

VOTE 4:

**Free State Provincial
Treasury**

Vote 4

Department of Free State Provincial Treasury

To be appropriated by Vote in 2025/26
Responsible Member of Executive Council
Administering Department
Accounting Officer

R 384 032 000
MEC for Finance
Department of Provincial Treasury
Head of Department

1. Overview

Provincial Treasury derives its mandate, core functions and responsibilities from the Public Finance Management Act, (Act 1 of 1999), as amended and Municipal Finance Management Act (Act 56 of 2003).

1.1 Vision

An innovative and resilient partner in prudent fiscal management, socio-economic growth and service delivery.

1.2 Mission

To promote Socio-economic inclusiveness for shared growth through

- Innovative fiscal management,
- Sustainable resource management and
- Good governance

Values

Accountability, Assertiveness, Collaboration, Professionalism, and Integrity

Core function and responsibilities

The core functions, powers and responsibilities of the Provincial Treasury are outlined in Section 18 of the Public Finance Management Act (PFMA, Act No. 1 of 1999) and Section 5 of the Municipal Finance Management Act (MFMA, Act No. 56 of 2003). These can be summarised as follows:

- Preparing the provincial budget and exercising control over the implementation thereof.
- Promoting and enforcing transparency and effective management in respect of revenue, expenditure, assets and liabilities of provincial departments and entities.
- Enforcing the PFMA and national and provincial norms and standards as well as monitoring and assessing the implementation thereof in provincial departments and entities.
- Assisting provincial departments and entities in building their capacity for efficient, effective, and transparent financial management.
- Preparing consolidated financial statements.
- Controlling the Provincial Revenue Fund and establishing appropriate and effective cash management and banking arrangements for the Provincial Revenue Fund.
- Monitoring and enforcing compliance of municipalities and municipal entities with the MFMA; and

- Monitoring the preparation of municipal budgets and the outcome thereof.

Main services

Provincial Treasury's main services in executing its mandate include:

- Providing professional advice and support on provincial economic analysis and fiscal policy;
- Management of the annual budget process and the implementation of provincial budgets;
- Providing policy direction, monitoring, and support to ensure effective and efficient supply chain management and asset management practices;
- Providing access to and maintaining transversal financial management systems
- Promoting accountability and compliance with financial norms and standards to improve the quality and integrity of financial accounting and reporting of provincial departments and public entities.
- Providing guidance to improve financial governance and management at local government level; and
- Providing guidance on municipal revenue and debt management as well as asset and liability management and reporting

Acts, rules and regulations

The department considers the following acts, rules, and regulations in the execution of its responsibilities:

- Constitution Act No. 108 of 1996
- Public Finance Management Act No. 1 of 1999 (as amended)
- Treasury Regulations, May 2005
- Annual Division of Revenue Act
- Municipal Finance Management Act number 56 of 2003
- Municipal Supply Chain Regulations of 2005
- Municipal Investment Regulations of 2005
- Municipal PPP Regulations of 2005
- Preferential Procurement Policy Act No. 5 of 2000
- SCM Regulations of 2004
- Borrowing Powers of Provincial Government Act
- Provincial Tax Act
- Employment Equity Act of 1998
- Public Service Act of 1994
- Public Service Regulations, 2016
- Public Service Coordinating Bargaining Council Collective Agreement
- SITA Act of 1999
- SITA Regulations of 1999
- Archives act of 1962
- Protection of Information Act, Act 84 of 1982
- Access to Information Act of 1998 (as amended)
- Minimum Information Security Standard (MISS)
- Promotion of Administrative Justice (PAJA) Act 3 of 2000

- Labour Relations Act 66 of 1995

Activities and events relevant to budget decisions

The budget decisions are affected by external events such as, women's day, youth day, Heritage Day celebrations, employment of additional contract workers and claims from other departments for shared events.

Aligning departmental budgets to achieve government's prescribed outcomes

The Provincial Treasury contributes to Strategic Priority 3: Build a capable, ethical and developmental state of the Medium-Term Development Plan 2024-2029. Outputs relating to these outcomes are incorporated into the 2025- 2026 draft Annual Performance plan.

2. Review of the current financial year (2024/25)

As the custodian of public financial management in the province, the Department continued to execute its mandate of monitoring and oversight to improve governance and compliance to regulatory frameworks at both provincial and local government level.

Over the past few years, the province witnessed the impact of COVID-19 and the resultant economic slowdown, high unemployment rate, persistent poverty, and the escalation in the cost of living. The economic performance of the Free State Province was not spared from the spillover effects of these global and local factors. Among many others, geopolitical tensions, higher-than-expected global inflation, constrained financial conditions and exchange rate volatility severely suppress our economic growth. Despite all these challenges, the provincial economy is estimated to grow at 0.5 percentage in 2024 and expected to grow to 1.7 percent in 2025 supported by the stable performance of the finance industry, increased trade as the monetary policy eases and increased transportation as the global economy recovers.

Provincial own generated revenue plays a vital role in supplementing national transfers and funding key priorities. The department worked with revenue generating departments and entities in pursuit of optimising own revenue. The Provincial Own Revenue was monitored and reported on regularly. As at the the end of January 2025, the province had collected R1.251 billion or 99.1 percent billion against the adjusted target of R1.262 billion.

Progress with infrastructure spending and projects as well as spending on conditional grants was monitored on a regular basis and conditional grant and infrastructure review sessions were held to discuss progress with departments and entities. As at the end of December 2024 provincial spending on infrastructure totalled R 4.097 billion or 78.5 percent of the allocated budget of R 5.220 billion and on conditional grants amounted to R7.419 billion or 76.4 percent against the adjusted budget of R9.717 billion which are in line with the benchmark and shows a significant improvement when compared to the same period of the 2023/24 financial year spending performance.

The department continued to closely monitor expenditure, with an emphasis on managing the provincial wage bill. The Free State composition of expenditure is skewed more towards compensation of employees. Although there are signs of compensation of employees' spending, the overall composition remains extremely unbalanced and may overcrowd the budget.

Payment of suppliers within 30 days remains a major concern given the role that government procurement plays in the empowerment of SMMEs. A combination of factors has been reported to contribute to the challenge of paying suppliers within 30 days. These include amongst others cash challenges and incurring of overdraft by departments.

As part of the Provincial Treasury's oversight role, the following interventions were undertaken to address this concern and to improve on departments paying suppliers:

- Departments were required to report to the Provincial Treasury on their performance regarding payment of suppliers monthly and this report was submitted to National Treasury who later presented it to the Forum of South Africa Heads of Department (FOSAD).
- On a monthly basis the Provincial Treasury engaged with departments and entities before submitting exception reports to National Treasury on payment of suppliers in 30 days.
- Departments were required to develop and implement internal control processes to ensure compliance with the requirements pertaining to the payment of suppliers within 30 days.

