

Vote 07
Provincial Treasury

Provincial Treasury	Vote 07
To be appropriated by Vote in 2024/25	R 573 808 000
Direct Charge	Not Applicable
Responsible MEC	MEC for Finance
Administering Department	Provincial Treasury
Accounting Officer	Superintendent General for Provincial Treasury

1. Overview

Vision

To be the ultimate financial management authority and adviser on fiscal matters to the North West Provincial and Local Administration in pursuit of transparency, good financial management and accountability to all our stakeholders.

Mission

To provide leadership in the management of public resources for efficient, effective, and economic service delivery through a well-coordinated support to Provincial Departments, Public Entities and Municipalities.

Values

The success of any organisation rests with inherent qualities of the personnel delegated with the responsibility of undertaking specific activities. The following values, which are derived from the constitution, underpin the activities of the Provincial Treasury:

- Fairness
- Equity
- Accessibility
- Transparency
- Accountability
- Participation
- Professionalism

The Department set the following outcomes to achieve the above: -

- A skilled, capable, and ethical workforce;
- Improved integrated planning, budgeting, and monitoring;
- Improved financial management in departments, public entities, and municipalities;
- Fair, equitable, transparent, competitive, and cost-effective supply chain management system.

Core Functions

The core functions of the department include the following: -

- Co-ordination, monitoring, and oversight of the Annual MTEF and Adjustments Budgets;
- Province-wide cash management and monitoring of asset management implementation in provincial departments;
- Provide support to municipalities;
- Provide oversight and support to provincial departments and public entities on accounting and risk management;
- Provide a management structure for implementation of the North West Infrastructure Delivery Management System; and
- Monitoring of infrastructure spending of provincial departments.

Additional responsibilities of the Department relate to the provision of the following provincial financial management support initiatives/programmes:

- Financial Management capacity building;
- Budget monitoring and reporting;
- Internal Audit;
- Financial accounting;
- Management of liabilities;
- Financial systems support and maintenance;
- Asset management;
- Provision of advice and monitoring on procurement legislation, policies, and procedures in provincial departments; and
- Provide oversight on implementation of the MFMA in the province.

Legislative mandate

The department is governed by the following legislation and policy directives:

- Public Finance Management Act, 1999 (Act No. 29 as amended)
- Municipal Financial Management Act 56 of 2003
- Treasury Regulations
- Division of Revenue Act
- Supply Chain Management Regulations (Post -Tender Board environment)
- The Constitution of South Africa, 1996
- The Public Service Act of 1994
- The Public Service Regulations of 2016
- The White Paper on the Transformation of the Public Service Delivery, (Batho Pele) 1997
- The E-Government: A Public Service IT Policy Framework
- The Promotion of Access to Information Act 2 of 2000

- The National Minimum Information Security Standard Policy of 1996
- The Skills Development Act of 1999
- The Basic Condition of Employment of 1997
- The Labour Relations Act of 1995; and
- The Health and Safety Act of 1993

1.1 Aligning departmental budgets to achieve government's prescribed outcomes

In contribution towards the attainment of the North West priorities the Provincial Treasury has identified the following priorities for the 2021/22-2025/26 Strategic Plan period (five-year period) to ensure that the North West Provincial Government achieve its goals:

National MTSF Priority 1: A Capable, Ethical and Developmental State.

Outcome: Functional and integrated government

Interventions:

- Allocate responsibilities, facilitate cooperation, ensure accountability for performance and ensure consequence management.

Outcome: Honest and capable state with professional and meritocratic public servants

Interventions:

- Conducting of budget assessment to ensure adoption of funded budget within municipalities;
- Monitoring of Financial Recovery Plans in Municipalities to address financial crisis;
- Monitoring Departments and Public Entities, on irregular, fruitless and wasteful expenditure;
- Implementation of the work skills plan and monitoring of financial disclosures to ensure skilled, capable, and ethical workforce.

2. Review of the current financial year (2023/24)

This section provides a review of the 2023/24 financial year, outlining the main achievements and progress made, as well as providing a brief discussion on challenges and new developments.

General

The Provincial Treasury achieved a clean audit for the 2022/2023 financial year as reported by the Auditor-General and this marks the tenth consecutive year that the Provincial Treasury reached this milestone.

Sustainable Resource Management

2023/24 Expenditure Reviews

Expenditure review engagements with provincial departments and public entities were held from the 31 July 2023 until 02 August 2023 with a view of effective monitoring, evaluation, and reporting on the implementation of the Provincial Budgets and to provide insight and progress performance on service delivery in the province.

2023 Medium Term Expenditure Committee (MTEC) Engagements

The MTEC engagements were held from the 09th to 17th October 2023 in preparation for the 2024 MTEF budget inclusive of assessments of the spending patterns of departments as well as the ability of departments and public entities to reprioritize allocations of resources because the current fiscal constraints limit the province's option to increase departmental baseline allocations.

2023/24 Cost Containment Measures

National Treasury issued guidelines on cost containment to optimize spending and improve government finances. Furthermore, Provincial Treasuries were advised to introduce similar measures for provincial departments, and public entities. To ensure support and efficient implementation of these cost containment measures, Provincial Treasury had extensively consulted with critical stakeholders and ensured that all the necessary approvals are obtained. The engagement process that was undertaken in the province was initiated through consultation with respective Chairpersons of the Cluster Committees. This was followed by a process to consult Broader EXTECH to allow these important structures to make inputs to what could best be applied in the province as part of the national government collective efforts. This consultative process was concluded with the engagement of the Executive Council (EXCO) to seek buy-in and approval.

The cost containment guidelines intend to enable Accounting Officers and Accounting Authorities to be able to implement the mandates of the various departments and public entities in such a way that it will not hamper the delivery of much needed services to the people of the North West, whilst realizing the expected savings through the implementation of the guidelines. In addition, hereof, the departments were advised that the savings realized must not lead to or create budget pressures on the core activities and or programmes of the department or lead to overspending on the areas or items where the savings/funds were taken from or reduced.

The departments and public entities were advised that appropriated budgets were approved in line with their respective constitutional mandates and approved Annual Performance Plan. Therefore, the

Accounting Officers and Accounting Authorities' attention has been drawn to Section 38(2) of the PFMA not to commit to any liability for which funds were not appropriated.

Rollovers: Conditional Grants and Equitable Share

Each year, the Provincial Treasury considers applications from departments for funds appropriated but not spent in a particular financial year to be rolled over to the next financial year. These applications are subjected to the provisions of Section 31(2) (g) of the Public Finance Management Act, Act No.1 of 1999 (PFMA) read with Treasury Regulations 6.4 issued in terms of the Public Finance Management Act, 1999 as well as well as Section 21(1) of the Division of Revenue Act, Act No.5 of 2022 (DoRA), which clearly outlines the treatment of the unspent funds at the end of the financial year. In line with the above prescripts, rollover requests in respect of unspent Conditional Grants (CG) allocations are subjected to the National Treasury processes for approval, whilst the unspent Equitable Share (ES) funds are assessed by the Provincial Treasury and approved by the MEC responsible for Finance.

2023/24 Adjusted Estimates of Provincial Revenue and Expenditure (AEPRE)

In terms of Section 31(1) of the Public Finance Management Act (PFMA), Act No 1 of 1999 (as amended by Act 29 of 1999), the adjustment budget provides for, amongst others, the appropriation of unforeseen and unavoidable expenditure, rollovers, virements, shifting of funds, additional funds, etc. Treasury Regulations 6.6.3 stipulates that: "Where a national adjustment budget allocates funds to a province, the relevant provincial treasury must table an adjustment budget within 30 days of the tabling of the national adjustment budget or within such longer period as the National Treasury may approve. In compliance with the above stated legislation, the tabling of the NW Adjustment Estimates of Provincial Revenue and Expenditure (AEPRE) in the Provincial Legislature was scheduled for the 29th of November 2023.

The 2023/24 NW Provincial Equitable Share (PES) allocations were increased by additional funds for implementing the wage agreement specifically for the Health and Education Sectors. Other departments are expected to absorb the carry-through costs of the 2023 public service wage agreement and reprioritize within their existing baselines. Hence, all provincial departments and public entities are required to fund their shortfall on the Cost-of-Living Adjustments (CoLA) from their 2023/24 Appropriated Baseline allocations and through the efficiency gains from the implementation of the 2023/24 Cost Containment Measures.

In addition, Compensation of Employees (CoE) directives were issued to Provincial Departments to implement control measures in managing fiscal sustainability during the process of creating and filling critical vacant posts. Several reductions have been made to provincial conditional grant allocations for 2023/24, because of the current fiscal challenges. The national sector departments that administer

conditional grants engaged with their provincial departments about the reductions. Factors that were considered in making these reductions include assessing the spending patterns of the grant allocations and the implication of the reductions on the overall operational activities of the grants.

Given only the CoLA adjustment to the 2023/24 Provincial Equitable Share, reduction in Conditional Grants and slight increase in the Provincial Own Revenue, departments were required to spend prudently, frills were to be cut to enable the departments to execute their constitutional mandates and ensure that projects and/or programmes without budgets were not implemented so as not to compromise fiscal stability.

2024/25 Estimates of Provincial Revenue and Expenditure (EPRE)

Macroeconomic Analysis: Provided inputs towards the finalization of the District Development Model (DDM) One Plans in the province. This was done to assist the District Municipalities to comply and to ensure that they had proper economic profiling of their regions.

The macro-economic analysis further produced two main economic update reports. These reports are:

- Provincial Economic Review and Outlook (PERO) which provides the provincial economic review, the publication was tabled at the North West Provincial Legislature (NWPL) during the tabling of the 2023/24 Mid-Term Budget.
- Provincial Socio-Economic Review and Outlook (SERO) which analyses socio-economic challenges and provide input on guiding resource allocation was completed. The SERO will be tabled at the NWPL as part of the package of the 2024/25 Budget Speech.

Infrastructure Management: The Provincial Treasury will continue to provide support to the provincial departments and municipalities to comply with the requirements of Budget Facility for Infrastructure (BFI). Part of the support will entail the provincial and municipalities to develop comprehensive and credible large infrastructure pipeline projects. There has been an improvement in 2023/2024 for the submission of Bid Window 7 as compared to the previous financial years. The Bid Window 8 will be open for submission by departments and municipalities between June and July 2024. Provincial department and municipalities will be required to submit a minimum total project cost of R1 billion for projects and R3 billion for programmes and strategic interventions.

Provincial Revenue Enhancement – Provincial departmental own receipts have gradually recovered to the pre-COVID-19 figures. Fiscal policy constantly assists the departments to strengthen collection strategies, to ensure optimal collection of all identified revenue sources. The over performance on revenue collection results from collaboration with departments to ensure that revenue targets are realised during the first semester of the financial year. Furthermore, the Revenue Unit has conducted visits to the revenue sites to ensure that the revenue generating activities are adequately resourced.

