and refurbishment of existing facilities in respect of the KZN Entrepreneurial Centre. The 2023/24 Revised Estimate largely relate to slightly faster than anticipated progress in respect of building

related emergency work in the LA Complex in Ulundi. The internal capital infrastructure projects over the MTEF include the rehabilitation and refurbishment of the LA Complex: internal roads and parking facilities, emergency structural repairs, water supply system repairs and the perimeter fence, as well as the rehabilitation and renovations to the lecture hall facility in the eThekweni region.

The high spending against *New infrastructure assets: Capital* in 2020/21 was due to progress in respect of the new administration wing in the uMgungundlovu region. The lower spending in 2021/22 was due to slow progress in respect of the iLembe district office project. The significantly high spending in 2022/23 was mainly due to the implementation of capital projects in respect of the completion of the new district office building project in the eThekweni region and the completion of the new administrative wing in the Southern region, which were under-budgeted for. The high spending in the 2023/24 Revised Estimate is mainly ascribed to expenditure arising from 2022/23 in respect of the completion of the new district office building project in the eThekweni region and the completion of the new administration wing in the Southern region, which were insufficiently budgeted for. The budget over the 2024/25 MTEF caters for the finalisation of the construction of the new iLembe district office in the eThekweni region only.

7.6 Public Private Partnerships (PPPs) – Nil

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

7.8 Transfers to local government

Tables 14.9 and 14.10 indicate transfers to local government. The transfers are in respect of the payment of property rates to municipalities. Further details of these transfers per category are presented in *Annexure – Vote 14: Public Works*. It is noted that, although the payment of motor vehicle licence fees is also allocated against this category, these funds will not be transferred to any municipality, and are therefore excluded from these tables.

Table 14.9 : Summary of departmental transfers to local government 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
Category A	289 928	346 719	477 705	288 635	474 815	440 834	315 442	323 192	337 670
Category B	538 989	701 872	584 004	427 191	711 011	744 992	445 988	465 969	486 845
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	828 917	1 048 591	1 061 709	715 826	1 185 826	1 185 826	761 430	789 161	824 515

Table 14.10 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	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
Property rates	2.1 Immovable Asset Management	828 917	1 048 591	1 061 709	715 826	1 185 826	1 185 826	761 430	789 161	824 515
Total		828 917	1 048 591	1 061 709	715 826	1 185 826	1 185 826	761 430	789 161	824 515

The budget for property rates over the 2024/25 MTEF is low compared to what is needed, and the intention is to correct this baseline when the provincial fiscus is in a position to do so, as mentioned.

The department was allocated additional funding of R165 million in 2020/21 to address the department's spending pressures relating to the payment of property rates, however, this was not sufficient and, as such, some payments were made in 2021/22. These pressures arose due to higher than anticipated increases in municipal property rates, as well as the upgrading of various government buildings, which then attract higher property rates. This also explains the substantially high spending in 2021/22. The substantial increase in 2021/22 also relates to additional funding of R350 million allocated to the department for the shortfall in property rates. The breakdown between Category A and Category B relates to actual and projected payments by the department to the respective municipalities. Additional funding of R204.866 million was allocated to fund the municipal property rates pressures in 2022/23, and R6.760 million was allocated in 2023/24, as previously mentioned. The department wholly effected the

2023/24 MTEF budget cuts of R22.057 million in 2023/24, R8.920 million in 2024/25 and R15.701 million in 2025/26 against property rates. The department received additional funding of R470 million in the 2023/24 Adjusted Appropriation to cater for the shortfall in property rates. A shortfall of R565.349 million, R688.579 million and R806.799 million is anticipated against property rates in 2024/25, 2025/26 and 2026/27, respectively. It is noted that the intention is to correct this baseline when the provincial fiscus is in a position to do so, as mentioned.

7.9 Transfers and subsidies

Table 14.11 summarises transfers by programme and main category over the seven-year period, and the trends are discussed before and after the table.

Table 14.11 : 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
1. Administration	8 214	9 046	9 872	6 403	8 689	10 445	6 508	6 687	7 014
Provinces and municipalities	229	294	205	341	341	404	351	361	378
Motor vehicle licences	229	294	205	341	341	404	351	361	378
Departmental agencies and accounts	-	-	-	612	612	612	600	619	647
Skills development levy	-	-	-	612	612	612	600	619	647
Households	7 985	8 752	9 667	5 450	7 736	9 429	5 557	5 707	5 989
Bursaries: Non employees	3 218	4 241	5 107	4 758	4 758	4 221	4 777	4 975	5 198
Staff exit costs	4 767	4 511	4 560	692	2 978	5 208	780	732	791
2. Public Works Infrastructure	1 662 459	2 101 056	2 127 789	1 431 685	2 371 845	2 371 779	1 525 014	1 580 395	1 651 129
Provinces and municipalities	828 917	1 048 591	1 061 709	715 826	1 185 826	1 185 826	761 454	789 191	824 546
Motor vehicle licences	-	-	-	-	-	-	24	30	31
Municipalities - Property rates	828 917	1 048 591	1 061 709	715 826	1 185 826	1 185 826	761 430	789 161	824 515
Households	4 625	3 874	4 371	33	193	127	2 130	2 043	2 068
Staff exit costs	4 624	3 870	4 369	33	193	127	2 130	2 043	2 068
Injury on duty	1	4	2	-	-	-	-	-	-
3. Expanded Public Works	-	-	-	2 009	2 009	3 980	49	49	51
Provinces and municipalities	-	-	-	24	24	24	-	-	-
Motor vehicle licences	-	-	-	24	24	24	-	-	-
Non-profit institutions	-	-	-	-	-	3	-	-	-
Donations and gifts	-	-	-	-	-	3	-	-	-
Households	-	-	-	1 985	1 985	3 953	49	49	51
Staff exit costs	-	-	-	1 985	1 985	3 953	49	49	51
Total	1 670 673	2 110 102	2 137 661	1 440 097	2 382 543	2 386 204	1 531 571	1 587 131	1 658 194

Programmes 1 and 3 in 2023/24 only reflect transfers against *Provinces and municipalities* which relates to motor vehicle licences for the whole department. The increase in the baseline over the MTEF in Programme 2 is inflationary and relates mainly to property rates, as explained in the previous section, with a minor allocation for motor vehicle licences, moved from Programme 3 in terms of the revised budget structure.

Departmental agencies and accounts in Programme 1 caters for the skills development levy transfer to PSETA, which shows steady growth over the MTEF.

Households in Programme 1 provides for staff exit costs and external bursaries and reflects a fluctuating trend ascribed to the unpredictable nature of staff exit costs and bursaries. The high spending in 2020/21 to the 2023/24 Revised Estimate was due to higher than expected staff exit costs. The allocations increase steadily over the MTEF.

Programme 2 houses the bulk of the *Transfers and subsidies* budget, and these are shown against *Provinces and municipalities*. This is explained in detail in Section 7.8.

Households in both Programmes 2 and 3 reflects a fluctuating trend ascribed to the unpredictable nature of staff exit costs. This budget will be reviewed in-year if necessary.

8. Programme description

The services rendered by the department are categorised under three programmes, the details of which are provided below. The information for each programme is summarised in terms of sub-programmes and economic classification.

As mentioned, in prior years, the department's structure did not conform fully to the generic programme structure of the Public Works sector and approval to deviate from the budget structure was received from National Treasury on 29 August 2022. Programmes 2 and 3 were different from the uniform structure, while Programme 1 largely conformed with the programme structure. Over the 2024/25 MTEF, the department has implemented changes in order to conform more closely to the uniform structure as required by National Treasury. The changes affected Programme 2: Property Management which is now reflected as Programme 2: Public Works Infrastructure, and Programme 3: Provision of Buildings, Structures and Equipment which is now Programme 3: Expanded Public Works. In this regard, the prior years' amounts were restated, and 2023/24 remains unchanged. The budget allocation against Programme 3 has reduced significantly as provision which was included under this programme in the previous structure is now largely catered for against Programme 2. The reconciliation of structural changes is clearly depicted in Table 14.23 in Section 9.3.

Details according to the economic classification are given in the *Annexure – Vote 14: Public Works*.