Provincial Treasury continued its support and oversight to departments and entities to improve governance and compliance. To enhance the quality of financial statements, interim and draft financial statements of departments and entities were assessed and detailed reports and guidance on rectifications that needed to be done were provided to accounting officers. Work files were also assessed to determine completeness in terms of the minimum requirements checklist. For the first time in nine years, no department or entity had an adverse or disclaimer audit opinion for the 2023/24 financial year.

In ensuring that the public and private sector stakeholders are vigilant and have improved fraud prevention and response strategies, Provincial Treasury continued to educate and alert the officials and stakeholders on developments in fraud detection and prevention. The Department successfully hosted the Africa Anti-Corruption Session on 11 July 2024 and facilitated training provided by National Treasury on Auditing of Performance Information on 10 – 12 July 2024. The department also held the International Fraud Awareness Seminar on 21 November 2024 and the International Anti-Corruption Day Session on the 9th of December 2024 in partnership with the Association for Certified Fraud Examiners, NEDBANK, Mangaung Metro Municipality, PricewaterhouseCoopers, Public Service Commission as well as the Department of Priority Crime Investigation.

Risk Management and Internal Audit KPI assessments regarding provincial Risk Management Units, Risk Management Committees, Fraud and Ethics Risk Assessment and provincial Internal Audit Activities and Audit Committees were conducted.

The department's monitoring of and support to municipalities included the assessment of draft and final budgets on credibility, funding and compliance with the Municipal Budget and Reporting Regulations.

Provincial Treasury provided support to municipalities on supply chain management processes. This included training and support to Municipal Public Accounts Committee (MPAC) members to improve their governance roles, training bid committee members, assessing supply chain related policies, reviewing procurement plans etc.

To assist municipalities to improve their audit outcomes, the department reviewed and monitored the implementation of audit action plans, attended audit steering committee meetings, and provided guidance on the GRAP reporting framework.

The department assessed the risk management and internal audit functions in municipalities in terms of functionality and capacity and provided training and support to ensure the effective functioning of these governance structures.

3. Outlook for the coming financial year (2025/26)

The key focus for Provincial Treasury will be ensuring sustainable and accountable fiscal governance in provincial departments, entities and municipalities.

The department will continue to focus on improving cash coverage, reducing accruals and payables, irregular, unauthorised and fruitless and wasteful expenditure, improving the quality of financial statements and strengthening governance structures.

The province continues to operate in a tight fiscal space and Provincial Treasury is challenged to develop a fiscal policy framework that will contribute to inclusive economic growth whilst ensuring delivery on priorities of government. The provincial own generated revenue represents a small share of the provincial fiscal envelope, but it plays a vital role in supplementing national transfers. Provincial own revenue is generated mainly by two items; motor vehicle licenses and sales of goods and services, which come from services rendered at hospitals (patient fees). The concentration of the sources of revenue in the province poses a serious risk to fiscal sustainability. The department will continue to support departments with revenue collection and efforts to diversify revenue streams for the province.

Provincial Treasury will continue with its efforts to ensure that allocated funds are spent efficiently and effectively. In-year monitoring and reporting will continue, with a focus on budgeting and spending on non-core items.

The Department will continue to provide comprehensive socio-economic information for the province to serve as an analytical framework to inform provincial fiscal policy development and allow for more informed alignment of budget proposals with the prevailing provincial growth and development strategy and government priorities. This includes the publication of the Provincial Economic Review and Outlook (PERO), the District Economic Review and Outlook (DERO), the Medium-Term Budget Policy Statement (MTBPS) and quarterly labour market reviews.

Compensation of employees currently accounts for 75 percent of the provincial budget, and it is projected to further increase over the MTEF period. The unsustainably high levels of the public sector wage bill will have to be managed downwards to unlock funding for other priorities as well as derive efficiency on compensation of employees' budgets. Provincial Treasury will thoroughly review the composition of compensation of employee's budget and put measures in place to reduce growth of the provincial wage bill.

The department will pay special attention to improving infrastructure delivery in a cost-effective manner in collaboration with key role-players. Expenditure on infrastructure and conditional grants will be monitored rigorously, and departments will be regularly engaged in this regard.

Compliance with supply chain management prescripts is key to ensuring accountable fiscal governance. Provincial Treasury will continue to monitor and assess departments on compliance with key performance indicators for supply chain management and provide guidance and assistance to improve supply chain management practices in departments and entities.

Late payment of suppliers continues to seriously undermine the sustainability of Small Medium and Micro Enterprises and the department will regular monitor and report on the payment of suppliers within 30 days. The department will engage with departments and entities on reports on payment of suppliers and monitor the development and implementation of internal control processes to ensure compliance with payment requirements.

To support departments and entities to improve the quality of their financial statements, Provincial Treasury will continue with the assessment of interim and draft annual financial statements and providing guidance and assistance to departments and entities on accounting matters. The department will furthermore assess remedial audit action plans and monitor progress with the implementation thereof.

The department will continue to monitor compliance to and effective implementation of the Public Sector Risk Management Framework and the Public Sector Internal Audit Framework. Training and support will also be provided regarding risk management and internal audit.

In terms of Section 5(4) of the MFMA, 2003 (Act No. 56 of 2003) the Provincial Treasury must, amongst other, monitor compliance with the Act by municipalities and municipal entities, the preparation of their budgets and the monthly outcome thereof, as well as the submission of reports as required by the Act. It may further assist municipalities in the preparation of their budgets, and it may exercise any powers and must perform any duties delegated to it by the

National Treasury in terms of the Act and may take appropriate steps if a municipality or municipal entity in the province commits a breach of the Act. Currently the Department is responsible for 22-delegated municipalities.

To assist municipalities to improve their budgets, the department will conduct training sessions, evaluate draft municipal budgets and provide feedback and conduct both technical and political municipal budget bilateral meetings. Expenditure will be monitored and reported regularly.

The department will assist municipalities to manage their cash position by assisting them to improve the functionality and effectiveness of revenue committees, improve cost reflective tariffs through partnerships with Eskom, water boards and NERSA and facilitating the conclusion of recovery plans for defaulting municipalities and monitoring the payment of debts.

The department will continue to assist municipalities with the interpretation and implementation of GRAP standards and will monitor the submission of annual financial statements to the Auditor General.

Municipalities will be supported on supply chain management compliance through amongst other training, assessment of policies and reviewing supply chain management reports and registers.

To improve the functioning and effectiveness of governance structures, Internal Audit and Risk Management functions of municipalities will be assessed and training and support provided.

4. Reprioritisation

Baseline funding for the 2025/25 financial year concludes that approximately 75 percent of the required is for compensation of employees (CoE).

Due to non-filling of vacancies, funds on CoE were reprioritized to cover the shortfall on consumable supplies. venues and facilities funding reprioritized for the payments for Capital assets and catering and computer services were further reprioritized to cover the shortfall on legal fee and operating leases

5. Procurement

The procurement plan for 2025/2026 will be based on the needs analysis submitted by Programmes and thereafter the normal procurement processes must be adhered to.