Municipal Finance Management (MFM): The Provincial Treasury has provided support to ten (10) municipalities with the application process for the Eskom debt relief programme. This programme is intended to improve the utility's balance sheet and facilitates the proposal for Eskom to write off municipal debt under strict conditions and with the guidance of the National Treasury. The Provincial Treasury has intensified support to these municipalities to assist them to put measures in place to comply with conditions for the debt relief programme.

The MEC for Finance has approved the financial recovery plan for seven (07) municipalities (Kgetleng-Rivier, Ditsobotla, Tswaing, Ramotshere Moiloa and Dr Ruth Segomotsi Mompati, Naledi and Madibeng) placed under mandatory intervention. Intervention teams led by the Provincial Executive Representative (PER) are placed at these municipalities to assume the responsibility of implementing the Financial Recovery Plan in line with section 139(5) (c) of the Constitution read together with chapter 13 of the MFMA. The key success factors for FRP Implementation will require amongst others, collaboration between all stake holders as well as strengthening and institutionalising the intergovernmental relation structures, monitoring, and oversight of the intervention.

Provincial Supply Chain Management (SCM): The unit provided support to provincial departments through the following initiatives:

SCM Capacity Building:

- In a quest to professionalize the Provincial SCM officials, the Unit enrolled several SCM officials of whom five (05) obtained the professional designation, MCIPS from various Provincial Departments and Public Entities.
- The unit will continue with professionalization of Heads of SCM and SCM Professionals by maintaining their affiliate membership with the SCM Professional Body, Chartered Institute of Procurement and Supply (CIPS-Africa).
- In addition, the Unit facilitated the SCM Learnership Programme which saw 100 officials awarded with certificates of competence.

SCM Policy and Compliance:

- The Policy Unit is currently reviewing all Provincial Treasury Circulars and Instruction Notes to be in line with the Preferential Procurement Regulations of 2022, including the Provincial Treasury SCM Circular 6 on participation on contracts arranged by other organs of state to put more emphasis on socio economic benefits to the North West Province. The Compliance unit will continue with SCM compliance monitoring and reporting with emphasis on implementation of approved departmental and entity procurement plans and payment of service providers within 30 days.

SCM Client Support: The Stakeholder Management unit is continuing rendering services to all districts of the North West Province by assisting service providers to register on the CSD and training on how to do business with government.

Asset Management: Concerted efforts are being made to assist provincial public entities in improving their audit comes mainly related to investment properties and property, plant, and equipment. These interventions will assist with the verification and valuation of investment properties and property, plant, and equipment as these have caused unfavorable audit outcomes for a number of years. Capacity building interventions are provided to departments mainly on the updates made to asset reporting on the modified cash standards to ensure that there are no departments in the province that are negatively affected by updates to the reporting standards. A clean audit project plan is being implemented through monitoring of post audit action plans related to assets, reviews of capital assets note in the interim and annual financial statements, and monitoring compliance.

Financial Governance

Audit outcomes for 2022/23 - The audit of the Annual Financial Statements for the year ended 31 March 2023 was finalised. The audit outcomes of Departments, Provincial Legislature and Public entities were as follows:

- Departments – one (1) received a clean audit (unqualified with no findings), nine (9) were unqualified and three (3) were qualified.
- Entities – three (3) received a clean audit (unqualified with no finding), four (4) were unqualified, eight (8) were qualified and three (3) are outstanding.

Implementation of Post Audit Action Plans - The office of the Accountant General is now in the eighth year of the implementation of the electronic monitoring system Post Audit Action Plan (PAAP) for monitoring audit action plans to ensure that audit issues raised by the Auditor General in the previous year are addressed to avoid repeat findings. Departments and Entities are now accustomed to its utilization.

- All Departments have prepared their PAAP for the 2022/2023 audit findings and most of the Entities are finalising their PAAP. All outstanding items that were not addressed have been carried forward to the new financial year;
- Entities have severe capacity challenges and lack of skills within CFOs sections to fast-track updating of PAAP;
- Departments and Entities PAAP have been reviewed by the Office of the Accountant General and Provincial Internal Audit (PIA) for improved implementation plans and loaded in the SharePoint system for monitoring purposes;
- The audits of NTI group have not been finalised, hence the PAAP preparation will be delayed;

- Departments responsible for Public Entities do not provide them with adequate support in the development and implementation of sound Audit Action plans and leave them to Provincial Treasury to offer support;
- Public Entities still have more serious challenges of capacity and lack of governance structures such as audit committees and risk management structures that are not in place.

Support teams are visiting the Departments and Entities to assist them in various areas of financial management. However, the normal operations of reviews of Interim Financial Statements are done in-house and portfolios of evidence are ongoing to ensure quarterly actions committed to address previous year findings are implemented. This will ensure that Departments and Entities take corrective actions before year end.

Financial Technical Management Support Programme – The Financial Governance Programme provides the following support to Departments and Entities.

- Assistance with PAAP reviews and bilateral meetings to ensure that sound audit action plans are developed and monitored;
- Provision of on-site compliance reviews is done with Departments and Entities to ensure that corrective actions are done on time;
- Stringent monitoring of audit action plans coupled with review of Interim Financial Statements (IFS) to ensure that prior year audit findings are considered, which enables reporting to Heads of Departments, Chief Executive Officers, and Executive Authorities to act where there is non-compliance;
- Strengthening internal controls by responding to recommendations of Internal Audit Reports in time to clear issues;

Irregular Expenditure Project - Provincial Treasury is providing training to the Departments and Entities on how to assess an irregular expenditure in line with the Framework and prepare a complete file with documentation for the condonation purposes. Hands on support was provided to them in this regard.

Tribal and Trust – The process of finalising an Accounting Framework and Format for draft Annual Financial Statements is being driven by National Treasury. A new legislation, the Traditional and Khoi-San Leadership Act, 2018 (“TKLA”), was enacted by Parliament to improve accountability in Traditional Councils. This Act was applicable effective from 1 April 2021. The province is working with the department of Cogta to strengthen the implementation of the requirements of new Legislation.

Financial systems – The financial administration systems are operating well. The only challenge is that they are running on old infrastructure which poses a risk in the event of a major breakdown. The Office of the Premier has been presented with all ICT challenges around infrastructure for assistance while awaiting the implementation of the new Information Technology Management System (IFMS) by

National Treasury. Currently the new Mainframe is being implemented by the Office of the Premier. Necessary support was extended by the Provincial Treasury for the implementation of the new mainframe.

Financial Systems Training –The training is delivered via contact classes. Loadshedding continues to have an adverse effect on the roll out of the training programme.

Provincial Risk Management - The activities of the Provincial Risk Management are progressing. Quarterly forums are held, and reviews are conducted to monitor effective implementation. Letters are written to Heads of Departments and Entities to take corrective steps where necessary. A risk maturity assessment is being done on departments and entities.

Provincial Internal Audit – The rollout of departmental risk based internal audit plans are progressing as scheduled. Subsequent to the conclusion of the 2022/2023 external audit cycle the internal audit strategy was reworked to include an assessment of the adequacy and effectiveness of the implementation of the culture shift plans of the various departments in the shared service. This has also been rolled out to oversight by the Audit Committee during the quarters 3 and 4 audit committee meetings.

3. Outlook for the coming financial year (2024/25)

This section provides an outlook of the department's activities for the coming year, focusing on new policy priorities, significant events and challenges.

Sustainable Resource Management

Provincial Treasury will assess the provincial budgets with specific focus on investments, contain consumption expenditure, and improve allocation efficiencies. Furthermore, the Provincial Treasury will collaborate with other departments to identify and assess non-core assets for disposal.

The provincial equitable share formula accounts for data updates made to the components of the formula and any policy changes made to structure of the formula resulting from a provincial equitable share formula review.

Budget Management and Public Finance: The functions of the unit are largely driven and governed by various legislative requirements e.g., Public Finance Management Act (PFMA), Treasury Regulations and the Division of Revenue Act. The work of the unit often remains largely unchanged from the previous year in terms of the processes that need to be followed and undertaken. The Provincial Treasury will continue monitoring the spending of provincial departments and public entities through the various reporting mechanisms, including the monthly IYM (In Year Monitoring) and IRM

(Infrastructure Reporting Model) and strive to ensure that provincial spending remains within the budget and to oversee the implementation of cost-cutting measures on non-core items such as catering, provincial events.

The focus of expenditure monitoring will be on conditional grants and infrastructure related expenditure. Similarly, as in the previous years, the tabling of both the 2024/25 Adjusted Estimates of Provincial Revenue and Expenditure (AEPRE) during November 2024 and the 2025/26 Estimates of Provincial Revenue and Expenditure (EPRE) during March 2025 are fundamentally crucial to fund both National and Provincial priorities and service delivery initiatives to the citizenry of North West.

For 2024/2025 on the sustainable implementation of the Infrastructure Delivery Management System (IDMS) and Framework for Infrastructure Programme and Delivery Management (FIPDM), Provincial Treasury will focus on Module 9 that relates to Project Management with the purpose of providing project managers with guidance to enable them to apply project management principles together with the relevant subject matter material pertaining to infrastructure delivery management. The rollout of the enhancement of the Infrastructure Reporting Model (IRM) for improved financial and non-financial data on Infrastructure Planning and Delivery will be given more attention over the MTEF period for identification and ready to implement projects.

The reductions of infrastructure budgets over the MTEF period due to fiscal challenges and unfavourable economic conditions will urgently require the departments to reprioritise their budgets to ensure that they remain within their allocated budgets. With a limited budget the departments will be required to do more with less budget on planning and implementation of infrastructure projects. The number of reviews as well as readiness assessment will be increased including more collaborative efforts and partnerships to ensure compliance and that appropriated funds are spent and committed to identifiable and published projects.

Economic Analysis: The unit seeks to provide economic analysis to inform efficient resource allocation in the province by participating in district development initiatives. The unit will continue to produce economic analysis reports for the province and the four district municipal areas. In addition, the unit will provide the necessary support to provincial departments by providing them with economic data for their own use. In the case of municipalities, the unit will engage on the economic analysis reports for the respective district municipalities.

Fiscal Policy: The unit will provide the necessary support and guidance to ensure that departmental revenue targets are realistic and cost reflective. The main focus will be on departments that have not met their previous year's revenue target by assisting and those that must develop realistic revenue targets.

Municipal Financial Management (MFM): The implementation of the Financial Recovery Plans (FRP) for municipalities placed under mandatory intervention and voluntary FRP will be the key focus of the in 2024/25 financial year. Oversight by Councils and management within the municipalities will be strengthened to ensure proper governance and that the FRP activities are implemented. Early warning systems have been introduced and corrective measures, where applicable, will be taken timeously to avoid further financial distress.