8.1 Programme 1: Administration

The main objectives are to provide strategic leadership and management support to the MEC, to build a positive corporate culture, to render support and advice in terms of human resource practices, all legal matters, security and logistics and effective communication and information management systems, render sound financial management services, risk management and supply chain management. As mentioned, in prior years, the department's structure did not conform fully to the generic programme structure of the sector. Over the 2024/25 MTEF, the department has implemented changes in order to conform to the uniform structure as required by National Treasury and the reconciliation of structural changes is clearly depicted in Table 14.23 in Section 9.3. In this regard, the number of sub-programmes under Programme 1 has increased from two in the previous structure (Minister's Support and Management), to three, as depicted in Table 14.12.

Tables 14.12 and 14.13 summarise expenditure and budgeted estimates for the financial years 2020/21 to 2026/27.

Table 14.12 : 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. Office of the MEC	11 961	11 807	17 054	18 126	17 109	15 129	18 918	19 329	20 196
2. Management of the Department	224 834	231 307	235 785	430 363	426 484	430 592	243 609	250 462	257 427
3. Corporate Support	180 064	190 985	189 206	-	-	-	176 841	184 537	189 255
Total	416 859	434 099	442 045	448 489	443 593	445 721	439 368	454 328	466 878

Table 14.13 : 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
Current payments	399 692	420 754	424 652	438 580	431 398	429 733	428 259	443 910	455 757
Compensation of employees	313 666	311 851	311 850	346 338	325 112	316 928	334 683	345 642	351 037
Goods and services	86 015	108 903	112 802	92 242	106 286	112 789	93 576	98 268	104 720
Interest and rent on land	11	-	-	-	-	16	-	-	-
Transfers and subsidies to:	8 214	9 046	9 872	6 403	8 689	10 445	6 508	6 687	7 014
Provinces and municipalities	229	294	205	341	341	404	351	361	378
Departmental agencies and accounts	-	-	-	612	612	612	600	619	647
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7 985	8 752	9 667	5 450	7 736	9 429	5 557	5 707	5 989
Payments for capital assets	8 938	4 299	7 521	3 506	3 506	5 543	4 601	3 731	4 107
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 326	4 299	7 521	3 506	3 506	5 543	4 601	3 731	4 107
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 612	-	-	-	-	-	-	-	-
Payments for financial assets	15	-	-	-	-	-	-	-	-
Total	416 859	434 099	442 045	448 489	443 593	445 721	439 368	454 328	466 878

Programme 1 was subjected to the fiscal consolidation cuts over the 2021/22 MTEF against *Compensation of employees*, *Goods and services* and *Machinery and equipment*. There were no budget cuts effected against this programme in 2023/24. The reduction in the 2023/24 Adjusted Appropriation and Revised Estimate is due to non-filling of posts in this programme. Over the 2024/25 MTEF, the department reprioritised R9.428 million in 2024/25 and R9.902 million in 2025/26, with carry-through, from this programme to Programme 2, within *Compensation of employees*, to align the baselines for salaries and wages and social contribution costs, make provision for the carry-through of the 2023 wage agreement, as well as cater for expenditure pressures in respect of the filling of vacant posts. The department undertook various other reprioritisation within this programme toward *Goods and services* to cater for computer services costs relating to SITA internet service charges which were under-budgeted for, as explained in Section 4. With regard to the 2024/25 MTEF fiscal consolidation reductions effected by National Treasury, the department reduced this programme by R19.320 million in 2024/25 and R21.689 million in 2025/26, with carry-through, against *Compensation of employees*. The impact of these cuts will include the fact that the department will not be able to fill some of the vacant posts, and will not be able to fully absorb the unfunded carry-through 2023 wage agreement.

The sub-programme: Office of the MEC provides support to the MEC, including administrative, operations, protocol, security, parliamentary liaison and communication. The department shares a joint ministry with Vote 8: Human Settlements. The budget provides for operational costs, marketing costs mainly in respect of SABC media, newspaper advertisement costs, printing costs, as well as payments in respect of the MEC's district champion of OSS/DDM responsibilities. This sub-programme reflects steady growth over the MTEF.

The sub-programme: Management of the Department includes financial management services, risk management and SCM. This sub-programme formed part of the Management sub-programme which was split into two sub-programmes when the structure was changed to conform to the uniform structure, namely the Management of the Department and the Corporate Support sub-programmes. In 2020/21, a portion of the department's budget cuts was effected under the Management of the Department sub-programme against *Compensation of employees*, *Goods and services*, as well as *Machinery and equipment*. The trend from 2022/23 to 2024/25 relates to the change in the budget structure and the restating of all years apart from 2023/24. The MTEF budget caters for the filling of critical vacant posts, as well as operational costs. The department will monitor the filling of posts in line with natural attrition and retirement.

The sub-programme: Corporate Support provides support and advice in terms of human resource practices, all legal matters, security and logistics, as well as communication and information management systems. For the department to align to the sector specific structure, the Corporate Support sub-programme was created. The trend from 2022/23 to 2024/25 relates to the change in the budget structure and the restating of all years, apart from 2023/24. The budget caters for the filling of critical vacant posts, as well as operational costs over the MTEF. The department will monitor the filling of posts in line with natural attrition and retirement.

Compensation of employees shows positive growth over the MTEF and caters for the 1.5 per cent pay progression, as well as the carry-through of the 2023 wage agreement, although the department will not be able to absorb the full costs of the carry-through 2023 wage agreement. With regard to the 2024/25 MTEF fiscal consolidation reductions effected by National Treasury, the department reduced this category by R19.320 million in 2024/25 and R21.689 million in 2025/26, with carry-through. The department plans to fill critical posts under this programme. However, the number of posts to be filled over the 2024/25 MTEF is yet to be determined. The department will monitor the filling of posts in line with natural attrition and retirements and will then decide in-year whether to put the vacated posts on hold or fill them based on the availability of funds.

Goods and services caters for the operational costs for this programme, including computer services such as SITA costs in respect of network maintenance, communication, fleet services, costs for fuel and oil, repairs for departmental vehicles and agency and support/outsourced services. This category also caters for the appointment of consultants to assist the department in the preparation of their immovable asset register and financial statements, audit costs, training and development, as well as payments in respect of

district champion of OSS/DDM responsibilities. The substantially high amount in 2022/23 is attributed to higher than anticipated expenditure relating to audit costs in respect of the A-G that were higher than in previous years, as well as higher than anticipated communication services' costs in respect of cell phone and data costs. These costs continue to escalate as reflected in the high 2023/24 Revised Estimate. The MTEF caters for the above activities, although the department will continuously review this category in-year and in the next budget process to ensure that these items are adequately budgeted for.

Transfers and subsidies to: Provinces and municipalities caters for motor vehicle licence fees.

Transfers and subsidies to: Departmental agencies and accounts caters for the skills development levy.

Transfers and subsidies to: Households provides for staff exit costs, as well as external bursaries.

Machinery and equipment provides for telecommunication, computer hardware equipment, as well as motor vehicles. The department will purchase telecommunication and computer equipment over the MTEF. This budget will be reviewed in-year.

Software and other intangible assets in 2020/21 provided for the purchase of COGNOS user licences and datalines. In 2021/22, the department reclassified funds from this category to *Goods and services* in respect of annual Microsoft licence renewals in line with the SCOA classification, and this explains why there is no budget against this category from 2021/22.

Service delivery measures: Administration

Table 14.14 reflects the service delivery measures for Programme 1.

Table 14.14 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2023/24	2024/25	2025/26	2026/27	
1. Compliance to PFMA (section 55 (2) (a))	No. of quarterly performance reports submitted to the Executive Authority	4	4	4	4	
	Approved procurement plan submitted to Provincial Treasury by 31 March 2025	1	1	1	1	
	Percentage implementation of the procurement plan	100%	100%	100%	100%	
2. Effective enterprise risk integrity management in the department	No. of Strategic Risk Registers approved by 30 April 2023	1	1	1	1	
	% of financial disclosures for SMS submitted to DPSA	100%	100%	100%	100%	
	% of financial disclosures for ASD, level 9 and 10 and OSD equivalent to level 9 and 10 submitted to DPSA	100%	100%	100%	100%	
3. Effective utilisation of the budget	% of valid invoices paid within 30 days	100%	100%	100%	100%	
4. An increased in Economic Empowerment through procurement	% budget spent on designated groups owned enterprises through 25% on procurement of goods, services and departmental infrastructure projects	100%	100%	100%	100%	
	% budget spent on Military Veterans owned enterprises through 5% on procurement of goods, services and departmental infrastructure projects	New	100%	100%	100%	
5. Reduction of vacancy rate	% of posts filled in the Human Resource Provisioning Plan (HRPP)	New	75%	75%	75%	
	No. of external students awarded bursaries for Built Environment studies	25	10	10	10	
	% representation of staff with disabilities	2%	2%	2%	2%	
	% of Women at SMS level	50%	50%	50%	50%	
	% representation of Youth in the staff complement	30%	30%	30%	30%	

8.2 Programme 2: Public Works Infrastructure

The main purpose of Programme 2 is to provide and facilitate the provision of accommodation and integrated property management services to clients through planned property life cycle (acquisition, management, maintenance and disposal), optimal utilisation of immovable assets, land valuation, maintenance of the Fixed Asset Register project, payment of property rates and integrated service delivery and includes the GIAMA – Condition assessment projects budget. In addition, this programme also caters for integrated service delivery in the provision of buildings and structures, creating an enabling environment for affirmable business enterprises and initiating, co-ordinating strategic

partnerships and co-ordinating, and aligning operational activities in line with municipal demarcations. Programme 2 also includes the leasing of buildings for the department, which the department has not catered for over the MTEF. This is due to the fact that the department has built their own buildings and is no longer leasing.