The planned major procurements are mainly replacement of computer equipment which amounts to 5% of the overall budget allocation and finance lease contract renewals. Within goods and services, the department is planning according to the budget allocation except for the transversal systems.

6. Receipts and financing

6.1 Summary of receipts

Table 4.1: Summary of receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2021/23	2023/24				2025/26	2026/27	2027/28
Equitable share	281 551	300 609	282 265	295 800	313 339	311 339	321 525	333 987	348 623
Conditional grants									
Earmarked funds	31 400	8 759	8 759	49 358	32 845	21 845	39 728	42 277	42 906
Operation clean audit			26 560	26 560	15 652	4 652	16 356	18 305	18 305
Municipal Support Programme	9 000	6 000	8 000	10 000	10 000	10 000	10 000	10 000	10 000
Covid-19 Response	10 000								
Provincial Support Programme	1 200								
Infrastructure Development Improvement	5 000	524	5 466	5 711	5 137	4 137	5 967	6 235	6 516
Municipal Finance Recovery Services	6 200	2 235	6 782	7 087	2 056	2 056	7 405	7 737	8 085
Departmental receipts	22 232	22 779	22 779	22 779	22 779	22 779	22 779	22 779	22 779
Total receipts	335 183	332 147	351 852	367 937	368 963	355 963	384 032	399 043	414 308

Table 4.2 : Summary of departmental receipts collection

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Tax receipts									
Casino taxes									
Motor vehicle licences									
Sales of goods and services other than capital assets	140	145	139	140	100	109	100	100	100
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	27 315	74 353	136 072	30 000	37 000	50 869	31 320	32 729	34 202
Sales of capital assets					3	3	3	3	3
Transactions in financial assets and liabilities	127	341	134	149	149	353	155	162	169
Total departmental receipts	27 582	74 839	136 345	30 289	37 252	51 334	31 578	32 994	34 474

6.2 Departmental receipts collection

The Free State Provincial Treasury is the custodian for investments in the province and generates income by means of investing allocated funding available in the revenue fund. Due to improved spending of the provincial departments in the last few years the interest generated decreased, but with the implementation of cost containment measures and closely monitoring of the spending within departments the interest to be generated was increased again. In the past financial year and the current financial year, the generation of interest performed well above expected with longer periods for investments and better investment research and implementation.

6.3 Donor funding

Not Applicable

7. Payment summary

7.1 Key assumption

Approximately 75 percent of the Free State Provincial Treasury budget is allocated towards the payment of compensation of employees.

Funding had to be reprioritized within the department and delays with the filling of vacancies had to be implemented to curb the implementation of the cost-of-living adjustments within the department. This will remain over the MTEF period as the allocated funding will not be sufficient to accommodate the higher cost of living increments annually.

7.2 Programme summary

Table 4.3 : Summary of payments and estimates by programme: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Programmes									
1. Administration	100 768	135 379	109 313	128 262	128 432	128 432	133 095	139 017	144 965
2. Sustainable Resource Management	46 414	50 567	51 326	62 238	61 238	61 238	65 789	67 308	68 806
3. Asset and Liabilities Management	68 024	73 041	73 523	69 095	85 095	85 095	72 542	76 538	79 798
4. Financial Governance	25 683	25 760	28 567	32 920	28 920	28 920	34 193	34 251	35 508
5. Municipal Finance Management	39 246	47 400	63 617	75 422	65 278	65 278	78 413	81 929	85 231
Total	280 135	332 147	326 346	367 937	368 963	368 963	384 032	399 043	414 308

Table 4.4 : Summary of provincial payments and estimates by economic classification: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	271 469	321 609	314 138	363 283	361 115	360 679	378 720	395 465	410 370
Compensation of employees	225 808	230 940	235 433	278 783	255 548	255 548	289 171	304 763	318 094
Goods and services	45 661	90 669	78 705	84 500	105 567	105 131	89 549	90 702	92 276
Interest and rent on land									
Transfers and subsidies to:	4 289	6 790	8 768	41	1 825	1 935	85	77	81
Provinces and municipalities	3 500	6 000	8 000						
Households	789	790	768	41	1 825	1 935	85	77	81
Payments for capital assets	4 323	3 696	3 058	4 613	6 023	6 325	5 227	3 501	3 857
Buildings and other fixed structures									
Machinery and equipment	4 323	3 696	3 058	4 613	6 023	6 325	5 227	3 501	3 857
Software and other intangible assets									
Payments for financial assets	54	52	382			24			
Total economic classification	280 135	332 147	326 346	367 937	368 963	368 963	384 032	399 043	414 308

7.3 Summary of economic classification

Compensation of Employees includes permanent, funded, unfunded vacant and temporary (contract appointments) officials. Assets mainly consist of finance leases relating the leases of photocopy machines, cellular phone, and USB contracts. Transfers and subsidies include injury on duty, minor donations and gifts (in line with the bereavement policy) and leave gratuity payments for officials leaving the department and the government sector or officials who passed on. Other expenditure includes normal administrative costs for training and the largest expenditure for the department is the assistance to municipalities, transversal systems, and transversal commitments. The budget increase over the MTEF is mainly due to funding received on Cost-of-Living Adjustments (CoLA).

7.4 Infrastructure payments

Not Applicable

7.5 Conditional Grants

Not Applicable

7.6 Payment for Priorities

Priorities that are funded by the department includes priorities funded through earmarked.

Table 4.5: Earmarked funding: Free State Provincial Treasury

Project description	Outcome			Main appropriation	Adjusted Appropriation	Revised Estimates	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
R thousand									
Programme 2		524	5 466	5 711	5 137	5 137	5 967	6 235	6 516
Infrastructure Development Improvement		524	5 466	5 711	5 137	5 137	5 967	6 235	6 516
Programme 3	1 483								
COVID - 19 response	1 483								
Programme 4	3 138								
Financial intervention measures	3 138								
Programme 5	3 500	8 235	11 819	43 647	27 708	27 708	33 761	36 042	36 390
Municipal Finance Recovery Services	1 872	2 235	3 819	7 087	2 056	2 056	7 405	7 737	8 085
Operation Clean Audit				26 560	15 652	15 652	16 356	18 305	18 305
Municipal Support Programme	3 500	6 000	8 000	10 000	10 000	10 000	10 000	10 000	10 000
Total	8 121	13 701	17 285	49 358	32 845	32 845	39 728	42 277	42 906

7.7 Departmental Public-Private Partnership (PPP) projects

Not Applicable

7.8 Transfers**7.8.1 Transfers to public entities**

Not Applicable

7.8.2 Transfers to other entities

Not Applicable

7.8.3 Transfers to local government

Table 4.6 provides for transfers to municipalities by transfer type and category (A, B and C).

