

Vote 3

Provincial Treasury

| | 2024/25 To be appropriated | 2025/26 | 2026/27 |
|--------------------------|---|---------------------|---------------------|
| MTEF allocations | R339 777 000 | R344 223 000 | R358 432 000 |
| Responsible MEC | Provincial Minister of Finance and Economic Opportunities | | |
| Administering Department | Provincial Treasury | | |
| Accounting Officer | Head of Department and Head Official: Provincial Treasury | | |

1. Overview

Vision

A responsive and inclusive Treasury that enables positive change in the lives of citizens.

Mission

Promotion of cohesion and citizen centricity.

Building capacity in the public sector by being adaptive, innovative and supportive.

Integrated management and partnerships that enable the delivery of quality services in a sustainable manner.

Core functions and responsibilities

The core functions, powers and responsibilities of the Provincial Treasury (PT) are captured in section 18 of the Public Finance Management Act (PFMA) and section 5 of the Municipal Finance Management Act (MFMA). To give effect to the Medium-Term Strategic Framework (MTSF) 2019 - 2024, Provincial Strategic Plan (PSP) and the Western Cape Recovery Plan, the branches of Fiscal and Economic Services and Governance and Asset Management will execute the following core functions and responsibilities:

Ensure the efficient and effective management of provincial and municipal financial resources;

Provide policy direction, facilitate, and enforce the management of provincial financial systems and supply chain and moveable asset management systems within the provincial and municipal spheres; and

Promote accountability and financial governance within departments, entities and municipalities.

Main services

The legislative context of section 18 of the PFMA and section 5 of the MFMA, provides for the following:

Transversally or Externally:

research, analyse and advise on the policy, strategy and management of provincial and municipal fiscal resources;

promote effective financial resource allocation, by providing socio-economic and policy research, analysis and advice that informs the preparation of the provincial and municipal budgets as well as the monitoring of budget implementation and performance;

compile credible and sustainable provincial main and adjustment budgets, and guide and monitor the efficient implementation thereof;

drive the implementation of the MFMA and assist and guide municipalities to prepare budgets and monitor the implementation thereof towards sustainable local government;

promote the delivery of new and maintenance of existing physical infrastructure;

render a client interface, data collation, data and information management and records management service to the PT;

provide policy direction and facilitate the management of supply chain and asset management practices;

provide for the implementation, management and oversight of provincially operated financial systems and transition to the Integrated Financial Management System (IFMS);

improve the application of accounting standards and financial reporting within municipalities;

drive provincial financial governance reforms, the implementation of accounting practices and prepare consolidated financial statements; and

strengthen corporate governance within the Province through the implementation of risk management, internal audit and compliance with financial norms and standards.

Internally:

assist the member of the Provincial Cabinet with those functions as assigned by legislation and/or the Premier;

provide strategic and operational management support services; and

assist the Accounting Officer in driving financial management in the Department.

Demands and changes in service

PT's clients span over the thirteen (13) provincial departments, thirty (30) municipalities, eleven (11) public entities, the Western Cape Provincial Parliament and suppliers of goods and services to the provincial departments. Due to the dynamic environment in which it operates, the demand for services is not static but continuously evolves. The dynamic environment intensifies the reliance on PT's financial governance expertise. The demand for innovation, and data-driven solutions underline PT's need to continuously adapt to meet the needs of its clients and ultimately, the citizens of the Western Cape.

This demand is propelled by multifaceted factors, including macroeconomic challenges, societal shifts, and unforeseen events like the number of natural disasters that we experience as a result of the effect of climate

change. Fiscal pressures, rising expectations, and the imperative to deliver impactful services characterise the landscape, necessitating adaptability, maintenance for stability, and rigorous risk management.

Therefore, the PT adopts a strategic stance, engaging in continuous dialogue, streamlining processes, and fostering collaborative ecosystems. This approach extends beyond immediate fiscal challenges, emphasising long-term sustainability and service excellence, underpinned by the themes of adaptability, maintenance for stability, and risk management, to ensure the continued prosperity of the Western Cape.

The core of our vision is encapsulated in the concept of being an enabler and reliable partner to facilitate citizen-centric service delivery in the Western Cape. This involves not merely overseeing financial matters but actively contributing to the realization of broader governmental goals. Provincial Treasury seeks to become a driving force behind transformational initiatives, leveraging financial insights to facilitate the efficient implementation of projects and policies that advance the well-being of citizens.

Provincial Treasury as an enabler and reliable partner emphasizes financial governance as the bedrock for growth. PT commits to fostering a culture of openness, where financial decisions are communicated clearly, facilitating a shared understanding among stakeholders. Responsiveness to the needs of government entities and citizens will be ingrained in our operational ethos.

The need for a nuanced response to citizen needs must be informed by data and the evidence to identify and respond accordingly. Provincial Treasury plays a critical role in the provision and analysis of socio-economic and other analysis. Consequently, valuable opportunities for understanding the impact of socio-economic factors on various aspects of society are emphasized. This provides an opportunity for tailored responses based on comprehensive analysis to address specific challenges facing communities.

Noteworthy the adoption of an interdisciplinary approach to data interpretation is key for a more comprehensive understanding of underlying problems and their socio-economic implications. This will impact PT analysis and how we approach the budget process and recommendations for funding.

Recognising the complex and the dynamic challenges ahead, the Department envisions itself as an institution that is resilient and forward-looking. This involves the cultivation of an adaptable workforce, the integration of advanced technologies, and the establishment of robust risk management frameworks to ensure the continued effectiveness of PT in an ever-changing environment.

As we chart our course forward, it is imperative for the Provincial Treasury to respond to the call for citizen-centric service delivery in the Western Cape. We firmly believe maintaining stability, being agile in managing a complex fiscal landscape and its associated risks enables us to be an enabler and a reliable partner in service delivery.

Acts, rules and regulations

The legislative mandate, within which the PT operates, consists primarily of the following national and provincial legislation:

Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA)

Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA)

Division of Revenue Act (Annual)

Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act No. 10 of 2009)

Government Immovable Asset Management Act, 2007 (Act 19 of 2007)

Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997)

Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)

Public Audit Act, 2004 (Act 25 of 2004) as amended
Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)
Provincial Tax Regulation Process Act, 2001 (Act 53 of 2001)
Public Service Act, 1994 (Act 103 of 1994) as amended
Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) (SPLUMA)
Western Cape Appropriation Act (Annual)
Western Cape Adjustments Appropriation Act(s) (Annual)
Western Cape Direct Charges Act, 2000 (Act 6 of 2000) as amended
Western Cape Gambling and Racing Act, 1996 (Act 4 of 1996) as amended

Budget decisions

Given the current fiscal environment, the Department had to critically assess its service delivery platform to maintain stability, being agile in managing a complex fiscal landscape as well as the associated risks focusing on people and areas for innovation.

The budget for the Vote decreased by R24.238 million from the 2023/24 main estimate of R340.674 million to R316.436 million in the 2023/24 adjusted estimates which equates to a reduction of 7.1 per cent. The budget for the Vote increased by R23.341 million from R316.436 million in 2023/24 (revised estimate) to R339.777 million in 2024/25. This equates to an increase of 7.38 per cent. However, the allocation from the 2023/24 main estimate of R340.674 million to R339.777 million in 2024/25 equates to a decrease of 0.26 per cent due to fiscal reduction.

People and Innovation remain PT's strategic focus areas to meet its mandate and deliver on the Recovery Plan Priorities, through the strategic priorities and levers. The execution of the core functions and responsibilities of the PT requires mainly human resources therefore, Compensation of Employees represents R221.560 million or 65.2 per cent of the Vote's 2024/25 Budget. Considering innovation, the Data Warehouse represents a pivotal commitment to advancing critical initiatives that underscore our unwavering dedication to data-driven decision-making, automation, and enhanced governance practices across our organisation.

Aligning departmental budgets to achieve government's prescribed outcomes

Aligning departmental budgets with government-prescribed outcomes is a strategic imperative for the PT. The South African economic landscape, marked by fiscal restraints, necessitates a meticulous approach to budgeting that goes beyond mere financial considerations. The PT Budget Circular 1- 2024/25 reflects the fiscal reality, highlighting the need for budget reductions and prudent financial management.

The alignment process involves not just financial considerations but a comprehensive understanding of government priorities, as outlined in the Recovery Plan and other strategic documents. The Department acknowledges the constraints posed by high debt service cost payments, power cuts, and the aftermath of the COVID-19 pandemic. In response, it adopts innovative, data-driven solutions and engages in collaborative efforts with municipalities and businesses to navigate challenges.

The PT's commitment to financial sustainability and service excellence is evident in its focus on integrated policy, planning, and budgeting processes. By actively participating in mid-year governance engagements, budget engagements, and technical and strategic municipal engagements, the Department ensures that budgets are designed to achieve tangible outcomes aligned with the overarching goals of the Western Cape Government (WCG).

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

PT rendered the following services to give effect to the policy priorities:

Public Policy Services

The *Fiscal Policy Directorate* is responsible for the overall fiscal framework in the Province and undertakes research, and revenue analysis, manages the provincial cash, banking and investment function, and reviews and provides support to Local Government Cash Management.

The Directorate conducted research and analysis on Provincial and Local Government Fiscal Policy matters that impacted the fiscal framework of the province. Fiscal Policy research informed the development of a sustainable Provincial and Local Government Fiscal Framework and the Provincial Fiscal Strategy focused on the national transfer system (Equitable Share and Conditional Grants), the Local Government fiscal system and domestic resource mobilisation initiatives regarding existing and new own revenue sources. The Fiscal Futures project commenced, which entails the development of a modelling tool that will enable the WCG to plan future expenditures based on revenue expectations in light of potential national and provincial economic changes over a 10-year projection period. The project has progressed to phase 4, which involves the preliminary results based on predefined scenarios and details about the structure of the model and the standardised and custom scenarios based on a range of assumptions.

The Directorate was also responsible for the management of the Provincial Revenue Fund and for providing the cash flow requirements of the Province. The Directorate provided support initiatives, advice and guidance to departments and municipalities on revenue-related and cash management matters, through the analysis and reporting on in-year cash flow and revenue performance.

The Directorate also provided departmental oversight of the Western Cape Gambling and Racing Board (WCGRB). Lastly, the Directorate is responsible for crafting the legislative amendments affecting the gambling sector. A comprehensive analysis has been concluded of the potential imposition of taxes/charges under the proposed new legislative scheme applicable to casinos as will be set out in the Draft Legislation (Draft Western Cape twentieth (20th) and twenty-first (21st) Gambling and Racing Amendment Bills and Accompanying Draft Regulations). Further research is being commissioned, which will result in the development of a draft Green and White Paper, which will lay the foundation for the drafting of new gambling legislation.

The *Provincial Government Budget Office* engaged in economic policy and budget-related research, which informed the formulation of the provincial budget policy to ultimately recommend budget allocations in line with the strategic priorities outlined in the Western Cape Recovery Plan, the 2019 - 2024 PSP and other applicable policies.

The Provincial Economic Review and Outlook (PERO) was published on 21 September 2023, and it provided the economic and socio-economic intelligence that informed the planning and budgeting process in the WCG. The Western Cape Medium Term Budget Policy Statement (WC MTBPS), which was tabled together with the Adjusted Estimates of Provincial Revenue and Expenditure in the Provincial Legislature on 28 November 2023, provided the economic, fiscal and policy context within which the provincial budget is formulated. In addition, the WC MTBPS communicated the budget policy framework and budget priorities that support the delivery of the policies, programmes and projects of the WCG.

A high-level overview of the main components of the 2024 provincial budget is reflected in the Overview of Provincial Revenue and Expenditure and includes the Fiscal Strategy and Budget Policy Priorities of this government. The Directorate continued to focus on the effectiveness of programmes and projects to assess allocative efficiency, responsiveness, and the effectiveness of the budget in terms of the policy and

delivery context. Expenditure and policy reviews were undertaken in partnership with relevant PT components, to provide insight into the budget allocation process and evidence-based analysis to improve the cost-effectiveness of public spending.

The Local Government Budget Office's role encompasses many transversal functions. Socio-economic intelligence at the local level was developed by the Directorate to guide and improve planning, policy and budgeting among the 30 municipalities. Two (2) socio-economic publications, namely, the Municipal Economic Review and Outlook (MERO) and the Socio-Economic Profiles were released in November 2023 to promote data-driven and evidence-based planning. Data on the economy, labour market, tourism, international trade, inequality, health, education and overall well-being were included in these district and local publications. To strengthen the 2023/24 publication, new geographical tax data was included. This enhanced the spatial granularity of the MERO report which included trends in the real estate market, information on social grants, migration and urbanisation. The rollout of the MERO at various District Coordinating Forums, and Municipal Strategic Planning sessions from December 2023 to February 2024 laid the foundation for municipalities to initiate their planning processes.

Co-ordination of the 2023/24 municipal budget process was delivered seamlessly and timeously by the Directorate from April to May 2023. The Strategic Integrated Municipal Engagements (SIME) is an integrated process between three (3) sister departments as well as the MFMA units within the PT. Municipal draft budgets, Integrated Development Plans, Spatial Development Frameworks, and other relevant policies are assessed for credibility, sustainability and responsiveness to legislation and the socio-economic needs of communities. During the SIME engagement period, a focused discussion was held with municipalities on the top five (5) strategic issues within their municipal areas. The issues were collated into a comprehensive document and integrated into the provincial budget process through direct communication with relevant departments within the Western Cape Government. This closes the loop and strengthens the alignment of the municipal and provincial budget processes. The Directorate's monitoring and oversight role is performed through the assessment of municipalities Service Delivery and Budget Implementation Plans, non-financial quarterly reports, mid-year reports and annual reports. The intelligence gathered from these assessment reports informed the TIME process where the mid-year performance is discussed with all municipalities and support is offered to propel municipal performance onto a development path to achieve projected service delivery targets by the end of the financial year.

Public Finance

Provincial Government Public Finance assessed provincial budgets to improve the credibility and sustainability of the budget and monitored the implementation of budgets to maintain fiscal discipline. The 2023/24 financial year was implemented in an unprecedented in-year fiscal risk in that the province received only part funding of the 2023 wage agreement and reductions on conditional grants. To achieve in-year sustainability much emphasis was placed on CoE management and realignment of projects and programmes.

Three (3) expenditure reviews were undertaken to assist in responding to a constrained fiscal envelope over the 2024 MTEF, these are:

- A benchmark analysis of the Compensation of Employees (COE) item of the Western Cape versus other provinces;
- An analysis of departmental Programme 1: Administration expenditure in the Province; and
- A HIV/Aids and TB expenditure analysis in the Western Cape in conjunction with the Department of Health and Wellness.

Infrastructure Directorate continued its oversight and monitoring of both Current (Maintenance and Repairs) and Capital (New or Replaced Assets, Renovations, Refurbishment and Rehabilitation, Upgrades and Additions) Infrastructure delivery by assessing monthly departmental reporting via the Infrastructure Reporting Model, conducting bi-annual infrastructure site visits, and quarterly reporting to Cabinet, to strengthen the credibility of the infrastructure Main Budget and project expenditure as reported. The site visits performed confirmed compliance with the institutionalisation of the Infrastructure Delivery Management System (IDMS) and the Framework Infrastructure Delivery and Procurement Management (FIDPM). The 2023 Overview of Adjusted Provincial and Municipal Infrastructure Investment (OAPMII) was published in November 2023.

Business Information and Data Management (BIDM) rendered a client interface, data collation, data and information management and records management service to the PT and the three (3) spheres of Government. The Directorate continued to focus on the management of the centralised repository, thus providing a means for PT employees to enable proper decision-making, safeguard information and facilitate the retention of information. Furthermore, the Directorate facilitated and coordinated the departmental and municipal Medium-Term Expenditure Committee (MTEC) processes and the related document flow as well as the technically refined Treasury publications and working papers.

Local Government Public Finance facilitated and coordinated the implementation of the MFMA in PT and across municipalities in the Western Cape. This continued to directly support the PT strategic priority of "Effective Local Governance". This work is also aligned with the game changers for local government endorsed by the Budget Council. Implementation of the MFMA was driven through Intergovernmental Relations (IGR) coordination between municipalities, provincial and national departments, as well as other related stakeholders. Key responsibilities included monitoring, support, and intervention for MFMA implementation, budget implementation and revenue and expenditure management. In support of strengthening municipalities' financial management and budgeting practices, the Chief Directorate analysed and reported on the in-year revenue and expenditure management of municipalities. The focus areas, in line with the Game Changers, facilitated integrated revenue management and funded budgets, including providing advice and support, particularly to vulnerable municipalities to give effect to the sustainable Local Government agenda. Where municipalities are at risk of financial distress, additional guidance and support was provided, and where necessary, the Provincial Government assessed whether further intervention would be necessary. The PT oversaw the implementation of a financial recovery plan for Beaufort West municipality after it was placed under intervention – this work includes weekly oversight of the implementation of the recovery plan, hands-on advice in cashflow committee meetings three (3) times a week and monthly and quarterly reporting. All four (4) municipalities with arrear debts to Eskom in the Western Cape were assisted to successfully apply for the Municipal Debt Relief programme announced by the Minister of Finance. PT monitors compliance with the conditions of this programme every month and has also provided grant support to assist municipalities in piloting the installation of smart meters to improve revenue collection as part of their efforts to fully comply with the requirements of the debt relief programme.

Provincial and Local Government Supply Chain Management (SCM)

During the 2023/24 financial year, the Western Cape Government placed a significant emphasis on repositioning its Supply Chain Management (SCM) strategy to drive growth and deliver tangible value at the ground level within departments and municipalities. Key areas of focus included:

Resilient SCM Governance Platform:

- Focused on continuous service delivery improvement.
- Leveraging data for analysis and transparency.

- Enhancing ease of doing business by reducing red tape and improving access to procurement opportunities (i.e. Procurement Client Centre management, policy and process enhancements).

Policy Environment:

- Ensuring goods and services are procured constitutionally and in a fair, equitable, transparent, competitive, and cost-effective manner.
- Involvement in national procurement policy development for rational, implementable, and economically viable policies (Blueprint accounting officers system enhancements through Circulars and Provincial Treasury Instructions, and guidance to municipal policy development).
- Leveraging technology for a robust, cost-effective, efficient, equitable, and transparent post-pandemic supply chain (i.e. SCM Performance Insight Reporting and Disclosure).