Sustained monitoring and support by the Provincial Treasury and CoGTA are indispensable for successful implementation of the FRPs. Compulsory quarterly FRP reviews will be undertaken by the MECs for Finance and COGTA in terms of Section 147 of the MFMA to assess the effectiveness of the financial recovery plans.

Provincial Supply Chain Management: The programme will continue to assist the North West Provincial Treasury (NWPT) in supporting the implementation of effective SCM practices in the North West Provincial Departments and Public Entities.

The implementation of improvement initiatives will focus on the implementation of effective SCM practices and the development of SCM professionals in the North West Province through:

- **SCM Policy Norms and Standards:** The unit will continue to conduct policy research and development.
- **SCM Compliance:** The unit will continue to monitor SCM compliance by Provincial Departments and Entities in line with North West Provincial SCM Policy Framework and SCM prescripts.
- **SCM Capacity Building:** The unit will continue to provide capacity building to Provincial Departments and their Entities.
- **SCM Client Support:** The unit will continue to conduct outreach programmes in communities, capacitating the supplier(s) with government procurement processes and assisting service providers with registration on the supplier(s) database.
- SCM Strategic Sourcing will continue to monitor Provincial departments on implementation of E-tender portal contract management system.

Asset Management: Extensive monitoring of the Post Audit Action Plans for departments will be performed in pursuit of sustaining the current clean audits and registering improvements in the qualified departments. Extensive support on the performance of asset management activities in public entities will be performed to improve the audit outcomes related to investment properties and property, plant and equipment and the overall management of assets. Capacity will be built in public entities with specific focus to the standards of GRAP used for investment properties and property, plant, and equipment reporting. We will continue to provide guidance on the implementation of changes to the modified cash standard (asset chapters).

Financial Governance: The aim of this programme is to facilitate the implementation of financial management in Provincial Departments and Public Entities, to ensure improved audit outcomes and manage the transition from Modified Cash to GRAP accounting in line with PFMA. As such, the following are additional activities/focus areas planned for 2024/25: -

- Conduct accounting updates on Modified Cash Standard (MCS) for Departments and GRAP updates for Public Entities;
- Improve asset management by intensifying training on Asset Management for Departments and Public Entities that are implementing the immovable asset guide in both Departments and Public Entities;
- Facilitate the clearance of prior year unauthorised expenditure through the NWPL process;
- Offer support to Departments and Public Entities to improve the quality of reporting on Performance Information with emphasis on accuracy, reliability and usefulness of the information reported in the Portfolio of Evidence. (POE's);
- Regular meetings with Chief Financial Officers to check progress per Department and Public Entity with respect to the Audit Action Plan;
- All CFOs to submit completed Audit Action Plans to Office of the Provincial Accountant General and Provincial Internal Audit for review of the adequacy thereof;
- Provincial Internal Audit to provide scheduled independent assurance reviews on the action plan implementation process as well as the effectiveness of action plans implemented;
- The following five (5) departments and North West Provincial Legislature (NWPL) and one (1) public entity were identified for the clean audit project and necessary interventions will be undertaken for them to get a Clean Audit:
 - Provincial Treasury
 - Social Development
 - Economic Development, Environment, Conservation and Tourism
 - Arts, Culture, Sports, and Recreation
 - Cooperative Governance and Traditional Affairs
 - North West Provincial legislature; and
 - Donkervliet Recreation Centre

Provincial Internal Audit: The aim of this sub-programme is to provide independent, objective assurance and advisory services to departments that add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. The following activities/focus areas are planned for 2024/25:

- Provide scheduled independent assurance reviews on the Internal Audit Action Plan implementation process as well as the effectiveness of action plans implemented both for external and internal audits;
- The assessment of the implementation of combined assurance and recommendations for enhancement and improvement; and

- To enhance the scope of internal audit work to further place emphasis on the economic, efficient, and effective utilisation of resources.

Economic Outlook

Many countries around the world have by now almost fully recovered from the Covid-19 induced economic declines. The world economy is expected to grow by more than three per cent per annum for each successive next three years. In the African continent, South Africa is the third largest economy after Nigeria and Egypt. Latest forecast by the World Bank (2023) indicate that South Africa will once more become the largest economy in the continent albeit for about two years. This is mainly because the two largest economies (Nigeria and Egypt) are currently experiencing rapid economic declines.

The performance of the North West provincial economy is influenced by the national economy. Accordingly, the provincial economy is growing at lower rate like the national economy. The primary industries including mining and agriculture are the main employers for the unskilled and semiskilled workers. Skilled workers are employed by the services industries which include financial services and public administration.

The National Treasury's 2022/23 Medium -Term Budget Policy Statement (MTBPS) economic growth forecasts for the country were revised downwards from 2.1 per cent announced in the main budget speech to 1.9 per cent for the year 2022. South Africa's economic growth rate is far too low to address its poverty and unemployment challenges. This indicates the need for all provinces to channel their energies and resources towards inclusive growth enhancing strategies.

The North West Province economic growth rate recorded a negative 8.3 per cent in 2020 and rebound of 8.2 per cent in 2021. The growth for the province is projected to stabilise in 2022 recording 1.9 per cent and remains in the same region, reaching 2 per cent in 2026. North West province can grow its economy and become one of the leading economies in the country.

The province is blessed with a very youthful population and various economic sectors that can still be expanded, not to mention future industries. There is an opportunity to stimulate our economy through infrastructure investment, innovation, and technology. Our budget needs therefore to continuously consider mainstreaming of youth, women, people living with disability, innovation, and technological development. These are fundamental to economic recovery and future economic growth.

Provincial Own Revenue as well as Equitable Share have drastically declined. Many businesses may not recover from the negative effects of the corona virus. The province has therefore no other option than to develop and implement an appropriate economic turnaround strategy. The Provincial Treasury stands ready to provide technical support on the implementation of the economic recovery plan outlined by the President and particularly on job creation.

4. Reprioritisation

Administration: R1 million was shifted within the programme of which R210 thousand was shifted to CoE to relieve budget pressure to fund critical posts, R690 thousand to goods and services to augment the shortfall under items advertising of posts, departmental software license fees and travelling and subsistence, legal fees, decentralisation of fleet services and training and development. While R100 thousand is for the payment of leave gratuities for contract employees and leave gratuities for retired and resigned officials.

Sustainable Resource Management: Funds were reprioritised within the programme and economic classifications. An amount of R883 thousand was shifted from goods and services to CoE.

Financial Governance: A total amount of R5 million was shifted from Programme 3: Asset and Liabilities of which R4 million was shifted from goods and services and R1 million from Capital payments to alleviate budget pressures in Provincial Telephone account as the current VoIP system has reached the end of its useful life and the project must be implemented with SITA before the end of September 2024. R100 thousand was shifted within the programme from households of which R50 thousand was for machinery and equipment and R50 thousand for goods and services for the payment of subscriptions.

Future Plans of the department

Provincial Treasury has planned for the following over the 2024 MTEF to strengthen their mandated support to departments, public entities, and municipalities:

- Dedicated support to all Departments and Public Entities to improve audit outcomes;
- Continued Internal Audit support through the internal audit annual plans;
- Conduct capacity building programmes for all SCM officials in Provincial Government;
- Maintain appropriate systems & controls for safeguarding of assets;
- Monitoring and oversight provided to Municipalities, inclusive of training Municipal officials to ensure full compliance to Municipal Standard Charts of Account and other MFMA reforms through a regional organisational structure model;
- Improve asset management by intensifying training on Asset management for Departments and Public Entities implementing the immovable asset guide in both Departments and Public Entities;
- Regular meetings with Chief Financial Officers to check progress per Department and Public Entity with respect to the Audit Action Plan;
- Empower Service Providers by holding District Indabas, training them on SCM issues particularly tendering processes, local content, and subcontracting.

5. Procurement

The major procurement plans for 2024/25 relates to the following: -

- An amount of R18.7 million is set aside for the financial recovery plans for municipalities that are placed under mandatory intervention and voluntary FRP will be the key focus.
- An amount of R5 million is set aside for the Financial Governance Support Programme for Departments and Public Entities.
- An amount of R1 million has been set aside for a biometric system at the main doors.
- An amount of R30 million is also provided for the implementation of the Voice over Internet Protocol (VoIP) system.
- An amount of R1.5 million has been set aside for Financial Management Skills assessment in Departments and Public Entities.

6. Receipts and financing

6.1 Summary of receipts

Table 7.1 below shows the sources of funding over the seven-year period 2020/21 to 2026/27.

Table 7.1 : Summary of receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Equitable share	267 418	349 514	311 696	370 908	359 908	359 908	340 483	386 326	403 794
Conditional grants	–	–	–	–	–	–	–	–	–
Financing							30 000	–	–
Departmental receipts	150 000	168 000	176 400	195 000	195 000	195 000	203 325	212 678	222 249
Total receipts	417 418	517 514	488 096	565 908	554 908	554 908	573 808	599 004	626 043

The main sources of funding for the department are equitable share and own revenue. The departmental equitable share increased by 31 per cent in 2021/22, declined by 11 per cent in 2022/23 and increased by 15 per cent in 2023/24. In 2024/2025 the equitable share increases by 4 per cent increase by 13 per cent in 2025/26 and 5 per cent in the final year.

6.2 Departmental receipts collection

Table 7.2 below provides details of the revenue collection by this department from 2020/21 to 2026/27.

Table 7.2 : Summary of departmental receipts collection

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sales of goods and services other than capital assets	179	177	174	230	230	230	241	252	264
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	227 002	193 832	289 575	194 770	194 770	194 770	203 084	212 426	221 985
Sales of capital assets	2	9	1	-	-	-	-	-	-
Transactions in financial assets and liabilities	106	218	14	-	-	-	-	-	-
Total departmental receipts	227 289	194 236	289 764	195 000	195 000	195 000	203 325	212 678	222 249

Total department's own receipts increase above CPI by 6 per cent in 2023/24 and registers an increase of 4 per cent in 2024/25. The revenue increases by 5 per cent in 2025/26 and increases by 5 per cent in the final year. The sources of own revenue for the department are the following:

Sale of Goods and Services other than capital assets: The revenue is mainly raised through fees charged by the department for commission insurance & garnishes. The projected collection shows a steady increase over the MTEF.

Interest, dividends and rent on land: The revenue collected from this source is because of the substantial cash surpluses in the Pay Master General account (PMG) resulting from under spending in the previous financial years. The uncertainty element inherent to this item makes it difficult to forecast future collections.

Sales of capital assets: The allocation over the MTEF is attributed to sales of redundant assets to be auctioned.

6.3 Donor funding

None

7. Payment summary

7.1 Key assumptions

The budget for the 2023/24 MTEF is based on the department's Strategic Plan and APP which are reflective of the service delivery requirements and improvements of the department. The main assumption underpinning the MTEF budget is inflation projections (CPI) as published in the 2023 Medium Term Budget Policy Statement of 4.9 per cent in 2024/25, 4.6 per cent in 2025/26 and 4.5 in 2026/27 financial year.