As mentioned, in prior years, the department's structure did not conform to the generic programme structure of the sector. Over the 2024/25 MTEF, the department has implemented changes in order to conform more closely to the uniform structure for Public Works as required by National Treasury, although not all of the sector sub-programmes are being used by the department. The reconciliation of structural changes is clearly depicted in Table 14.23 in Section 9.3.

Over the 2023/24 MTEF, the fiscal consolidation budget cuts of R22.057 million in 2023/24, R8.920 million in 2024/25 and R15.701 million in 2025/26 were effected entirely against municipal property rates under the Immovable Asset Management sub-programme. In the 2023/24 Adjusted Appropriation, the department received additional funding of R470 million in respect of budget pressures against property rates, and a shortfall of R565.349 million, R688.579 million and R806.799 million is anticipated against property rates in 2024/25, 2025/26 and 2026/27, respectively. The trend from 2022/23 to 2024/25 relates to the change in the budget structure and the restating of all years, apart from 2023/24.

Tables 14.15 and 14.16 summarise payments and budgeted estimates from 2020/21 to 2026/27.

Table 14.15 : Summary of payments and estimates by sub-programme: Public Works Infrastructure

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. Immovable Asset Management	908 753	1 155 434	1 138 536	839 476	1 285 357	1 296 081	872 738	908 049	957 847
2. Construction	438 307	437 583	464 327	-	-	-	433 524	456 540	476 987
Total	1 347 060	1 593 017	1 602 863	839 476	1 285 357	1 296 081	1 306 262	1 364 589	1 434 834

Table 14.16 : Summary of payments and estimates by economic classification: Public Works Infrastructure

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
Current payments	485 708	520 939	499 404	123 337	99 058	109 387	527 110	558 723	594 153
Compensation of employees	363 498	346 878	353 366	66 568	61 516	59 995	378 139	397 307	415 420
Goods and services	122 210	174 061	146 038	56 769	37 542	49 392	148 971	161 416	178 733
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	833 542	1 052 465	1 066 080	715 859	1 186 019	1 185 953	763 584	791 234	826 614
Provinces and municipalities	828 917	1 048 591	1 061 709	715 826	1 185 826	1 185 826	761 454	789 191	824 546
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	4 625	3 874	4 371	33	193	127	2 130	2 043	2 068
Payments for capital assets	27 810	19 613	37 213	280	280	642	15 568	14 632	14 067
Buildings and other fixed structures	27 105	18 418	35 714	-	-	-	13 412	13 280	12 592
Machinery and equipment	705	1 195	1 002	280	280	642	2 156	1 352	1 475
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	497	-	-	-	-	-	-
Payments for financial assets	-	-	166	-	-	99	-	-	-
Total	1 347 060	1 593 017	1 602 863	839 476	1 285 357	1 296 081	1 306 262	1 364 589	1 434 834

In 2020/21, a portion of the budget cuts was effected against Programme 2 under the Immovable Asset Management sub-programme against *Compensation of employees*. In addition, Programme 2 was subjected to the fiscal consolidation cuts over the 2021/22 MTEF against *Goods and services* under both sub-programmes. Programme 2 was also affected by the 2023/24 MTEF budget cuts, as previously mentioned, with this cut made entirely against *Transfers and subsidies to: Provinces and municipalities* against the budget for property rates. In 2023/24, the department received additional funding of R470 million for the municipal property rates budget pressures, explaining the reduction in 2024/25.

Over the 2024/25 MTEF, the department reprioritised R9.428 million in 2024/25 and R9.902 million in 2025/26, with carry-through, from Programme 1 to the Construction sub-programme in this programme,

within *Compensation of employees*, as explained. The department undertook various other reprioritisation within this programme toward *Goods and services* (R1.094 million in 2024/25 and R2.372 million in 2025/26, with carry-through) to cater for property payments relating to maintenance and repairs of infrastructure, *Transfers and subsidies to: Households* (R102 000 in 2024/25) to cater for staff exit costs, as well as *Machinery and equipment* (R716 000 in 2024/25 and R385 000 in 2025/26, with carry-through) to cater for various tools of trade, such as computer equipment, as explained in Section 4. With regard to the 2024/25 MTEF fiscal consolidation reductions effected by National Treasury, the department reduced this programme by R7 million in both 2024/25 and 2025/26, with carry-through, against *Compensation of employees*, as well as by R12.292 million in 2024/25 and R9.465 million in 2025/26, with carry-through, against *Goods and services* in respect of consultants' costs, as mentioned. These budget cuts were effected against the Immoveable Asset Management sub-programme and the impact will include the fact that the department will not be able to fill some of the vacant posts, and will not be able to fully absorb the unfunded carry-through 2023 wage agreement. The department will also have to reduce the number of condition assessments in line with budget availability, among others.

The sub-programme: Immoveable Asset Management provides for the management of immoveable assets in terms of GIAMA and management of the payment of municipal property rates. The MTEF caters for property rates, as well as the Fixed Asset Register project, which is a new system that will replace the Professional Real Estate Management Information System (PREMIS) and the Works Information Management System (WIMS). PREMIS is the asset register for all state properties and WIMS is used to process all infrastructure payments. The new Fixed Asset Register was originally meant to be rolled out by the end of 2022/23. However, due to a number of delays in the project caused by challenges with system documentation and customisation, the completion date was initially revised to July 2023. Subsequent to this revision, further challenges were experienced and the go-live of the Fixed Asset Register was not achieved by July 2023. The department then issued a notice of project cancellation to the service provider and will continue to utilise PREMIS and WIMS until the cancellation process with service provider is completed and a way forward in terms of the replacement of WIMS and PREMIS is determined. Once the new integrated information management system goes live and confirmation of full utilisation is received, PREMIS and WIMS will be switched off. The MTEF provides for the continued implementation of GIAMA – Condition assessment projects, provision of security services to unutilised buildings, as well as property valuations. Furthermore, this sub-programme also houses the budget for property rates, and this was discussed in detail in Section 7.8. This sub-programme also provides for hiring of accommodation for the department and managing property needs for provincial departments with respect to property acquisitions, disposal and lettings. The budget caters for business and advisory service costs incurred when acquiring or disposing of properties. This sub-programme is made up of the three sub-programmes that were previously under Programme 2: Property Management, as shown in Table 14.23. The trend from 2022/23 to 2024/25 relates to the change in the budget structure and the restating of all years, apart from 2023/24, as mentioned.

The sub-programme: Construction includes funds ring-fenced for improving infrastructure support. The sub-programme deals with the construction, upgrading or refurbishment of the department's capital infrastructure. The fluctuating trend over the seven-year period is based on the department's actual capital infrastructure requirements, including new and carry-through costs of projects, such as the new iLembe district office, renovations to the lecture hall in the eThekweni region, emergency structural repairs, water system repairs, as well as repairs to internal roads and parking facilities in the LA Complex building. In addition, the MTEF budget caters for the upgrading of the parking facility for state vehicles and damage caused during the July 2021 unrest in the eThekweni region. As a result of the carry-through impact of the 2021/22 MTEF budget cuts, the department had to delay the completion of some of its projects. These cuts affected the uMgungundlovu conference centre, renovations to the lecture hall, civil works in respect of boreholes, repairs to structures, internal roads and parking facilities in the LA Complex and the KZN Entrepreneurial Centre in the uMgungundlovu region, since these projects were not able to be completed. This sub-programme was not cut in the 2024/25 MTEF. It must be noted that several of these projects are currently in progress and will continue over the MTEF. The MTEF also provides for the maintenance of the departmental buildings. This sub-programme was called Buildings and Structures in the previous structure, and formed part of Programme 3, as shown in Table 14.23. The trend from 2022/23 to 2024/25 relates to the change in the budget structure and the restating of all years apart from 2023/24.