Technological Initiatives:

- Phased rollout of the in-house developed e-Procurement Solution (ePS) to drive procurement efficiencies and embed good governance.
- Implementation of an automated procurement planning toolkit for efficient planning and reporting.

Capacity Building and Sustainable Procurement:

- Supporting and building procurement capacity and capability across departments.
- Making sustainable procurement choices considering social and environmental risks and opportunities.
- Implementation of specific commodity sourcing strategies like the provincial security strategy and provincial framework contract.

Data Analysis and Transparency:

- Analysis of data and use of business intelligence tools for performance information and SCM governance support.
- Progressive expansion of the monthly Procurement Disclosure Report.

Value for Money and Strategic Procurement:

- Focus on achieving value for money through strategic supply chain management.
- Introduction of strategic sourcing for procurement efficiency, service delivery improvements, better planning, and decision-making.

Ease of Doing Business and Support for Suppliers:

- Initiatives for red tape reduction and improved access to procurement opportunities.
- Promotion of small businesses, job creation, and continuous learning within supply chains through technology-enabled solutions.
- Support through the Western Cape e-Procurement Solution, Supplier Evidence Bank (SEB), and the Western Cape Procurement Client Centre (PCC).

Local Government SCM Initiatives:

- Enablement of eProcurement Solution and Supplier Evidence Bank.
- Strengthening procurement planning and researching strategic sourcing opportunities within municipalities.

- Focus on asset management capacitation and development.

Service Delivery Improvement in both spheres:

- Continuous and dynamic programs of support for provincial departments, entities, municipalities, and suppliers.
- Initiatives like SCM fora, LED-SCM Indabas, Supplier Development Summits, SCM and Internal control enablement.
- Collaborative capacitation and development programmes with key stakeholders, aiming for uniformity of practice through various governance models and tools.
- During the year under review the Directorate Provincial Government Supply Chain Management also finalised the Executive Authority Guide on procurement to ensure effective and efficient oversight to be exercised by executive authorities in respect of the SCM functions of the government departments for which they are responsible for.

Supporting and Interlinked Financial Systems

WCG operates transversal systems for corporate services, including Supply Chain Management, Human Resource Management, Financial Management, Payroll, and Business Intelligence. These Systems have ageing technologies and lack full integration with duplicated functionalities. Given the delays in the implementation of IFMS, the key focus for the province is to maintain a financial system's capability that services the province and at the same time focus on future improvements. Key areas of focus included:

Evergreen Legacy Systems Strategy that focused on:

- Incremental improvements to legacy systems with modern data technologies that aim to enhance system capability, capacitation, and change management activities.
- Quality recording and analysis of calls logged and monitoring for improved usage of system functionality related to financial systems.

Data-Driven Approach:

- Establishment of a data centre by PT for participation in the 4th industrial revolution.
- Introduction of cutting-edge technologies like Machine Learning and Artificial Intelligence.
- Transforming legacy systems reports by introducing self-service reports and transitioning to cloud-based solutions. This dual approach aims to enhance financial systems efficiency and align operations with modern technological trends. The self-service reports empower users to generate their reports, improving system usability. The shift to cloud-based solutions enhances data accessibility, scalability, and security.

Data Quality and Forecasting:

- Information management through Business Intelligence (BI) reporting and financial management dashboards.

Systems Training and Capacitation:

- Capacitation and training of system users and organisational change management practices.
- Provincial departments are expected to nominate new system users for training on LOGIS, BAS, and PERSAL systems within six (6) months of access being granted.
- Addition of e-learning and online training tools for enhanced learning outcomes on financial systems.

Corporate Governance

The agenda for integrating good governance remains steadfastly pursued by the Directorate Corporate Governance as it spearheads initiatives to enhance financial management and develop the capacity of departments, entities, and municipalities. The MFMA sector witnessed an enhancement in corporate governance through risk management implementation, internal audit compliance, and adherence to financial norms and standards. The Directorate oversaw and directed the implementation of good financial governance in the local government sector, thereby promoting and facilitating the adoption of sound governance principles in multiple fields to sustainably enhance governance and performance. The primary objective of the annual Technical Integrated Municipal Engagement (TIME) is to identify and address significant governance and performance challenges and risks that may arise during the execution of operational and strategic plans for municipalities. The focus of the TIME engagements was with four (4) key themes in mind:

- **Theme 1: Governance:** Resilience, Agility and Performance;
- **Theme 2: Financial Sustainability and Performance;**
- **Theme 3: Strategic Procurement** to deliver services and enable economic growth; and
- **Theme 4: Optimising investment in infrastructure** to deliver service and enable economic growth.

The idea is for these engagements to elicit conversation and identify key projects that the Province can drive collaboratively with the municipalities. It is envisaged that this will produce a wealth of information to be shared with all stakeholders including best practices, challenges experienced, possible solutions, and stakeholder consultations.

Accountability, oversight, and effective leadership are vital to successful governance. The Provincial Minister for Finance and Economic Opportunities, Mireille Wenger, established the Provincial Budget and Governance Forum to facilitate coordinated action by "Team Finance" in the Province by bringing together Mayoral Committee Members responsible for Finance from municipalities throughout the Western Cape. Facilitating guidance and decision-making on economic and fiscal policy at the executive level, the forum draws on the work and deliberations of other forums operating at an administrative level, including the Municipal Managers (MM) forum and the CFO forum.

The capacity of municipal and provincial officials to maintain enhanced financial governance practices and, consequently, financial performance, has been strengthened. The primary objective was to implement an integrated talent management programme that effectively addresses the skill needs of municipalities and departments to support the growth of their talent pools. Coordination and implementation of support initiatives and the identification of training requirements were undertaken to enhance the competencies of financial officials in the domains of internal audit, financial management, and risk management. Conventional forums, including the Chief Risk Officer (CRO) and Chief Audit Executive (CAE) fora, were instrumental in advancing internal control systems through the establishment of standards and guidelines on risk management and internal audit procedures.

Provincial and Municipal Accounting

The mission of accounting services in the Province is to drive accountability through the review of financial reporting of departments, entities and municipalities and embedding adherence to sound governance practices. This was further entrenched by considering compliance with financial norms and standards through the establishment of sound financial governance within the provincial and municipal spheres. Its measurement is continually evaluated to achieve, maintain and sustain the highest level of governance. The work plan required continuous improvement to ensure the quality and integrity of financial accounting and reporting to fully reflect all transactions, events, assets and liabilities owned or owed by the WCG.

The PFMA accounting services team worked tirelessly to address all requests for condonation of irregular expenditure and successfully dealt with the backlog that existed before the delegation of the responsibility to the Province.

Accounting services also finalised the 2023 public entity review and produced a guideline for accounting officers to manage public entities. This will develop over time to be a solid guideline for all who enter the state-owned enterprises (SOE) space.

Furthermore, the intended result aimed to ensure that the user is empowered to make sound judgements through comprehension of the reasoning that underpins the reporting tools. PT is obligated to establish norms and standards for financial management under section 18 of the PFMA and section 5 of the MFMA. Furthermore, it may provide support in the implementation of these standards, which would enhance the economic and efficient utilisation of resources. On the assumption that financial governance and accountability are fundamental to establishing a capable state, which is necessary to facilitate service delivery and transformation, this outcome indicator was selected. The primary objective is to ensure that our governance endeavours lead to enhanced service provision for the residents of the Western Cape. Consequently, a continuous and yearly assessment of the governance status of every institution in the Western Cape is conducted to ensure its continued efficacy, efficiency, and responsiveness to the concerns and input of the general public.

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

Key areas of focus and delivery for the 2024/25 financial year mainly entail the following:

Programme 2 - Sustainable Resource Management

Fiscal Policy

Fiscal Policy will continue to present a research base allowing for intergovernmental discussion for integrated planning, budgeting and implementation, strengthen oversight of provincial administrative data used in intergovernmental planning, advance long term fiscal futures modelling and planning and monitor provincial and municipal revenue and cash flows in order to encourage efficient and effective collection of own revenue and cash flows for Integrated planning, budgeting and implementation.

The Directorate will also continue to monitor the performance of the Western Cape Gambling and Racing Board (WCGRB) in order to promote integrated planning, budgeting and implementation. In addition, following on from a comprehensive review of the gambling policy and legal landscape, PT will commence with the drafting of a Green Paper informing the Province's position around Gambling Policy.

Provincial Government Budget Office

The Provincial Government Budget Office plays a pivotal role in conducting economic policy and budget-related research. These efforts are instrumental in crafting provincial budget policy i.e., the principles, strategies and WCG priorities that guide the allocation and management of financial resources in the Province.

The Provincial Economic Review and Outlook serves as the key source of economic and socio-economic intelligence, which forms the bedrock for informed planning and budgeting within the Western Cape Government (WCG). The Western Cape Medium Term Budget Policy Statement (WC MTBPS), tabled together with the Adjusted Estimates of Provincial Revenue and Expenditure, sets the stage by providing essential economic, fiscal and policy context against which the provincial budget is meticulously formulated. Furthermore, the WC MTBPS serves as the conduit for conveying the budget policy framework and priorities that lend support to the implementation of WCG budget priorities, programmes, and

projects. The Overview of Provincial Revenue and Expenditure encapsulates the Fiscal Strategy and Budget Policy Priorities of the Province.

The Directorate remains dedicated to assessing programme and project effectiveness. This includes evaluating the allocation of resources in terms of efficiency, responsiveness, and alignment with the prevailing policy and delivery context. The Provincial Treasury will continue to host a series of Innovation Seminars to foster novel perspectives on current policy themes. These seminars will serve as a forum for pinpointing opportunities to improve service delivery and refine resource allocation strategies.

Local Government Budget Office

The Local Government Budget Office plays a crucial role in improving the allocative efficiency and responsiveness of municipal budgets and making recommendations for improvement.

It performs periodic in-year assessments on the non-financial performance of municipal budgets.

It provides credible and relevant social and economic development information to inform municipal planning and budgeting processes within the Province through the Municipal Economic Review and Outlook (MERO).

In addition, it develops municipal-specific point-in-time snapshots of an extensive array of economic and social variables that influence and shape the socio-economic reality of individual households through the Socio-Economic Profiles for Local Government (SEP-LGs). The information feeds into municipal integrated development plans (IDPs) that ultimately inform integrated municipal planning, budgeting, and the prioritisation of municipal services.

Provincial Government Finance

Provincial Government Finance will continue to determine whether provincial budgets are in line with the regulatory framework and allocation letters, based on previous expenditure trends, capacity to spend and that the input mix (economic classification) is realistic to achieve the stated outputs, understand and identify expenditure trends or any potential efficiency gains on selected expenditure items or delivery of particular integrated services, provide oversight information (financial and non-financial information) on the implementation of the provincial budget (Estimates of Provincial Revenue and Expenditure) and the Annual Performance Plans and the publication of the provincial budget as well as the adjusted budget during the financial year.

Local Government Finance and MFMA Coordination

Local Government Finance and MFMA Coordination will continue to facilitate and co-ordinate the implementation of the MFMA in order to improve intergovernmental relations (IGR) and coordination within and across PT, other departments, and relevant stakeholders to improve conformance and performance in municipalities, facilitate improved coordination and administration of conditional grants transferred from the Province to municipalities, in line with the recommendations of the PT's grant review, assess draft municipal budgets to improve conformance, credibility, and financial sustainability, provide advice to municipalities facing financial challenges and respond to financial crises through the mechanisms provided in the Municipal Finance Management Act (No. 56 of 2003), monitor the implementation of municipal budgets in terms of conformance, accountability, data integrity, sustainability and efficiencies, consolidate IYM reports on the municipal financial performance to reflect on the state of the municipalities budget performance, report quarterly to Cabinet on the state of municipalities' budget performance and oversee support and, where necessary, interventions to address financial challenges in municipalities.

Infrastructure

Infrastructure will continue to assess the quality of Immovable Asset Management Plans and Infrastructure Programme Management Plans and Infrastructure Programme Implementation Plans from the relevant Institutions, monitor and report on infrastructure expenditure in the Province, highlight risks, and assess whether mitigation mechanisms proposed by the relevant Institutions are adequate and are being implemented as proposed, provide an overview of the provincial and municipal infrastructure in the Province over the MTEF through the publication of the Overview of Provincial and Municipal Infrastructure Investment (OPMII), assess the Human Resource Capacitation of the relevant Institutions in line with the Division of Revenue Act and Human Resource Capacitation Circular published by National Treasury, and assess approved Service Delivery Agreements of relevant Institutions between the Client and Implementer/s under the IDMS and FIDPM as per Module 2 of the One-IDMS.

Build the required infrastructure capacity of PT as per the DPSA Circular 45 of 2020 dated 8 December 2020 to enable PT to fulfil its infrastructure mandate, among others, to establish a credible infrastructure investment pipeline, evaluate funding proposals, and explore alternative funding/ financing options.

Business Information and Data Management

Business Information and Data Management will continue to process data from periodic reporting formats as well as from raw data sourced from various systems into information datasets to inform evidence-based PT decision-making.

Illustrate the timelines and internal deadlines of the various MTEC processes within PT. This in turn can provide for better planning and implementation of budget processes.

Programme 3 – Asset Management

Programme 3 - Asset Management unfolds as a two-fold mission, steering policy direction, overseeing provincial financial systems, supply chain operations, and asset management. The commitment extends to cultivating well-governed provinces and aiding vulnerable municipalities.

Supply Chain Management (SCM)

In the planned outlook for 2024/25, the spotlight is firmly on Strategic Supply Chain Management (SCM) and its transformative role. The quest for growth necessitates a recalibration of the SCM strategy, aiming not just for theoretical excellence but tangible, ground-level impact. The SCM repositioning approach stands on four (4) pillars: governance, SCM technology, strategic procurement, and capacitation and development. These strategic objectives align with economic growth, financial capability maturity, and compliance, creating a comprehensive roadmap for transformation.

A pivotal element is the optimisation of assurance and oversight, a linchpin for governance transformation and the delivery of citizen-centric services. The emphasis is on a combined assurance approach, control efficiencies, and overall assurance to fortify the SCM framework.

Underpinning this evolution is a substantial investment in technology and the expansion of strategic capabilities that focus not only on systems and technology but on people, underscoring the importance of a sophisticated SCM strategy built on a robust foundation.

However, navigating the complex SCM landscape is no mean feat, in the volatility within the fiscal and legislative landscape and the PT charts the course which includes assisting WCG in navigating supply chains for infrastructure, goods, and services - building an efficient and effective SCM framework with a value-for-money approach at its core.

The shift from mere compliance to becoming an enabler and a reliable partner for service delivery improvement is a strategic pivot. This entails an integrated approach to optimise processes, prioritise value for money, and strengthen systems of planning and budgeting.

The heart of this repositioning lies in the value-driven procurement system. Anticipated reforms and repositioning prompt a shift from compliance-driven processes to a more dynamic, value-for-money approach. Provincial workgroups are established to devise and implement this new paradigm, marking a transition towards a more agile and responsive procurement system.

Reskilling SCM staff and engaging with suppliers for a performance-based environment form another critical facet. The commitment extends to reducing over-regulation and increasing transparency, fostering a collaborative environment with lawmakers for a streamlined and efficient procurement system.

Technological investments and business intelligence take centre-stage with ongoing ICT projects for modernisation, including enhancements to the e-Procurement Solution and strengthening the Procurement Planning Toolkit. Digital Smart Procurement workshops and the Dark Data Project emphasise the commitment to forward-looking initiatives, with short-term interventions focusing on cost containment, contract negotiations, and restructuring for savings.

The narrative weaves sustainability into the fabric of procurement, with initiatives aimed at creating an efficient and sustainable environment. Immediate interventions for the 2024/25 financial year include reviewing procurement plans, negotiating contracts, and restructuring hourly rate-based contracts.

Ongoing initiatives showcase a dedication to excellence, collaboration, and innovation. Immediate interventions continue to carve a path towards a sustainable and efficient procurement environment, fostering transparency, efficiency, and value for money.

Supporting and Interlinked Financial Systems (SIFS)

In the pursuit of effective management of transversal systems and the veracity of data, the PT is embarking on a transformative journey aimed at ensuring optimal and efficient utilisation of the Transversal Financial System while fostering a culture of innovation. The goal is not merely to maintain the status quo but to elevate financial system reporting, empowering departments with informed decision-making capabilities.

A strategic partnership has been forged with the WCG Centre for e-Innovation, a collaboration set to fortify Application Portfolio Management (APM) across the entire WCG. The journey begins with a comprehensive assessment of the current state of applications supporting financial systems in all Votes. This APM approach is poised to scale and mainstream innovations, automation, and digital initiatives identified in various departments extending their benefits across the entire WCG spectrum.

Rationalising the suite of financial systems-related applications is a collaborative effort with the Centre for e-Innovation (Ce-I), aimed at streamlining processes and reducing redundancy. The overarching objective is to trim down systems with duplicated functionalities, ultimately curbing the cost of supporting and maintaining such systems.

Recognising the paramount importance of data in modern governance, the PT is committed to understanding and enhancing the officials' data journey, especially in the context of finance teams running forecasts and logistics operations. The vision extends beyond mere data utilisation; it envisions an integrated, data-centric approach at an organizational level.

To actualise this vision, the PT is establishing the Provincial Treasury Data Centre (PTDC), a hub designed to cultivate a data-driven culture rooted in actionable insights. This is not just about using data as another tool; it is about developing a comprehensive data and business-centric business intelligence solution. At the core of this initiative is the construction of a modern Data Warehouse capable of handling both relational and non-relational data in real-time, providing a robust analytic engine for predictive analytics.

This forward-looking investment positions the WCG at the forefront of data-powered enterprises. It signifies a commitment to not only harnessing the potential of data but also creating an environment where data insights drive decision-making processes. The PTDC emerges as a cornerstone in the formulation of this data-driven culture, setting the stage for a more agile, informed, and strategically oriented government.

Programme 4 – Financial Governance and Accounting

The Western Cape Government's focus on Innovation Culture and Governance reiterates its commitment to continuously enhance its governance practices to enable the effective delivery of services to the citizens and to navigate risks and challenges in an uncertain economic and fiscal environment. The integrated governance approach has driven the collective goal to ensure that governance transformation enables the effective delivery of services and growth within the province i.e., a deliberate process aimed at improving and reforming the way government institutions operate, manage resources, make decisions, and serve the public. The goal is to innovate and enhance transparency, efficiency, effectiveness, accountability, and responsiveness to better meet the needs and expectations of citizens.