Personnel Inflation assumptions:

The revised projections for the personnel budget include inflation of 4.9 per cent in 2024/25, 4.6 per cent for 2025/26 and 4.5 per cent in the final year. In finalising the Compensation of Employee budget, the following is taken into consideration:

- Provision for Pay progression of 1.5 per cent per cent in each of the 2024 MTEF financial year;
- Housing allowance to be increased by CPI; and
- Medical contributions to be increased by medical price index. This is at 4.7 per cent in the current year and based on MPI as per Stats SA data.

7.2 Programme summary

Tables 7.3 and 7.4 below contain information by programme and economic classification for the department over the seven-year period from 2020/21 to 2026/27.

Table 7.3 : Summary of payments and estimates by programme: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
1. Administration	128 886	153 158	157 525	174 700	190 950	190 950	178 545	186 751	195 345
2. Sustainable Resource Management	108 342	139 919	127 374	136 887	148 590	148 590	136 569	141 361	147 346
3. Asset And Liabilities Management	40 778	42 580	48 585	64 621	50 671	50 671	62 292	65 328	68 333
4. Financial Governance	131 521	155 692	149 206	189 700	164 697	164 697	196 402	205 564	215 019
Total payments and estimates	409 527	491 349	482 690	565 908	554 908	554 908	573 808	599 004	626 043

The department comprises of four programmes, namely Administration, Sustainable Resource Management, Asset and Liabilities Management, and Financial Governance. The department does not conform to the generic sub-programme structure for the sector, due to the inclusion of Municipal Finance in Programme 2. In line with the national budget and programme structure guidelines from National Treasury, the PTs structure makes provision for an integrated structure in respect of the Municipal Finance Management Unit. The Technical Committee on Finance (TCF) concluded that where provinces are configured to have a stand-alone structure, such a programme should either be a separate programme or sub-programme. However, discussions are underway on the review of Provincial Treasuries Generic Structures.

Departmental spending over the past financial years was R409.5 million in 2020/21, R491.3 million in 2021/22 and R482.7 million in 2022/23 financial year. The Departmental baseline was increased by R72.2 million in 2023/24. There is an increase of R90 million throughout the MTEF period. Inclusive in the baseline is the departmental bursary to officials, learnership programme, legal fees, fleet services, security services, procurement of air conditioners, external audit fees, property payments and training and development.

Also included are funds for Municipal Financial Management Support Programme and Municipal Interventions, PFMA Interventions, advertising, traveling and subsistence for outreach programmes to

speed up registration process of suppliers on the CSD system, training and development for the provincial officials, maintenance of Provincial Asset Management System (BAUD), Provincial Telephone Account, audit committee fees, and building leases.

Programmes:

Programme 1 Administration: The programme registered an increase of R24.3 million in 2021/22, which increased by R4.4 million in 2022/23 and R33.4 million in 2023/24. The MTEF period realized a decline of R12.4 million in 2024/25, then increases by R8.2 million in 2025/26 and R8.6 million in 2026/27. Allocation includes the departmental bursary to officials, recruitment, legal fees, fleet services, external audit fees, property payments and training and development.

Programme 2 Sustainable Resource Management: The programme recorded a sharp increase in 2021/22 to relieve budget pressure in Municipal Finance Support Programme for MSCOA, GRAP, AFS and audit support to municipalities, as well as an amount of R15 million to assist departments through appointment of consultants to finalize projects for bidding of funding considerations outside the fiscus (i.e., PPP and Blended funding). The allocation then decreased to R128.4 million in 2022/23 because of the once-off allocation received in 2021/22. For 2023/24, the budget increased to R148.6 million, then declines to R136.6 million in 2024/25, R141.4 million in 2025/26 and R147.3 million in the final year. The increase in the MTEF includes funds for the MFMA Municipal Financial Recovery Plan Services (MFRS).

Programme 3 Assets and Liabilities: The programme showed a positive growth of R50.6 million in 2022/23. In 2023/24, there is an increase of R50.7 million, R 62.3 million in 2024/25, R65.3 million in 2025/26 and R68.3 million in the final year. Allocation includes the lease of the building, Asset Management Baud System maintenance and the Call centre for public complaints management. The Unit will also embark on outreach programmes in communities with a view to capacitating the supplier(s) with Government Procurement Processes. A budget of R1.1 million is set aside for advertising and R3 million is for traveling and subsistence for outreach to speed up registration process of suppliers on CSD system with R2.3 million for training and development for provincial officials and R1 million for Provincial Asset Forum to provide guidance on the implementation of changes to the modified cash standard (asset chapters).

Programme 4: Financial Governance: The overall programme budget increased with R24.2 million in 2021/22 and then decreased with R4.8 million in 2022/23 with an increase of R15.5 million in 2023/24. There is a sharp increase of R31.7 million in 2024/25 to cater for the once-off payment procurement of telephone handsets as the current VoIP system has reached the end of its useful life and we need to implement this project with SITA before the end of September 2024, R9.2 million in the 2 outer years which is inclusive of the Provincial Telephone Account as well as PFMA Interventions. The 2024/25 allocation is also inclusive of R3.9 million for the audit committee, R25 million for the provincial telephone account, R1.4 million for training and development, R4.8 million for

lease of the building, R4.8 million for audit fees, R1.5 million for administrative fees for bank charges, R2.4 million for computer services and R1.8 million for forensic investigations.

7.3 Summary of economic classification

Table 7.4 : Summary of provincial payments and estimates by economic classification: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Current payments	402 629	449 900	459 182	554 233	541 591	541 591	565 699	590 428	617 072
Compensation of employees	304 531	317 748	313 363	364 543	347 261	347 261	387 425	405 154	423 791
Goods and services	97 967	132 152	145 819	189 690	194 330	194 330	178 274	185 274	193 281
Interest and rent on land	131	–	–	–	–	–	–	–	–
Transfers and subsidies to:	1 918	2 803	2 844	802	1 744	1 744	838	877	917
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	10	30	–	–	–	–	–	–	–
Households	1 908	2 773	2 844	802	1 744	1 744	838	877	917
Payments for capital assets	4 980	7 353	9 182	10 873	11 573	11 573	7 271	7 699	8 054
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	4 980	7 353	9 182	10 873	11 573	11 573	7 271	7 699	8 054
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	31 293	11 482	–	–	–	–	–	–
Total economic classification	409 527	491 349	482 690	565 908	554 908	554 908	573 808	599 004	626 043

Economic Classifications:

Compensation of Employees: On aggregate, Compensation of Employees registered an increase of R13.2 million in 2021/22 which declined by R4.4 million in 2022/23 and then increased by R33.9 million in 2023/24. The human resource section is busy with the filling of vacant critical posts, hence the sharp increase of R40.2 million in 2024/25, R17.7 million in 2025/26 and R18.6 million in 2026/27.

Goods and Services: There is an increase of R34.2 million in 2021/22 with an increase of R13.7 million in 2022/23, R48.5 million in 2023/24. There is a decline of R16 million in 2024/25 as there were cases for Forensic investigations and PFMA intervention due to unforeseen circumstances and then the item increases by R7 million in 2025/26 and R8 million in the final year.

Inclusive in goods and services is an amount of R18.7 million for Municipal Financial Management Support Programme (MFMA) and MFM Intervention in 2024/25, as well as an allocation of R36.6 million in the two outer years. The allocation further makes provision for the Provincial Telephone Account of R25 million in 2024/25 and R53 million over the two outer years of MTEF period. PFMA interventions is allocated R5.1 million in 2024/25 and R10.5 million throughout the MTEF period.

Transfers and Subsidies: The increase in the household expenditure in 2021/22 is due to the resignations and retirements of officials. The department makes provision for payment of social benefits to employees who have exited the system. However, budget estimates are very difficult to

forecast. The item shows an allocation of R2.6 million over the MTEF period as it depends on as and when officials exit the system.

Capital Assets: There is an increase of R2.4 million in 2023/24 and then a decline of R4.3 million due to a once-off procurement of fleet vehicles and office furniture. There is a steady growth of expenditure in the two outer years of the MTEF for the replacement of office equipment and procurement of office furniture and equipment because of filling the revised organisational structure.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

None

7.4.2 Maintenance

None

7.4.3 Non infrastructure items

None

7.5 Departmental Public-Private Partnership (PPP) projects

None

7.6 Transfers

7.6.1 Transfers to public entities

None

7.6.2 Transfers to other entities

None

7.6.3 Transfers to local government

None

8. Receipts and retentions: Provincial legislatures

Not applicable to this department.

9. Programme description

The expenditure and budgeted estimates for each programme are summarized in terms of sub-programmes and economic classification. Details are given in the Annexure tables for Vote 7: Provincial Treasury.

9.1 Description and Outputs

Programme 1: Administration

This programme provides human resource support, strategic management, communication, and departmental financial management services. Communication focuses on projecting the corporate image of the Department to internal and external stakeholders. The Minimum Information Security Services (MISS) focuses on issues of departmental security as defined in the Provincial Security Strategy. Special programmes focus mainly on youth, women, disability, and gender related matters. Departmental financial management services support the entire department by focusing on budgeting, financial accounting, asset management, transport and logistics, salary administration and supply chain management related activities.

Administration consists of the following Sub-programmes:

- Office of the MEC;
- Management Services (HOD), Communication, Minimum Information Security Standards (MISS);
- Corporate Services incorporating Human Resource Services and Training; and
- Departmental Financial Management (CFO).

Tables 7.5 and 7.6 below provide a summary of payments and budget estimates pertaining to Programme 1: Administration over the seven-year period from 2020/21 to 2026/27.

9.2 Programme expenditure analysis

Table 7.5 : Summary of payments and estimates by sub-programme: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
1. Office Of The Mec	7 945	8 292	10 936	11 701	12 051	12 051	11 547	12 068	12 624
2. Management Services	8 056	20 796	9 382	11 926	12 926	12 926	12 481	13 032	13 632
3. Corporate Services	68 084	77 446	80 776	88 976	99 876	99 876	90 664	94 838	99 202
4. Financial Management (Office Of The Cfo)	44 801	46 624	56 431	62 097	66 097	66 097	63 853	66 813	69 887
Total payments and estimates	128 886	153 158	157 525	174 700	190 950	190 950	178 545	186 751	195 345

Table 7.6 : Summary of payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Current payments	124 748	137 393	154 584	168 393	183 451	183 451	175 032	183 036	191 457
Compensation of employees	102 097	109 974	104 183	114 878	118 636	118 636	120 997	126 554	132 376
Goods and services	22 520	27 419	50 401	53 515	64 815	64 815	54 035	56 482	59 081
Interest and rent on land	131	–	–	–	–	–	–	–	–
Transfers and subsidies to:	1 185	608	622	224	516	516	334	345	361
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	10	30	–	–	–	–	–	–	–
Households	1 175	578	622	224	516	516	334	345	361
Payments for capital assets	2 953	2 937	2 319	6 083	6 983	6 983	3 179	3 370	3 527
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	2 953	2 937	2 319	6 083	6 983	6 983	3 179	3 370	3 527
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	12 220	–	–	–	–	–	–	–
Total economic classification	128 886	153 158	157 525	174 700	190 950	190 950	178 545	186 751	195 345

The budget for the programme increased from R153.2 million in 2021/2022 to R157.5 million in 2022/2023 and by R33.4 million in 2023/24. The programme shows a decline of R12.4 million in 2024/25 and an increase of R16.8 million for the two outer years that includes the departmental bursary to officials, legal fees, fleet services, risk Management awareness workshops and forums. As well as recruitment, budget speech, external audit fees, property payments and training and development.