Compensation of employees shows growth over the 2024/25 MTEF. The decrease from 2022/23 to 2023/24, and the subsequent increase in 2024/25, is as a result of the changes made to align to the generic budget structure, with the low amounts in 2023/24 showing the baseline prior to the structure change, as a large portion of the personnel budget used to be provided for under Programme 3, but is now part of this programme. With regard to the 2024/25 MTEF fiscal consolidation reductions effected by National Treasury, the department reduced this category by R7 million in both 2024/25 and 2025/26, with carry-through. This category grows by 5.1 per cent in 2025/26 and 4.6 per cent in 2026/27. The budget over the 2024/25 MTEF caters for the 1.5 per cent pay progression, as well as the carry-through of the 2023 wage agreement, although the department will not be able to absorb the full costs of the carry-through 2023 wage agreement. The department plans to fill critical posts under this programme. However, the number of posts to be filled over the 2024/25 MTEF is yet to be determined. The department will monitor the filling of posts in line with natural attrition and retirements and will then decide in-year whether to put the vacated posts on hold or fill them based on the availability of funds.

Goods and services includes the budget for the implementation of GIAMA – Izandla Ziyagezana projects such as property valuations, clearing of vacant sites, as well as the provision of security services to unutilised buildings. This category also caters for infrastructure maintenance projects, as well as the Fixed Asset Register project. The department will continue to assess the condition of government facilities, however, the current tender is at an appeal stage and the department is hopeful that, if finalised by end of 2023/24, this project can proceed over the MTEF.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licences and property rates to be paid to municipalities, as discussed in detail in Section 7.8.

Transfers and subsidies to: Households provides for staff exit costs.

Buildings and other fixed structures fluctuates over the seven years, as it is based on actual capital infrastructure requirements. The budget cut in 2021/22 explains the negative growth in that year. The significant spending in 2022/23 was mainly in respect of the iLembe district office and the new administration wing in the Southern region. There are no amounts in 2023/24 as capital projects were budgeted for against Programme 3 prior to the programme structure changes. The MTEF allocations provide for major projects planned by the department for 2024/25 which include capital infrastructure projects, such as the completion of the new iLembe district office, rehabilitation and refurbishment of the LA Complex building: internal roads and parking facilities, emergency structural repairs, water supply system repairs and the perimeter fence and rehabilitation, as well as renovations to the lecture hall facility in the eThekweni region. In addition, the MTEF budget also caters for the upgrading of the parking facility for state vehicles and damage caused during the July 2021 unrest in the eThekweni region. It must be noted that several of these projects are currently in progress and will continue over the MTEF.

Machinery and equipment is in respect of computer equipment. The trend from 2022/23 to 2024/25 relates to the change in the budget structure and the restating of all years apart from 2023/24, as mentioned. The high amount in 2024/25 relates to the acquisition of office furniture and computer hardware, among others.

Service delivery measures: Public Works Infrastructure

Table 14.17 reflects the service delivery measures for Programme 2. The word “New” in the 2023/24 Estimated performance illustrates that a performance indicator did not exist in 2023/24 and that it is a new indicator from 2024/25 onward. The department will review the target relating to the number of PPPs registered with Provincial Treasury over the 2024/25 MTEF.

Table 14.17 : Service delivery measures: Public Works Infrastructure

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2023/24	2024/25	2025/26	2026/27
1. Inspections conducted for optimal utilisation	• No. of utilisation inspections conducted for office accommodation	100	100	150	180
	• No. of state-owned office accommodation	100	180	180	180
	• % of hired office accommodation	100%	100%	100%	100%

Table 14.17 : Service delivery measures: Public Works Infrastructure

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2023/24	2024/25	2025/26	2026/27	
2. Property rates for municipalities	• % of total budget spent on approved property rate invoices from municipalities	100%	100%	100%	100%	
3. Effective management of immovable assets	• No. of properties registered into the name of the KZN Provincial Government	80	80	90	70	
	• No. of PPPs registered with Provincial Treasury	2	-	-	-	
4. State owned buildings with finalised condition assessments	• No. of condition assessments finalised on state owned buildings	150	150	150	150	
5. Approved Custodian Asset Management Plan (C-AMP)	• Approved Custodian Asset Management Plan (C-AMP) submitted to Relevant Authority by 31 December 2024	1	1	1	1	
6. Facilities	• No. of leases concluded timeously /Facilities provided	80	56	30	27	
7. Optimised entrepreneurship opportunities	• % of leases concluded with black landlords	5%	5%	5%	5%	
8. Disposal of redundant state properties for socio-economic purposes	• Hectares of land released for socio-economic purposes	10ha	10ha	10ha	10ha	
9. Sustainable Infrastructure Delivery	• No. of new construction projects completed	2	2	53	33	
	• No. of planned maintenance (refurbished/renovated) completed	20	14	63	26	
	• No. of upgrade and addition projects completed	New	22	30	13	

8.3 Programme 3: Expanded Public Works

The main purpose of this programme is creating jobs through EPWP initiatives and provincial co-ordination of EPWP. As mentioned, in prior years, the department's structure did not conform to the generic programme structure of the Public Works sector. Over the 2024/25 MTEF, the department has implemented changes in order to conform more fully to the uniform structure as required by National Treasury, although not all of the sector sub-programmes are being used by the department. The reconciliation of structural changes is clearly depicted in Table 14.23 in Section 9.3.

Tables 14.18 and 14.19 summarise payments and budgeted estimates relating to Programme 3 for the period 2020/21 to 2026/27.

Table 14.18 : Summary of payments and estimates by sub-programme: Expanded Public Works

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. Programme Support	14 648	16 571	16 546	450 990	485 005	528 245	32 271	34 007	35 533
2. Community Development	12 626	14 137	17 151	-	-	-	13 645	10 368	10 832
Total	27 274	30 708	33 697	450 990	485 005	528 245	45 916	44 375	46 365

Table 14.19 : Summary of payments and estimates by economic classification: Expanded Public Works

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
Current payments	27 274	30 708	33 697	432 862	443 119	468 672	45 667	44 116	46 094
Compensation of employees	22 172	24 131	27 614	328 118	337 974	341 979	35 396	33 277	34 767
Goods and services	5 102	6 577	6 083	104 744	105 145	126 693	10 271	10 839	11 327
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	2 009	2 009	3 980	49	49	51
Provinces and municipalities	-	-	-	24	24	24	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	3	-	-	-
Households	-	-	-	1 985	1 985	3 953	49	49	51
Payments for capital assets	-	-	-	16 119	39 877	55 593	200	210	220
Buildings and other fixed structures	-	-	-	14 678	38 436	53 029	-	-	-
Machinery and equipment	-	-	-	1 441	1 441	2 564	200	210	220
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	27 274	30 708	33 697	450 990	485 005	528 245	45 916	44 375	46 365

Programme 3 was not affected by budget cuts over the 2024/25 MTEF and, as mentioned, the programme now conforms more closely to the uniform budget structure for the Public Works sector. Previous years' data was restated accordingly and the budget shows a steady trend over the 2024/25 MTEF, with the slightly higher amount in 2024/25 due to the EPWP Integrated Grant for Provinces only being provided up to that year at this stage. The Construction sub-programme in Programme 2 was previously under this programme and was named the Buildings and Structures sub-programme, as shown in Table 14.23 in Section 9.3, although the corresponding 2023/24 budget is still shown in this programme because 2023/24 has not yet been restated. This explains the high amount in 2023/24 compared to the prior and outer years. This programme includes the GIAMA – Maintenance programme.

The sub-programme: Programme Support caters for the EPWP maintenance programme, and the provincial co-ordination and monitoring of the EPWP. It is noted that the budget over the 2024/25 MTEF is higher than the historical spending and the department will revise this budget in-year and in the next budget process.

The sub-programme: Community Development caters for the EPWP programme relating to the EPWP Integrated Grant for Provinces, as well as the clearing of vacant sites. The lower budget over the MTEF is due to the fact that the grant has been continuously reducing over the years, from R8.042 million in 2022/23 to a low R3.722 million in 2024/25, after a budget cut of R1.310 million in 2024/25, with this cut being effected by National Treasury to provide for the Presidential Employment Stimulus, as mentioned. This grant is allocated up to 2024/25, with no allocation after that, at this stage, and this explains the further reduction in 2025/26.