It is critical to continue this path of good governance as it lays the foundation of the principles that enable a resilient, effective, and responsive public sector amid uncertainty.

Local Government Accounting

To promote fiscal responsibility amongst municipalities, our ongoing objective is to enhance the understanding of critical stakeholders and ensure that decision-making is grounded in the most current and relevant information. Our organisation will further involve councillors in discussions regarding consequence management and intensify our endeavours to aid municipalities in the control of wasteful expenditures. This will be accomplished in conjunction with other local government stakeholders, with the primary objective being the reduction or elimination of wasteful spending.

Providing support to local governments in enhancing adherence to pertinent GRAP, MFMA, and mSCOA reporting obligations continues to drive the agenda of this unit.

Ongoing efforts are made to ensure the integrity of data submitted by municipalities. The data analysis is being conducted gradually by the teams to identify significant risks and improve the monitoring of the municipalities. As data analytics become more integrated into PT, a greater amount of effort is required to drive data analytics using the National Treasury databases that are both accessible and being introduced into the system, including GoMuni, the Financial Management Capability Maturity Model (FMCMM) web-based portal and the e-monitoring system.

Provincial Government Accounting and Compliance

To maintain the high standards of financial reporting and financial governance across departments and public entities. Ensuring we continue the path of continuous improvement by progressing the financial management capability of departments and public entities. The Directorate will further aim to bring alignment to the assurance functions, both in an oversight responsibility and as part of driving financial governance.

To continuously improve the system of internal control within departments and public entities through oversight, support and streamlining of processes. Continue to assess departments and public entities against the applicable accounting frameworks and norms and standards requirements to achieve higher levels. The Directorate will continue to increase our efforts to ensure that all transactions are presented in a manner that will ensure decision-making is based on credible information and that the information presented is easy for anyone to understand. The Directorate will also incorporate public entities into the Corporate Governance Review and Outlook (CGRO) and drive the implementation of the Guidelines for accounting officers/authorities in managing public entities.

The Directorate will continue to publish the consolidated financial statements, with an increased penchant for improved understanding of this provincial publication. This publication is critical in understanding the assets, liabilities, revenue and expenditure of the Province, from a historical perspective.

Continue to improve and create value in the internal control governance and Irregular Expenditure (IE) management within departments and public entities through constant support, guidance, and the streamlining of processes where practical for consistency.

Corporate Governance

The Directorate will continue to coordinate the annual integrated governance assessment per municipality to improve financial governance in municipalities.

The Directorate will also continue to coordinate and support municipalities with skills development and capacitation through an integrated capacitation approach.

Ensure the implementation of enterprise risk management, as per the NT risk frameworks, and internal audit, as per the National Treasury Internal Audit Framework, Institute of Internal Auditors (IIA) standards and other NT guidelines.

Ensure that the departmental and municipal financial legislative framework addresses any possible lacuna thereby strengthening good governance through compliance thereto and improving the levels of governance in departments and municipalities.

Continue to enhance the skills pipeline to strengthen financial management competencies within departments, through the effective execution of the accredited training programme of the South African Institute of Chartered Accountants (SAICA). The Directorate will also engage other professional bodies to add to the skills and competencies of our existing talent pool.

Continue to increase the interface between the Minister for Finance and Economic Opportunities and her counterparts, i.e. the Mayco members for finance in the Western Cape local government sphere.

4. Service delivery risks

The global economic downturn since the 2023 Budget poses unique challenges for PT's service delivery. The lingering impact of global uncertainties, such as geopolitical conflict and uncertain inflation trends, creates an intricate fiscal environment. Tightening global financial conditions and potential disruptions in commodity and energy markets further complicate the landscape. The top global risk, a cost-of-living crisis, raises concerns about fiscal access, violence escalation, and security in fragile regions.

Rising interest rates, declining asset prices, and market volatility stress the financial sector, impacting economic activity. Geopolitical tensions and Rand instability pose challenges in attracting necessary investments. Internally, South Africa faces challenges in energy, logistics, and labour markets, affecting GDP expansion. Loadshedding and infrastructure deterioration pose risks to business efficiency and fiscal sustainability.

These economic challenges pose specific risks to the Western Cape's vital sectors, including tourism, agriculture, and finance. The Province's economy faces vulnerability due to unforeseen events like transportation disruptions and safety concerns. The national energy crisis and in-migration also stress local resources and infrastructure.

Despite these challenges, PT actively collaborates with stakeholders to navigate fiscal complexities. By adopting a responsive and collaborative approach, PT aims to ensure effective financial governance and

resource allocation. This strategic engagement seeks to contribute to fiscal sustainability and service excellence, aligning with the economic and social well-being of the Western Cape's residents and citizens.

5. Reprioritisation

People remain our most important resource required to deliver our vision therefore the bulk (sixty-five (65) per cent) of the budget is allocated to compensation of employees. Thereafter the Department prioritised projects where contracts exist to ensure that all contractual obligations are met.

Through the budget, the Provincial Treasury will continue to attain our strategic priorities as well as subscribe to the four (4) 2024 budget policy principles of protecting basic services, unlocking allocative efficiency, enhancing productive efficiency, and enabling long-run fiscal sustainability across the departments, with municipalities and with the national organs of state operating within the Western Cape.

6. Procurement

During the 2024/25 financial year, PT will continue to ensure that its procurement is effectively planned to support efficient service delivery and value for money. To ensure that procurement projects are initiated timeously to prevent delays in service delivery, and timely interventions can be made where necessary an Annual Procurement Plan (APP) will be compiled via the automated procurement toolkit. Progress against the milestones in the APP will be updated quarterly and reported at quarterly governance management meetings.

PT will enter into contracts for commodities that are procured regularly to lower costs and ensure the achievement of value for money and efficiency.

7. Receipts and financing

Summary of receipts

Table 7.1 below depicts the sources of funding for the vote.

Table 7.1 Summary of receipts

| Receipts R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|--------------------|--------------------|--------------------|---------------------------------------|---|--------------------------------|--|----------|-----------|-----------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | Main appro- priation 2023/24 | Adjusted appro- priation 2023/24 | Revised estimate 2023/24 | % Change from Revised estimate 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| | | | | | | | | | | |
| Treasury funding | | | | | | | | | | |
| Equitable share | | 280 607 | 307 522 | 333 633 | 309 395 | 292 257 | 334 064 | 14.30 | 343 279 | 358 336 |
| Financing | 172 257 | 1 770 | 5 998 | 6 957 | 6 957 | 6 957 | 5 625 | (19.15) | 852 | |
| Provincial Revenue Fund | 172 257 | 1 770 | 5 998 | 6 957 | 6 957 | 6 957 | 5 625 | (19.15) | 852 | |
| Provincial Revenue Fund (Tax Receipts) | 85 409 | | | | | | | | | |
| Total Treasury funding | 257 666 | 282 377 | 313 520 | 340 590 | 316 352 | 299 214 | 339 689 | 13.53 | 344 131 | 358 336 |
| Departmental receipts | | | | | | | | | | |
| Sales of goods and services other than capital assets | 43 | 36 | 40 | 18 | 18 | 26 | 18 | (30.77) | 19 | 20 |
| Transfers received | | | | 1 | 1 | 1 | 1 | | 1 | 1 |
| Interest, dividends and rent on land | 6 | 20 | 4 | 1 | 1 | 20 | 1 | (95.00) | 1 | 1 |
| Sales of capital assets | 1 | | 159 | | | 71 | | (100.00) | | |
| Financial transactions in assets and liabilities | 19 677 | 7 565 | 3 327 | 64 | 64 | 17 104 | 68 | (99.60) | 71 | 74 |
| Total departmental receipts | 19 727 | 7 621 | 3 530 | 84 | 84 | 17 222 | 88 | (99.49) | 92 | 96 |
| Total receipts | 277 393 | 289 998 | 317 050 | 340 674 | 316 436 | 316 436 | 339 777 | 7.38 | 344 223 | 358 432 |
| Casino taxes | 243 070 | 405 279 | 520 665 | 499 652 | 499 652 | 499 652 | 463 210 | (7.29) | 463 618 | 484 481 |
| Horse racing taxes | 212 822 | 350 870 | 512 987 | 443 088 | 443 088 | 443 088 | 522 345 | 17.89 | 566 645 | 592 144 |
| Provincial Revenue Fund (Tax Receipts) | 455 892 | 756 149 | 1 033 652 | 942 740 | 942 740 | 942 740 | 985 555 | 4.54 | 1 030 263 | 1 076 625 |

Note: Tax Receipts for gambling and racing taxes via the Western Cape Gambling and Racing Board (WCGRB) is no longer classified as Departmental Receipts. V03: Provincial Treasury acts as a conduit for the taxes collected by the WCGRB to the Provincial Revenue Fund (PRF).

Summary of receipts:

Total receipts allocated to Vote 3 increased by R23.341 million or 7.38 per cent from R316.436 million (revised estimate) in 2023/24 to R339.777 million in 2024/25. This is mainly because of the provision for the filling of vacant posts, the carry-through of the 2023 wage agreement and the cost-of-living adjustment of employees over the 2024 MTEF and the provision for consumer price index inflation (CPI).

Treasury funding of which:

Equitable share allocations will amount to R334.064 million in 2024/25, R343.279 million in 2025/26 and R358.336 million in 2026/27.

Financing comprises R5.625 million of total financing for 2024/25 of which R2.625 is a reallocation of the 2023/24 unspent funds in respect of research to undertake an economic analysis of the potential imposition of taxes/charges under the proposed new legislative scheme for casinos and the Vote is receiving R3 million to support the process of identifying, formulating and implementing Supply Chain Management reform including the procurement data centre.

Details of departmental receipts:

The departmental own receipts decreased from R17.222 million in 2023/24 (revised estimate) to R88 000 in 2024/25. The source of departmental receipts over the 2024 MTEF relates to the sale of goods and services other than capital assets and financial transactions in assets and liabilities.

Donor funding (excluded from vote appropriation)

None.

8. Payment Summary**Key assumptions**

Provision for the cost-of-living adjustment for employees over the 2024 MTEF were made based on the CPI for 2024/25, 2025/26 and 2026/27. Provision was also made for a 1.5 per cent pay progression in each financial year. Medical allowance was increased based on the Medical Price Index (MTI) as per Statistics SA data and Housing allowance was increased by CPI in each financial year.

Programme summary

Table 8.1 indicates the budget or estimated expenditure per programme and Table 8.2 per economic classification. Details of the Government Financial Statistics (GFS) economic classifications are annexed hereto in Table A.2.

Table 8.1 Summary of payments and estimates

| Programme R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---------------------------------------|--------------------|--------------------|--------------------|---------------------------------------|---|--------------------------------|---|-------------|----------------|----------------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | Main appro- priation 2023/24 | Adjusted appro- priation 2023/24 | Revised estimate 2023/24 | % Change from Revised estimate | | 2025/26 | 2026/27 |
| | | | | | | | 2024/25 | 2023/24 | | |
| 1. Administration | 51 594 | 55 508 | 60 976 | 67 069 | 57 634 | 57 391 | 60 453 | 5.34 | 61 604 | 66 402 |
| 2. Sustainable Resource Management | 115 847 | 112 035 | 127 431 | 139 156 | 126 259 | 126 502 | 151 749 | 19.96 | 162 168 | 165 617 |
| 3. Asset Management | 59 518 | 71 326 | 77 561 | 89 576 | 80 903 | 80 912 | 79 766 | (1.42) | 73 529 | 76 885 |
| 4. Financial Governance | 50 434 | 51 129 | 51 082 | 44 873 | 51 640 | 51 631 | 47 809 | (7.40) | 46 922 | 49 528 |
| Total payments and estimates | 277 393 | 289 998 | 317 050 | 340 674 | 316 436 | 316 436 | 339 777 | 7.38 | 344 223 | 358 432 |

Note: Programme 1: MEC total remuneration package: R2 098 243 with effect from 1 April 2022.

Summary by economic classification

Table 8.2 Summary of payments and estimates by economic classification

| Economic classification R'000 | Outcome | | | | | | Medium-term estimate | | | |
|--------------------------------------|---------|---------|---------|---------|----------|---------|--------------------------------|----------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Current payments | 224 944 | 241 439 | 259 294 | 292 347 | 270 739 | 270 699 | 290 826 | 7.44 | 292 017 | 301 840 |
| Compensation of employees | 184 513 | 188 819 | 198 965 | 211 733 | 200 544 | 200 527 | 221 560 | 10.49 | 232 372 | 244 756 |
| Goods and services | 40 431 | 52 620 | 60 329 | 80 614 | 70 195 | 70 172 | 69 266 | (1.29) | 59 645 | 57 084 |
| Transfers and subsidies to | 50 733 | 44 327 | 48 483 | 46 131 | 43 603 | 43 620 | 47 061 | 7.89 | 50 316 | 52 377 |
| Provinces and municipalities | 15 788 | 14 788 | 19 498 | 17 760 | 18 427 | 18 427 | 19 760 | 7.23 | 22 123 | 23 028 |
| Departmental agencies and accounts | 27 751 | 26 264 | 25 084 | 26 871 | 21 186 | 21 186 | 24 594 | 16.09 | 25 693 | 26 849 |
| Households | 7 194 | 3 275 | 3 901 | 1 500 | 3 990 | 4 007 | 2 707 | (32.44) | 2 500 | 2 500 |
| Payments for capital assets | 1 648 | 4 181 | 8 985 | 2 196 | 1 984 | 1 984 | 1 890 | (4.74) | 1 890 | 4 215 |
| Machinery and equipment | 1 648 | 4 181 | 8 985 | 2 196 | 1 984 | 1 984 | 1 890 | (4.74) | 1 890 | 4 215 |
| Payments for financial assets | 68 | 51 | 288 | | 110 | 133 | | (100.00) | | |
| Total economic classification | 277 393 | 289 998 | 317 050 | 340 674 | 316 436 | 316 436 | 339 777 | 7.38 | 344 223 | 358 432 |

Infrastructure payments

None.

Departmental Public Private Partnership (PPP) projects

The Provincial Treasury does not have any departmental Public Private Partnership (PPP) projects.

The Provincial Treasury's oversight responsibilities for PPPs within the Province are housed under the Sub-programme: Public Finance (Element: Infrastructure).

Transfers

Transfers to public entities

Table 8.3 Summary of departmental transfers to public entities

| Public entities R'000 | Outcome | | | | | | Medium-term estimate | | | |
|--|---------|---------|---------|---------|----------|---------|--------------------------------|---------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Western Cape Gambling and Racing Board | 27 744 | 26 256 | 25 076 | 26 862 | 21 178 | 21 178 | 24 586 | 16.09 | 25 685 | 26 841 |
| Total departmental transfers to public entities | 27 744 | 26 256 | 25 076 | 26 862 | 21 178 | 21 178 | 24 586 | 16.09 | 25 685 | 26 841 |

Note: The Western Cape Gambling and Racing Board (WCGRB) falls within the oversight responsibilities of the Provincial Treasury.

Transfers to other entities

Table 8.4 Summary of departmental transfers to other entities

| Entities R'000 | Outcome | | | Main appro- piation 2023/24 | Adjusted appro- piation 2023/24 | Revised estimate 2023/24 | Medium-term estimate | | | |
|---|----------|----------|----------|--------------------------------------|--|--------------------------------|---|---------|----------|----------|
| | Audited | Audited | Audited | | | | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | | | | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| South African Broadcasting Corporation (SABC) | 7 | 8 | 8 | 9 | 8 | 8 | 8 | | 8 | 8 |
| Total departmental transfers to other entities | 7 | 8 | 8 | 9 | 8 | 8 | 8 | | 8 | 8 |

Transfers to local government

Table 8.5 Summary of departmental transfers to local government by category

| Departmental transfers R'000 | Outcome | | | Main appro- piation 2023/24 | Adjusted appro- piation 2023/24 | Revised estimate 2023/24 | Medium-term estimate | | | |
|---|---------------|---------------|---------------|--------------------------------------|--|--------------------------------|---|-------------|---------------|---------------|
| | Audited | Audited | Audited | | | | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | | | | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Category A | 300 | 250 | 300 | 1 000 | 1 200 | 1 200 | | (100.00) | | |
| Category B | 11 780 | 12 038 | 17 698 | 8 427 | 16 027 | 16 027 | 5 423 | (66.16) | | |
| Category C | 3 708 | 2 500 | 1 500 | 500 | 1 200 | 1 200 | 3 500 | 191.67 | | |
| Unallocated | | | | 7 833 | | | 10 837 | | 22 123 | 23 028 |
| Total departmental transfers to local government | 15 788 | 14 788 | 19 498 | 17 760 | 18 427 | 18 427 | 19 760 | 7.23 | 22 123 | 23 028 |

Note: Refer to Table A.4 - Transfers to local government by transfers/grant type, category and municipality for further detail.

9. Programme description

Programme 1: Administration

Purpose: To give strategic direction and to provide quality financial and other support services to the Minister and the Head of Department.

Analysis per sub-programme

Sub-programme 1.1: Office of the Minister

to assist the member of the Provincial Cabinet with those functions as assigned by legislation and/or the Premier

Sub-programme 1.2: Management Services

to provide strategic and operational management support services

Sub-programme 1.3: Financial Management

to assist the Accounting Officer to drive financial management in the Department

Policy developments

Policy development that will receive further attention in 2024/25 is the implementation of the Preferential Procurement Regulations, 2022.

Changes: Policy, structure, service establishment, geographic distribution of services, etc.

The Directorate Strategic and Operational Management Support (SOMS) will seek the Chief Directorate: Organisational Development's (OD) support in facilitating change management processes and the realignment of existing workspaces. SOMS will strongly advocate for the continuation of the review of the Directorate as soon as funding becomes available.

Outcomes as per Strategic Plan

Programme 1: Administration

Financial and Corporate governance improved.

Outputs as per Annual Performance Plan

Sub-programme 1.2: Management Services

Monitoring and evaluation system.

Strategy Execution Office Services Rendered.

Communication (plan) Implementation Report.

Sub-programme 1.3: Financial Management

Monitoring of Expenditure against the Budget.

Complete and proper records of financial affairs in accordance with prescribed norms and standards.

Identification of risks and key areas of concern regarding the preparation of financial and non-financial reports and compliance with applicable legislation.

Please refer to the Departmental Annual Performance Plan for a comprehensive set of outputs.