The sub-programmes which show a fluctuating trend over the seven-year period are: -

Office of the MEC: The MTEF period shows an increase of R1.1 million in 2023/24 then declines by R503 thousand in 2024/25 and R1.1 million in the two outer year to cater for day-to day operations in the MEC's office.

Management Services: The unit shows an increase in budget of R3.5 million in 2023/24. The sub-programme has been allocated an amount of R12.5 million over the MTEF period, which is primarily to cater for the HOD's Office and Risk Management awareness workshops and forums.

Corporate Services: An increase of R19.1 million is evident in 2023/24 mainly on Compensation of Employees and a decrease of R9.2 million in 2024/25 due to once-off procurement of UPS and office equipment, then increase by R8.5 million in the two outer years. Budget has been set aside to cater for the departmental bursary to officials, software license fees, budget speech, recruitment, legal fees payments and training and development.

Financial Management (CFO's office): The sub-programme records an increase of R9.7 million in 2023/24, a slide decline of R2.2 million in 2024/25 then increase by R6 million in the two outer years to cater for fleet services, fleet services, external audit fees and property payments.

Economic Classification

Compensation of Employees: The programme shows a growth of R14.5 in the current year of 2023/24 and R13.7 million over the MTEF period as the Department anticipates filling the vacant funded posts.

Goods and Services: An increase of R14.4 million is recorded for 2023/24. There is a decline of R10.8 million in 2024/25, then increases by R5 million in the two outer years which is set aside to cater for the departmental bursary to officials, legal fees, fleet services, Risk Management awareness workshops and forums, recruitment, budget speech, external audit fees, property payments and training and development.

Transfers and Subsidies: The expenditure declines by R577 thousand in 2021/22 which includes the payment of leave gratuities for retired officials, resignations, and death. The budget shows an

increase of R 14 thousand in 2022/23 and then decline to R516 thousand in 2023/24. Total budget of R1 million over the MTEF depends on as and when officials exit the system.

Capital Assets: There is a decrease of R634 thousand that is registered in 2021/22 and 2022/23 due to a once off expenditure that was transferred to the Department of Community Safety and Transport for the purchase of pool vehicles and a specialised vehicle for the communication unit. The item shows a sharp increase of R4.7 million in 2023/24 for the purchase of UPS, Biometric equipment and CCTV Cameras and then declines by R3.8 million in 2024/25. The steady increase over the two outer years is for the replacement of IT equipment, as well as for procurement of assets for new appointments.

9.3 Service delivery measures

Table 7.7 : Service delivery measures - Programme 1: Administration

Programme performance measures	Estimated performance	Medium-term estimates			
	2023/24	2024/25	2025/26	2026/27	
Number of officials trained in line with Work Skills Plan	100	150	200	200	
Number of Annual financial statements without material misstatements	1	1	1	1	

Programme 2: Sustainable Resource Management

Description and Outputs

The programme's aim is to provide professional advice and support on provincial economic analysis, fiscal policy and the management of annual budget process, implementation of the provincial budgets as well as monitoring and control the North West provincial expenditures.

Fiscal Policy focuses on provincial revenue collection and maximisation of existing revenue resources. It is also responsible for the provincial cash management and assists with the running of the departmental fraud, corruption, and wasteful practices awareness campaign.

The Economic Analysis unit ensures the evaluation of the provincial economic and social imperatives within the provincial macro-economic context.

The Sustainable Resource Programme consists of the following sub-programmes: -

- Programme Support Deputy Director-General (SRM);
- Budget Management incorporating the Budget Office, Data Management and Public Finance which also focuses on monitoring of Infrastructure;
- Economic Analysis;
- Fiscal Policy; and
- Municipal Finance Management

Tables 7.8 and 7.9 below provide a summary of payments and budget estimates pertaining to Programme 2: Sustainable Resource Management over the seven-year period from 2020/21 to 2026/27.

Table 7.8 : Summary of payments and estimates by sub-programme: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
1. Programme Support	1 179	44	–	3 037	–	–	3 175	3 321	3 473
2. Economic Analysis	5 738	6 106	6 294	8 040	6 937	6 937	8 642	9 030	9 444
3. Fiscal Policy	7 930	8 057	8 710	8 830	7 928	7 928	9 008	9 422	9 854
4. Budget Management	19 686	21 816	22 544	23 902	27 699	27 699	26 035	27 228	28 479
5. Public Finance	17 917	17 762	16 625	26 395	17 415	17 415	26 934	28 177	29 474
6. Municipal Finance	55 892	86 134	73 201	66 683	88 611	88 611	62 775	64 183	66 622
Total payments and estimates	108 342	139 919	127 374	136 887	148 590	148 590	136 569	141 361	147 346

Table 7.9 : Summary of payments and estimates by economic classification: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Current payments	107 261	138 307	124 091	135 280	146 359	146 359	134 890	139 603	145 509
Compensation of employees	68 325	74 296	78 613	92 312	83 188	83 188	97 664	102 146	106 845
Goods and services	38 936	64 011	45 478	42 968	63 171	63 171	37 226	37 457	38 664
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies to:	48	296	1 202	–	624	624	–	–	–
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	48	296	1 202	–	624	624	–	–	–
Payments for capital assets	1 033	1 316	2 081	1 607	1 607	1 607	1 679	1 758	1 837
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	1 033	1 316	2 081	1 607	1 607	1 607	1 679	1 758	1 837
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total economic classification	108 342	139 919	127 374	136 887	148 590	148 590	136 569	141 361	147 346

Programme expenditure analysis

The projection for the programme shows a sharp increase of R31.6 million in 2021/22 due to MFMA Consultants. A decline of R12.5 million in 2022/23 financial year is due to non-appointment of Technical Assistants for Infrastructure Development Programme Shift (IDIP). The Programme shows an increase of R21.2 million in 2023/24. There is a decline of R12 million in 2024/25 and increases by R10.8 million over the two outer years for printing of budget books, IDIP and MFMA Interventions.

Economic Classification

Compensation of Employees: The programme realised an increase in 2021/22 of R6 million, R4.3 million in 2022/23 and R4.6 million in 2023/24 financial year to fund experts for interventions, unemployed graduates and MFMA reforms. The programme shows a growth in R23.7 million over the MTEF that make a provision for filling of vacant funded posts especially in MFM unit to improve the capacity challenges.

Goods and Services: The Programme registers a sharp increase of R25.1 million in 2021/22 with a decrease of R18.5 million in 2022/23 due to once-off allocation of R15 million in 2021/22 to assist

departments through appointment of consultants to finalize and package projects for bidding of funding considerations outside the fiscus and then increase by R17.7 million in 2023/24 due to the increase of consultant fees. A decline of R25.9 million in 2024/25 due to the reduction in the use of MFMA Consultants as the structure is being filled and internal transfers and then shows a steady increase in the two outer years. These amounts include funds set aside for Municipal Financial Management Support Programmes.

Transfers and Subsidies: The item shows an expenditure of R296 thousand in 2021/22, R1.2 million in 2022/23 and R624 thousand in 2023/24 financial year for retirement/ resignations and ending of Interns' contracts. The item does not record any budget over the MTEF as the department is uncertain of the terminations, retirements, and resignations.

Capital Assets: The budget increases to R1.3 million in 2021/22, R2.1 million in 2022/23 and R1.6 million in 2023/24 for the replacement of computers, laptops, and purchase of furniture. The allocation of R5.3 million over the MTEF is anticipated for the replacement of office equipment.

Service delivery measures

Table 7.10 : Service delivery measures - Programme 2: Sustainable Resource Management

Programme performance measures	Estimated performance	Medium-term estimates		
	2023/24	2024/25	2025/26	2026/27
Estimates of Provincial Revenue and Expenditure (EPRE)	1	1	1	1
Quarterly Financial statements on provincial spending	4	4	4	4
Number of municipal capacity building interventions conducted	4	4	4	4

Programme 3: Asset and Liabilities Management

Description and Outputs

This programme's aim is to provide policy direction on the following:

- Effective asset management in the Province;
- Implementation and monitoring of Supply Chain Management (SCM) in the Province;
- Implementation and management of the Electronic Tendering System (ETS) in the Province.

The programme is entrusted with the development and monitoring of the SCM instructions and guidelines to ensure effective supply chain management in the province as well as facilitation of the formation and linkages with PPP projects. A key priority of this programme is to ensure the roll out of the electronic tendering and quotation system to all Provincial Departments to improve the overall quality of SCM processes. To the latter, the programme should create an enabling environment for HDI, black, SMME businesses in the province to have equitable access in government's procurement system.

Asset and Liabilities Management programme consists of the following sub-programmes:

- Programme Support: Senior Manager - Provincial Supply Chain;
- Asset Management; and

- Supporting and Interlinked Financial Systems.

Tables 7.11 and 7.12 below provides a summary of payments and budget estimates pertaining to Programme 3: Asset and Liabilities Management over the seven-year period from 2020/21 to 2026/27.

Table 7.11 : Summary of payments and estimates by sub-programme: Programme 3: Asset And Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
1. Programme Support	7 193	7 392	13 811	22 980	14 230	14 230	18 915	19 955	20 872
2. Asset Management	9 054	9 658	10 034	13 893	13 493	13 493	14 427	15 091	15 786
3. Support And Interlinked Financial System	24 531	25 530	24 740	27 748	22 948	22 948	28 950	30 282	31 675
Total payments and estimates	40 778	42 580	48 585	64 621	50 671	50 671	62 292	65 328	68 333

Table 7.12 : Summary of payments and estimates by economic classification: Programme 3: Asset And Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Current payments	39 977	41 230	45 838	62 908	49 854	49 854	61 502	64 454	67 419
Compensation of employees	34 831	36 137	33 637	38 973	32 369	32 369	44 927	46 933	49 092
Goods and services	5 146	5 093	12 201	23 935	17 485	17 485	16 575	17 521	18 327
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	60	147	281	221	225	225	231	242	253
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	60	147	281	221	225	225	231	242	253
Payments for capital assets	741	1 203	2 466	1 492	592	592	559	632	661
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	741	1 203	2 466	1 492	592	592	559	632	661
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	40 778	42 580	48 585	64 621	50 671	50 671	62 292	65 328	68 333

Programme expenditure analysis

The programme realised an increase of R1.8 million 2021/22, R6 million in 2022/23 and R2.1 million for outreach programmes conducted in communities with a view to capacitating the supplier(s) with the government procurement processes as well as training and development for the supply chain officials within Provincial Departments as embedded within the departmental procurement strategies. The allocation grows to R62.3 million in 2024/25 and R133.7 million in the two outer years cumulatively.