The budget for *Compensation of employees* over the 2024/25 MTEF caters for the payment of the 1.5 per cent pay progression, as well as the carry-through of the 2023 wage agreement, although the department will not be able to absorb the full costs of the carry-through 2023 wage agreement. The department receives R3.722 million in 2024/25, in respect of the EPWP Integrated Grant for Provinces and this is allocated entirely against this category. This 2024/25 grant budget was cut by R1.310 million, with this cut being effected by National Treasury to provide for the Presidential Employment Stimulus, as mentioned. The department plans to fill only critical vacant posts in 2024/25 but will monitor the filling of posts in line with natural attrition and retirements and will then decide in-year whether to put the vacated posts on hold or to fill them based on the availability of funds. Therefore, the number of posts to be filled over the 2024/25 MTEF is yet to be determined.

Goods and services includes the co-ordination costs of the EPWP. The trend from 2022/23 to 2024/25 relates to the change in the budget structure and the restating of all years apart from 2023/24. The budget over the 2024/25 MTEF provides for various operational costs, including computer services relating to WIMS, catering, travel and subsistence, etc.

Transfers and subsidies to: Departmental agencies and accounts relates to workmen's compensation.

Transfers and subsidies to: Households is largely ascribed to staff exit costs.

Buildings and other fixed structures reflects amounts in 2023/24 only relating to the Construction sub-programme which was moved to Programme 2, as mentioned, due to the change in the budget structure and the restating of all years, apart from 2023/24.

Machinery and equipment fluctuates over the period, and this is based on requirements for both head office and the districts with respect to the EPWP programme. The budget over the MTEF caters for the replacement of computer equipment.

Service delivery measures: Expanded Public Works

Table 14.20 reflects service delivery measures for Programme 3. The department extensively reviewed their outputs over the MTEF and, as such, there are outputs to be discontinued. The department will review the target relating to the number of trainings provided to emerging contractors from 2025/26 onward.

Table 14.20 : Service delivery measures: Expanded Public Works

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2023/24	2024/25	2025/26	2026/27
1. Paid work created	• No. of Work Opportunities created by Provincial Public Works and Infrastructure	3 000	3 000	3 000	3 000
2. Empowerment Interventions	• No. of Beneficiary Empowerment Interventions	4	4	4	4
	• No. of trainings provided to Emerging Contractors	400	6	-	-
3. Participation of public bodies in EPWP	• No. of public bodies reporting on EPWP targets in the province	66	66	66	66
	• No. of interventions implemented to support public bodies participating in the EPWP	12	14	14	16

9. Other programme information

9.1 Personnel numbers and costs

Table 14.21 illustrates the detail of the department's approved establishment and personnel numbers and gives a breakdown of employee dispensation classification.

Table 14.21 : Summary of departmental personnel numbers and costs by component

Table 14.21: 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. no. ¹	Costs	Pers. no. ¹	Costs	Pers. no. ¹	Costs	Filled posts	Addit. posts	Pers. no. ¹	Costs	Pers. no. ¹	Costs	Pers. no. ¹	Costs	Pers. no. ¹	Costs	Pers. growth rate	Costs growth rate	% Costs of Total
R thousands																			
Salary level																			
1 – 7	901	245 334	814	219 447	751	217 713	709	-	709	234 905	709	245 479	709	256 306	709	259 198	-	3.3%	32.7%
8 – 10	435	220 725	397	211 117	423	213 016	416	-	416	245 126	416	256 933	416	268 786	416	272 977	-	3.7%	34.3%
11 – 12	178	140 078	189	144 577	193	147 310	197	-	197	172 360	197	182 529	197	193 390	197	196 290	-	4.4%	24.5%
13 – 16	33	41 254	30	40 427	32	40 116	31	-	31	41 945	31	44 407	31	47 049	31	47 749	-	4.4%	6.0%
Other	48	51 945	97	67 292	80	74 675	41	-	41	24 566	41	18 870	41	10 695	41	25 010	-	0.6%	2.6%
Total	1 595	699 336	1 527	682 860	1 479	692 830	1 394	-	1 394	718 902	1 394	748 218	1 394	776 226	1 394	801 224	-	3.7%	100.0%
Programme																			
1. Administration	797	313 666	779	311 851	737	311 850	697	-	697	316 928	697	334 683	697	345 642	697	351 037	-	3.5%	44.1%
2. Public Work Infrastructure	769	363 498	719	346 878	713	353 366	108	-	108	59 995	666	378 139	666	397 307	666	415 420	83.4%	90.6%	38.0%
3. Expanded Public Works	29	22 172	29	24 131	29	27 614	589	-	589	341 979	31	35 396	31	33 277	31	34 767	(62.5%)	(53.3%)	17.9%
Total	1 595	699 336	1 527	682 860	1 479	692 830	1 394	-	1 394	718 902	1 394	748 218	1 394	776 226	1 394	801 224	-	3.7%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	1 449	561 993	1 292	519 344	1 302	520 534	1 256	-	1 256	595 297	1 256	625 852	1 256	657 399	1 256	663 108	-	3.7%	83.4%
Legal Professionals	5	3 059	4	3 059	4	3 059	4	-	4	3 059	4	3 197	4	3 340	4	3 494	-	4.5%	0.4%
Engineering Professions and related	93	82 339	134	93 165	93	94 562	93	-	93	95 980	93	100 299	93	104 792	93	109 612	-	4.5%	13.5%
Others (interns, learnerships, etc)	48	51 945	97	67 292	80	74 675	41	-	41	24 566	41	18 870	41	10 695	41	25 010	-	0.6%	2.6%
Total	1 595	699 336	1 527	682 860	1 479	692 830	1 394	-	1 394	718 902	1 394	748 218	1 394	776 226	1 394	801 224	-	3.7%	100.0%

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

The decline in personnel numbers from 2021/22 to 2022/23 relates to delays in the filling of vacant critical posts, as well as the impact of the budget cuts.

The department anticipates to fill professional posts and other critical vacant posts in 2024/25 but will monitor the availability of funds. The *Compensation of employees* budget grows by 4.1 per cent in 2024/25, 3.6 per cent in 2025/26 and 3.2 per cent in 2026/27. The growth includes provision for the payment of the 1.5 per cent pay progression, as well as the carry-through of the 2023 wage agreement, although the department will not be able to absorb the full costs of the carry-through 2023 wage agreement, as mentioned. The department will monitor the filling of posts in line with natural attrition and retirements and will then decide in-year whether to put the vacated posts on hold or to fill them based on the availability of funds, thus the department has not budgeted for filling of posts at this stage.

9.2 Training

Table 14.22 gives a summary of departmental spending and information on training per programme. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expenses on staff training, to cater for human resource development. The department has achieved this over the seven-year period.

Training includes short courses for in-house staff, as well as internships. The table excludes the EPWP Integrated Grant for Provinces budget. It is noted that the budget for Programme 1 includes bursaries, hence it is higher than the training and development budget in Table 14.C.

Table 14.22 : Information on training: Public Works

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	1 595	1 527	1 479	1 394	1 394	1 394	1 394	1 394	1 394
Number of personnel trained	198	185	981	700	700	700	700	700	700
of which									
Male	96	75	448	325	325	325	325	325	325
Female	102	110	533	375	375	375	375	375	375
Number of training opportunities	83	55	96	24	118	118	84	74	64
of which									
Tertiary	48	35	82	10	104	104	70	60	50
Workshops	15	5	11	10	10	10	10	10	10
Seminars	10	5	3	4	4	4	4	4	4
Other	10	10	-	-	-	-	-	-	-
Number of bursaries offered	87	44	82	134	104	104	70	60	50
Number of interns appointed	78	44	53	139	139	139	139	139	139
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	307	65	143	55	55	55	55	55	55
Payments on training by programme									
1. Administration	6 782	6 151	11 190	12 209	12 209	11 468	12 584	13 188	13 779
2. Public Work Infrastructure	-	-	-	-	-	-	-	-	-
3. Expanded Public Works	-	-	-	-	-	-	-	-	-
Total	6 782	6 151	11 190	12 209	12 209	11 468	12 584	13 188	13 779