Table 4.6: Transfers to Local Municipalities per category type

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates			% change from 2023/24
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28	
Category A										
Category B	3 500	6 000	8 000							
Category C										
Unallocated										
Total departmental transfers	3 500	6 000	8 000							

8. Programme description**Programme 1: Administration**

The role of this programme is to provide leadership and strategic management in accordance with legislation, regulations, and policies as well as to ensure there are appropriate support service to all other programmes. The programme consists of five operational sub-programmes: Office of the MEC, Office of the HOD, Corporate Services, Financial Management (Includes the office of the CFO) and Internal Audit (Departmental).

Description and outputs

- To provide support to MEC / HOD
- To facilitate towards a skilled, competent and responsive workforce for the Department
- To ensure that allocated funds are planned, managed and spent effectively
- To procure and maintain quality goods and services
- To ensure compliance with practices, norms and standards, independent assessment of the adequacy and effectiveness of internal controls and risk management
- To promote effective corporate communication
- To promote sound stakeholder relations

Table 4.7 : Summary of payments and estimates by sub-programme: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Office of the MEC	6 972	7 955	9 358	10 822	12 160	12 150	11 075	11 584	12 107
2. Management Services	4 228	4 683	5 723	8 148	7 438	7 430	7 761	8 445	8 801
3. Corporate Services	42 140	46 222	44 775	50 023	52 227	52 279	53 293	54 972	57 404
4. Financial Management (Office of the CFO)	41 988	72 126	44 793	51 966	50 204	50 170	54 058	56 803	59 092
5. Internal Audit (Departmental)	5 440	4 393	4 664	7 303	6 403	6 403	6 908	7 213	7 561
Total payments and estimates	100 768	135 379	109 313	128 262	128 432	128 432	133 095	139 017	144 965

Table 4.8 : Summary of payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	97 415	132 574	107 212	124 431	122 741	122 539	128 992	135 469	141 357
Compensation of employees	79 697	81 654	83 803	99 392	92 972	92 972	101 478	107 871	112 988
Goods and services	17 718	50 920	23 409	25 039	29 769	29 567	27 514	27 598	28 369
Interest and rent on land									
Transfers and subsidies to:	329	472	249	41	1 561	1 561	85	77	81
Provinces and municipalities									
Households	329	472	249	41	1 561	1 561	85	77	81
Payments for capital assets	3 024	2 283	1 498	3 790	4 130	4 309	4 018	3 471	3 527
Buildings and other fixed structures									
Machinery and equipment	3 024	2 283	1 498	3 790	4 130	4 309	4 018	3 471	3 527
Software and other intangible assets									
Payments for financial assets		50	354			23			
Total economic classification	100 768	135 379	109 313	128 262	128 432	128 432	133 095	139 017	144 965

Programme expenditure analysis

The spending within the programme one is mainly service delivery to the department as a support function to the Provincial Treasury. Functions are furthermore centralized within this programme for example the audit fees, resettlement cost, training and development of departmental officials, bursary payments, departmental IT expenses like software licenses, internet payments, telephone expenditure as well as finance leases including cellular, USB and photocopy machine leases.

Programme one is also responsible for the payment of interns and learners, government vehicle costs and advertisement cost for recruitment.

Programme 2: Sustainable Resource Management

The role of this programme is to provide professional advice and support on provincial economic analysis, fiscal policy, and the management of the annual budget process and the implementation of provincial budgets. The programme consists of six operational sub-programmes: Programme Support, Economic Analysis, Fiscal Policy, Budget Management, Public Finance, Infrastructure Management Compensation Directorate.

Description and outputs

- Conduct research and provide economic information in pursuit of inclusive growth and development
- Optimize provincial own revenue to fund key priorities
- Monitor and assess the implementation of the fiscal policy and budget framework
- Promote effective and efficient infrastructure delivery
- Ensure sustainable and effective cash management practices and efficient management of the Provincial Revenue Fund

Table 4.9 : Summary of payments and estimates by sub-programme: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Programme Support	1 908	3 586	2 722	2 260	2 308	2 318	2 472	2 597	2 706
2. Economic Analysis	6 316	6 342	7 588	9 421	9 094	8 984	10 467	10 057	11 326
3. Fiscal Policy	8 687	8 411	8 012	9 959	8 974	8 974	10 430	10 795	11 169
4. Budget Management	13 411	14 000	13 600	14 748	15 731	15 891	15 648	16 186	15 922
5. Public Finance and Financial Asset Management	14 950	16 988	18 130	24 388	23 752	23 722	17 100	17 609	17 039
6. Infrastructure Management							8 100	8 351	8 854
7. Compensation Directorate	1 142	1 240	1 274	1 462	1 379	1 349	1 572	1 713	1 790
Total payments and estimates	46 414	50 567	51 326	62 238	61 238	61 238	65 789	67 308	68 806

Table 4.10 : Summary of payments and estimates by economic classification: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	45 873	50 006	50 869	62 238	60 787	60 651	65 405	67 308	68 806
Compensation of employees	45 066	46 735	48 589	57 665	55 680	55 681	60 350	62 192	63 552
Goods and services	807	3 271	2 280	4 573	5 107	4 970	5 055	5 116	5 254
Interest and rent on land									
Transfers and subsidies to:	23	96				108			
Provinces and municipalities									
Households	23	96				108			
Payments for capital assets	506	465	457		451	479	384		
Buildings and other fixed structures									
Machinery and equipment	506	465	457		451	479	384		
Software and other intangible assets									
Payments for financial assets	12								
Total economic classification	46 414	50 567	51 326	62 238	61 238	61 238	65 789	67 308	68 806

Programme expenditure analysis

The expenditure within the programme two is mainly relating to compensation of employees as well as the travelling cost of officials. The largest spending on goods and services is for the annual Research Colloquium held by the programme for the province as well as the printing of the relevant budget related books.

Programme 3: Asset and Liability Management

The role of this programme is to provide policy direction, facilitate the effective and efficient management of assets, liabilities and financial management systems and procure transversal and cross-cutting goods and services. The programme consists out of three sub-programmes: Programme Support, Asset Management, Supporting and Interlinked Financial Systems.