Economic Classification

Compensation of Employees: There is an increase of R1.3 million in 2021/22, with a decline of R2.5 million due to the vacant funded posts and internal promotions and resignations/retirement of officials and R1.3 million in 2023/24. The total budget of R140.1 million for the next 3 years is to fund the revised organisational structure.

Goods and Services: A decline of R53 thousand in 2021/22 and a sharp increase of R7.1 million in 2022/23 and R5.3 million in 2023/24 to cater for lease of buildings, CIPS, SCM Capacity Building Programmes, Asset Management Baud system and forums to provide guidance on the

implementation of changes to the modified cash standard (asset chapters). The classification shows a decline of R910 thousand in 2024/25 due to cost containment policy on items such as training and development and venues and then increases by R1.8 million in the two outer years. A budget of R1.1 million is set aside for advertising and R3 million is for traveling and subsistence for outreach programmes to speed up registration process of suppliers on CSD system with R2.3 million for training and development for the provincial officials, R3.3 million for lease of building and R1.3 million for property payments.

Transfers and Subsidies: The item is allocated an amount of R231 thousand in 2024/25, R242 thousand in 2025/26 and R253 thousand in 2026/27, respectively over the MTEF for retirement of officials.

Capital Assets: The substantial budget outcome registered in 2021/22 relates to the purchase of desktops and laptops. In 2022/23, the programme shows an outcome amount of R2.5 million and R592 thousand in 2023/24. The allocation is R1.9 million over the MTEF period for the replacement of office equipment and furniture.

Service delivery measures

Table 7.13 : Service delivery measures - Programme 3: Asset And Liabilities Management

Programme performance measures	Estimated performance	Medium-term estimates			
	2023/24	2024/25	2025/26	2026/27	
Number of Departments and Public Entities supported to improve audit outcomes on SCM	7	7	7	7	7
Number of asset management capacity building interventions provided to Departments and Public Entities	4	4	4	4	4

Programme 4: Financial Governance

Description and Outputs

The aim of this programme is to facilitate the implementation of financial management in Provincial Departments and Public Entities to ensure improved audit outcomes and manage the transition from modified cash to GRAP accounting in line with PFMA.

The Internal Audit focuses on provision of transversal internal audit services to provincial departments except the Department of Education. Norms and Standards focuses on development of financial policies, building financial management capacity, support departments on transversal Risk Management, Asset management, administration of Walker and Telephone Management Systems, and management of face-value documentation for the entire Province.

The financial governance programme consists of the following sub-programmes: -

- Programme Support Accountant General;
- Provincial Internal Audit;
- Accounting Services incorporating Provincial Accounting and Tribal and Trust Unit; and
- Norms and Standards.

Tables 7.14 and 7.15 below provide a summary of payments and budget estimates pertaining to Programme 4: Financial Governance over the seven-year period from 2020/21 to 2026/27.

Table 7.14 : Summary of payments and estimates by sub-programme: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
1. Programme Support	3 326	23 420	17 334	9 092	11 952	11 952	9 493	9 930	10 386
2. Accounting Services	53 723	52 038	49 066	74 773	55 410	55 410	77 851	81 221	84 956
3. Norms And Standards	4 144	7 873	8 963	10 597	10 597	10 597	11 436	11 936	12 486
4. Risk Management	4 296	4 314	4 828	5 741	5 741	5 741	6 229	6 752	7 062
5. Provincial Internal Audit	66 032	68 047	69 015	89 497	80 997	80 997	91 393	95 725	100 129
Total payments and estimates	131 521	155 692	149 206	189 700	164 697	164 697	196 402	205 564	215 019

Table 7.15 : Summary of payments and estimates by economic classification: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Current payments	130 643	132 970	134 669	187 652	161 927	161 927	194 275	203 335	212 687
Compensation of employees	99 278	97 341	96 930	118 380	113 068	113 068	123 837	129 521	135 478
Goods and services	31 365	35 629	37 739	69 272	48 859	48 859	70 438	73 814	77 209
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	625	1 752	739	357	379	379	273	290	303
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	625	1 752	739	357	379	379	273	290	303
Payments for capital assets	253	1 897	2 316	1 691	2 391	2 391	1 854	1 939	2 029
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	253	1 897	2 316	1 691	2 391	2 391	1 854	1 939	2 029
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	19 073	11 482	-	-	-	-	-	-
Total economic classification	131 521	155 692	149 206	189 700	164 697	164 697	196 402	205 564	215 019

Programme expenditure analysis

The 2020/21 budget allocation increased from R131.5 million to R155.7 million in 2021/22. The allocation further increased from R149.2 million in 2022/23 to R164.7 million in 2023/24. The programme shows an increase of R31.7 million in 2024/25 to cater for the once-off payment procurement of telephone handsets as the current VOIP system has reached the end of its useful life and we need to implement this project with SITA before the end of September 2024, R18.6 million for the two outer years. The 2024/25 allocation is also inclusive of R3.9 million for Audit Committee, R25 million for Provincial Telephone, R1.4 million for training and development, R4.9 million for lease of building, R4.8 million for audit fees, R1.5 million for administrative fees for bank charges, R5.1 million for Consultants, R2.4 million for computer services and R1.8 million for forensic investigations.

Accounting Services: The budget registered a decline of R1.7 million in 2021/22 and R3 million in 2022/23 due to the reduction in consultant fees. There is an increase of R6.3 million in 2023/24 due to the normal service operations. The sub-programme records a sharp increase of R22.4 million in 2024/25 to cater for the once-off payment procurement of telephone handsets as the current VOIP system has reached the end of its useful life and we need to implement this project with SITA before the end of September 2024 and cumulative increase of R7.1 million in the two outer years which

includes funding for PFMA Interventions and to cater for the Provincial telephone account, bank charges and provincial training and development.

Provincial internal Audit: The budget outcome relates mainly to filling of vacancies in Internal Audit in line with their plans for increased audit coverage. There is an increase of R19.1 million throughout the MTEF to alleviate the capacity challenges within the sub-programme, including R4.8 million for the lease of building, R3.9 million for audit committee, and R1.8 million for Forensic Investigations.

Norms and Standards: The sub-programme registered an outcome of R4.1 million in 2020/21, R7.9 million in 2021/22 and R9 million in 2022/23. The sub-programme budgeted in aggregate R35.9 million over the MTEF to fill the vacant posts. In the main, Norms and Standards sub-programme is intended to capacitate the unemployed Auditing and Accounting Graduates while alleviating capacity challenges in the sub-programme.

Provincial Risk Management: The sub-programme is envisaged to operate at its optimal capacity to assist departments in areas of risk management as well as to coordinate risk committees of the departments. An allocation of R20 million over the MTEF period includes an allocation of R650 thousand for the Annual Provincial Risk Dialogue in 2024/25 and R1.8 million cumulative in the two outer years.

Economic Classification

Compensation of Employees: The budget shows a decline from R99.3 million in 2020/21 to R97.3 million in 2021/22 and a further decline to R96.9 million in 2022/23 financial year. A significant increase of R16.1 million is realised in 2023/24. The MTEF period shows an increase of R22.4 million which is attributed to the earmarked funds for the filling of vacant posts especially in Internal Audit to assist with capacity challenges to the Provincial Departments and Public Entities to improve audit outcomes as well as employment for unemployed Auditing and Accounting Graduates.

Goods and Services: The budget allocation registered a steady increase of R4.3 million in 2021/22, R2.1 million in 2022/23 and a sharp increase of R11.1 million in 2023/24 due to procurement of receipt books, provincial departmental training, etc. The item shows a sharp increase of R21.6 million in 2024/25 to cater for the once-off payment procurement of telephone handsets as the current VoIP system has reached the end of its useful life and we need to implement this project with SITA before the end of September 2024 and R6.8 million over the two outer years is mainly attributed to communications, audit costs and consultancy services.

The growth in the goods and services is for the capacitation of Provincial Departments and Public Entities as they always have new reforms with different Accounting Frameworks. Inclusive in the 2024/25 allocation is also R3.9 million for the audit committee, R25 million for the provincial telephone account, R1.4 million for training and development, R4.8 million for the lease of building, R4.8 million

for audit fees, R1.5 million for administrative fees for bank charges, R2.4 million for computer service, R5.1 million for consultant fees and R1.8 million for Forensic Investigations.

Transfers and Subsidies: The item is allocated an amount of R866 thousand over the MTEF for leave gratuity.

Capital Assets: The minimal increase of R5.8 million over the MTEF period is for the replacement of office equipment and furniture for the new officials.

Service delivery measures

Table 7.16 : Service delivery measures - Programme 4: Financial Governance

Programme performance measures	Estimated performance	Medium-term estimates			
	2023/24	2024/25	2025/26	2026/27	
Number of capacity Building Interventions for Departments and Public Entities	9	9	10	10	
Number of Identified departments and public entities for focused interventions on clean audits	9(6D; 3PE)	7 (6D;1 PE)	7 (6D;1 PE)	7 (6D;1 PE)	
Number of departmental post audit action plans assessed	11	11	11	11	
Number of departmental risk management systems assessed	11	11	11	11	

9.4 Other programme information

9.4.1 Personnel numbers and costs

Table 7.17 illustrates the personnel numbers and estimates pertaining to the department.