Table 9.1 Summary of payments and estimates – Programme 1: Administration

| Sub-programme R'000 | Outcome | | | | | | Medium-term estimate | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---|-------------|---------------|---------------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| 1. Office of the Minister | 6 562 | 6 641 | 7 036 | 6 993 | 7 605 | 7 605 | 7 764 | 2.09 | 7 879 | 8 107 |
| 2. Management Services | 22 429 | 22 689 | 22 763 | 26 424 | 22 502 | 22 259 | 26 551 | 19.28 | 26 007 | 26 734 |
| 3. Financial Management | 22 603 | 26 178 | 31 177 | 33 652 | 27 527 | 27 527 | 26 138 | (5.05) | 27 718 | 31 561 |
| Total payments and estimates | 51 594 | 55 508 | 60 976 | 67 069 | 57 634 | 57 391 | 60 453 | 5.34 | 61 604 | 66 402 |

Note: Sub-programme 1.1: MEC total remuneration package: R2 098 243 with effect from 1 April 2022.

Sub-programme 1.3: Corporate Services and Sub-programme 1.5: Internal Audit as per the National Treasury uniform budget and programme structure, is not utilised as it is centralised with the Department of the Premier (Corporate Services Centre/CSC).

Table 9.1.1 Summary of payments and estimates by economic classification – Programme 1: Administration

| Economic classification R'000 | Outcome | | | | | | Medium-term estimate | | | |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------------------------|--|--------------------------------|---|----------|---------|---------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | Main appro- piation 2023/24 | Adjusted appro- piation 2023/24 | Revised estimate 2023/24 | % Change from Revised estimate | | | |
| | | | | | | | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Current payments | 48 460 | 50 428 | 50 488 | 63 364 | 53 774 | 53 508 | 56 143 | 4.92 | 57 206 | 59 679 |
| Compensation of employees | 37 250 | 37 002 | 38 501 | 43 530 | 38 693 | 38 450 | 41 255 | 7.30 | 43 032 | 45 297 |
| Goods and services | 11 210 | 13 426 | 11 987 | 19 834 | 15 081 | 15 058 | 14 888 | (1.13) | 14 174 | 14 382 |
| Transfers and subsidies | 1 418 | 848 | 1 215 | 1 509 | 1 766 | 1 766 | 2 420 | 37.03 | 2 508 | 2 508 |
| Departmental agencies and accounts | 7 | 8 | 8 | 9 | 8 | 8 | 8 | | 8 | 8 |
| Households | 1 411 | 840 | 1 207 | 1 500 | 1 758 | 1 758 | 2 412 | 37.20 | 2 500 | 2 500 |
| Payments for capital assets | 1 648 | 4 181 | 8 985 | 2 196 | 1 984 | 1 984 | 1 890 | (4.74) | 1 890 | 4 215 |
| Machinery and equipment | 1 648 | 4 181 | 8 985 | 2 196 | 1 984 | 1 984 | 1 890 | (4.74) | 1 890 | 4 215 |
| Payments for financial assets | 68 | 51 | 288 | | 110 | 133 | | (100.00) | | |
| Total economic classification | 51 594 | 55 508 | 60 976 | 67 069 | 57 634 | 57 391 | 60 453 | 5.34 | 61 604 | 66 402 |

Details of transfers and subsidies

| Economic classification R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|--------------------|--------------------|--------------------|--------------------------------------|--|--------------------------------|---|----------|---------|---------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | Main appro- piation 2023/24 | Adjusted appro- piation 2023/24 | Revised estimate 2023/24 | % Change from Revised estimate | | | |
| | | | | | | | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Transfers and subsidies to (Current) | 1 418 | 848 | 1 215 | 1 509 | 1 766 | 1 766 | 2 420 | 37.03 | 2 508 | 2 508 |
| Departmental agencies and accounts | 7 | 8 | 8 | 9 | 8 | 8 | 8 | | 8 | 8 |
| Departmental agencies (non-business entities) | 7 | 8 | 8 | 9 | 8 | 8 | 8 | | 8 | 8 |
| South African Broadcasting Corporation (SABC) | 7 | 8 | 8 | 9 | 8 | 8 | 8 | | 8 | 8 |
| Households | 1 411 | 840 | 1 207 | 1 500 | 1 758 | 1 758 | 2 412 | 37.20 | 2 500 | 2 500 |
| Social benefits | 99 | 32 | 66 | | 286 | 287 | | (100.00) | | |
| Other transfers to households | 1 312 | 808 | 1 141 | 1 500 | 1 472 | 1 471 | 2 412 | 63.97 | 2 500 | 2 500 |

Note: Social benefits mainly relate to leave gratuity paid out to former employees of the Department.

Other transfers to households refer to the external bursary programme.

Expenditure trends analysis

The Programme's budget increased by R3.062 million from the 2023/24 revised estimate of R57.391 million to R60.453 million in 2024/25 which equates to a growth of 5.34 per cent. The growth mainly relates to the provision for the filling of vacant posts, the carry-through of the 2023 wage agreement and the cost-of-living adjustment of employees over the 2024 MTEF.

Programme 2: Sustainable Resource Management

Purpose: To ensure the efficient and effective management of provincial and municipal financial resources.

Analysis per sub-programme

Sub-programme 2.1: Programme Support

to provide management and administrative support to the programme

Sub-programme 2.2: Fiscal Policy

to research, analyse and advise on the policy, strategy and management of provincial and municipal fiscal resources

Sub-programme 2.3: Budget Management

Provincial Government Budget Office

to promote effective financial resource allocation, by providing socio-economic and policy research, analysis and advice that informs the preparation of the provincial budget, as well as the monitoring of budget implementation and performance

Local Government Budget Office

to promote effective financial resource allocation and provide socio-economic policy research, analysis and advice that inform the preparation of municipal budgets and monitor budget implementation

Sub-programme 2.4: Public Finance

Provincial Government Finance

to compile a credible and sustainable main and adjustment budget, and to guide and monitor the efficient implementation thereof

Local Government Finance (Groups 1, 2 and MFMA Coordination)

to drive the implementation of the MFMA and assist and guide municipalities to prepare budgets and monitor the implementation thereof towards sustainable local government

Infrastructure

to promote the delivery of new and maintenance of existing physical infrastructure

Business Information and Data Management

to render a client interface, data collating, data and information management and records management service to the PT

Policy developments

Policy developments that will receive further attention in 2024/25 are:

The Western Cape Government has prioritised jobs, safety and wellbeing, together with responding to the energy crisis. Under the jobs priority, Growth for Jobs (G4J) has become a core focus. The PT has undertaken significant work to align budget processes and outcomes to the three (3) interlinked priorities and has aligned the budget to these priorities. PT has taken an integrated approach to provincial governance and budgeting. This will enable Government to function efficiently and effectively and maximise the capacity of provincial departments and municipalities to deliver services in the context of limited resources. PT will pursue these objectives through the preparation and tabling of the annual provincial budget; assistance to municipalities in the preparation of municipal budgets; through the annual municipal and provincial budget assessments; and monitoring and quarterly reporting on budget implementation.

The focus for the 2024/25 MTEF will be to implement the WCG fiscal strategy which has four (4) principles: protecting basic services, unlocking allocative efficiency, enhancing productive efficiency and enabling long-run fiscal sustainability. Also, to improve the budget process further through Integrated Management under the auspices of the Innovation and Governance component of the provincial strategic plan.

PT will continue to closely monitor municipal finances and provide advice and support to municipalities facing financial challenges, while supporting growth and development across all municipalities, with a particular focus on responding to the energy crisis. PT will also continue to advocate for the further reform of national policy, including in the finalisation of the National Treasury's grants review to enable municipalities to better deliver their mandates.

Effective, efficient and well-institutionalised structures to give effect to the infrastructure Growth strategy of the WCG.

Active participation and policy developments given proposed changes to the National Gambling Regulations as it relates to electronic monitoring and the limited pay-out machine (LPM) industry.

Changes: Policy, structure, service establishment, geographic distribution of services, etc.

Infrastructure changes:

The reconstitution and re-establishment of the IDMS Coordinating Committee (IDMS CC), and governance structures in the absence of Provincial Treasury Instruction 16B, the Standard for a Construction Procurement System and the Standard for an IDMS, will be a focus area of the PT.

Outcomes as per Strategic Plan

Programme 2: Sustainable Resource Management

Integrated planning, budgeting and implementation for sustainable management of provincial and municipal fiscal resources.

Outputs as per Annual Performance Plan

Sub-programme 2.2: Fiscal Policy

Research reports on the Provincial and Local Government Fiscal System.

Sub-programme 2.3: Budget Management

Provincial Government Budget Office

Provincial budget policy assessment reports.

Provincial Budget and Economic Publications.

Local Government Budget Office

Socio-economic intelligence publications.

Sub-programme 2.4: Public Finance

Provincial Government Finance

Provincial budget assessment reports.

Provincial budget publications.

Local Government Finance (Groups 1, 2 and MFMA Coordination)

IYM assessment on the sustainable implementation of the municipal budget.

Infrastructure

Quarterly reports on the implementation of infrastructure budgets to Cabinet.

Business Information and Data Management

Budget process plans managed.

Please refer to the Departmental Annual Performance Plan for a comprehensive set of outputs.

Table 9.2 Summary of payments and estimates – Programme 2: Sustainable Resource Management

| Sub-programme R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|--------------------|--------------------|--------------------|---------------------------------------|---|--------------------------------|--|--------------|----------------|----------------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | Main appro- priation 2023/24 | Adjusted appro- priation 2023/24 | Revised estimate 2023/24 | % Change from Revised estimate 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| | | | | | | | | | | |
| 1. Programme Support | 7 165 | 5 986 | 7 268 | 7 141 | 6 609 | 6 639 | 8 941 | 34.67 | 9 378 | 10 011 |
| Programme Support | 7 165 | 5 986 | 7 268 | 7 141 | 6 609 | 6 639 | 8 941 | 34.67 | 9 378 | 10 011 |
| 2. Fiscal Policy | 41 265 | 38 439 | 43 111 | 41 595 | 41 163 | 41 205 | 44 672 | 8.41 | 46 755 | 45 093 |
| Fiscal Policy | 13 521 | 12 183 | 18 035 | 14 733 | 19 985 | 20 027 | 20 086 | 0.29 | 21 070 | 18 252 |
| Western Cape Gambling and Racing Board | 27 744 | 26 256 | 25 076 | 26 862 | 21 178 | 21 178 | 24 586 | 16.09 | 25 685 | 26 841 |
| 3. Budget Management | 17 635 | 21 719 | 19 134 | 20 248 | 18 488 | 18 463 | 20 610 | 11.63 | 21 751 | 21 900 |
| Provincial Government Budget Office | 7 377 | 9 582 | 8 560 | 9 152 | 8 407 | 8 407 | 9 962 | 18.50 | 10 544 | 10 097 |
| Local Government Budget Office | 10 258 | 12 137 | 10 574 | 11 096 | 10 081 | 10 056 | 10 648 | 5.89 | 11 207 | 11 803 |
| 4. Public Finance | 49 782 | 45 891 | 57 918 | 70 172 | 59 999 | 60 195 | 77 526 | 28.79 | 84 284 | 88 613 |
| Provincial Government Finance | 11 350 | 10 563 | 11 701 | 12 131 | 12 809 | 12 851 | 13 832 | 7.63 | 14 070 | 14 805 |
| Local Government Finance Group 1 | 7 656 | 6 442 | 10 443 | 12 100 | 10 733 | 10 759 | 14 751 | 37.10 | 9 103 | 9 610 |
| Local Government Finance Group 2 | 10 859 | 9 270 | 14 365 | 15 011 | 14 693 | 14 693 | 13 004 | (11.50) | 12 887 | 13 554 |
| Infrastructure | 7 545 | 7 046 | 6 671 | 9 950 | 6 272 | 6 345 | 11 668 | 83.89 | 12 245 | 12 884 |
| Business Information and Data Management | 11 310 | 11 492 | 11 614 | 12 019 | 12 204 | 12 204 | 12 783 | 4.74 | 13 396 | 14 133 |
| MFMA Coordination | 1 062 | 1 078 | 3 124 | 8 961 | 3 288 | 3 343 | 11 488 | 243.64 | 22 583 | 23 627 |
| Total payments and estimates | 115 847 | 112 035 | 127 431 | 139 156 | 126 259 | 126 502 | 151 749 | 19.96 | 162 168 | 165 617 |

Note: Sub-programme 2.2: Economic Analysis as per the National Treasury uniform budget and programme structure, is subsumed as part of the Budget Office function.

Table 9.2.1 Summary of payments and estimates by economic classification – Programme 2: Sustainable Resource Management

| Economic classification R'000 | Outcome | | | | | | Medium-term estimate | | | |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------------------------|--------------|----------------|----------------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Current payments | 80 524 | 80 976 | 90 723 | 97 584 | 93 388 | 93 631 | 108 458 | 15.84 | 114 360 | 115 748 |
| Compensation of employees | 71 913 | 72 999 | 77 512 | 81 412 | 78 037 | 78 280 | 90 511 | 15.62 | 94 536 | 99 274 |
| Goods and services | 8 611 | 7 977 | 13 211 | 16 172 | 15 351 | 15 351 | 17 947 | 16.91 | 19 824 | 16 474 |
| Transfers and subsidies to | 35 323 | 31 059 | 36 708 | 41 572 | 32 871 | 32 871 | 43 291 | 31.70 | 47 808 | 49 869 |
| Provinces and municipalities | 4 500 | 4 298 | 10 780 | 14 710 | 11 377 | 11 377 | 18 410 | 61.82 | 22 123 | 23 028 |
| Departmental agencies and accounts | 27 744 | 26 256 | 25 076 | 26 862 | 21 178 | 21 178 | 24 586 | 16.09 | 25 685 | 26 841 |
| Households | 3 079 | 505 | 852 | | 316 | 316 | 295 | (6.65) | | |
| Total economic classification | 115 847 | 112 035 | 127 431 | 139 156 | 126 259 | 126 502 | 151 749 | 19.96 | 162 168 | 165 617 |

Details of transfers and subsidies

| Economic classification R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|---------|---------|---------|---------|----------|---------|--------------------------------|---------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Transfers and subsidies to (Current) | 35 323 | 31 059 | 36 708 | 41 572 | 32 871 | 32 871 | 43 291 | 31.70 | 47 808 | 49 869 |
| Provinces and municipalities | 4 500 | 4 298 | 10 780 | 14 710 | 11 377 | 11 377 | 18 410 | 61.82 | 22 123 | 23 028 |
| Municipalities | 4 500 | 4 298 | 10 780 | 14 710 | 11 377 | 11 377 | 18 410 | 61.82 | 22 123 | 23 028 |
| Municipal bank accounts | 4 500 | 4 298 | 10 780 | 14 710 | 11 377 | 11 377 | 18 410 | 61.82 | 22 123 | 23 028 |
| Departmental agencies and accounts | 27 744 | 26 256 | 25 076 | 26 862 | 21 178 | 21 178 | 24 586 | 16.09 | 25 685 | 26 841 |
| Departmental agencies (non-business entities) | 27 744 | 26 256 | 25 076 | 26 862 | 21 178 | 21 178 | 24 586 | 16.09 | 25 685 | 26 841 |
| Western Cape Gambling and Racing Board | 27 744 | 26 256 | 25 076 | 26 862 | 21 178 | 21 178 | 24 586 | 16.09 | 25 685 | 26 841 |
| Households | 3 079 | 505 | 852 | | 316 | 316 | 295 | (6.65) | | |
| Social benefits | 3 079 | 505 | 852 | | 316 | 316 | 295 | (6.65) | | |

Note: Social benefits relate to leave gratuity paid out to former employees of the Department and pension penalties.

Expenditure trends analysis

The Programme's budget increased by R25.247 million from the 2023/24 revised estimate of R126.502 million to R151.749 million in 2024/25 which equates to growth of 19.96 per cent. The growth mainly relates to the filling of critical vacant posts, the carry-through of the 2023 wage agreement and the cost-of-living adjustment of employees over the 2024 MTEF. Also, the unallocated portion of the provincial priority funding for the Western Cape Financial Management Capability Grant is allocated under Programme 2: Sustainable Resource Management until the Integrated Municipal Engagement processes are finalised, thereafter it will be shifted, during the 2024 Adjusted Estimates, to the other programme(s).

Programme 3: Asset Management

Purpose: To provide policy direction and to facilitate and enforce the management of provincial financial systems, supply chain and movable asset management within the provincial and municipal spheres.

Analysis per sub-programme

Sub-programme 3.1: Programme Support

to provide management and administrative support to the programme

Sub-programme 3.2: Supply Chain Management

to provide policy direction and facilitating the management of supply chain and asset management practices

Sub-programme 3.3: Supporting and Interlinked Financial Systems

to provide for the implementation, management and oversight of provincially operated financial systems and transition to the IFMS

Policy developments

Policy developments that will receive further attention in 2024/25 are:

In the upcoming fiscal year of 2024/25, there will be a dedicated focus on pivotal policy developments aimed at refining and fortifying procurement practices within the Province. To kickstart this transformative process, a thorough technical review of the current procurement system will be undertaken. The objective is to delineate a legal pathway that places a premium on value for money, redress mechanisms, and a gradual reform of the existing procurement framework. These endeavours will be intricately informed by policy directives emanating from the executive echelons within the Province.

Following the outcomes of this technical review, there will be a concerted effort to further develop preferential procurement initiatives. These initiatives, grounded in the insights gleaned from the technical reviews, aim to bolster the preferential procurement policies of both departments and municipalities. This iterative process will not only refine existing Provincial Treasury Instructions and the Accounting Officer's System for departments but will also usher in additional guidance for municipalities on strategic procurement.

A robust research and portfolio analysis initiative will be launched, with a specific focus on the procurement of goods and services. The overarching goal is to achieve value-for-money outcomes for the Province, ensuring that every procurement endeavour aligns with optimal cost-effectiveness and efficiency.

In tandem with this, there will be a comprehensive effort to enhance and develop the e-Procurement Solution and Procurement Planning Toolkit. These improvements are designed to augment the existing measures in place, ultimately facilitating more effective value-for-money purchasing practices within the Province.

Collaborative efforts with the National Treasury will see the roll-out of Supply Chain Management (SCM) technology initiatives to municipalities. This cooperative venture aims to disseminate advanced SCM technologies and best practices, aligning local municipalities with the national agenda for efficient and modernised supply chain processes.