Description and outputs

- Strengthen supply chain management in the province through capacity building and oversight
- Strengthen asset management in the province through capacity building and oversight
- Support and capacitate transversal financial management systems users

Table 4.11 : Summary of payments and estimates by sub-programme: Programme 3: Asset and Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Programme Support	3 285	5 322	4 558	2 150	8 351	8 352	2 603	2 417	2 547
2. SCM and Asset Management	8 906	9 176	10 259	12 855	11 430	11 449	13 875	15 143	16 009
3. Supporting and Interlinked Financial Systems	55 833	58 543	58 706	54 090	65 314	65 294	56 064	58 978	61 242
Total payments and estimates	68 024	73 041	73 523	69 095	85 095	85 095	72 542	76 538	79 798

Table 4.12 : Summary of payments and estimates by economic classification: Programme 3: Asset and Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	67 759	72 587	72 946	68 822	84 438	84 389	72 342	76 508	79 768
Compensation of employees	41 606	42 902	44 553	49 241	47 056	47 056	52 963	55 967	58 894
Goods and services	26 153	29 685	28 393	19 581	37 382	37 333	19 379	20 541	20 874
Interest and rent on land									
Transfers and subsidies to:	84	30	82		205	205			
Provinces and municipalities									
Households	84	30	82		205	205			
Payments for capital assets	181	424	495	273	452	500	200	30	30
Buildings and other fixed structures									
Machinery and equipment	181	424	495	273	452	500	200	30	30
Software and other intangible assets									
Payments for financial assets						1			
Total economic classification	68 024	73 041	73 523	69 095	85 095	85 095	72 542	76 538	79 798

Programme expenditure analysis

The programme is mainly responsible for asset management and transversal systems for the province. The largest expenditure within the programme is related to the SITA accounts for all financial systems utilized by all departments within the province (BAS, PERSAL and LOGIS). Minor expenditure is relating travel and subsistence cost.

Programme 4: Financial Governance

The role of this programme is to promote accountability through substantive reflection of financial activities of the province as well as compliance with financial norms and standards. The programme consists of three sub-programmes: Programme Support, Accounting Services and Provincial Risk Management and Internal Audit (Provincial)

Description and outputs

- Promote and enforce sound accounting practices and reporting through capacity building and monitoring
- Promote and enforce risk management and internal audit practices through capacity building and monitoring

Table 4.13 : Summary of payments and estimates by sub-programme: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Program Support	3 030	3 502	6 282	3 267	2 424	2 424	6 178	3 462	3 618
2. Provincial Accounting Services	15 860	15 183	15 734	19 034	17 601	17 601	19 640	20 899	21 484
3. Provincial Risk Management and Internal Audit	6 793	7 075	6 551	10 619	8 895	8 895	8 375	9 890	10 406
Total payments and estimates	25 683	25 760	28 567	32 920	28 920	28 920	34 193	34 251	35 508

Table 4.14 : Summary of payments and estimates by economic classification: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	25 248	25 479	28 338	32 680	28 680	28 666	33 958	34 251	35 508
Compensation of employees	24 913	23 591	24 406	29 284	25 284	25 284	30 136	32 497	33 544
Goods and services	335	1 888	3 932	3 396	3 396	3 382	3 822	1 754	1 964
Interest and rent on land									
Transfers and subsidies to:	111		105						
Provinces and municipalities									
Households	111		105						
Payments for capital assets	282	279	124	240	240	254	235		
Buildings and other fixed structures									
Machinery and equipment	282	279	124	240	240	254	235		
Software and other intangible assets									
Payments for financial assets	42	2							
Total economic classification	25 683	25 760	28 567	32 920	28 920	28 920	34 193	34 251	35 508

Programme expenditure analysis

The main cost driver in this programme is compensation of employees as this programme aids all provincial departments and entities relating to all accounting, risk, and internal audit matters. Minor expenditure includes the printing of the consolidated financial statements as well as travel and subsistence.

Programme 5: Municipal Finance Management

The role of this programme is to promote and improve the state of financial governance and management at local government level. The programme consists of seven sub-programmes: Programme support, Municipal Budgets & IYM, Municipal Accounting & Asset Management, Municipal Revenue & Debt, Municipal Supply Chain Management, Municipal Risk and Internal Audit relating to Municipal Finance and Municipal Finance Recovery services & Reporting.

Description and outputs

- Monitor and support municipalities towards improved budget management
- Monitor and support municipalities towards improved audit outcomes
- Monitor and support municipalities to strengthen compliance with SCM prescripts
- Monitor and support municipalities to strengthen Internal Audit and Risk Management

Table 4.15 : Summary of payments and estimates by sub-programme: Programme 5: Municipal Finance Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Program Support	7 315	10 380	27 291	28 089	26 716	26 816	28 848	30 922	31 081
2. Municipal Budgets & IYM	7 054	7 207	7 375	8 174	7 619	7 619	8 666	8 792	9 199
3. Municipal Accounting & Assets	4 753	7 776	7 271	9 835	8 092	7 992	9 731	10 578	11 687
4. Municipal Revenue & Debt Management	5 624	6 273	5 726	6 801	6 489	6 489	7 687	7 956	8 238
5. Municipal Supply Chain Management	4 687	6 304	8 066	8 967	7 459	7 459	8 922	8 371	8 719
6. Municipal Risk Management & Internal Audit	4 272	5 727	5 836	6 469	6 847	6 847	7 154	7 573	8 222
7. Municipal MFRS & Reporting	5 541	3 733	2 052	7 087	2 056	2 056	7 405	7 737	8 085
Total payments and estimates	39 246	47 400	63 617	75 422	65 278	65 278	78 413	81 929	85 231

Table 4.16 : Summary of payments and estimates by economic classification: Programme 5: Municipal Finance Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	35 174	40 963	54 773	75 112	64 469	64 434	78 023	81 929	84 931
Compensation of employees	34 526	36 058	34 082	43 201	34 556	34 555	44 244	46 236	49 116
Goods and services	648	4 905	20 691	31 911	29 913	29 879	33 779	35 693	35 815
Interest and rent on land									
Transfers and subsidies to:	3 742	6 192	8 332		59	61			
Provinces and municipalities	3 500	6 000	8 000						
Households	242	192	332		59	61			
Payments for capital assets	330	245	484	310	750	783	390		300
Buildings and other fixed structures									
Machinery and equipment	330	245	484	310	750	783	390		300
Software and other intangible assets									
Payments for financial assets			28						
Total economic classification	39 246	47 400	63 617	75 422	65 278	65 278	78 413	81 929	85 231

Programme expenditure analysis

A large portion of funding within this programme is relating earmarked allocations for the assistance with the following projects: Municipal clean audit project, Municipal Support programme and the Municipal Finance Revenue Services. Other cost drivers are compensation of employees and travel cost.

8.1 Service delivery measures

8.1.1 Departmental goals

- An efficient, effective and development-oriented department.
- Support departments, municipalities and entities towards improving financial accountability and sustainability.
- Enhance processes, practices and systems towards efficiency gains, to eliminate waste and derive value for money.
- Improve the development and management life cycle of infrastructure and assets.