9.3 Reconciliation of structural changes

In prior years, the department's structure did not conform fully to the generic programme structure of the sector, as mentioned. Programmes 2 and 3 were different from the uniform structure, while Programme 1 largely conformed with the programme structure. Over the 2024/25 MTEF, the department has implemented changes in order to conform more closely to the uniform structure as required by National Treasury. The changes affected Programme 2: Property Management which is now reflected as Programme 2: Public Works Infrastructure, and Programme 3: Provision of Buildings, Structures and Equipment which is now Programme 3: Expanded Public Works. In this regard, the prior years' amounts were restated, and 2023/24 remains unchanged. The budget allocation against Programme 3 has reduced significantly as provision which was included under this programme in the previous structure is now largely catered for against Programme 2. Table 14.23 below shows the reconciliation of structural changes, colour-coded in different shades of grey to show the change from the previous structure to the current structure:

Table 14.23 : Reconciliation of structural changes

2023/24 Structure		2024/25 Structure		
Programme	Sub-programme	Programme	Sub-programme	Comment
1. Administration	1.1 Ministers Support	1. Administration	1.1 Office of the MEC	A. Sub-programme name change.
	1.2 Management		1.2 Management of the Department	B. Sub-programme split into two.
			1.3 Corporate Support	C. Sub-programme name change.
2. Property Management	2.1 Personnel and Admin Related	2. Public Works Infrastructure	2.1 Immovable Asset Management	D. Sub-programme name change.
	2.2 Hiring			E. Sub-programme consolidated.
	2.3 Acquisition of Land, Control and Disposal		2.2 Construction	F. Sub-programme name change.
				G. Sub-programme data from Programme 3 in old structure (2023/24).
3. Provision of Buildings, Structures and Equipment	3.1 Personnel and Admin Related	3. Expanded Public Works	3.1 Programme Support	H. Sub-programmes name change.
	3.2 Buildings and Structures		3.2 Community Development	I. Sub-programme (Programme Support) includes EPWP personnel and other line items.
				J. Sub-programme (Community Development) includes EPWP Integrated Grant for Provinces and GIAMA Maintenance programme stipends.

ANNEXURE – VOTE 14: PUBLIC WORKS

Table 14.A : Details of departmental receipts: Public Works

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	6 987	6 137	8 492	7 077	7 077	7 652	7 328	7 559	8 542
Sale of goods and services produced by department	6 983	6 131	8 484	7 074	7 074	7 631	7 325	7 556	8 539
Sale by market establishments	4 045	4 550	5 528	4 136	4 136	5 262	4 221	4 312	4 505
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	2 938	1 581	2 956	2 938	2 938	2 369	3 104	3 244	4 034
Of which									
Commission	534	523	503	589	589	500	615	643	672
Tender documents	2 401	1 052	2 445	2 338	2 338	1 855	2 478	3 533	4 336
Replacement of security cards	-	1	-	2	2	2	2	2	2
Transport fees	3	5	8	9	9	12	9	9	9
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	4	6	8	3	3	21	3	3	3
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	283	276	221	263	263	263	275	287	299
Interest	39	14	44	53	53	53	55	57	59
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	244	262	177	210	210	210	220	230	240
Sale of capital assets	504	-	-	575	575	575	385	996	395
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	504	-	-	575	575	575	385	996	395
Transactions in financial assets and liabilities	833	2 374	300	988	988	2 574	1 031	1 077	1 127
Total	8 607	8 787	9 013	8 903	8 903	11 064	9 019	9 919	10 363

Table 14.B : Payments and estimates by economic classification: Public Works

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
Current payments	912 674	972 401	957 753	994 779	973 575	1 007 792	1 001 036	1 046 749	1 096 004
Compensation of employees	699 336	682 860	692 830	741 024	724 602	718 902	748 218	776 226	801 224
Salaries and wages	601 954	585 096	594 861	639 805	622 513	615 498	638 149	659 805	679 587
Social contributions	97 382	97 764	97 969	101 219	102 089	103 404	110 069	116 421	121 637
Goods and services	213 327	289 541	264 923	253 755	248 973	288 874	252 818	270 523	294 780
Administrative fees	508	328	558	732	743	496	719	908	949
Advertising	4 750	4 569	3 822	5 863	5 763	5 029	6 115	6 564	6 858
Minor assets	591	338	115	436	462	389	504	460	460
Audit cost: External	8 803	10 169	11 937	6 004	10 004	10 004	6 268	6 549	6 842
Bursaries: Employees	1 542	11	2 600	3 402	3 402	2 380	3 494	3 714	3 880
Catering: Departmental activities	127	325	830	302	302	608	347	380	397
Communication (G&S)	17 490	18 567	14 693	10 896	10 896	11 726	10 972	11 784	12 313
Computer services	26 433	35 547	33 553	42 112	40 512	42 310	43 630	45 712	47 546
Cons. and prof. serv.: Bus. and advisory services	8 500	56 407	17 080	35 104	19 906	37 819	21 809	26 224	36 203
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	2 905	2 375	1 877	1 998	2 131	4 065	2 060	2 219	2 318
Contractors	488	648	1 978	4 206	2 706	4 995	4 555	4 760	4 971
Agency and support / outsourced services	7 858	9 298	8 668	11 582	9 179	7 510	11 989	12 551	15 395
Entertainment	8	3	-	19	19	-	20	21	22
Fleet services (including govt. motor transport)	8 550	13 019	16 439	9 686	17 156	16 218	9 887	10 358	10 821
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	6 329	5 085	6 426	5 387	5 587	9 774	5 779	5 965	6 234
Consumable: Stationery, printing and office supplies	2 644	2 079	2 564	3 439	3 439	3 401	3 514	3 579	3 740
Operating leases	2 991	3 127	2 930	3 586	3 686	4 142	3 684	3 999	4 183
Property payments	98 738	106 588	109 826	93 226	94 666	104 694	101 147	107 506	113 605
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	9 851	16 274	23 126	10 162	12 768	16 498	10 321	11 053	11 547
Training and development	2 124	2 375	3 822	3 437	3 437	4 255	3 713	3 880	4 054
Operating payments	2 097	2 408	2 050	1 846	2 178	2 530	1 925	1 955	2 042
Venues and facilities	-	-	29	-	31	31	-	-	-
Rental and hiring	-	1	-	330	-	-	366	382	400
Interest and rent on land	11	-	-	-	-	16	-	-	-
Interest	11	-	-	-	-	16	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	841 756	1 061 511	1 075 952	724 271	1 196 717	1 200 378	770 141	797 970	833 679
Provinces and municipalities	829 146	1 048 885	1 061 914	716 191	1 186 191	1 186 254	761 805	789 552	824 924
Provinces	229	294	205	365	365	428	375	391	409
Provincial Revenue Funds	229	294	205	341	341	404	351	361	378
Provincial agencies and funds	-	-	-	24	24	24	24	30	31
Municipalities	828 917	1 048 591	1 061 709	715 826	1 185 826	1 185 826	761 430	789 161	824 515
Municipalities	828 917	1 048 591	1 061 709	715 826	1 185 826	1 185 826	761 430	789 161	824 515
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	612	612	612	600	619	647
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	612	612	612	600	619	647
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	3	-	-	-
Households	12 610	12 626	14 038	7 468	9 914	13 509	7 736	7 799	8 108
Social benefits	9 391	8 381	8 929	2 710	5 156	9 288	2 959	2 824	2 910
Other transfers to households	3 219	4 245	5 109	4 758	4 758	4 221	4 777	4 975	5 198
Payments for capital assets	36 748	23 912	44 734	19 905	43 663	61 778	20 369	18 573	18 394
Buildings and other fixed structures	27 105	18 418	35 714	14 678	38 436	53 029	13 412	13 280	12 592
Buildings	27 105	18 418	35 714	14 678	38 436	53 029	13 412	13 280	12 592
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 031	5 494	8 523	5 227	5 227	8 749	6 957	5 293	5 802
Transport equipment	2 225	573	2 147	239	-	-	250	261	273
Other machinery and equipment	1 806	4 921	6 376	4 988	5 227	8 749	6 707	5 032	5 529
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 612	-	497	-	-	-	-	-	-
Payments for financial assets	15	-	166	-	-	99	-	-	-
Total	1 791 193	2 057 824	2 078 605	1 738 955	2 213 955	2 270 047	1 791 546	1 863 292	1 948 077