Table 7.17 : Summary of departmental personnel numbers and costs by component

Table 1.1 / Summary of departmental personnel numbers and costs by component																			
R thousands	Actual						Revised estimate				Medium-term expenditure estimate				Average annual growth over MTEF				
	2020/21		2021/22		2022/23		2023/24				2024/25		2025/26		2026/27		2023/24 - 2026/27		
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 7	161	47 547	163	43 286	158	44 427	133	27	160	51 311	171	54 681	171	57 187	171	59 817	2.2%	5.2%	14.3%
8 – 10	260	137 512	209	120 175	219	125 178	250	9	259	140 632	271	158 884	271	166 130	271	173 771	1.5%	7.3%	40.9%
11 – 12	76	69 389	89	82 813	82	82 364	97	3	100	88 435	114	99 369	114	103 930	114	108 712	4.5%	7.1%	25.6%
13 – 16	34	44 847	43	52 637	39	50 941	42	–	42	54 849	42	61 217	42	64 022	42	66 968	–	6.9%	15.8%
Other	64	5 236	67	18 837	49	10 453	89	–	89	12 034	157	13 274	157	13 885	157	14 523	20.8%	6.5%	3.4%
Total	595	304 531	571	317 748	547	313 363	611	39	650	347 261	755	387 425	755	405 154	755	423 791	5.1%	6.9%	100.0%
Programme																			
1. Administration	241	102 097	239	109 974	220	104 183	248	–	248	118 636	265	120 997	265	126 554	265	132 376	2.2%	3.7%	32.1%
2. Sustainable Resource Management	120	68 325	114	74 296	114	78 613	135	–	135	83 188	187	97 664	187	102 146	187	106 845	11.5%	8.7%	24.8%
3. Asset And Liabilities Management	59	34 831	55	36 137	49	33 637	22	39	61	32 369	60	44 927	60	46 933	60	49 092	-0.5%	14.9%	10.9%
4. Financial Governance	175	99 278	163	97 341	164	96 930	206	–	206	113 068	243	123 837	243	129 521	243	135 478	5.7%	6.2%	32.1%
Direct charges	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	595	304 531	571	317 748	547	313 363	611	39	650	347 261	755	387 425	755	405 154	755	423 791	5.1%	6.9%	100.0%
Employee dispensation classification																			
Public Service Act appointees not covered by OSDs	535	293 030	502	305 968	496	301 536	558	–	558	334 191	595	372 082	595	389 105	595	407 003	2.2%	6.8%	96.1%
Public Service Act appointees still to be covered by	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Professional Nurses, Staff Nurses and Nursing Assistants	1	665	1	604	1	606	1	–	1	710	1	743	1	777	1	813	–	4.6%	0.2%
Legal Professionals	–	763	1	763	1	766	2	–	2	1 269	2	1 326	2	1 387	2	1 451	–	4.6%	0.3%
Social Services Professions	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Engineering Professions and related occupations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Medical and related professionals	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Therapeutic, Diagnostic and other related Allied Health Professionals	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Educators and related professionals	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Others such as interns, EPWP, learnerships, etc	59	10 073	67	10 413	49	10 455	89	–	89	11 092	157	13 274	157	13 885	157	14 524	20.8%	9.4%	3.4%
Total	595	304 531	571	317 748	547	313 363	650	–	650	347 261	755	387 425	755	405 154	755	423 791	5.1%	6.9%	100.0%

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

National Treasury requested and advised Accounting Officers and Accounting Authorities of National Departments and Public Entities on specific measures that need to be implemented in order to achieve much-needed savings and prevent the materialization of crippling resource constraints in the latter part of the 2023/24 financial year. Compensation of Employees (CoE) directives were issued to Provincial Departments to implement control measures in managing fiscal sustainability during the process of creating and filling critical vacant posts.

The Human Resource section is currently busy with a process of filling vacant posts on the approved organisational structure. The filling of vacant posts process is continuing, and the Department's Compensation of Employees is improving. Inclusive in the head counts, is the officials for establishment of an oversight function and to alleviate capacity challenges as well as employment for the unemployed Auditing and Accounting Graduates.

9.4.2 Training

Tables 7.18 illustrate the training costs and estimates pertaining to the department.

Table 7.18 : Information on training: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Number of staff	595	571	547	650	650	650	755	755	755
Number of personnel trained	42	173	298	657	657	657	657	657	657
of which									
Male	19	75	186	291	291	291	291	291	291
Female	23	98	112	366	366	366	366	366	366
Number of training opportunities	626	604	655	657	657	657	657	657	657
of which									
Tertiary	35	33	36	36	36	36	36	36	36
Workshops	–	–	–	–	–	–	–	–	–
Seminars	–	–	–	–	–	–	–	–	–
Other	591	571	619	621	621	621	621	621	621
Number of bursaries offered	19	27	23	21	21	21	23	25	30
Number of interns appointed	71	72	92	65	65	65	67	67	67
Number of learnerships appointed	16	14	36	15	15	15	20	20	20
Number of days spent on training	–	–	–	–	–	–	–	–	–
Payments on training by programme									
1. Administration	1 224	371	1 286	1 326	1 326	1 326	1 186	1 245	1 302
2. Sustainable Resource Management	596	281	866	826	826	826	1 338	1 364	1 426
3. Asset And Liabilities Management	338	154	537	438	438	438	400	446	467
4. Financial Governance	1 067	534	1 120	1 022	1 022	1 022	950	997	1 043
Total payments on training	3 225	1 340	3 809	3 612	3 612	3 612	3 874	4 052	4 238

Training needs of the Department are in line with the Workplace Skills Programme which has been developed from targeted learning programmes for levels 1 to 14 that was submitted to the Department of Labour for approval. There is an upward trend in the number of employees sent for training in line with the filling of vacancies.

The budget allocation of R12.2 million has been set aside over the MTEF period for skills development. Individual personal development plans as incorporated in performance agreements are also taken in cognisance when planning for skills acquisition. The allocation for staff training is equivalent to 1 per cent of the COE budget of the Department.

Internal Bursaries

There is a total amount of R2.9 million over the 2024/25 MTEF period for departmental officials' development.

9.4.3 Reconciliation of structural changes

Table 7.19 : Reconciliation of structural changes: Provincial Treasury

2023/24		2024/25	
Programmes	R'000	Programmes	R'000
		1. Administration	178 545
		1. Office Of The Mec	11 547
		2. Management Services	12 481
		3. Corporate Services	90 664
		4. Financial Management (Office Of The Cfo)	63 853
		2. Sustainable Resource Management	136 569
		1. Programme Support	3 175
		2. Economic Analysis	8 642
		3. Fiscal Policy	9 008
		4. Budget Management	26 035
		5. Public Finance	26 934
		6. Municipal Finance	62 775
		3. Asset And Liabilities Management	62 292
		1. Programme Support	18 915
		2. Asset Management	14 427
		3. Support And Interlinked Financial System	28 950
		4. Financial Governance	196 402
		1. Programme Support	9 493
		2. Accounting Services	77 851
		3. Norms And Standards	11 436
		4. Risk Management	6 229
		5. Provincial Internal Audit	91 393
	-		573 808

Annexure to the
Estimates of Provincial Revenue and Expenditure

Table B.1: Specification of receipts: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sales of goods and services other than capital assets	179	177	174	230	230	230	241	252	264
Sale of goods and services produced by department (excluding capital assets)	179	177	174	230	230	230	241	252	264
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	179	177	174	230	230	230	241	252	264
Other sales	-	-	-	-	-	-	-	-	-
Of which									
Health patient fees	-	-	-	-	-	-	-	-	-
Other (Specify)	-	-	-	-	-	-	-	-	-
Other (Specify)	-	-	-	-	-	-	-	-	-
Other (Specify)	-	-	-	-	-	-	-	-	-
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	227 002	193 832	289 575	194 770	194 770	194 770	203 084	212 426	221 985
Interest	227 002	193 832	289 575	194 770	194 770	194 770	203 084	212 426	221 985
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sales of capital assets	2	9	1	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	2	9	1	-	-	-	-	-	-
Transactions in financial assets and liabilities	106	218	14	-	-	-	-	-	-
Total departmental receipts	227 289	194 236	289 764	195 000	195 000	195 000	203 325	212 678	222 249

Table B.2: Payments and estimates by economic classification: Provincial Treasury

R thousand	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	402 629	449 900	459 182	554 233	541 591	541 591	565 699	590 428	617 072
Compensation of employees	304 531	317 746	313 363	364 543	347 261	347 261	367 425	405 154	423 751
Salaries and wages	265 731	279 524	273 778	307 936	301 000	301 000	328 171	343 005	358 782
Social contributions	38 800	39 224	39 585	56 607	46 261	46 261	59 254	62 149	65 009
Goods and services	97 967	132 152	145 819	189 690	194 330	194 330	178 274	185 274	183 281
Administrative fees	1 268	349	362	3 562	762	762	1 541	1 863	1 980
Advertising	1 984	4 120	4 139	5 023	6 135	6 135	4 176	4 384	4 586
Minor assets	2 360	159	577	1 773	1 205	1 205	1 153	1 238	1 294
Audit cost: External	6 549	5 091	6 095	13 845	8 580	8 580	11 104	11 753	12 293
Bursaries: Employees	685	653	668	1 074	1 074	1 074	922	974	1 019
Catering: Departmental activities	722	2 853	8 074	5 339	10 509	10 509	8 315	8 559	8 954
Communication (S&S)	12 823	13 782	13 229	24 020	13 783	13 783	28 119	29 141	30 479
Computer services	5 695	6 026	6 333	9 741	8 344	8 344	6 932	7 244	7 577
Consultants and professional services: Business and advisory services	40 032	62 077	42 174	36 535	48 342	48 342	30 165	29 875	30 736
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	305	247	1 104	1 000	1 100	1 100	728	761	796
Contractors	332	887	1 338	1 179	949	949	1 810	1 899	1 987
Agency and support / outsourced services	7	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	2 470	2 864	3 969	3 897	4 997	4 997	4 072	4 259	4 455
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 700	2 678	3 173	5 909	6 198	6 198	5 129	5 417	5 666
Consumable: Stationery, printing and office supplies	4 344	7 002	6 678	13 423	14 880	14 880	14 961	15 602	16 321
Operating leases	8 750	10 259	8 006	11 185	8 871	8 871	10 606	11 149	11 661
Property payments	2 782	2 503	6 820	8 945	13 738	13 738	10 410	10 821	11 318
Transport provided: Departmental activity	-	140	346	466	408	408	226	249	280
Travel and subsistence	1 970	6 470	16 890	17 606	20 285	20 285	17 419	19 213	19 054
Training and development	1 181	2 164	10 113	16 470	13 529	13 529	13 327	11 050	11 557
Operating payments	761	761	837	1 819	1 760	1 760	1 901	1 987	2 077
Venues and facilities	184	1 076	4 783	6 835	8 787	8 787	8 113	8 649	9 047
Rental and hiring	63	11	111	44	94	94	145	147	154
Interest and rent on land	131	-	-	-	-	-	-	-	-
Interest	131	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 918	2 803	2 844	802	1 744	1 744	838	877	917
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of 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	10	30	-	-	-	-	-	-	-
Households	1 908	2 773	2 844	802	1 744	1 744	838	877	917
Social benefits	1 908	2 773	2 844	802	1 744	1 744	838	877	917
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	4 980	7 353	9 182	10 873	11 573	11 573	7 271	7 699	8 054
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 980	7 353	9 182	10 873	11 573	11 573	7 271	7 699	8 054
Transport equipment	684	-	3 801	-	-	-	-	-	-
Other machinery and equipment	4 296	7 353	5 381	10 873	11 573	11 573	7 271	7 699	8 054
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	31 283	11 482	-	-	-	-	-	-
Total economic classification	409 527	491 349	482 690	565 908	554 908	554 908	573 808	599 004	626 043

