

VOTE 8:

**Department of Cooperative
Governance and
Traditional Affairs**

Vote 8

Department of Cooperative Governance and Traditional Affairs

To be appropriated by Vote in 2025/26	R 447 914 000
Responsible MEC	MEC for Cooperative Governance, Traditional Affairs and Human Settlements
Administering Department	Department of Cooperative Governance and Traditional Affairs
Accounting Officer	Head of Department: Cooperative Governance and Traditional Affairs.

1. Overview

1.1 Vision

Integrated, responsive and developmental local governance in the Free State Province.

1.2 Mission

The Department strives to strengthen inter-sectoral cooperation and support municipalities and Traditional Leaders towards effective service delivery through:

- Integrated and sustainable planning and development
- Partnerships
- Research
- Monitoring and evaluation
- Accountability

1.3 Main services and core functions

- To oversee and co-ordinate the establishment, monitoring, regulating, strengthening, supporting and capacitating of municipalities in terms of the Constitution of the Republic of South Africa, 1996.
- Support and monitor municipalities in the provision of Free Basic Services to qualifying households
- To monitor, evaluate and provide feedback on the financial performance of District and Local Municipalities.
- To monitor, evaluate and provide feedback to District and Local Municipalities towards compliance with key pieces of Local Government finance related legislation and regulations.
- To mobilise resources, expertise and support programs towards enhancing the financial management and overall financial position of District and Local Municipalities.
- To ensure public accountability and transparency on Local Government level.
- To integrate and coordinate disaster management policy.
- To prevent and/or reduce the risk of disasters.
- To mitigate the severity of disasters.

- To ensure that emergency preparedness is rapid and to render effective response to disasters and post disaster recovery.
- To render professional advice regarding the physical and spatial elements of land development.
- To manage the process of integrated development planning by municipalities.
- To ensure safe, salubrious, economic and environmentally friendly development.
- To submit all applications for land development and land use changes to the Townships Board for consideration and in turn submit the recommendations of the Townships Board to the MEC.
- To ensure the upgrading of land tenure rights in the Free State, conduct investigations and lodge deeds of transfer in terms of the Conversion of Certain Rights into Leasehold or Ownership Act, 1988 (Act 81/1988).
- Provide support and monitor municipalities with the implementation of Spatial Planning and Land Use Management Act, Act 16 of 2013.
- To oversee and co-ordinate the establishment, monitoring, regulating, strengthening, supporting and capacitating of traditional leadership in terms of the Constitution.
- To advise Government on matters pertaining to traditional leadership.
- To investigate matters referred to the House and take remedial action.
- To promote the institution of traditional leadership.
- To build the capacity of traditional leadership.
- To monitor the performance of traditional leadership.
- To provide Secretariat support service to traditional leadership.
- To conduct anthropological research on traditional leadership and develop archives (database).
- To support traditional leadership through mobilizing resources, expertise, development, and support programme and monitor the extent to which traditional leadership complies with legislation.

1.4 Demands and changes in services

NO Demands and changes in our service.

1.5 Acts, rules and regulations

Constitutional Mandate

The Constitution of the Republic of South Africa, 1996, redefined local government as a sphere of government that is distinctive from, yet interdependent and inter-related with provincial and national government. Importantly, the Constitution conferred developmental duties to local government.

Legislative Mandate

The following legislation applies to the department:

- a) Public Finance Management Act No. 1 of 1999 (as amended by the Public Finance Management Amendment Act No. 29 of 1999). This Act regulates financial management in the national and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and

- effectively; to provide for the responsibility of persons entrusted with financial management in those governments; and provide for matters connected therewith;
- b) Division of Revenue Act of 2013. This Act provides for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2013/2014 financial year; to provide for reporting requirements for allocations pursuant to such divisions; to provide for the withholding and the delaying of payments; to provide for liability for cost incurred in litigation in violation of the principles of co-operative governance and intergovernmental relations; and to provide for matters connected therewith;
 - c) The Housing Act No. 107 of 1997: Through this legislation, existing and future, and the Housing Code, the Department of Housing is carrying out its legislative imperative as set out in the Housing Act, 1997. Section 2 of the Housing Act, 1997 (Act No. 107 of 1997) compels all three spheres of government to give priority to the needs of the poor in respect of housing development (section 2(1) (a)). In addition, all 3 spheres of government must ensure that housing development:
 - (i) provides as wide a choice of housing and tenure options as is reasonably possible
 - (ii) is economically, fiscally, socially and financially affordable and sustainable
 - (iii) is based on integrated development planning
 - (iv) is administered in a transparent, accountable and equitable manner, and upholds the practice of good governance (Section 2(1)(c));
 - d) Subdivision of Agricultural Land Act No. 70 of 1970: This Act is used for Town Planning advice to the Department of Land Affairs on the subdivision of agricultural land;
 - e) The Development Facilitation Act No. 67 of 1995: This Act provides directive principles to guide the drafting, adoption and implementation of all policies and legislation for all spheres of government regulating spatial planning, land use management and land development;
 - f) Municipal Systems Act of 2000: The Act introduces changes towards the manner in which municipalities are organized internally, the way they plan and utilize resources, monitor and measure their performance, delegate authority, render services and manage their finances and revenue. Critically, the MSA formalizes a range of alternative service delivery mechanisms that could be used to complement traditional service rendering mechanisms / arrangements used by municipalities. This Act also enables the Integrated Development Plans (IDP). The IDP is a single and inclusive strategic plan that must be compiled and adopted by the municipality. IDPs must include a financial plan, performance management plan, disaster plan and a spatial development framework within which all sector plans should be addressed;
 - g) Municipal Demarcation Act of 1998: The Municipal Demarcation Act of 1998 provided for the re-demarcation of municipal boundaries, and this resulted in the rationalization of 843 municipal entities into 284 larger and possible economically viable entities;
 - h) Municipal Structures Act No. 117 of 1998 as amended in 1999 and 2000: The Act defined new institutional arrangements and systems for local government. Importantly, the Act laid a foundation for local government performance management and ward committee systems;
 - i) White Paper on Local Government of 1998: The White Paper on Local Government is a broad policy framework that proposes wholesale changes in the areas of political, administrative structures of local government, electoral systems, demarcations, finances, services, infrastructure development, planning and so forth. The White Paper maps out a vision of developmental local government that is committed to