8.2 Other programme information

8.2.1 Personnel numbers and costs

Table 4.17 : Personnel numbers and costs by programme

Personnel numbers	As at 31 March 2022	As at 31 March 2023	As at 31 March 2024	As at 31 March 2025	As at 31 March 2026	As at 31 March 2027	As at 31 March 2028
1. Administration	199	199	197	197	188	187	187
2. Sustainable Resource Management	71	72	71	71	71	71	71
3. Asset and Liabilities Management	81	76	76	76	76	76	76
4. Financial Governance	37	37	37	37	37	37	37
5. Municipal Finance Management	57	54	54	54	55	55	55
Direct charges							
Total provincial personnel numbers	445	438	435	435	427	426	426
Total provincial personnel cost (R thousand)	225 808	230 940	235 433	255 548	289 171	304 763	318 094
Unit cost (R thousand)	507	527	541	587	677	714	745

1. Full-time equivalent

8.2.2 Personnel numbers and costs

Table 4.18 : Summary of departmental personnel numbers and costs by component

	Actual						Revised estimate				Medium-term expenditure estimate						Average annual growth over MTEF 2024/25 - 2027/28		
	2021/22		2022/23		2023/24		2024/25				2025/26		2026/27		2027/28				
	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
R thousands																			
Salary level																			
1 – 7	144	30 035	143	31 320	143	41 444	130	13	143	44 643	133	47 068	133	50 429	133	52 699	-2.4%	5.7%	16.8%
8 – 10	204	96 645	197	98 440	186	97 548	184	2	186	105 007	192	116 463	191	122 912	191	128 362	1.1%	6.9%	40.6%
11 – 12	67	54 833	67	57 361	76	61 029	75	1	76	60 582	73	73 153	73	76 097	73	79 557	-1.3%	9.5%	24.6%
13 – 16	30	44 295	31	43 819	30	45 564	29	1	30	45 316	29	52 487	29	55 325	29	57 476	-1.1%	8.2%	18.0%
Other																			
Total	445	225 808	438	230 940	435	245 585	418	17	435	255 548	427	289 171	426	304 763	426	318 094	-0.6%	7.6%	100.0%
Programme																			
1. Administration	199	79 697	199	81 654	197	83 803	185	12	197	92 972	188	101 478	187	107 871	187	112 988	-1.5%	6.7%	35.7%
2. Sustainable Resource Management	71	45 066	72	46 735	71	48 589	69	2	71	55 681	71	60 350	71	62 192	71	63 552		4.5%	20.7%
3. Asset and Liabilities Management	81	41 606	76	42 902	76	44 553	76		76	47 056	76	52 963	76	55 967	76	58 894		7.8%	18.4%
4. Financial Governance	37	24 913	37	23 591	37	24 406	37		37	25 284	37	30 136	37	32 497	37	33 544		9.9%	10.4%
5. Municipal Finance Management	57	34 526	54	36 058	54	34 082	51	3	54	34 555	55	44 244	55	46 236	55	49 116	0.6%	12.4%	14.8%
Direct charges																			
Total	445	225 808	438	230 940	435	235 433	418	17	435	255 548	427	289 171	426	304 763	426	318 094	-0.6%	7.6%	100.0%
Employee dispensation classification																			
Public Service Act appointees not covered by OSDs	424		414		414		414	1	415		416		415		415		-0.1%		
Public Service Act appointees still to be covered by OSDs																			
Professional Nurses, Staff Nurses and Nursing Assistants																			
Legal Professionals	1		1		1		1		1		1		1		1				
Social Services Professions																			
Engineering Professions and related occupations																			
Medical and related professionals																			
Therapeutic, Diagnostic and other related Allied Health Professionals																			
Educators and related professionals																			
Others such as interns, EPWP, learnerships, etc	20		20		20		20		20		10		10		10		-20.6%		
Total	445		435		435		435	1	436		427		426		426		-0.8%		

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

8.3 Training

Table 4.19 : Payments on training by programme

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Administration	646	475	1 791	1 791	1 791	1 791	1 811	1 811	1 812
2. Sustainable Resource Management	3	31	50	50	50	50	50	50	52
3. Asset and Liabilities Management	32	15	107						
4. Financial Governance	153	54	13	10	10	10	282	284	359
5. Municipal Finance Management	390	4 210	560	670	670	670	970	1 087	1 229
Total payments on training	1 224	4 785	2 521	2 521	2 521	2 521	3 113	3 232	3 452

Table 4.20 : Information on training: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Number of staff	445	438	435	435	435	435	427	427	427
Number of personnel trained	368	368	368	368	368	368	425	425	425
of which									
Male	156	156	156	156	156	156	174	174	174
Female	212	212	212	212	212	212	251	251	251
Number of training opportunities	40	40	40	40	40	40	40	40	40
of which									
Tertiary									
Workshops	2	2	2	2	2	2	2	2	2
Seminars	19	19	19	19	19	19	19	19	19
Other	19	19	19	19	19	19	19	19	19
Number of bursaries offered	32	32	32	32	32	32	32	32	32
Number of interns appointed	32	32	32	32	32	32	32	32	32
Number of learnerships appointed									
Number of days spent on training	135	135	135	135	135	135	135	135	135
Payments on training by programme									
1. Administration	646	475	1 791	1 791	1 791	1 791	1 811	1 811	1 812
2. Sustainable Resource Management	3	31	50	50	50	50	50	50	52
3. Asset and Liabilities Management	32	15	107						
4. Financial Governance	153	54	13	10	10	10	282	284	359
5. Municipal Finance Management	390	4 210	560	670	670	670	970	1 087	1 229
Total payments on training	1 224	4 785	2 521	2 521	2 521	2 521	3 113	3 232	3 452

8.4 Reconciliation of structural changes

Not Applicable

Annexure to the Estimates of Provincial Revenue and Expenditure

Table B.1: Specifications of receipts**Table B.1: Specification of receipts: Free State Provincial Treasury**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	140	145	139	140	100	109	100	100	100
Sale of goods and services produced by department (excluding capital assets)	140	145	139	140	100	109	100	100	100
Sales by market establishments									
Administrative fees									
Other sales	140	145	139	140	100	109	100	100	100
Of which									
Sales of scrap, waste, arms and other used current goods (excl. capital assets)									
Transfers received from:									
Other governmental units									
Higher education institutions									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	27 315	74 353	136 072	30 000	37 000	50 869	31 320	32 729	34 202
Interest									
Dividends	27 315	74 353	136 072	30 000	37 000	50 869	31 320	32 729	34 202
Rent on land									
Sales of capital assets					3	3	3	3	3
Land and sub-soil assets									
Other capital assets					3	3	3	3	3
Transactions in financial assets and liabilities	127	341	134	149	149	353	155	162	169
Total departmental receipts	27 582	74 839	136 345	30 289	37 252	51 334	31 578	32 994	34 474