Simultaneously, the optimisation of the current suite of financial systems is on the agenda. This optimisation will be achieved through the integration of business intelligence tools, fostering improved reporting mechanisms and facilitating more informed decision-making processes. Furthermore, the PT will play a pivotal role in assisting the National Treasury with the design, provincial readiness, and preparatory work for the integrated and revamped IFMS.

In summary, the upcoming year promises a comprehensive and strategic approach to policy development, aiming not only to address current challenges but to pave the way for a more efficient, transparent, and value-driven procurement landscape within the Province.

Changes: Policy, structure, service establishment, geographic distribution of services, etc.

Will be determined as per commodity-specific strategies already in place that will be utilised in provincial procurement processes.

Outcomes as per Strategic Plan

Programme 3: Asset Management

Effective management and oversight of financial systems, supply chain and moveable asset management governance within the provincial and municipal spheres.

Outputs as per Annual Performance Plan

Sub-programme 3.2: Supply Chain Management

Municipal districts assisted with standardised SCM and Asset Management business practices to continuously improve SCM and Asset Management (AM) maturity.

Assessment of operational client support function.

Focused strategic sourcing initiatives for value for money purchasing in the province.

Sub-programme 3.3: Supporting and Interlinked Financial Systems

Provincial financial systems supported and maintained.

Evergreen Legacy Systems implemented.

Please refer to the Departmental Annual Performance Plan for a comprehensive set of outputs.

Table 9.3 Summary of payments and estimates – Programme 3: Asset Management

| Sub-programme R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|---------------|---------------|---------------|--------------------------|--------------------------|---------------------|--------------------------------|---------------|---------------|---------------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | appropriation 2023/24 | appropriation 2023/24 | estimate 2023/24 | 2023/24 | 2023/24 | 2025/26 | 2026/27 |
| 1. Programme Support | 4 315 | 4 672 | 4 580 | 4 592 | 5 269 | 5 283 | 5 222 | (1.15) | 5 525 | 5 846 |
| 2. Supply Chain Management | 29 516 | 35 421 | 40 171 | 38 547 | 37 596 | 37 647 | 28 232 | (25.01) | 28 399 | 29 915 |
| Supply Chain Management: Provincial Government | 21 752 | 24 757 | 27 830 | 25 079 | 26 193 | 26 227 | 18 251 | (30.41) | 19 061 | 20 040 |
| Supply Chain Management: Local Government | 7 764 | 10 664 | 12 341 | 13 468 | 11 403 | 11 420 | 9 981 | (12.60) | 9 338 | 9 875 |
| 3. Supporting and Interlinked Financial Systems | 25 687 | 31 233 | 32 810 | 46 437 | 38 038 | 37 982 | 46 312 | 21.93 | 39 605 | 41 124 |
| Total payments and estimates | 59 518 | 71 326 | 77 561 | 89 576 | 80 903 | 80 912 | 79 766 | (1.42) | 73 529 | 76 885 |

Note: Sub-programme 3.2: Asset Management and Sub-programme 3.3: Liabilities Management as per the National Treasury uniform budget and programme structure, have been subsumed within the Sub-programme Supply Chain Management.

Table 9.3.1 Summary of payments and estimates by economic classification – Programme 3: Asset Management

| Economic classification R'000 | Outcome | | | | | | Medium-term estimate | | | |
|--------------------------------------|---------------|---------------|---------------|--------------------------|--------------------------|---------------------|--------------------------------|---------------|---------------|---------------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | appropriation 2023/24 | appropriation 2023/24 | estimate 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Current payments | 57 261 | 69 943 | 75 991 | 89 026 | 79 560 | 79 562 | 79 766 | 0.26 | 73 529 | 76 885 |
| Compensation of employees | 39 293 | 41 910 | 45 309 | 48 227 | 44 888 | 44 890 | 48 926 | 8.99 | 51 657 | 54 615 |
| Goods and services | 17 968 | 28 033 | 30 682 | 40 799 | 34 672 | 34 672 | 30 840 | (11.05) | 21 872 | 22 270 |
| Transfers and subsidies to | 2 257 | 1 383 | 1 570 | 550 | 1 343 | 1 350 | | (100.00) | | |
| Provinces and municipalities | | | 500 | 550 | 550 | 550 | | (100.00) | | |
| Households | 2 257 | 1 383 | 1 070 | | 793 | 800 | | (100.00) | | |
| Total economic classification | 59 518 | 71 326 | 77 561 | 89 576 | 80 903 | 80 912 | 79 766 | (1.42) | 73 529 | 76 885 |

Details of transfers and subsidies

| Economic classification R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|---------|---------|---------|---------|----------|---------|--------------------------------|---------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Transfers and subsidies to (Current) | 2 257 | 1 383 | 1 570 | 550 | 1 343 | 1 350 | (100.00) | | | |
| Provinces and municipalities | | | 500 | 550 | 550 | 550 | (100.00) | | | |
| Municipalities | | | 500 | 550 | 550 | 550 | (100.00) | | | |
| Municipal bank accounts | | | 500 | 550 | 550 | 550 | (100.00) | | | |
| Households | 2 257 | 1 383 | 1 070 | | 793 | 800 | (100.00) | | | |
| Social benefits | 2 257 | 1 378 | 1 070 | | 793 | 800 | (100.00) | | | |
| Other transfers to households | | 5 | | | | | | | | |

Note: Social benefits relate to leave gratuity paid out to former employees of the Department and pension penalties.

Expenditure trends analysis

The Programme's budget decreased by R1.146 million from R80.912 million in 2023/24 (revised estimate) to R79.766 million in 2024/25 which equates to a reduction of 1.42 per cent. The reduction mainly relates to the Customer Relationship Management Tool project that took place in the 2023/24 financial year.

Programme 4: Financial Governance

Purpose: To promote accountability and financial governance in departments, entities and municipalities.

Analysis per sub-programme

Sub-programme 4.1: Programme Support

to provide management and administrative support to the programme

Sub-programme 4.2: Accounting Services

Local Government Accounting

to improve the application of accounting standards and financial reporting within municipalities

Provincial Government Accounting and Compliance

to drive financial governance reforms, the implementation of accounting practices and prepare consolidated financial statements

Sub-programme 4.3: Corporate Governance

to strengthen corporate governance within the Province through the implementation of risk management, internal audit and compliance with financial norms and standards

Policy developments

Policy developments that will receive further attention in 2024/25 are:

The activities launched under the headings of the LG MTEC, PG MTEC, provincial governance engagements, and TIME processes will be improved further. These initiatives, which are aimed at supporting the existing policy frameworks, will be further refined. Further attention will be focused on improved transparency in asset management reporting. In addition, with a possible change in role-players

at a political level, we will continue to drive the Provincial budget and governance forum, chaired by the MEC for finance.

As it is an election year, we will monitor all proposed legislation, and guide departments and municipalities through the plethora of laws, regulations and guidelines.

National Treasury has indicated that there will be revised guidelines in the accounting services space, and the long-awaited PFMA and MFMA amendments may materialise in 2024/25. This will require significant effort to ensure that the norms and standards remain appropriate for the revised amendments.

Another area we will concentrate on, at a national level, is to drive an alternative dispute resolution mechanism to provide certainty in the institution for dealing with disputes emanating from technical issues regarding the accounting and legal frameworks.

Changes: Policy, structure, service establishment, geographic distribution of services, etc.

None.

Outcomes as per Strategic Plan

Programme 4: Financial Governance

Governance transformation in departments, entities and municipalities improved.

Outputs as per Annual Performance Plan

Sub-programme 4.2: Accounting Services

Reconciliation of AFS and data strings on National Treasury LG Database to ensure credibility of audited financial data.

Publication and tabling of the ACFS.

Votes supported in the application of accounting frameworks.

Sub-programme 4.3: Corporate Governance

Oversight and monitoring of municipal financial governance provided to municipalities.

Municipalities supported through initiatives on municipal financial capacity building and training.

Accredited SAICA training programme.

Please refer to the Departmental Annual Performance Plan for a comprehensive set of outputs.

Table 9.4 Summary of payments and estimates – Programme 4: Financial Governance

| Sub-programme R'000 | Outcome | | | | | | Medium-term estimate | | | |
|--|--------------------|--------------------|--------------------|---------------------------------------|---|--------------------------------|---|---------------|---------------|---------------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | Main appro- priation 2023/24 | Adjusted appro- priation 2023/24 | Revised estimate 2023/24 | % Change from Revised estimate | | | |
| | | | | | | | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| 1. Programme Support | 6 785 | 7 480 | 8 507 | 7 788 | 7 913 | 7 940 | 6 394 | (19.47) | 6 679 | 6 988 |
| Programme Support | 2 035 | 2 192 | 3 348 | 2 440 | 2 527 | 2 532 | 2 129 | (15.92) | 2 237 | 2 357 |
| CA Academy | 4 750 | 5 288 | 5 159 | 5 348 | 5 386 | 5 408 | 4 265 | (21.14) | 4 442 | 4 631 |
| 2. Accounting Services | 19 598 | 19 531 | 21 107 | 22 642 | 25 822 | 25 742 | 25 357 | (1.50) | 24 257 | 25 657 |
| Provincial Government Accounting and Compliance | 10 198 | 10 129 | 10 290 | 9 679 | 11 718 | 11 702 | 12 245 | 4.64 | 12 488 | 13 176 |
| Local Government Accounting | 9 400 | 9 402 | 10 817 | 12 963 | 14 104 | 14 040 | 13 112 | (6.61) | 11 769 | 12 481 |
| 3. Corporate Governance | 24 051 | 24 118 | 21 468 | 14 443 | 17 905 | 17 949 | 16 058 | (10.54) | 15 986 | 16 883 |
| Total payments and estimates | 50 434 | 51 129 | 51 082 | 44 873 | 51 640 | 51 631 | 47 809 | (7.40) | 46 922 | 49 528 |

Note: Sub-programme 4.3: Norms and Standards and Sub-programme 4.4: Risk Management as per the National Treasury uniform budget and programme structure, have been subsumed within the Sub-programme Corporate Governance.

Sub-programme 4.5: Provincial Internal Audit as per the National Treasury uniform budget and programme structure, was shifted to the Department of the Premier during the 2010/11 financial year.

Table 9.4.1 Summary of payments and estimates by economic classification – Programme 4: Financial Governance

| Economic classification R'000 | Outcome | | | | | | Medium-term estimate | | | |
|--------------------------------------|--------------------|--------------------|--------------------|---------------------------------------|---|--------------------------------|---|---------------|---------------|---------------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | Main appro- priation 2023/24 | Adjusted appro- priation 2023/24 | Revised estimate 2023/24 | % Change from Revised estimate | | | |
| | | | | | | | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Current payments | 38 699 | 40 092 | 42 092 | 42 373 | 44 017 | 43 998 | 46 459 | 5.59 | 46 922 | 49 528 |
| Compensation of employees | 36 057 | 36 908 | 37 643 | 38 564 | 38 926 | 38 907 | 40 868 | 5.04 | 43 147 | 45 570 |
| Goods and services | 2 642 | 3 184 | 4 449 | 3 809 | 5 091 | 5 091 | 5 591 | 9.82 | 3 775 | 3 958 |
| Transfers and subsidies to | 11 735 | 11 037 | 8 990 | 2 500 | 7 623 | 7 633 | 1 350 | (82.31) | | |
| Provinces and municipalities | 11 288 | 10 490 | 8 218 | 2 500 | 6 500 | 6 500 | 1 350 | (79.23) | | |
| Households | 447 | 547 | 772 | | 1 123 | 1 133 | | (100.00) | | |
| Total economic classification | 50 434 | 51 129 | 51 082 | 44 873 | 51 640 | 51 631 | 47 809 | (7.40) | 46 922 | 49 528 |

Details of transfers and subsidies

| Economic classification R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|--------------------|--------------------|--------------------|---------------------------------------|---|--------------------------------|---|----------|---------|---------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | Main appro- priation 2023/24 | Adjusted appro- priation 2023/24 | Revised estimate 2023/24 | % Change from Revised estimate | | | |
| | | | | | | | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Transfers and subsidies to (Current) | 11 735 | 11 037 | 8 990 | 2 500 | 7 623 | 7 633 | 1 350 | (82.31) | | |
| Provinces and municipalities | 11 288 | 10 490 | 8 218 | 2 500 | 6 500 | 6 500 | 1 350 | (79.23) | | |
| Municipalities | 11 288 | 10 490 | 8 218 | 2 500 | 6 500 | 6 500 | 1 350 | (79.23) | | |
| Municipal bank accounts | 11 288 | 10 490 | 8 218 | 2 500 | 6 500 | 6 500 | 1 350 | (79.23) | | |
| Households | 447 | 547 | 772 | | 1 123 | 1 133 | | (100.00) | | |
| Social benefits | 447 | 547 | 772 | | 1 123 | 1 133 | | (100.00) | | |

Note: Social benefits relate to leave gratuity paid out to former employees of the Department and pension penalties.

Expenditure trends analysis

The Programme's budget decreased by R3.822 million from R51.631 million in 2023/24 (revised estimate) to R47.809 million in 2024/25, this equates to a reduction of 7.4 per cent. The reduction mainly relates to a portion of the provincial priority funding allocation for the Western Cape Financial Management Capability Grant that remains unallocated at this stage under Programme 2: Sustainable Resource Management until the Integrated Municipal Engagement processes are finalised.

10. Other programme information

Personnel numbers and costs

Table 10.1 Personnel numbers and costs

| Cost in R million | 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 to 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 | 118 | 26 940 | 94 | 26 212 | 109 | 24 831 | 48 | 43 | 91 | 26 874 | 85 | 24 382 | 83 | 25 313 | 73 | 26 676 | (7.1%) | (0.2%) | 11.5% | |
| 8 – 10 | 140 | 77 190 | 147 | 80 567 | 147 | 86 879 | 139 | | 139 | 88 420 | 154 | 98 524 | 154 | 104 623 | 154 | 110 523 | 3.5% | 7.7% | 44.7% | |
| 11 – 12 | 58 | 50 252 | 60 | 52 602 | 59 | 54 178 | 57 | | 57 | 52 749 | 61 | 60 442 | 61 | 62 626 | 60 | 65 471 | 1.7% | 7.5% | 26.8% | |
| 13 – 16 | 22 | 30 131 | 24 | 29 438 | 24 | 33 077 | 22 | 1 | 23 | 31 944 | 26 | 37 897 | 26 | 39 810 | 26 | 42 086 | 4.2% | 9.6% | 16.9% | |
| Other | | | | | | | | 10 | 10 | 540 | 5 | 315 | | | | | (100.0%) | (100.0%) | 0.1% | |
| Total | 338 | 184 513 | 325 | 188 819 | 339 | 198 965 | 266 | 54 | 320 | 200 527 | 331 | 221 560 | 324 | 232 372 | 313 | 244 756 | (0.7%) | 6.9% | 100.0% | |
| Programme | | | | | | | | | | | | | | | | | | | | |
| Administration | 106 | 37 250 | 86 | 37 002 | 104 | 38 501 | 51 | 44 | 95 | 38 450 | 93 | 41 255 | 86 | 43 032 | 76 | 45 297 | (7.2%) | 5.6% | 18.7% | |
| Sustainable Resource Management | 104 | 71 913 | 105 | 72 999 | 103 | 77 512 | 104 | | 104 | 78 280 | 110 | 90 511 | 110 | 94 536 | 109 | 99 274 | 1.6% | 8.2% | 40.3% | |
| Asset Management | 65 | 39 293 | 75 | 41 910 | 73 | 45 309 | 66 | | 66 | 44 890 | 70 | 48 926 | 70 | 51 657 | 70 | 54 615 | 2.0% | 6.8% | 22.3% | |
| Financial Governance | 63 | 36 057 | 59 | 36 908 | 59 | 37 643 | 45 | 10 | 55 | 38 907 | 58 | 40 868 | 58 | 43 147 | 58 | 45 570 | 1.8% | 5.4% | 18.7% | |
| Total | 338 | 184 513 | 325 | 188 819 | 339 | 198 965 | 266 | 54 | 320 | 200 527 | 331 | 221 560 | 324 | 232 372 | 313 | 244 756 | (0.7%) | 6.9% | 100.0% | |
| Employee dispensation classification | | | | | | | | | | | | | | | | | | | | |
| Public Service Act appointees not covered by OSDs | 275 | 176 280 | 284 | 181 703 | 273 | 179 964 | 266 | 1 | 267 | 192 379 | 285 | 214 425 | 285 | 225 614 | 284 | 237 702 | 2.1% | 7.3% | 96.8% | |
| Others such as interns, EPWP, learnerships, etc | 63 | 8 233 | 41 | 7 116 | 66 | 19 001 | | 53 | 53 | 8 148 | 46 | 7 135 | 39 | 6 758 | 29 | 7 054 | (18.2%) | (4.7%) | 3.2% | |
| Total | 338 | 184 513 | 325 | 188 819 | 339 | 198 965 | 266 | 54 | 320 | 200 527 | 331 | 221 560 | 324 | 232 372 | 313 | 244 756 | (0.7%) | 6.9% | 100.0% | |

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

Training

Table 10.2 Information on training

| Description | Outcome | | | | | | Medium-term estimate | | | |
|--|------------|--------------|--------------|---------------------------|-------------------------------|---------------------|---|----------------|--------------|--------------|
| | | | | Main appro- piation | Adjusted appro- piation | Revised estimate | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Number of staff | 338 | 325 | 313 | 375 | 332 | 320 | 331 | 3.44 | 324 | 313 |
| Number of personnel trained | 185 | 159 | 140 | 200 | 130 | 130 | 130 | | 135 | 139 |
| of which | | | | | | | | | | |
| Male | 81 | 62 | 54 | 79 | 50 | 50 | 50 | | 52 | 54 |
| Female | 104 | 97 | 86 | 121 | 80 | 80 | 80 | | 83 | 85 |
| Number of training opportunities | 491 | 375 | 238 | 278 | 221 | 221 | 221 | | 228 | 235 |
| of which | | | | | | | | | | |
| Tertiary | 17 | 39 | 18 | 22 | 18 | 18 | 18 | | 19 | 19 |
| Workshops | 66 | 61 | 18 | 21 | 7 | 7 | 7 | | 8 | 9 |
| Seminars | | | | 10 | 6 | 6 | 6 | | 6 | 7 |
| Other | 408 | 275 | 202 | 225 | 190 | 190 | 190 | | 195 | 200 |
| Number of bursaries offered | 35 | 23 | 16 | 39 | 17 | 17 | 41 | 141.18 | 43 | 45 |
| Number of interns appointed | 60 | 32 | 30 | 36 | 15 | 15 | 42 | 180.00 | 48 | 50 |
| Number of days spent on training | 1 228 | 937 | 714 | 1 008 | 663 | 663 | 663 | | 684 | 705 |
| Payments on training by programme | | | | | | | | | | |
| 1. Administration | 446 | 617 | 643 | 693 | 801 | 801 | 721 | (9.99) | 730 | 766 |
| 2. Sustainable Resource Management | 72 | 418 | 488 | 423 | 722 | 722 | 453 | (37.26) | 472 | 496 |
| 3. Asset Management | 144 | 302 | 302 | 255 | 408 | 408 | 245 | (39.95) | 258 | 273 |
| 4. Financial Governance | 237 | 431 | 213 | 382 | 382 | 382 | 384 | 0.52 | 395 | 406 |
| Total payments on training | 899 | 1 768 | 1 646 | 1 753 | 2 313 | 2 313 | 1 803 | (22.05) | 1 855 | 1 941 |

Reconciliation of structural changes

None.