Table 14.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
Current payments	399 692	420 754	424 652	438 580	431 398	429 733	428 259	443 910	455 757
Compensation of employees	313 666	311 851	311 850	346 338	325 112	316 928	334 683	345 642	351 037
Salaries and wages	262 790	260 951	261 196	293 720	272 100	264 134	279 170	286 698	289 452
Social contributions	50 876	50 900	50 654	52 618	53 012	52 794	55 513	58 944	61 585
Goods and services	86 015	108 903	112 802	92 242	106 286	112 789	93 576	98 268	104 720
Administrative fees	28	3	55	281	246	50	186	199	208
Advertising	4 657	4 569	3 822	5 863	5 763	5 029	6 115	6 564	6 858
Minor assets	93	244	33	25	51	120	52	60	42
Audit cost: External	8 803	10 169	11 937	6 004	10 004	10 004	6 268	6 549	6 842
Bursaries: Employees	1 542	11	2 600	3 402	3 402	2 380	3 494	3 714	3 880
Catering: Departmental activities	80	181	439	244	244	174	312	343	358
Communication (G&S)	17 477	18 558	14 666	9 684	9 684	11 606	10 011	10 430	10 898
Computer services	20 335	31 006	29 812	34 065	34 065	36 757	35 451	37 053	38 499
Cons. and prof. serv.: Bus. and advisory services	3 872	7 260	2 366	2 690	2 690	948	201	270	282
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 517	1 516	1 421	1 138	1 138	3 577	1 162	1 281	1 338
Contractors	174	164	1 293	2 630	2 630	753	2 993	3 120	3 258
Agency and support / outsourced services	217	320	275	2 561	561	177	2 676	2 821	5 230
Entertainment	7	3	-	19	19	-	20	21	22
Fleet services (including govt. motor transport)	6 887	12 713	16 427	6 785	14 255	15 711	7 026	7 347	7 676
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	3 085	1 722	2 378	1 432	1 500	3 045	1 341	1 370	1 432
Consumable: Stationery, printing and office supplies	2 349	1 824	2 282	2 728	2 728	2 828	2 811	2 845	2 973
Operating leases	2 604	2 524	2 212	2 919	2 919	3 457	3 087	3 372	3 528
Property payments	6 685	3 580	3 533	1 618	3 618	4 336	1 953	2 040	2 131
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 279	8 110	11 804	3 120	5 726	6 632	3 028	3 297	3 444
Training and development	710	2 375	8 822	3 437	3 437	3 546	3 713	3 880	4 054
Operating payments	1 614	2 051	1 621	1 597	1 606	1 659	1 676	1 692	1 767
Venues and facilities	-	-	4	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	11	-	-	-	-	16	-	-	-
Interest	11	-	-	-	-	16	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	8 214	9 046	9 872	6 403	8 689	10 445	6 508	6 687	7 014
Provinces and municipalities	229	294	205	341	341	404	351	361	378
Provinces	229	294	205	341	341	404	351	361	378
Provincial Revenue Funds	229	294	205	341	341	404	351	361	378
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	612	612	612	600	619	647
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	612	612	612	600	619	647
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7 985	8 752	9 667	5 450	7 736	9 429	5 557	5 707	5 989
Social benefits	4 767	4 511	4 560	692	2 978	5 208	780	732	791
Other transfers to households	3 218	4 241	5 107	4 758	4 758	4 221	4 777	4 975	5 198
Payments for capital assets	8 938	4 299	7 521	3 506	3 506	5 543	4 601	3 731	4 107
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 326	4 299	7 521	3 506	3 506	5 543	4 601	3 731	4 107
Transport equipment	2 225	573	2 147	239	-	-	250	261	273
Other machinery and equipment	1 101	3 726	5 374	3 267	3 506	5 543	4 351	3 470	3 834
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 612	-	-	-	-	-	-	-	-
Payments for financial assets	15	-	-	-	-	-	-	-	-
Total	416 859	434 099	442 045	448 489	443 593	445 721	439 368	454 328	466 878

Table 14.D : Payments and estimates by economic classification: Public Works Infrastructure

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Current payments	485 708	520 939	499 404	123 337	99 058	109 387	527 110	558 723	594 153
Compensation of employees	363 498	346 878	353 366	66 568	61 516	59 995	378 139	397 307	415 420
Salaries and wages	318 054	301 125	307 214	57 547	52 495	51 002	326 259	342 540	358 199
Social contributions	45 444	45 753	46 152	9 021	9 021	8 993	51 880	54 767	57 221
Goods and services	122 210	174 061	146 038	56 769	37 542	49 392	148 971	161 416	178 733
Administrative fees	480	325	503	398	444	446	500	675	705
Advertising	93	-	-	-	-	-	-	-	-
Minor assets	498	94	82	-	-	-	452	400	418
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	47	144	391	24	24	10	18	19	20
Communication (G&S)	13	9	8	366	366	58	886	1 276	1 333
Computer services	6 098	4 541	3 741	5 675	4 675	4 281	5 601	5 862	6 125
Cons. and prof. serv.: Bus. and advisory services	4 628	49 147	14 714	32 414	16 616	28 523	21 608	25 954	35 921
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 388	859	456	860	860	284	898	938	980
Contractors	314	484	685	1 500	-	1 500	1 562	1 640	1 713
Agency and support / outsourced services	3 092	2 978	2 778	1 274	1 204	1 466	3 263	3 409	3 561
Entertainment	1	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	1 506	145	-	146	146	-	2 861	3 011	3 145
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medicines inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	3 054	3 164	3 840	33	4	-	4 300	4 446	4 645
Consumable: Stationery, printing and office supplies	276	235	261	45	45	8	694	725	758
Operating leases	375	590	704	268	368	223	547	577	603
Property payments	92 053	103 008	106 293	12 242	11 242	11 186	99 194	105 466	111 474
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	6 408	7 992	11 141	1 474	1 474	1 327	6 188	6 599	6 894
Training and development	1 414	-	-	-	-	-	-	-	-
Operating payments	472	345	416	50	74	80	216	228	238
Venues and facilities	-	-	25	-	-	-	-	-	-
Rental and hiring	-	1	-	-	-	-	183	191	200
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	833 542	1 052 465	1 066 080	715 859	1 186 019	1 185 953	763 584	791 234	826 614
Provinces and municipalities	828 917	1 048 591	1 061 709	715 826	1 185 826	1 185 826	761 454	789 191	824 546
Provinces	-	-	-	-	-	-	24	30	31
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	24	30	31
Municipalities	828 917	1 048 591	1 061 709	715 826	1 185 826	1 185 826	761 430	789 161	824 515
Municipalities	828 917	1 048 591	1 061 709	715 826	1 185 826	1 185 826	761 430	789 161	824 515
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	4 625	3 874	4 371	33	193	127	2 130	2 043	2 068
Social benefits	4 624	3 870	4 369	33	193	127	2 130	2 043	2 068
Other transfers to households	1	4	2	-	-	-	-	-	-
Payments for capital assets	27 810	19 613	37 213	280	280	642	15 568	14 632	14 067
Buildings and other fixed structures	27 105	18 418	35 714	-	-	-	13 412	13 280	12 592
Buildings	27 105	18 418	35 714	-	-	-	13 412	13 280	12 592
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	705	1 195	1 002	280	280	642	2 156	1 352	1 475
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	705	1 195	1 002	280	280	642	2 156	1 352	1 475
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	497	-	-	-	-	-	-
Payments for financial assets	-	-	166	-	-	99	-	-	-
Total	1 347 060	1 593 017	1 602 863	839 476	1 285 357	1 296 081	1 306 262	1 364 589	1 434 834

Table 14.E : Payments and estimates by economic classification: Expanded Public Works