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	97 415	132 574	107 212	124 431	122 741	122 539	128 992	135 469	141 357
Compensation of employees	79 697	81 654	83 803	99 392	92 972	92 972	101 478	107 871	112 988
Salaries and wages	68 309	70 164	71 663	85 646	79 212	79 096	86 429	91 845	96 567
Social contributions	11 388	11 490	12 140	13 746	13 760	13 876	15 049	16 026	16 421
Goods and services	17 718	50 920	23 409	25 039	29 769	29 567	27 514	27 598	28 369
Administrative fees	116	218	264	223	183	186	235	270	295
Advertising	182	198	504	524	923	923	604	673	687
Minor assets	102	64	102	418	330	194	595	240	218
Audit costs: External	5 492	35 661	5 988	4 530	4 756	5 102	4 532	4 741	4 955
Bursaries: Employees	835	1 318	2 148	899	1 299	546	899	941	983
Catering: Departmental activities	86	233	567	330	424	680	311	323	334
Communication (G&S)	422	429	285	1 012	789	676	1 190	1 207	1 059
Computer services	3 300	4 088	3 279	2 217	3 026	2 969	2 247	2 367	1 847
Consultants: Business and advisory services	237	247	286	317	333	332	323	339	356
Infrastructure and planning services									
Laboratory services									
Legal services (G&S)	1 465	538		157	4 488	5 365	300	300	250
Science and technological services			1 830						
Contractors	1 018	1 347	568	1 091	635	488	1 031	1 146	1 152
Agency and support/outsourced services	63	171	299	386	371	398	726	488	549
Entertainment	1	1	2	22	25	25	24	24	24
Fleet services (including government motor transport)	1 920	879	715	1 560	1 560	959	1 560	1 560	1 560
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medias inventory interface									
Inventory: Other supplies									
Consumable supplies	330	283	514	972	864	876	1 127	1 101	1 229
Consumables: Stationery, printing and office supplies	901	1 174	1 336	2 391	2 058	2 040	2 645	2 593	2 653
Operating leases	684	1 549	1 892	1 644	1 688	2 288	1 645	1 658	1 671
Rental and hiring									
Property payments	42	19							
Transport provided: Departmental activity			1 956				80		
Travel and subsistence	210	1 336	570	4 044	3 901	3 716	5 073	5 321	6 228
Training and development	223	519	182	1 791	1 655	1 214	1 662	1 811	1 812
Operating payments	86	519	122	364	204	267	558	395	403
Venues and facilities	3	129		147	257	323	147	100	104
Interest and rent on land									
Interest (incl. interest on unitary payments (PPP))									
Rent on land									
Transfers and subsidies	329	472	249	41	1 561	1 561	85	77	81
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	329	472	249	41	1 561	1 561	85	77	81
Social benefits	228	222	244	31	1 551	1 551	50	25	26
Other transfers to households	101	250	5	10	10	10	35	52	55
Payments for capital assets	3 024	2 283	1 498	3 790	4 130	4 309	4 018	3 471	3 527
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	3 024	2 283	1 498	3 790	4 130	4 309	4 018	3 471	3 527
Transport equipment									
Other machinery and equipment	3 024	2 283	1 498	3 790	4 130	4 309	4 018	3 471	3 527
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets		50	354			23			
Total economic classification	100 768	135 379	109 313	128 262	128 432	128 432	133 095	139 017	144 965

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	45 873	50 006	50 869	62 238	60 787	60 651	65 405	67 308	68 806
Compensation of employees	45 066	46 735	48 589	57 665	55 680	55 681	60 350	62 192	63 552
Salaries and wages	39 242	40 648	42 147	50 142	48 328	48 329	52 453	53 910	54 774
Social contributions	5 824	6 087	6 442	7 523	7 352	7 352	7 897	8 282	8 778
Goods and services	807	3 271	2 280	4 573	5 107	4 970	5 055	5 116	5 254
Administrative fees	5	24	31	66	66	66	75	74	77
Advertising	193	301	57	110	491	661	150	150	157
Minor assets	20	33	16	81	116	101	149	24	25
Audit costs: External		1 660	650						
Bursaries: Employees									
Catering: Departmental activities	20	238	228	155	323	314	173	180	187
Communication (G&S)	14	4	43	14	68	72	76	78	81
Computer services			260	320	386	386	320	320	334
Consultants: Business and advisory services	70	91		982	781	631	893	1 024	1 000
Infrastructure and planning services									
Laboratory services									
Legal services (G&S)									
Science and technological services									
Contractors			1	8	10	4	8	8	9
Agency and support/outourced services									
Entertainment	1			6	4	2	6	6	6
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	49	83	123	136	144	186	187	193	202
Consumables: Stationery, printing and office supplies	263	415	406	878	1 032	980	950	988	1 024
Operating leases									
Rental and hiring									
Property payments									
Transport provided: Departmental activity			411						
Travel and subsistence	82	383	13	1 682	1 514	1 395	1 927	1 930	2 006
Training and development				50	50	50	50	50	52
Operating payments			41						
Venues and facilities	90	39		85	122	122	91	91	94
Interest and rent on land									
Interest (incl. interest on unitary payments (PPP))									
Rent on land									
Transfers and subsidies	23	96				108			
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	23	96				108			
Social benefits	23	95							
Other transfers to households		1				108			
Payments for capital assets	506	465	457		451	479	384		
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	506	465	457		451	479	384		
Transport equipment									
Other machinery and equipment	506	465	457		451	479	384		
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	12								
Total economic classification	46 414	50 567	51 326	62 238	61 238	61 238	65 789	67 308	68 806

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	67 759	72 587	72 946	68 822	84 438	84 389	72 342	76 508	79 768
Compensation of employees	41 606	42 902	44 553	49 241	47 056	47 056	52 963	55 967	58 894
Salaries and wages	35 422	36 524	37 778	41 779	39 887	39 887	45 028	47 432	49 759
Social contributions	6 184	6 378	6 775	7 462	7 169	7 169	7 935	8 535	9 135
Goods and services	26 153	29 685	28 393	19 581	37 382	37 333	19 379	20 541	20 874
Administrative fees	2	13	20	49	41	41	69	77	78
Advertising	40			56	64	64	56	56	56
Minor assets	36	26	27	60	3 096	3 096	134	12	38
Audit costs: External		2 107	2 559						
Bursaries: Employees									
Catering: Departmental activities	9	39	24	128	124	124	94	107	108
Communication (G&S)	29	40	35	65	65	65	65	65	65
Computer services	24 220	25 496	25 193	16 380	25 320	25 457	16 380	17 504	17 764
Consultants: Business and advisory services		1 392			3 100	3 100			
Infrastructure and planning services									
Laboratory services									
Legal services (G&S)									
Science and technological services									
Contractors	4	5	3	164	141	70	165	65	65
Agency and support/outsourced services									
Entertainment			2	6	6	6	6	6	6
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	1 531	82	97	218	3 286	3 260	202	201	200
Consumables: Stationery, printing and office supplies	211	205	252	1 334	1 118	1 076	1 051	1 207	1 212
Operating leases									
Rental and hiring									
Property payments									
Transport provided: Departmental activity			181						
Travel and subsistence	71	280		1 067	966	919	1 103	1 187	1 228
Training and development									
Operating payments					1	1			
Venues and facilities				54	54	54	54	54	54
Interest and rent on land									
Interest (incl. interest on unitary payments (PPP))									
Rent on land									
Transfers and subsidies	84	30	82	205	205				
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	84	30	82	205	205				
Social benefits	84	30	82	205	205				
Other transfers to households									
Payments for capital assets	181	424	495	273	452	500	200	30	30
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	181	424	495	273	452	500	200	30	30
Transport equipment									
Other machinery and equipment	181	424	495	273	452	500	200	30	30
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets						1			
Total economic classification	68 024	73 041	73 523	69 095	85 095	85 095	72 542	76 538	79 798