Table B.2: Payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Current payments	124 748	137 393	154 584	168 383	183 451	183 451	175 032	183 036	191 457
Compensation of employees	102 097	109 914	104 183	114 878	118 636	118 636	120 997	126 554	132 376
Salaries and wages	88 747	96 312	90 445	100 967	102 875	102 875	103 736	108 572	113 566
Social contributions	13 350	13 602	13 738	13 911	15 761	15 761	17 261	17 982	18 810
Goods and services	22 520	27 419	50 401	53 515	64 815	64 815	54 035	56 482	59 081
Administrative fees	1	-	-	-	-	-	-	-	-
Advertising	1 398	4 093	3 951	2 759	5 899	5 899	2 880	2 969	3 106
Minor assets	510	73	107	615	679	679	242	272	284
Audit cost: External	4 141	3 347	4 588	4 949	4 300	4 300	4 453	4 700	4 916
Bursaries: Employees	685	653	668	1 074	1 074	1 074	922	974	1 019
Catering: Departmental activities	209	524	3 185	2 253	2 140	2 140	2 780	2 865	2 997
Communication (G&S)	909	1 003	905	1 171	1 063	1 063	1 219	1 271	1 329
Computer services	2 408	2 671	3 158	2 552	4 827	4 827	2 958	3 071	3 212
Consultants and professional services: Business and advisory services	1 021	225	1 320	1 713	1 601	1 601	1 786	1 868	1 954
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	305	247	1 104	1 000	1 100	1 100	728	761	796
Contractors	332	847	1 322	1 129	899	899	1 758	1 844	1 929
Agency and support / outsourced services	7	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	2 470	2 864	3 989	3 897	4 997	4 997	4 072	4 259	4 455
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 330	2 144	2 647	4 646	5 413	5 413	3 553	3 777	3 951
Consumable: Stationery, printing and office supplies	1 247	1 891	1 859	3 716	3 975	3 975	3 672	3 840	4 017
Operating leases	1 084	863	884	1 556	1 106	1 106	1 426	1 501	1 570
Property payments	1 707	1 085	5 292	6 911	11 136	11 136	8 329	8 644	9 042
Transport provided: Departmental activity	-	101	346	466	408	408	226	249	280
Travel and subsistence	765	2 698	7 240	4 489	6 333	6 333	4 204	4 381	4 583
Training and development	522	1 425	5 042	5 337	5 197	5 197	5 551	5 805	6 072
Operating payments	406	409	352	499	394	394	421	444	464
Venues and facilities	-	245	2 351	2 739	2 180	2 180	2 710	2 840	2 971
Rental and hiring	63	11	111	44	94	94	145	147	154
Interest and rent on land	131	-	-	-	-	-	-	-	-
Interest	131	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 185	608	622	224	516	516	334	345	361
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of 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	10	30	-	-	-	-	-	-	-
Households	1 175	578	622	224	516	516	334	345	361
Social benefits	1 175	578	622	224	516	516	334	345	361
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	2 953	2 937	2 319	6 083	6 983	6 983	3 179	3 370	3 527
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 953	2 937	2 319	6 083	6 983	6 983	3 179	3 370	3 527
Transport equipment	684	-	1 512	-	-	-	-	-	-
Other machinery and equipment	2 269	2 937	807	6 083	6 983	6 983	3 179	3 370	3 527
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	12 220	-	-	-	-	-	-	-
Total economic classification	128 886	153 158	157 525	174 700	190 950	190 950	178 545	186 751	195 345

Table B.2: Payments and estimates by economic classification: Programme 2: Sustainable Resource Management

R thousand	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	107 261	138 307	124 091	135 280	146 359	146 359	134 890	139 683	145 599
Compensation of employees	68 325	74 296	76 613	92 312	83 188	83 188	97 664	102 146	106 845
Salaries and wages	59 846	65 700	69 754	74 133	72 305	72 305	82 363	85 911	89 863
Social contributions	8 479	8 596	8 859	18 179	10 883	10 883	15 301	16 235	16 982
Goods and services	38 936	64 011	45 478	42 968	63 171	63 171	37 226	37 457	38 654
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	408	-	-	-	46	46	200	200	209
Minor assets	626	33	158	592	175	175	318	346	362
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	413	1 167	1 533	1 663	4 384	4 384	2 343	2 374	2 483
Communication (S&S)	509	666	602	612	541	541	640	669	698
Computer services	464	481	504	404	404	404	722	741	775
Consultants and professional services: Business and advisory services	33 621	55 770	34 454	25 137	40 465	40 465	18 680	18 152	18 474
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	140	148	196	794	297	297	835	878	918
Consumable: Stationery, printing and office supplies	1 300	2 745	2 211	3 516	3 963	3 963	3 670	3 845	4 022
Operating leases	486	531	576	733	619	619	767	803	840
Property payments	-	-	-	105	-	-	110	115	120
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	838	1 970	4 415	6 154	7 293	7 293	5 809	6 080	6 361
Training and development	-	-	100	1 911	1 970	1 970	1 025	1 063	1 132
Operating payments	-	6	-	90	96	96	94	98	102
Venues and facilities	131	494	729	1 257	2 918	2 918	2 013	2 073	2 168
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	48	296	1 202	-	624	624	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of 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	48	296	1 202	-	624	624	-	-	-
Social benefits	48	296	1 202	-	624	624	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 033	1 316	2 081	1 607	1 607	1 607	1 679	1 758	1 837
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 033	1 316	2 081	1 607	1 607	1 607	1 679	1 758	1 837
Transport equipment	-	-	1 395	-	-	-	-	-	-
Other machinery and equipment	1 033	1 316	686	1 607	1 607	1 607	1 679	1 758	1 837
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	108 342	139 919	127 374	136 887	148 590	148 590	136 569	141 361	147 346

Table B.2: Payments and estimates by economic classification: Programme 3: Asset And Liabilities Management

R thousand	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	39 977	41 230	45 838	62 908	49 854	49 854	61 502	64 454	67 419
Compensation of employees	34 831	36 137	33 637	38 973	32 369	32 369	44 927	46 933	49 082
Salaries and wages	30 302	31 462	29 172	29 482	27 578	27 578	34 199	35 698	37 340
Social contributions	4 529	4 675	4 465	9 491	4 791	4 791	10 728	11 235	11 752
Goods and services	5 146	5 093	12 201	23 935	17 485	17 485	16 575	17 521	18 327
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	178	27	188	2 264	190	190	1 116	1 225	1 281
Minor assets	908	24	233	99	49	49	104	109	114
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	34	353	1 749	448	960	960	668	689	721
Communication (G&S)	241	224	236	437	317	317	457	478	500
Computer services	-	-	-	3 672	-	-	-	30	31
Consultants and professional services: Business and advisory services	-	-	565	1 270	1 861	1 861	656	656	686
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	23	40	210	134	234	234	390	396	414
Consumable: Stationery, printing and office supplies	502	505	336	1 616	1 316	1 316	1 688	1 766	1 848
Operating leases	2 215	2 336	2 680	2 827	3 127	3 127	3 272	3 413	3 570
Property payments	193	225	292	1 244	1 367	1 367	1 255	1 313	1 373
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	233	913	1 860	3 286	1 906	1 906	3 034	3 192	3 340
Training and development	509	288	2 822	5 288	4 698	4 698	2 304	2 557	2 674
Operating payments	57	-	55	599	639	639	626	655	685
Venues and facilities	53	198	975	771	821	821	1 005	1 042	1 090
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	60	147	281	221	225	225	231	242	253
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of 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	60	147	281	221	225	225	231	242	253
Social benefits	60	147	281	221	225	225	231	242	253
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	741	1 203	2 466	1 492	592	592	559	632	661
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	741	1 203	2 466	1 492	592	592	559	632	661
Transport equipment	-	-	586	-	-	-	-	-	-
Other machinery and equipment	741	1 203	1 880	1 492	592	592	559	632	661
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	40 778	42 580	48 595	64 621	50 671	50 671	62 292	65 328	68 333

2024/25 Estimates of Provincial Revenue and Expenditure

Table B.2: Payments and estimates by economic classification: Programme 4: Financial Governance

R thousand	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	130 643	132 970	134 669	187 652	161 927	161 927	194 275	203 335	212 687
Compensation of employees	99 278	97 341	96 930	119 380	113 068	113 068	123 837	129 521	135 478
Salaries and wages	86 836	85 050	84 407	103 354	98 242	98 242	107 873	112 824	118 013
Social contributions	12 442	12 291	12 523	15 026	14 826	14 826	15 964	16 697	17 465
Goods and services	31 365	35 629	37 739	69 272	48 659	48 659	70 438	73 814	77 209
Administrative fees	1 267	349	362	3 582	762	762	1 541	1 893	1 980
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	316	29	79	467	302	302	489	511	534
Audit cost: External	2 408	1 744	1 507	8 896	4 280	4 280	6 611	7 053	7 377
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	66	809	1 607	975	3 025	3 025	2 544	2 631	2 753
Communication (G&S)	11 164	11 869	11 486	21 800	11 862	11 862	25 803	26 723	27 952
Computer services	2 823	2 874	2 671	3 113	3 113	3 113	3 252	3 402	3 559
Consultants and professional services: Business and advisory services	5 390	6 082	5 835	8 415	4 415	4 415	9 043	9 199	9 622
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	40	16	50	50	50	52	55	58
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	207	346	120	335	254	254	351	366	383
Consumable: Stationery, printing and office supplies	1 295	1 861	2 272	4 575	5 626	5 626	5 931	6 151	6 434
Operating leases	4 965	6 529	3 866	6 089	4 019	4 019	5 141	5 432	5 681
Property payments	882	1 193	1 236	685	1 235	1 235	716	749	783
Transport provided: Departmental activity	-	39	-	-	-	-	-	-	-
Travel and subsistence	134	889	3 375	3 677	4 753	4 753	4 372	4 560	4 770
Training and development	150	451	2 149	3 954	1 664	1 664	1 447	1 605	1 679
Operating payments	298	346	430	631	631	631	760	790	826
Venues and facilities	-	179	728	2 068	2 868	2 868	2 385	2 694	2 818
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	625	1 752	739	357	379	379	273	290	303
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of 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	625	1 752	739	357	379	379	273	290	303
Social benefits	625	1 752	739	357	379	379	273	290	303
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	253	1 897	2 316	1 691	2 391	2 391	1 854	1 939	2 029
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	253	1 897	2 316	1 691	2 391	2 391	1 854	1 939	2 029
Transport equipment	-	-	308	-	-	-	-	-	-
Other machinery and equipment	253	1 897	2 008	1 691	2 391	2 391	1 854	1 939	2 029
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	19 073	11 482	-	-	-	-	-	-
Total economic classification	131 521	155 692	149 206	189 700	164 697	164 697	196 402	205 564	215 019