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
Current payments	27 274	30 708	33 697	432 862	443 119	468 672	45 667	44 116	46 094
Compensation of employees	22 172	24 131	27 614	328 118	337 974	341 979	35 396	33 277	34 767
Salaries and wages	21 110	23 020	26 451	288 538	297 918	300 362	32 720	30 567	31 936
Social contributions	1 062	1 111	1 163	39 580	40 056	41 617	2 676	2 710	2 831
Goods and services	5 102	6 577	6 083	104 744	105 145	126 693	10 271	10 839	11 327
Administrative fees	-	-	-	53	53	-	33	34	36
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	411	411	269	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	34	34	424	17	18	19
Communication (G&S)	-	-	19	846	846	62	75	78	82
Computer services	-	-	-	2 372	1 772	1 272	2 578	2 797	2 922
Cons. and prof. serv.: Bus. and advisory services	-	-	-	-	600	8 348	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	133	204	-	-	-
Contractors	-	-	-	76	76	2 742	-	-	-
Agency and support / outsourced services	4 549	6 000	5 615	7 747	7 414	5 867	6 050	6 321	6 604
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	157	161	12	2 755	2 755	507	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	190	199	208	3 922	4 083	6 729	138	149	157
Consumable: Stationery, printing and office supplies	19	20	21	666	666	565	9	9	9
Operating leases	12	13	14	399	399	462	50	50	52
Property payments	-	-	-	79 366	79 806	89 172	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	164	172	181	5 568	5 568	8 539	1 105	1 157	1 209
Training and development	-	-	-	-	-	709	-	-	-
Operating payments	11	12	13	199	498	791	33	35	37
Venues and facilities	-	-	-	-	31	31	-	-	-
Rental and hiring	-	-	-	330	-	-	183	191	200
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	2 009	2 009	3 980	49	49	51
Provinces and municipalities	-	-	-	24	24	24	-	-	-
Provinces	-	-	-	24	24	24	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	24	24	24	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	3	-	-	-
Households	-	-	-	1 985	1 985	3 953	49	49	51
Social benefits	-	-	-	1 985	1 985	3 953	49	49	51
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	16 119	39 877	55 593	200	210	220
Buildings and other fixed structures	-	-	-	14 678	38 436	53 029	-	-	-
Buildings	-	-	-	14 678	38 436	53 029	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	1 441	1 441	2 564	200	210	220
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	1 441	1 441	2 564	200	210	220
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	27 274	30 708	33 697	450 990	485 005	528 245	45 916	44 375	46 365

Table 14.F : Payments and estimates by economic classification: Conditional grant (Prog. 3: Expanded Public Works)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Current payments	4 243	5 465	8 042	3 897	3 897	3 897	3 722	-	-
Compensation of employees	4 243	5 465	8 042	3 897	3 897	3 897	3 722	-	-
Salaries and wages	4 243	5 465	8 042	3 897	3 897	3 897	3 722	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons. and prof. serv.: Bus. and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 243	5 465	8 042	3 897	3 897	3 897	3 722	-	-

Table 14.G : Summary of transfers to local government (Municipalities - Property Rates)

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
A KZN2000 eThekweni	289 928	346 719	477 705	288 635	474 815	440 834	315 442	323 192	337 670
Total: Ugu Municipalities	17 920	52 799	44 399	21 936	42 233	34 635	22 901	23 928	25 001
B KZN212 uMdoni	7 565	17 286	9 588	4 390	10 802	7 159	4 583	4 789	5 004
B KZN213 uMzumbane	292	10 232	4 027	5 320	8 420	4 948	5 554	5 803	6 063
B KZN214 uMuziwabantu	561	8 028	7 700	6 541	6 838	11 660	6 829	7 135	7 455
B KZN216 Ray Nkonyeni	9 502	17 253	23 084	5 685	16 173	10 868	5 935	6 201	6 479
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	116 982	149 716	156 835	113 547	143 835	145 607	118 544	123 857	129 406
B KZN221 uMshwathi	4 917	12 744	10 681	14 446	18 032	11 366	14 656	15 313	15 999
B KZN222 uMngeni	2 490	2 953	1 731	4 100	5 422	1 487	11 553	12 071	12 612
B KZN223 Mpofana	1 085	1 361	1 642	149	1 354	1 331	156	163	170
B KZN224 iMpendle	2 763	2 244	2 285	396	516	2 759	413	432	451
B KZN225 Msunduzi	100 527	112 354	133 327	86 923	109 873	120 389	90 748	94 814	99 062
B KZN226 Mkhambathini	2 896	4 367	4 066	895	973	4 277	934	976	1 020
B KZN227 Richmond	2 304	13 693	3 103	6 638	7 665	3 998	84	88	92
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	58 718	65 575	36 834	55 350	98 518	94 264	61 565	64 323	67 204
B KZN235 Okhahlamba	2 715	4 654	2 198	3 969	7 035	8 050	7 923	8 278	8 649
B KZN237 iNkosi Langalibalele	23 273	19 931	10 824	24 563	42 928	25 925	25 644	26 793	27 993
B KZN238 Alfred Duma	32 730	40 990	23 812	26 818	48 555	60 289	27 998	29 252	30 562
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	48 801	64 288	50 432	39 292	92 308	68 338	41 021	42 858	44 778
B KZN241 eNdameni	14 231	14 710	15 790	11 826	24 586	18 243	12 346	12 899	13 477
B KZN242 Nquthu	23 849	30 526	25 595	12 747	33 206	16 499	13 308	13 904	14 527
B KZN244 uMsinga	6 335	12 033	2 099	6 633	19 659	25 281	6 925	7 235	7 559
B KZN245 uMvoti	4 386	7 019	6 948	8 086	14 857	8 315	8 442	8 820	9 215
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	20 659	28 763	18 233	19 707	54 805	40 534	16 795	17 547	18 333
B KZN252 Newcastle	5 576	7 506	6 190	9 787	15 025	7 287	6 438	6 726	7 027
B KZN253 eMadlangeni	3 261	7 699	2 149	3 878	16 224	12 341	4 049	4 230	4 420
B KZN254 Dannhauser	11 822	13 558	9 894	6 042	23 556	20 906	6 308	6 591	6 886
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	88 474	94 611	92 351	56 704	70 802	108 325	59 199	61 851	64 622
B KZN261 eDumbe	10 665	12 123	11 409	4 476	7 155	11 543	4 673	4 882	5 101
B KZN262 uPhongolo	7 295	7 452	7 744	4 778	4 908	9 426	4 988	5 211	5 444
B KZN263 Abaqulusi	17 835	19 067	14 979	9 486	11 261	19 503	9 903	10 347	10 811
B KZN265 Nongoma	12 221	11 969	12 443	7 904	13 827	14 611	8 252	8 622	9 008
B KZN266 Ulundi	40 458	44 000	45 776	30 060	33 651	53 242	31 383	32 789	34 258
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	36 560	48 267	34 041	34 114	44 940	57 477	35 615	37 210	38 877
B KZN271 uMhlabyalingana	14 289	14 806	12 478	15 467	18 474	14 636	16 148	16 871	17 627
B KZN272 Jozini	8 394	10 479	11 231	7 906	8 206	17 335	8 254	8 624	9 010
B KZN275 Mtubatuba	6 099	12 394	10 332	7 460	14 584	10 369	7 788	8 137	8 502
B KZN276 Big Five Hlabisa	7 778	10 588	-	3 281	3 676	15 137	3 425	3 578	3 738
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	87 030	112 583	89 283	46 828	85 168	113 192	48 888	51 077	53 365
B KZN281 uMfolozi	13 689	15 424	12 020	737	10 537	9 947	769	803	839
B KZN282 uMhlathuze	22 814	26 191	25 358	28 890	40 912	27 037	30 161	31 512	32 924
B KZN284 uMlalazi	14 188	13 372	3 015	4 775	14 440	21 742	4 985	5 208	5 441
B KZN285 Mthonjaneni	6 238	2 426	4 496	3 729	4 029	10 139	3 893	4 067	4 249
B KZN286 Nkandla	30 101	55 170	44 394	8 697	15 250	44 327	9 080	9 487	9 912
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	41 376	52 881	35 902	22 668	54 186	53 178	23 665	24 725	25 833
B KZN291 Mandeni	7 053	5 008	8 436	1 074	7 662	4 713	1 121	1 171	1 223
B KZN292 KwaDukuza	8 422	9 091	8 514	7 850	13 772	5 430	8 195	8 562	8 946
B KZN293 Ndwedwe	12 414	17 729	-	1 922	5 769	25 738	2 007	2 097	2 191
B KZN294 Maphumulo	13 487	21 053	18 952	11 822	26 983	17 297	12 342	12 895	13 473
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	22 469	32 389	25 694	17 045	24 216	29 442	17 795	18 593	19 426
B KZN433 Greater Kokstad	10 678	12 088	12 219	5 678	5 894	13 367	5 928	6 194	6 471
B KZN434 uBuhlebezwe	3 598	7 979	3 701	5 855	8 222	5 867	6 113	6 387	6 673
B KZN435 uMzimkhulu	3 355	5 815	2 890	4 353	5 490	4 092	4 544	4 748	4 961
B KZN436 Dr Nkosazana Dlamini Zuma	4 838	6 507	6 884	1 159	4 610	6 116	1 210	1 264	1 321
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	828 917	1 048 591	1 061 709	715 826	1 185 826	1 185 826	761 430	789 161	824 515