Annexure A to Vote 3

Table A.1 Specification of receipts

| Receipts R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|--------------------|--------------------|--------------------|--------------------------------------|--|--------------------------------|---|----------|---------|---------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | Main appro- piation 2023/24 | Adjusted appro- piation 2023/24 | Revised estimate 2023/24 | % Change from Revised estimate | | | |
| | | | | | | | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Sales of goods and services other than capital assets | 43 | 36 | 40 | 18 | 18 | 26 | 18 | (30.77) | 19 | 20 |
| Sales of goods and services produced by department (excl. capital assets) | 40 | 34 | 33 | 17 | 17 | 23 | 17 | (26.09) | 18 | 19 |
| Other sales | 40 | 34 | 33 | 17 | 17 | 23 | 17 | (26.09) | 18 | 19 |
| Commission on insurance | 34 | 33 | | | | 23 | | (100.00) | | |
| Other | 6 | 1 | 33 | 17 | 17 | | 17 | | 18 | 19 |
| Sales of scrap, waste, arms and other used current goods (excl. capital assets) | 3 | 2 | 7 | 1 | 1 | 3 | 1 | (66.67) | 1 | 1 |
| Transfers received from: | | | | 1 | 1 | 1 | 1 | | 1 | 1 |
| Households and non-profit institutions | | | | 1 | 1 | 1 | 1 | | 1 | 1 |
| Interest, dividends and rent on land | 6 | 20 | 4 | 1 | 1 | 20 | 1 | (95.00) | 1 | 1 |
| Interest | 6 | 20 | 4 | 1 | 1 | 20 | 1 | (95.00) | 1 | 1 |
| Sales of capital assets | 1 | | 159 | | | 71 | | (100.00) | | |
| Other capital assets | 1 | | 159 | | | 71 | | (100.00) | | |
| Financial transactions in assets and liabilities | 19 677 | 7 565 | 3 327 | 64 | 64 | 17 104 | 68 | (99.60) | 71 | 74 |
| Recovery of previous year's expenditure | 7 573 | 7 146 | 2 621 | | | 2 783 | | (100.00) | | |
| Unallocated credits | 11 | | | | | 6 | | (100.00) | | |
| Cash surpluses | 11 852 | | | | | 13 803 | | (100.00) | | |
| Other | 241 | 419 | 706 | 64 | 64 | 512 | 68 | (86.72) | 71 | 74 |
| Total departmental receipts | 19 727 | 7 621 | 3 530 | 84 | 84 | 17 222 | 88 | (99.49) | 92 | 96 |

Note: Receipts from gambling and racing taxes via the Western Cape Gambling and Racing Board (WCGRB) is no longer classified as Departmental Receipts. V03: Provincial Treasury acts as a conduit for the taxes collected by the WCGRB to the Provincial Revenue Fund (PRF).

Table A.2 Summary of payments and estimates by economic classification

| Economic classification R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|--------------------|--------------------|--------------------|---------------------------------------|---|--------------------------------|--|----------|----------------|----------------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | Main appro- priation 2023/24 | Adjusted appro- priation 2023/24 | Revised estimate 2023/24 | % Change from Revised estimate 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| | | | | | | | | | | |
| Current payments | 224 944 | 241 439 | 259 294 | 292 347 | 270 739 | 270 699 | 290 826 | 7.44 | 292 017 | 301 840 |
| Compensation of employees | 184 513 | 188 819 | 198 965 | 211 733 | 200 544 | 200 527 | 221 560 | 10.49 | 232 372 | 244 756 |
| Salaries and wages | 161 343 | 165 017 | 173 813 | 184 469 | 174 743 | 174 727 | 192 823 | 10.36 | 201 924 | 212 489 |
| Social contributions | 23 170 | 23 802 | 25 152 | 27 264 | 25 801 | 25 800 | 28 737 | 11.38 | 30 448 | 32 267 |
| Goods and services | 40 431 | 52 620 | 60 329 | 80 614 | 70 195 | 70 172 | 69 266 | (1.29) | 59 645 | 57 084 |
| <i>of which</i> | | | | | | | | | | |
| Administrative fees | 4 | 3 | 1 | | 19 | 23 | 19 | (17.39) | 22 | 22 |
| Advertising | 871 | 819 | 985 | 715 | 837 | 837 | 818 | (2.27) | 815 | 852 |
| Minor Assets | 3 | 7 | 791 | 53 | 1 870 | 1 870 | 51 | (97.27) | 51 | 249 |
| Audit cost: External | 5 062 | 6 297 | 5 766 | 5 176 | 6 446 | 6 446 | 6 679 | 3.61 | 6 748 | 7 059 |
| Bursaries: Employees | 309 | 454 | 492 | 495 | 495 | 495 | 515 | 4.04 | 515 | 539 |
| Catering: Departmental activities | 82 | 61 | 340 | 233 | 295 | 350 | 263 | (24.86) | 263 | 264 |
| Communication (G&S) | 2 443 | 1 447 | 576 | 774 | 624 | 626 | 794 | 26.84 | 824 | 825 |
| Computer services | 3 280 | 8 436 | 9 878 | 23 323 | 12 549 | 12 586 | 4 834 | (61.59) | 3 172 | 3 139 |
| Consultants and professional services: Business and advisory services | 17 960 | 24 851 | 27 134 | 27 132 | 27 887 | 27 972 | 39 266 | 40.38 | 31 473 | 27 786 |
| Legal costs | 1 363 | 359 | 2 109 | | 3 777 | 3 697 | 1 500 | (59.43) | 1 000 | 1 046 |
| Contractors | 248 | 47 | 23 | 140 | 385 | 428 | 280 | (34.58) | 300 | 302 |
| Agency and support/ outsourced services | 4 017 | 3 916 | 3 332 | 3 937 | 3 995 | 4 003 | 4 156 | 3.82 | 4 121 | 4 311 |
| Fleet services (including government motor transport) | 534 | 366 | 654 | 635 | 543 | 543 | 600 | 10.50 | 600 | 628 |
| Consumable supplies | 480 | 43 | 396 | 160 | 763 | 762 | 201 | (73.62) | 204 | 445 |
| Consumable: Stationery, printing and office supplies | 169 | 319 | 311 | 363 | 392 | 393 | 322 | (18.07) | 326 | 340 |
| Operating leases | 1 810 | 2 255 | 1 943 | 1 962 | 1 843 | 1 790 | 2 213 | 23.63 | 2 283 | 2 090 |
| Property payments | 313 | 192 | 500 | 9 669 | 710 | 710 | 362 | (49.01) | 361 | 378 |
| Travel and subsistence | 72 | 302 | 1 758 | 2 304 | 2 854 | 2 854 | 2 480 | (13.10) | 2 573 | 2 671 |
| Training and development | 590 | 1 314 | 1 154 | 1 258 | 1 818 | 1 818 | 1 288 | (29.15) | 1 340 | 1 402 |
| Operating payments | 662 | 939 | 1 525 | 1 249 | 1 135 | 1 122 | 1 272 | 13.37 | 1 301 | 1 340 |
| Venues and facilities | 84 | 159 | 661 | 1 036 | 958 | 847 | 1 353 | 59.74 | 1 353 | 1 396 |
| Rental and hiring | 75 | 34 | | | | | | | | |
| Transfers and subsidies to | 50 733 | 44 327 | 48 483 | 46 131 | 43 603 | 43 620 | 47 061 | 7.89 | 50 316 | 52 377 |
| Provinces and municipalities | 15 788 | 14 788 | 19 498 | 17 760 | 18 427 | 18 427 | 19 760 | 7.23 | 22 123 | 23 028 |
| Municipalities | 15 788 | 14 788 | 19 498 | 17 760 | 18 427 | 18 427 | 19 760 | 7.23 | 22 123 | 23 028 |
| Municipal bank accounts | 15 788 | 14 788 | 19 498 | 17 760 | 18 427 | 18 427 | 19 760 | 7.23 | 22 123 | 23 028 |
| Departmental agencies and accounts | 27 751 | 26 264 | 25 084 | 26 871 | 21 186 | 21 186 | 24 594 | 16.09 | 25 693 | 26 849 |
| Departmental agencies (non-business entities) | 27 751 | 26 264 | 25 084 | 26 871 | 21 186 | 21 186 | 24 594 | 16.09 | 25 693 | 26 849 |
| South African Broadcasting Corporation (SABC) | 7 | 8 | 8 | 9 | 8 | 8 | 8 | | 8 | 8 |
| Western Cape Gambling and Racing Board | 27 744 | 26 256 | 25 076 | 26 862 | 21 178 | 21 178 | 24 586 | 16.09 | 25 685 | 26 841 |
| Households | 7 194 | 3 275 | 3 901 | 1 500 | 3 990 | 4 007 | 2 707 | (32.44) | 2 500 | 2 500 |
| Social benefits | 5 882 | 2 462 | 2 760 | | 2 518 | 2 536 | 295 | (88.37) | | |
| Other transfers to households | 1 312 | 813 | 1 141 | 1 500 | 1 472 | 1 471 | 2 412 | 63.97 | 2 500 | 2 500 |
| Payments for capital assets | 1 648 | 4 181 | 8 985 | 2 196 | 1 984 | 1 984 | 1 890 | (4.74) | 1 890 | 4 215 |
| Machinery and equipment | 1 648 | 4 181 | 8 985 | 2 196 | 1 984 | 1 984 | 1 890 | (4.74) | 1 890 | 4 215 |
| Transport equipment | 1 615 | 1 471 | 1 728 | 1 746 | 1 508 | 1 508 | 1 440 | (4.51) | 1 440 | 1 505 |
| Other machinery and equipment | 33 | 2 710 | 7 257 | 450 | 476 | 476 | 450 | (5.46) | 450 | 2 710 |
| Payments for financial assets | 68 | 51 | 288 | | 110 | 133 | | (100.00) | | |
| Total economic classification | 277 393 | 289 998 | 317 050 | 340 674 | 316 436 | 316 436 | 339 777 | 7.38 | 344 223 | 358 432 |

Annexure A to Vote 3

Table A.2.1 Payments and estimates by economic classification – Programme 1: Administration

| Economic classification R'000 | Outcome | | | Main appro- priation 2023/24 | Adjusted appro- priation 2023/24 | Revised estimate 2023/24 | Medium-term estimate | | | |
|---|--------------------|--------------------|--------------------|---------------------------------------|---|--------------------------------|--|----------|---------|---------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | | | | % Change from Revised estimate 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Current payments | 48 460 | 50 428 | 50 488 | 63 364 | 53 774 | 53 508 | 56 143 | 4.92 | 57 206 | 59 679 |
| Compensation of employees | 37 250 | 37 002 | 38 501 | 43 530 | 38 693 | 38 450 | 41 255 | 7.30 | 43 032 | 45 297 |
| Salaries and wages | 32 940 | 32 638 | 33 995 | 38 635 | 34 098 | 33 858 | 36 237 | 7.03 | 37 627 | 39 543 |
| Social contributions | 4 310 | 4 364 | 4 506 | 4 895 | 4 595 | 4 592 | 5 018 | 9.28 | 5 405 | 5 754 |
| Goods and services | 11 210 | 13 426 | 11 987 | 19 834 | 15 081 | 15 058 | 14 888 | (1.13) | 14 174 | 14 382 |
| <i>of which</i> | | | | | | | | | | |
| Administrative fees | 4 | 3 | 1 | | 3 | 3 | 2 | (33.33) | 2 | 2 |
| Advertising | 765 | 604 | 599 | 615 | 615 | 615 | 618 | 0.49 | 615 | 643 |
| Minor Assets | 3 | 7 | 791 | 53 | 1 870 | 1 870 | 51 | (97.27) | 51 | 249 |
| Audit cost: External | 3 206 | 4 555 | 2 972 | 3 326 | 4 508 | 4 508 | 4 729 | 4.90 | 4 759 | 4 978 |
| Bursaries: Employees | 309 | 454 | 492 | 495 | 495 | 495 | 515 | 4.04 | 515 | 539 |
| Catering: Departmental activities | 82 | 1 | 104 | 70 | 88 | 88 | 70 | (20.45) | 70 | 70 |
| Communication (G&S) | 763 | 470 | 190 | 211 | 164 | 163 | 209 | 28.22 | 209 | 209 |
| Computer services | 1 056 | 1 441 | 883 | 1 201 | 1 275 | 1 313 | 1 049 | (20.11) | 1 304 | 1 363 |
| Consultants and professional services: Business and advisory services | 2 690 | 4 119 | 3 281 | 2 175 | 2 538 | 2 543 | 4 929 | 93.83 | 3 943 | 3 605 |
| Legal costs | | | 46 | | | | | | | |
| Contractors | 240 | 47 | 23 | 140 | 74 | 74 | 120 | 62.16 | 140 | 140 |
| Fleet services (including government motor transport) | 534 | 366 | 654 | 635 | 543 | 543 | 600 | 10.50 | 600 | 628 |
| Consumable supplies | 470 | 35 | 339 | 60 | 682 | 682 | 105 | (84.60) | 106 | 346 |
| Consumable: Stationery, printing and office supplies | 5 | 45 | 82 | 86 | 103 | 104 | 85 | (18.27) | 86 | 90 |
| Operating leases | 605 | 725 | 551 | 334 | 215 | 162 | 644 | 297.53 | 644 | 376 |
| Property payments | 2 | 26 | 122 | 9 500 | 347 | 347 | | (100.00) | | |
| Travel and subsistence | 22 | 38 | 169 | 302 | 776 | 776 | 434 | (44.07) | 433 | 431 |
| Training and development | 137 | 163 | 151 | 198 | 306 | 306 | 206 | (32.68) | 215 | 227 |
| Operating payments | 242 | 293 | 363 | 290 | 355 | 342 | 332 | (2.92) | 332 | 336 |
| Venues and facilities | | | 174 | 143 | 124 | 124 | 150 | 20.97 | 150 | 150 |
| Rental and hiring | 75 | 34 | | | | | | | | |
| Transfers and subsidies to | 1 418 | 848 | 1 215 | 1 509 | 1 766 | 1 766 | 2 420 | 37.03 | 2 508 | 2 508 |
| Departmental agencies and accounts | 7 | 8 | 8 | 9 | 8 | 8 | 8 | | 8 | 8 |
| Departmental agencies (non-business entities) | 7 | 8 | 8 | 9 | 8 | 8 | 8 | | 8 | 8 |
| South African Broadcasting Corporation (SABC) | 7 | 8 | 8 | 9 | 8 | 8 | 8 | | 8 | 8 |
| Households | 1 411 | 840 | 1 207 | 1 500 | 1 758 | 1 758 | 2 412 | 37.20 | 2 500 | 2 500 |
| Social benefits | 99 | 32 | 66 | | 286 | 287 | | (100.00) | | |
| Other transfers to households | 1 312 | 808 | 1 141 | 1 500 | 1 472 | 1 471 | 2 412 | 63.97 | 2 500 | 2 500 |
| Payments for capital assets | 1 648 | 4 181 | 8 985 | 2 196 | 1 984 | 1 984 | 1 890 | (4.74) | 1 890 | 4 215 |
| Machinery and equipment | 1 648 | 4 181 | 8 985 | 2 196 | 1 984 | 1 984 | 1 890 | (4.74) | 1 890 | 4 215 |
| Transport equipment | 1 615 | 1 471 | 1 728 | 1 746 | 1 508 | 1 508 | 1 440 | (4.51) | 1 440 | 1 505 |
| Other machinery and equipment | 33 | 2 710 | 7 257 | 450 | 476 | 476 | 450 | (5.46) | 450 | 2 710 |
| Payments for financial assets | 68 | 51 | 288 | | 110 | 133 | | (100.00) | | |
| Total economic classification | 51 594 | 55 508 | 60 976 | 67 069 | 57 634 | 57 391 | 60 453 | 5.34 | 61 604 | 66 402 |