VOTE 4: FREE STATE PROVINCIAL TREASURY

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	25 248	25 479	28 338	32 680	28 680	28 666	33 958	34 251	35 508
Compensation of employees	24 913	23 591	24 406	29 284	25 284	25 284	30 136	32 497	33 544
Salaries and wages	21 768	20 575	21 122	25 534	21 472	21 536	26 044	28 119	28 882
Social contributions	3 145	3 016	3 284	3 750	3 812	3 748	4 092	4 378	4 662
Goods and services	335	1 888	3 932	3 396	3 396	3 382	3 822	1 754	1 964
Administrative fees		5	12	30	30	30	37	39	42
Advertising									
Minor assets	35	26	17	107	111	97	124	6	7
Audit costs: External		1 254	3 354						
Bursaries: Employees									
Catering: Departmental activities	56	117	89	160	160	190	181	189	197
Communication (G&S)	4								
Computer services									
Consultants: Business and advisory services				2 000	2 000	2 000	2 000		
Infrastructure and planning services									
Laboratory services									
Legal services (G&S)									
Science and technological services									
Contractors	2	1	3	3	3	3	3	3	3
Agency and support/outsource services							7	7	7
Entertainment	1			6	6	6	6	6	6
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	54	64	62	68	69	74	75	78	86
Consumables: Stationery, printing and office supplies	102	41	148	258	252	250	314	342	359
Operating leases									
Rental and hiring									
Property payments									
Transport provided: Departmental activity			141						
Travel and subsistence	13	156	6	448	448	448	482	498	566
Training and development			95	45	45	45	282	284	359
Operating payments	68	99	5	90	91	91	109	110	119
Venues and facilities		125		181	181	148	202	192	213
Interest and rent on land									
Interest (incl. interest on unitary payments (PPP))									
Rent on land									
Transfers and subsidies	111		105						
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	111		105						
Social benefits	111		105						
Other transfers to households									
Payments for capital assets	282	279	124	240	240	254	235		
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	282	279	124	240	240	254	235		
Transport equipment									
Other machinery and equipment	282	279	124	240	240	254	235		
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	42	2							
Total economic classification	25 683	25 760	28 567	32 920	28 920	28 920	34 193	34 251	35 508

VOTE 4: FREE STATE PROVINCIAL TREASURY

Table B.2: Payments and estimates by economic classification: Programme 5: Municipal Finance Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	35 174	40 963	54 773	75 112	64 469	64 434	78 023	81 929	84 931
Compensation of employees	34 526	36 058	34 082	43 201	34 556	34 555	44 244	46 236	49 116
Salaries and wages	30 535	31 935	30 073	38 878	30 233	30 232	39 487	41 207	43 807
Social contributions	3 991	4 123	4 009	4 323	4 323	4 323	4 757	5 029	5 309
Goods and services	648	4 905	20 691	31 911	29 913	29 879	33 779	35 693	35 815
Administrative fees	6	40	70	69	74	74	74	77	81
Advertising									
Minor assets	8	13	10	29	48	52	66	8	8
Audit costs: External		2 879	18 350						
Bursaries: Employees									
Catering: Departmental activities	28	159	237	315	295	293	515	518	538
Communication (G&S)	56	62	78	100	93	83	102	106	110
Computer services									
Consultants: Business and advisory services				28 314	26 152	26 152	29 208	31 027	30 890
Infrastructure and planning services									
Laboratory services									
Legal services (G&S)									
Science and technological services									
Contractors	7	6		8	2	2	8	8	9
Agency and support/outourced services									
Entertainment		1		12	10	10	10	10	10
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories									
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies	78	100	113	149	146	144	160	138	142
Consumables: Stationery, printing and office supplies	63	93	129	341	337	310	363	349	374
Operating leases									
Rental and hiring									
Property payments									
Transport provided: Departmental activity			1 580						
Travel and subsistence	399	1 292	121	1 804	1 891	1 954	2 103	2 160	2 215
Training and development		260		670	865	805	970	1 087	1 229
Operating payments	3		3						
Venues and facilities				100			200	205	209
Interest and rent on land									
Interest (Incl. interest on unitary payments (PPP))									
Rent on land									
Transfers and subsidies	3 742	6 192	8 332		59	61			
Provinces and municipalities	3 500	6 000	8 000						
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	3 500	6 000	8 000						
Municipal bank accounts									
Municipal agencies and funds	3 500	6 000	8 000						
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production (pc)									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production (pe)									
Other transfers to private enterprises									
Non-profit institutions									
Households	242	192	332		59	61			
Social benefits	242	192	332		59	60			
Other transfers to households						1			
Payments for capital assets	330	245	484	310	750	783	390		300
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	330	245	484	310	750	783	390		300
Transport equipment									
Other machinery and equipment	330	245	484	310	750	783	390		300
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets			28						
Total economic classification	39 246	47 400	63 617	75 422	65 278	65 278	78 413	81 929	85 231

Table B.3: Payments and estimates by economic classification (Present for each programme)**Table B.3: Transfers to local government by category and municipality: Free State Provincial Treasury**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Category A									
Mangaung									
Category B	3 500	6 000	8 000						
Letsemeng			1 000						
Masilonyana			1 000						
Tokologo		1 500	2 000						
Tswelopele		1 000	1 000						
Nketoana			2 000						
Maluti-a-Phofung									
Phumelela	1 750	2 000	1 000						
Ngwathe	1 750								
Matube		1 500							
Category C									
Xhariep District Municipality									
Fezile Dabi District Municipality									
Unallocated									
Total transfers to municipalities	3 500	6 000	8 000						

Table B.4: Summary of payments and estimates by district and municipal area: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Mangaung	280 135	326 147	326 346	367 937	368 963	368 963	384 032	399 043	414 308
Xhariep District Municipality									
Letsemeng									
Kopanong									
Mohokare									
Lejweleputswa District Municipality		2 500							
Masilonyana									
Tokologo		1 500							
Tswelopele		1 000							
Matjhabeng									
Nala									
Thabo Mofutsanyana District Municipality		2 000							
Setsoho									
Ditlabeng									
Nketoana									
Maluti-a-Phofung									
Phumelela		2 000							
Mantsope									
Fezile Dabi District Municipality		1 500							
Moghaka									
Ngwathe									
Metsimaholo									
Matube		1 500							
District Municipalities									
Xhariep District Municipality									
Lejweleputswa District Municipality									
Thabo Mofutsanyana District Municipality									
Fezile Dabi District Municipality									
Unallocated									
Total transfers to municipalities	280 135	332 147	326 346	367 937	368 963	368 963	384 032	399 043	414 308