Annexure A to Vote 3

Table A.2.2 Payments and estimates by economic classification – Programme 2: Sustainable Resource Management

| Economic classification R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|--------------------|--------------------|--------------------|---------------------------------------|---|--------------------------------|--|---------|---------|---------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | Main appro- priation 2023/24 | Adjusted appro- priation 2023/24 | Revised estimate 2023/24 | % Change from Revised estimate 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| | | | | | | | | | | |
| Current payments | 80 524 | 80 976 | 90 723 | 97 584 | 93 388 | 93 631 | 108 458 | 15.84 | 114 360 | 115 748 |
| Compensation of employees | 71 913 | 72 999 | 77 512 | 81 412 | 78 037 | 78 280 | 90 511 | 15.62 | 94 536 | 99 274 |
| Salaries and wages | 62 985 | 63 903 | 67 869 | 71 105 | 68 222 | 68 470 | 79 292 | 15.81 | 82 724 | 86 779 |
| Social contributions | 8 928 | 9 096 | 9 643 | 10 307 | 9 815 | 9 810 | 11 219 | 14.36 | 11 812 | 12 495 |
| Goods and services | 8 611 | 7 977 | 13 211 | 16 172 | 15 351 | 15 351 | 17 947 | 16.91 | 19 824 | 16 474 |
| <i>of which</i> | | | | | | | | | | |
| Advertising | 106 | 215 | 386 | 100 | 222 | 222 | 200 | (9.91) | 200 | 209 |
| Audit cost: External | 922 | 744 | 1 242 | 850 | 838 | 838 | 850 | 1.43 | 889 | 930 |
| Catering: Departmental activities | | 28 | 111 | 64 | 84 | 124 | 64 | (48.39) | 64 | 64 |
| Communication (G&S) | 759 | 467 | 190 | 321 | 254 | 254 | 359 | 41.34 | 358 | 359 |
| Computer services | 155 | | 255 | 455 | 455 | 455 | 455 | | 455 | 476 |
| Consultants and professional services: Business and advisory services | 5 541 | 4 611 | 6 618 | 11 695 | 7 624 | 7 704 | 12 154 | 57.76 | 13 969 | 10 388 |
| Legal costs | 447 | 339 | 1 844 | | 2 830 | 2 750 | 1 000 | (63.64) | 1 000 | 1 046 |
| Agency and support/ outsourced services | 55 | 109 | 66 | | 58 | 69 | 80 | 15.94 | | |
| Consumable supplies | 8 | 6 | 24 | 56 | 44 | 44 | 50 | 13.64 | 52 | 53 |
| Consumable: Stationery, printing and office supplies | 163 | 249 | 174 | 216 | 230 | 230 | 178 | (22.61) | 181 | 189 |
| Travel and subsistence | 28 | 122 | 695 | 1 007 | 965 | 965 | 1 033 | 7.05 | 1 082 | 1 132 |
| Training and development | 72 | 418 | 488 | 423 | 722 | 722 | 453 | (37.26) | 472 | 496 |
| Operating payments | 355 | 546 | 1 043 | 815 | 636 | 636 | 796 | 25.16 | 825 | 854 |
| Venues and facilities | | 123 | 75 | 170 | 96 | 21 | 134 | 538.10 | 134 | 134 |
| Transfers and subsidies to | 35 323 | 31 059 | 36 708 | 41 572 | 32 871 | 32 871 | 43 291 | 31.70 | 47 808 | 49 869 |
| Provinces and municipalities | 4 500 | 4 298 | 10 780 | 14 710 | 11 377 | 11 377 | 18 410 | 61.82 | 22 123 | 23 028 |
| Municipalities | 4 500 | 4 298 | 10 780 | 14 710 | 11 377 | 11 377 | 18 410 | 61.82 | 22 123 | 23 028 |
| Municipal bank accounts | 4 500 | 4 298 | 10 780 | 14 710 | 11 377 | 11 377 | 18 410 | 61.82 | 22 123 | 23 028 |
| Departmental agencies and accounts | 27 744 | 26 256 | 25 076 | 26 862 | 21 178 | 21 178 | 24 586 | 16.09 | 25 685 | 26 841 |
| Departmental agencies (non-business entities) | 27 744 | 26 256 | 25 076 | 26 862 | 21 178 | 21 178 | 24 586 | 16.09 | 25 685 | 26 841 |
| Western Cape Gambling and Racing Board | 27 744 | 26 256 | 25 076 | 26 862 | 21 178 | 21 178 | 24 586 | 16.09 | 25 685 | 26 841 |
| Households | 3 079 | 505 | 852 | | 316 | 316 | 295 | (6.65) | | |
| Social benefits | 3 079 | 505 | 852 | | 316 | 316 | 295 | (6.65) | | |
| Total economic classification | 115 847 | 112 035 | 127 431 | 139 156 | 126 259 | 126 502 | 151 749 | 19.96 | 162 168 | 165 617 |

Annexure A to Vote 3

Table A.2.3 Payments and estimates by economic classification – Programme 3: Asset Management

| Economic classification R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|--------------------|--------------------|--------------------|---------------------------------------|---|--------------------------------|--|----------|---------|---------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | Main appro- priation 2023/24 | Adjusted appro- priation 2023/24 | Revised estimate 2023/24 | % Change from Revised estimate 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| | | | | | | | | | | |
| Current payments | 57 261 | 69 943 | 75 991 | 89 026 | 79 560 | 79 562 | 79 766 | 0.26 | 73 529 | 76 885 |
| Compensation of employees | 39 293 | 41 910 | 45 309 | 48 227 | 44 888 | 44 890 | 48 926 | 8.99 | 51 657 | 54 615 |
| Salaries and wages | 33 632 | 35 925 | 38 763 | 40 865 | 38 199 | 38 207 | 41 504 | 8.63 | 43 822 | 46 278 |
| Social contributions | 5 661 | 5 985 | 6 546 | 7 362 | 6 689 | 6 683 | 7 422 | 11.06 | 7 835 | 8 337 |
| Goods and services | 17 968 | 28 033 | 30 682 | 40 799 | 34 672 | 34 672 | 30 840 | (11.05) | 21 872 | 22 270 |
| <i>of which</i> | | | | | | | | | | |
| Catering: Departmental activities | | 5 | 41 | 40 | 46 | 46 | 50 | 8.70 | 50 | 50 |
| Communication (G&S) | 475 | 258 | 109 | 140 | 115 | 118 | 138 | 16.95 | 154 | 154 |
| Computer services | 1 900 | 6 939 | 8 740 | 21 417 | 10 819 | 10 818 | 2 880 | (73.38) | 1 313 | 1 200 |
| Consultants and professional services: Business and advisory services | 8 949 | 14 860 | 15 473 | 12 231 | 15 303 | 15 303 | 20 164 | 31.77 | 12 540 | 12 693 |
| Legal costs | 916 | 6 | 219 | | 947 | 947 | | (100.00) | | |
| Contractors | 8 | | | | | | | | | |
| Agency and support/ outsourced services | 3 935 | 3 807 | 3 266 | 3 937 | 3 937 | 3 934 | 4 036 | 2.59 | 4 121 | 4 311 |
| Consumable supplies | | 2 | 24 | 27 | 23 | 23 | 28 | 21.74 | 28 | 29 |
| Consumable: Stationery, printing and office supplies | 1 | 17 | 39 | 38 | 37 | 37 | 37 | | 37 | 38 |
| Operating leases | 1 205 | 1 530 | 1 392 | 1 628 | 1 628 | 1 628 | 1 569 | (3.62) | 1 639 | 1 714 |
| Property payments | 311 | 166 | 378 | 169 | 363 | 363 | 362 | (0.28) | 361 | 378 |
| Travel and subsistence | 3 | 83 | 481 | 457 | 573 | 573 | 477 | (16.75) | 516 | 540 |
| Training and development | 144 | 302 | 302 | 255 | 408 | 408 | 245 | (39.95) | 258 | 273 |
| Operating payments | 37 | 22 | | | | | | | | |
| Venues and facilities | 84 | 36 | 218 | 460 | 469 | 468 | 851 | 81.84 | 851 | 887 |
| Transfers and subsidies to | 2 257 | 1 383 | 1 570 | 550 | 1 343 | 1 350 | | (100.00) | | |
| Provinces and municipalities | | | 500 | 550 | 550 | 550 | | (100.00) | | |
| Municipalities | | | 500 | 550 | 550 | 550 | | (100.00) | | |
| Municipal bank accounts | | | 500 | 550 | 550 | 550 | | (100.00) | | |
| Households | 2 257 | 1 383 | 1 070 | | 793 | 800 | | (100.00) | | |
| Social benefits | 2 257 | 1 378 | 1 070 | | 793 | 800 | | (100.00) | | |
| Other transfers to households | | 5 | | | | | | | | |
| Total economic classification | 59 518 | 71 326 | 77 561 | 89 576 | 80 903 | 80 912 | 79 766 | (1.42) | 73 529 | 76 885 |

Annexure A to Vote 3

Table A.2.4 Payments and estimates by economic classification – Programme 4: Financial Governance

| Economic classification R'000 | Outcome | | | Main appro- priation 2023/24 | Adjusted appro- priation 2023/24 | Revised estimate 2023/24 | Medium-term estimate | | | |
|---|--------------------|--------------------|--------------------|---------------------------------------|---|--------------------------------|--|----------|---------|---------|
| | Audited 2020/21 | Audited 2021/22 | Audited 2022/23 | | | | % Change from Revised estimate 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Current payments | 38 699 | 40 092 | 42 092 | 42 373 | 44 017 | 43 998 | 46 459 | 5.59 | 46 922 | 49 528 |
| Compensation of employees | 36 057 | 36 908 | 37 643 | 38 564 | 38 926 | 38 907 | 40 868 | 5.04 | 43 147 | 45 570 |
| Salaries and wages | 31 786 | 32 551 | 33 186 | 33 864 | 34 224 | 34 192 | 35 790 | 4.67 | 37 751 | 39 889 |
| Social contributions | 4 271 | 4 357 | 4 457 | 4 700 | 4 702 | 4 715 | 5 078 | 7.70 | 5 396 | 5 681 |
| Goods and services | 2 642 | 3 184 | 4 449 | 3 809 | 5 091 | 5 091 | 5 591 | 9.82 | 3 775 | 3 958 |
| <i>of which</i> | | | | | | | | | | |
| Administrative fees | | | | | 2 | 3 | 3 | | 3 | 4 |
| Audit cost: External | 934 | 998 | 1 552 | 1 000 | 1 100 | 1 100 | 1 100 | | 1 100 | 1 151 |
| Catering: Departmental activities | | 27 | 84 | 59 | 77 | 92 | 79 | (14.13) | 79 | 80 |
| Communication (G&S) | 446 | 252 | 87 | 102 | 91 | 91 | 88 | (3.30) | 103 | 103 |
| Computer services | 169 | 56 | | 250 | | | 450 | | 100 | 100 |
| Consultants and professional services: Business and advisory services | 780 | 1 261 | 1 762 | 1 031 | 2 422 | 2 422 | 2 019 | (16.64) | 1 021 | 1 100 |
| Legal costs | | 14 | | | | | 500 | | | |
| Contractors | | | | | 28 | 48 | 30 | (37.50) | 30 | 31 |
| Agency and support/ outsourced services | 27 | | | | | | | | | |
| Consumable supplies | 2 | | 9 | 17 | 14 | 13 | 18 | 38.46 | 18 | 17 |
| Consumable: Stationery, printing and office supplies | | 8 | 16 | 23 | 22 | 22 | 22 | | 22 | 23 |
| Travel and subsistence | 19 | 59 | 413 | 538 | 540 | 540 | 536 | (0.74) | 542 | 568 |
| Training and development | 237 | 431 | 213 | 382 | 382 | 382 | 384 | 0.52 | 395 | 406 |
| Operating payments | 28 | 78 | 119 | 144 | 144 | 144 | 144 | | 144 | 150 |
| Venues and facilities | | | 194 | 263 | 269 | 234 | 218 | (6.84) | 218 | 225 |
| Transfers and subsidies to | 11 735 | 11 037 | 8 990 | 2 500 | 7 623 | 7 633 | 1 350 | (82.31) | | |
| Provinces and municipalities | 11 288 | 10 490 | 8 218 | 2 500 | 6 500 | 6 500 | 1 350 | (79.23) | | |
| Municipalities | 11 288 | 10 490 | 8 218 | 2 500 | 6 500 | 6 500 | 1 350 | (79.23) | | |
| Municipal bank accounts | 11 288 | 10 490 | 8 218 | 2 500 | 6 500 | 6 500 | 1 350 | (79.23) | | |
| Households | 447 | 547 | 772 | | 1 123 | 1 133 | | (100.00) | | |
| Social benefits | 447 | 547 | 772 | | 1 123 | 1 133 | | (100.00) | | |
| Total economic classification | 50 434 | 51 129 | 51 082 | 44 873 | 51 640 | 51 631 | 47 809 | (7.40) | 46 922 | 49 528 |

Annexure A to Vote 3

Table A.3 Details on public entities – Name of Public Entity: Western Cape Gambling and Racing Board

| | Audited outcome | Audited outcome | Actual outcome | Main appro- priation | Adjusted appro- priation | Revised estimate | Medium-term estimates | | |
|---|--------------------|--------------------|-------------------|----------------------------|--------------------------------|---------------------|-----------------------|---------|---------|
| R thousand | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2026/27 |
| Revenue | | | | | | | | | |
| Non-tax revenue | 72 939 | 74 686 | 80 856 | 108 333 | 108 333 | 108 333 | 86 311 | 81 914 | 85 347 |
| Sale of goods and services other than capital assets | 43 968 | 46 728 | 52 119 | 48 326 | 48 326 | 50 635 | 51 853 | 52 410 | 55 506 |
| Entity revenue other than sales | 1 228 | 1 702 | 3 662 | 1 620 | 1 620 | 4 995 | 3 647 | 3 819 | 3 000 |
| Transfers received | 27 744 | 26 256 | 25 076 | 58 387 | 58 387 | 52 703 | 30 811 | 25 685 | 26 841 |
| <i>of which:</i> | | | | | | | | | |
| Departmental transfers | 27 744 | 26 256 | 25 076 | 26 862 | 26 862 | 21 178 | 24 586 | 25 685 | 26 841 |
| Other transfers | - | - | - | 31 525 | 31 525 | 31 525 | 6 225 | - | - |
| Other non-tax revenue | - | - | - | - | - | - | - | - | - |
| Total revenue before deposits into the PRF | 72 939 | 74 686 | 80 856 | 108 333 | 108 333 | 108 333 | 86 311 | 81 914 | 85 347 |
| Total revenue | 72 939 | 74 686 | 80 856 | 108 333 | 108 333 | 108 333 | 86 311 | 81 914 | 85 347 |
| Expenses | - | - | - | - | - | - | - | - | - |
| Current expense | 51 913 | 57 880 | 65 801 | 74 278 | 74 278 | 74 278 | 77 566 | 80 914 | 84 301 |
| Compensation of employees | 44 537 | 47 550 | 49 527 | 50 958 | 50 958 | 50 958 | 56 959 | 60 491 | 64 180 |
| Goods and services | 7 376 | 10 330 | 16 274 | 23 320 | 23 320 | 23 320 | 20 607 | 20 423 | 20 121 |
| Payments for capital assets | 1 247 | 1 920 | 2 894 | 34 055 | 34 055 | 34 055 | 8 745 | 1 000 | 1 046 |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total expenses | 53 160 | 59 800 | 68 695 | 108 333 | 108 333 | 108 333 | 86 311 | 81 914 | 85 347 |
| Surplus / (Deficit) | 19 779 | 14 886 | 12 161 | - | - | - | - | - | - |
| Surplus/(deficit) after adjustments | 19 779 | 14 886 | 12 161 | - | - | - | - | - | - |
| Cash flow from investing activities | (1 231) | (1 920) | (2 888) | (6 489) | (6 489) | (6 489) | (2 632) | (1 304) | (1 375) |
| Acquisition of Assets | (1 251) | (1 920) | (2 894) | (6 511) | (6 511) | (6 511) | (2 655) | (1 328) | (1 400) |
| Computer equipment | (33) | (1 177) | (2 867) | (2 636) | (2 636) | (2 636) | (1 250) | (600) | (628) |
| Furniture and Office equipment | (42) | (67) | (5) | (2 465) | (2 465) | (2 465) | (705) | (728) | (772) |
| Transport Assets | - | - | - | - | - | - | - | - | - |
| Computer Software | (1 176) | (676) | (22) | (1 410) | (1 410) | (1 410) | (700) | - | - |
| Other flows from Investing Activities | 20 | - | 6 | 22 | 22 | 22 | 23 | 24 | 25 |
| Other ¹ | 20 | - | 6 | 22 | 22 | 22 | 23 | 24 | 25 |
| Cash flow from financing activities | (1 000) | 2 148 | 14 118 | (1 094) | (1 094) | (1 094) | (1 143) | (1 194) | (1 249) |
| Other | (1 000) | 2 148 | 14 118 | (1 094) | (1 094) | (1 094) | (1 143) | (1 194) | (1 249) |
| Net increase / (decrease) in cash and cash equivalents | (2 231) | 228 | 11 230 | (7 583) | (7 583) | (7 583) | (3 775) | (2 498) | (2 624) |
| Balance Sheet Data | | | | | | | | | |
| Carrying Value of Assets | 8 241 | 8 555 | 9 748 | 6 008 | 6 008 | 6 008 | 6 278 | 6 558 | 6 860 |
| Computer equipment | 713 | 1 485 | 3 666 | 1 751 | 1 751 | 1 751 | 1 830 | 1 912 | 2 000 |
| Furniture and Office equipment | 1 819 | 1 477 | 1 099 | 493 | 493 | 493 | 515 | 538 | 563 |
| Other Machinery and equipment | 83 | - | - | 219 | 219 | 219 | 229 | 239 | 250 |
| Transport Assets | 937 | 624 | 385 | 1 313 | 1 313 | 1 313 | 1 372 | 1 433 | 1 499 |
| Computer Software | 4 651 | 4 942 | 4 560 | 2 188 | 2 188 | 2 188 | 2 286 | 2 388 | 2 498 |
| Other Intangibles | 38 | 27 | 39 | 44 | 44 | 44 | 46 | 48 | 50 |
| Investments | - | - | - | - | - | - | - | - | - |
| Current | - | - | - | - | - | - | - | - | - |
| Cash and Cash Equivalents | 56 046 | 42 790 | 62 486 | 32 824 | 32 824 | 32 824 | 34 301 | 35 837 | 37 486 |
| Bank | 26 998 | 42 790 | 30 486 | 6 565 | 6 565 | 6 565 | 6 860 | 7 167 | 7 497 |
| Cash on Hand | - | - | - | - | - | - | - | - | - |
| Other | 29 048 | - | 32 000 | 26 259 | 26 259 | 26 259 | 27 441 | 28 670 | 29 989 |
| Receivables and Prepayments | 38 415 | 44 625 | 47 321 | 1 641 | 1 641 | 1 641 | 1 715 | 1 792 | 1 875 |
| Trade Receivables | 37 363 | 43 790 | 46 070 | 1 094 | 1 094 | 1 094 | 1 143 | 1 194 | 1 249 |
| Prepaid Expenses | 1 052 | 835 | 1 251 | 547 | 547 | 547 | 572 | 598 | 626 |
| Inventory | 100 | 68 | 55 | 110 | 110 | 110 | 115 | 120 | 126 |
| Other | 100 | 68 | 55 | 110 | 110 | 110 | 115 | 120 | 126 |
| Total Assets | 102 802 | 96 038 | 119 611 | 40 583 | 40 583 | 40 583 | 42 409 | 44 307 | 46 347 |
| Capital and Reserves | 24 864 | 35 945 | 50 340 | 683 | 683 | 683 | 714 | 746 | 780 |
| Accumulated Reserves | 5 085 | 21 059 | 38 179 | 683 | 683 | 683 | 714 | 746 | 780 |
| Surplus / (Deficit) | 19 779 | 14 886 | 12 161 | - | - | - | - | - | - |
| Post Retirement Benefits | 9 135 | 4 973 | 4 876 | 7 002 | 7 002 | 7 002 | 7 317 | 7 645 | 7 997 |
| Present value of Funded obligations | 4 867 | 4 973 | 4 876 | 7 002 | 7 002 | 7 002 | 7 317 | 7 645 | 7 997 |
| Other | 4 268 | - | - | - | - | - | - | - | - |
| Trade and Other Payables | 62 117 | 66 408 | 74 130 | 6 565 | 6 565 | 6 565 | 6 860 | 7 167 | 7 497 |
| Trade Payables | 62 117 | 66 408 | 74 130 | 6 565 | 6 565 | 6 565 | 6 860 | 7 167 | 7 497 |
| Funds Managed (e.g. Poverty Alleviation Fund) | 26 551 | 24 000 | 47 031 | 26 259 | 26 259 | 26 259 | 27 441 | 28 670 | 29 989 |
| Other | 26 551 | 24 000 | 47 031 | 26 259 | 26 259 | 26 259 | 27 441 | 28 670 | 29 989 |

Table A.4 Transfers to local government by transfers/grant type, category and municipality

| Municipalities R'000 | Outcome | | | | | | Medium-term estimate | | | |
|--|---------|---------|---------|---------------|---------------|----------|----------------------|----------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change | | | |
| | 2020/21 | 2021/22 | 2022/23 | appropriation | appropriation | estimate | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Total departmental transfers/grants | | | | | | | | | | |
| Category A | 300 | 250 | 300 | 1 000 | 1 200 | 1 200 | | (100.00) | | |
| City of Cape Town | 300 | 250 | 300 | 1 000 | 1 200 | 1 200 | | (100.00) | | |
| Category B | 11 780 | 12 038 | 17 698 | 8 427 | 16 027 | 16 027 | 5 423 | (66.16) | | |
| Matzikama | 300 | 1 091 | 779 | | 1 050 | 1 050 | | (100.00) | | |
| Cederberg | 800 | 1 208 | 1 058 | 958 | 2 058 | 2 058 | | (100.00) | | |
| Bergviver | 300 | 1 000 | 2 325 | 940 | 1 140 | 1 140 | | (100.00) | | |
| Saldanha Bay | 300 | 250 | 1 800 | 1 500 | 1 000 | 1 000 | 1 000 | | | |
| Swartland | 300 | 250 | 718 | | 100 | 100 | | (100.00) | | |
| Witzenberg | 300 | 250 | 200 | 150 | 250 | 250 | 150 | (40.00) | | |
| Drakenstein | 380 | 1 250 | 200 | 740 | 840 | 840 | | (100.00) | | |
| Stellenbosch | 300 | 800 | 300 | | 200 | 200 | | (100.00) | | |
| Breede Valley | 1 300 | 250 | 200 | | 100 | 100 | | (100.00) | | |
| Langeberg | 300 | 800 | 800 | | 200 | 200 | | (100.00) | | |
| Theewaterskloof | 300 | 250 | 1 350 | | 200 | 200 | 500 | 150.00 | | |
| Overstrand | 300 | 400 | 450 | | 200 | 200 | 160 | (20.00) | | |
| Cape Agulhas | 300 | 399 | 300 | | 200 | 200 | | (100.00) | | |
| Swellendam | 300 | 890 | 200 | | 200 | 200 | 500 | 150.00 | | |
| Kannaland | 300 | 250 | 100 | | 1 000 | 1 000 | | (100.00) | | |
| Hessequa | 300 | 250 | 300 | | 200 | 200 | 263 | 31.50 | | |
| Mossel Bay | 300 | 400 | 300 | | 150 | 150 | | (100.00) | | |
| George | 800 | 250 | 1 450 | 1 000 | 1 200 | 1 200 | 2 000 | 66.67 | | |
| Oudtshoorn | 300 | 250 | 700 | 2 000 | 2 200 | 2 200 | 100 | (95.45) | | |
| Bitou | 300 | 250 | 800 | 500 | 700 | 700 | | (100.00) | | |
| Knysna | 800 | 250 | 550 | 639 | 639 | 639 | 150 | (76.53) | | |
| Laingsburg | 1 300 | 350 | 100 | | 1 000 | 1 000 | | (100.00) | | |
| Prince Albert | 300 | 350 | 625 | | 200 | 200 | | (100.00) | | |
| Beaufort West | 1 300 | 350 | 2 093 | | 1 000 | 1 000 | 600 | (40.00) | | |
| Category C | 3 708 | 2 500 | 1 500 | 500 | 1 200 | 1 200 | 3 500 | 191.67 | | |
| West Coast District Municipality | 700 | 750 | 200 | | 200 | 200 | | (100.00) | | |
| Cape Winelands District Municipality | | | | | | | | | | |
| Overberg District Municipality | 300 | 400 | 800 | 500 | 700 | 700 | 2 750 | 292.86 | | |
| Garden Route District Municipality | 2 408 | 1 000 | 300 | | 200 | 200 | | (100.00) | | |
| Central Karoo District Municipality | 300 | 350 | 200 | | 100 | 100 | 750 | 650.00 | | |
| Unallocated | | | | 7 833 | | | 10 837 | | 22 123 | 23 028 |
| Total transfers to local government | 15 788 | 14 788 | 19 498 | 17 760 | 18 427 | 18 427 | 19 760 | 7.23 | 22 123 | 23 028 |

Note: Support initiatives to municipalities to improve financial governance and management introduced during 2011/12 will continue over the MTEF especially support to the most vulnerable municipalities. Over the MTEF, the priority allocations amounting to R19.760 million in 2024/25, R22.123 million in 2025/26 and R23.028 million in 2026/27 have been reserved for diverse financial support to municipalities. A portion of the 2024/25 amount and the full amounts for 2025/26 and 2026/27 are unallocated at this stage for the Western Cape Financial Management Capability Grant. The amounts for the Municipal Financial Recovery Services Grant are unallocated at this stage. It will be allocated in the respective Adjusted Estimates and based on the outcomes and recommendations of the municipal engagements as well as the outcome of the Annual Financial Statements.

Annexure A to Vote 3

Table A.4.1 Transfers to local government by transfers/grant type, category and municipality

| Municipalities R'000 | Outcome | | | | | | Medium-term estimate | | | |
|--|---------|---------|---------|---------|----------|---------|--------------------------------|---------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Western Cape Financial Management Support Grant | 7 088 | 6 938 | | | | | | | | |
| Category B | 4 580 | 5 588 | | | | | | | | |
| Matzikama | | 841 | | | | | | | | |
| Cederberg | 500 | 958 | | | | | | | | |
| Bergrivier | | 600 | | | | | | | | |
| Drakenstein | 80 | 1 000 | | | | | | | | |
| Stellenbosch | | 550 | | | | | | | | |
| Breede Valley | 1 000 | | | | | | | | | |
| Langeberg | | 550 | | | | | | | | |
| Cape Agulhas | | 149 | | | | | | | | |
| Swellendam | | 640 | | | | | | | | |
| George | 500 | | | | | | | | | |
| Knysna | 500 | | | | | | | | | |
| Laingsburg | 1 000 | 100 | | | | | | | | |
| Prince Albert | | 100 | | | | | | | | |
| Beaufort West | 1 000 | 100 | | | | | | | | |
| Category C | 2 508 | 1 350 | | | | | | | | |
| West Coast District Municipality | 400 | 500 | | | | | | | | |
| Garden Route District Municipality | 2 108 | 750 | | | | | | | | |
| Central Karoo District Municipality | | 100 | | | | | | | | |

Note: The Vote has combined and redesigned the Western Cape Financial Management Support Grant and Western Cape Financial Management Capacity Building Grant into a consolidated grant structure in 2022/23 (Western Cape Financial Management Capability Grant) that will continue to provide support to municipalities and attain the set objectives.

Table A.4.2 Transfers to local government by transfers/grant type, category and municipality

| Municipalities R'000 | Outcome | | | | | | Medium-term estimate | | | |
|--|---------|---------|---------|---------|----------|---------|--------------------------------|---------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Western Cape Financial Management Capacity Building Grant | 8 700 | 7 850 | | | | | | | | |
| Category A | 300 | 250 | | | | | | | | |
| City of Cape Town | 300 | 250 | | | | | | | | |
| Category B | 7 200 | 6 450 | | | | | | | | |
| Matzikama | 300 | 250 | | | | | | | | |
| Cederberg | 300 | 250 | | | | | | | | |
| Bergrivier | 300 | 400 | | | | | | | | |
| Saldanha Bay | 300 | 250 | | | | | | | | |
| Swartland | 300 | 250 | | | | | | | | |
| Witzenberg | 300 | 250 | | | | | | | | |
| Drakenstein | 300 | 250 | | | | | | | | |
| Stellenbosch | 300 | 250 | | | | | | | | |
| Breede Valley | 300 | 250 | | | | | | | | |
| Langeberg | 300 | 250 | | | | | | | | |
| Theewaterskloof | 300 | 250 | | | | | | | | |
| Overstrand | 300 | 400 | | | | | | | | |
| Cape Agulhas | 300 | 250 | | | | | | | | |
| Swellendam | 300 | 250 | | | | | | | | |
| Kannaland | 300 | 250 | | | | | | | | |
| Hessequa | 300 | 250 | | | | | | | | |
| Mossel Bay | 300 | 400 | | | | | | | | |
| George | 300 | 250 | | | | | | | | |
| Oudtshoorn | 300 | 250 | | | | | | | | |
| Bitou | 300 | 250 | | | | | | | | |
| Knysna | 300 | 250 | | | | | | | | |
| Laingsburg | 300 | 250 | | | | | | | | |
| Prince Albert | 300 | 250 | | | | | | | | |
| Beaufort West | 300 | 250 | | | | | | | | |
| Category C | 1 200 | 1 150 | | | | | | | | |
| West Coast District Municipality | 300 | 250 | | | | | | | | |
| Overberg District Municipality | 300 | 400 | | | | | | | | |
| Garden Route District Municipality | 300 | 250 | | | | | | | | |
| Central Karoo District Municipality | 300 | 250 | | | | | | | | |

Note: The Vote has combined and redesigned the Western Cape Financial Management Support Grant and Western Cape Financial Management Capacity Building Grant into a consolidated grant structure in 2022/23 (Western Cape Financial Management Capability Grant) that will continue to provide support to municipalities and attain the set objectives.

Annexure A to Vote 3

Table A.4.3 Transfers to local government by transfers/grant type, category and municipality

| Municipalities R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|---------|---------|---------|---------|----------|---------|---|----------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Western Cape Financial Management Capability Grant | | | 17 505 | 15 760 | 13 427 | 13 427 | 17 760 | 32.27 | 20 123 | 21 028 |
| Category A | | | 300 | 1 000 | 1 200 | 1 200 | | (100.00) | | |
| City of Cape Town | | | 300 | 1 000 | 1 200 | 1 200 | | (100.00) | | |
| Category B | | | 15 705 | 8 427 | 11 027 | 11 027 | 5 423 | (50.82) | | |
| Matzikama | | | 779 | | 50 | 50 | | (100.00) | | |
| Cederberg | | | 1 058 | 958 | 1 058 | 1 058 | | (100.00) | | |
| Bergrivier | | | 2 325 | 940 | 1 140 | 1 140 | | (100.00) | | |
| Saldanha Bay | | | 1 800 | 1 500 | 1 000 | 1 000 | 1 000 | | | |
| Swartland | | | 718 | | 100 | 100 | | (100.00) | | |
| Witzenberg | | | 200 | 150 | 250 | 250 | 150 | (40.00) | | |
| Drakenstein | | | 200 | 740 | 840 | 840 | | (100.00) | | |
| Stellenbosch | | | 300 | | 200 | 200 | | (100.00) | | |
| Breede Valley | | | 200 | | 100 | 100 | | (100.00) | | |
| Langeberg | | | 800 | | 200 | 200 | | (100.00) | | |
| Theewaterskloof | | | 1 350 | | 200 | 200 | 500 | 150.00 | | |
| Overstrand | | | 450 | | 200 | 200 | 160 | (20.00) | | |
| Cape Agulhas | | | 300 | | 200 | 200 | | (100.00) | | |
| Swellendam | | | 200 | | 200 | 200 | 500 | 150.00 | | |
| Kannaland | | | 100 | | | | | | | |
| Hessequa | | | 300 | | 200 | 200 | 263 | 31.50 | | |
| Mossel Bay | | | 300 | | 150 | 150 | | (100.00) | | |
| George | | | 1 450 | 1 000 | 1 200 | 1 200 | 2 000 | 66.67 | | |
| Oudtshoorn | | | 700 | 2 000 | 2 200 | 2 200 | 100 | (95.45) | | |
| Bitou | | | 800 | 500 | 700 | 700 | | (100.00) | | |
| Knysna | | | 550 | 639 | 639 | 639 | 150 | (76.53) | | |
| Laingsburg | | | 100 | | | | | | | |
| Prince Albert | | | 625 | | 200 | 200 | | (100.00) | | |
| Beaufort West | | | 100 | | | | 600 | | | |
| Category C | | | 1 500 | 500 | 1 200 | 1 200 | 3 500 | 191.67 | | |
| West Coast District Municipality | | | 200 | | 200 | 200 | | (100.00) | | |
| Overberg District Municipality | | | 800 | 500 | 700 | 700 | 2 750 | 292.86 | | |
| Garden Route District Municipality | | | 300 | | 200 | 200 | | (100.00) | | |
| Central Karoo District Municipality | | | 200 | | 100 | 100 | 750 | 650.00 | | |
| Unallocated | | | | 5 833 | | | 8 837 | | 20 123 | 21 028 |

Note: The Vote has combined and redesigned the Western Cape Financial Management Support Grant and Western Cape Financial Management Capacity Building Grant into a consolidated grant structure in 2022/23 (Western Cape Financial Management Capability Grant) that will continue to provide support to municipalities and attain the set objectives.

Annexure A to Vote 3

Table A.4.4 Transfers to local government by transfers/grant type, category and municipality

| Municipalities R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|---------|---------|---------|---------|----------|---------|--------------------------------|----------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Western Cape Municipal Financial Recovery Services Grant | | | 1 993 | 2 000 | 5 000 | 5 000 | 2 000 | (60.00) | 2 000 | 2 000 |
| Category B | | | 1 993 | | 5 000 | 5 000 | | (100.00) | | |
| Matzikama | | | | | 1 000 | 1 000 | | (100.00) | | |
| Cederberg | | | | | 1 000 | 1 000 | | (100.00) | | |
| Kannaland | | | | | 1 000 | 1 000 | | (100.00) | | |
| Laingsburg | | | | | 1 000 | 1 000 | | (100.00) | | |
| Beaufort West | | | 1 993 | | 1 000 | 1 000 | | (100.00) | | |
| Unallocated | | | | 2 000 | | | 2 000 | | 2 000 | 2 000 |

Note: Support initiatives to municipalities to improve financial governance and management introduced during 2011/12 will continue over the MTEF, especially support to the most vulnerable municipalities. R2 million have been reserved over the 2024 MTEF for diverse financial support to municipalities. The amounts are unallocated at this stage which will be allocated in the respective Adjusted Estimates and based on the outcomes and recommendations of the municipal engagements.

Table A.5 Provincial payments and estimates by district and local municipality

| Municipalities R'000 | Outcome | | | | | | Medium-term estimate | | | |
|--|---------|---------|---------|---------|----------|---------|--------------------------------|---------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Cape Town Metro | 277 393 | 289 998 | 317 050 | 340 674 | 316 436 | 316 436 | 339 777 | 7.38 | 344 223 | 358 432 |
| Total provincial expenditure by district and local municipality | 277 393 | 289 998 | 317 050 | 340 674 | 316 436 | 316 436 | 339 777 | 7.38 | 344 223 | 358 432 |

Table A.5.1 Provincial payments and estimates by district and local municipality – Programme 1: Administration

| Municipalities R'000 | Outcome | | | | | | Medium-term estimate | | | |
|--|---------|---------|---------|---------|----------|---------|--------------------------------|---------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Cape Town Metro | 51 594 | 55 508 | 60 976 | 67 069 | 57 634 | 57 391 | 60 453 | 5.34 | 61 604 | 66 402 |
| Total provincial expenditure by district and local municipality | 51 594 | 55 508 | 60 976 | 67 069 | 57 634 | 57 391 | 60 453 | 5.34 | 61 604 | 66 402 |

Annexure A to Vote 3

Table A.5.2 Provincial payments and estimates by district and local municipality – Programme 2: Sustainable Resource Management

| Municipalities R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|---------|---------|---------|---------|----------|---------|--------------------------------|---------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Cape Town Metro | 115 847 | 112 035 | 127 431 | 139 156 | 126 259 | 126 502 | 151 749 | 19.96 | 162 168 | 165 617 |
| Total provincial expenditure by district and local municipality | 115 847 | 112 035 | 127 431 | 139 156 | 126 259 | 126 502 | 151 749 | 19.96 | 162 168 | 165 617 |

Table A.5.3 Provincial payments and estimates by district and local municipality – Programme 3: Asset Management

| Municipalities R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|---------|---------|---------|---------|----------|---------|--------------------------------|---------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Cape Town Metro | 59 518 | 71 326 | 77 561 | 89 576 | 80 903 | 80 912 | 79 766 | (1.42) | 64 514 | 70 985 |
| Total provincial expenditure by district and local municipality | 59 518 | 71 326 | 77 561 | 89 576 | 80 903 | 80 912 | 79 766 | (1.42) | 73 529 | 76 885 |

Table A.5.4 Provincial payments and estimates by district and local municipality – Programme 4: Financial Governance

| Municipalities R'000 | Outcome | | | | | | Medium-term estimate | | | |
|---|---------|---------|---------|---------|----------|---------|--------------------------------|---------|---------|---------|
| | Audited | Audited | Audited | Main | Adjusted | Revised | % Change from Revised estimate | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2023/24 | 2025/26 | 2026/27 |
| Cape Town Metro | 50 434 | 51 129 | 51 082 | 44 873 | 51 640 | 51 631 | 47 809 | (7.40) | 49 615 | 49 967 |
| Total provincial expenditure by district and local municipality | 50 434 | 51 129 | 51 082 | 44 873 | 51 640 | 51 631 | 47 809 | (7.40) | 46 922 | 49 528 |