working actively with citizens to identify sustainable ways of meeting their social, economic and material needs and thereby improve their quality of life. Developmental local government envisages the transformation of municipal administrations into rationalized, representative, less bureaucratic, people-centred, efficient, transparent, accountable and responsive entities;

- j) The Fund Raising Act No. 107 of 1978: The Act provides for the declaration of a disaster by the President in order to provide relief to the Victims of disasters such as drought disaster;
- k) Disaster Management Act 57 of 2002: The Act streamlines and unifies disaster management and promotes a risk reduction approach particularly at provincial and local levels. It eliminates the confusion around disaster declaration and addresses current legislative gaps;
- l) National Veld and Forestry Act No. 101 of 1998: The Act emphasizes the formation of Fire Protection Associations for the purpose of predicting, preventing, managing and extinguishing veld fires;
- m) The National Environmental and Waste Management Act of 1999: The Act provides for environmental management strategies so as to prevent and mitigate environmental disasters;
- n) Traditional Leadership and Governance Framework Act No. 41 of 2003: The Act provides for the recognition of traditional leaders, their roles and functions, recognition of traditional communities, establishment of traditional councils and for matters connected therewith;
- o) Public Audit Act, 2004 (Act 25 of 2004): This Act gives effect to the provisions of the Constitution establishing and assigning functions to an Auditor-General; to provide for the auditing of institutions in the public sector; to provide for accountability arrangements of the Auditor-General; to repeal certain obsolete legislation; and to provide for matters connected therewith;
- p) Municipal Finance Management Act, 2003 (Act No. 56 of 2003): This Act aims to modernise budget and financial management practices in municipalities so that financially sustainable municipalities are able to meet their service delivery obligations. The Act also provides a financial governance framework that clarifies the roles and responsibilities of officials, councillors, the Provincial Treasury and this department. The department is responsible for monitoring and supporting municipalities in its implementation, to share its monitoring results and provide warning of impending financial distress. Although the department is endowed with powers of intervention, the primary responsibility to manage finances, identify and avert financial distress rests with municipalities;
- q) Municipal Property Rates Act, 2004 (Act No. 6 of 2004): This Act regulates the powers entrusted to municipalities to impose rates on property, to exclude certain property categories from rating and to provide a transparent and fair system for rating of properties and granting rates rebates. The Act further provides for ratepayers to have access and recourse to a process of objection and appeal against rates imposed by municipalities. The mandate of the department is to monitor and support municipalities with MPRA implementation, and to ensure that objections and appeals against property values are resolved through a fair and transparent process of appeal/review;
- r) Spatial Planning and Land Use Management Act 16 of 2013): This Act provides a framework for the monitoring, coordination and review of the spatial planning and land use management system. It also provides for the establishment, functions and operation of Municipal Planning Tribunals;

- s) National Building Regulations and Building Standards Act (Act 103 of 1977): This Act provides for the promotion of uniformity in the law relating to the erection of buildings in the areas of jurisdiction of local authorities for the prescribing of building standards; and for matters connected therewith;
- t) Transportation of Dangerous Goods Act of 1992: This Act provides for public safety in the transportation of dangerous goods;
- u) Safety and Sports and Recreational Events Act (Act 2 of 2010): To provide for measures to safeguard the physical wellbeing and safety of persons and property at sports, recreational, religious, cultural, exhibition, organisational or similar events held at stadiums, venues or along a route; to provide for the accountability of event role players to provide for certain prohibition to provide risk categorisation of events; to provide for the establishment of measures to deal with safety and security at events; to provide for accreditation of role-players at events; to provide for events ticketing; to provide for the control access of spectators and vehicles at events; to provide for the issuing of safety certificates for planned or existing stadiums or venues; to provide for the contents of safety certificates and amendments to safety certificates; to provide for appointment of inspectors and their powers of entry and inspection; to provide for the development of security services; to provide for spectator exclusion notices; to provide for prohibition notices; to provide for the establishment of an Appeal Board and for appeals; to provide for public liability insurance for events; to provide for payment of fees; to provide for offences and penalties; and to provide for matters connected therewith;
- v) Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005): To establish a framework for the national government, provincial governments and local governments to promote and facilitate intergovernmental relations and provide for mechanisms and procedures to facilitate the settlements of intergovernmental disputes;
- w) Local Government Laws amendment Act, to mend different acts applicable to local governments, e.g. Structures Act, in relation to the payment of out-of-pocket expenses for ward committees; and
- x) Remuneration of Public Office Bearers Act, 1998.

1.6 Budget Decisions

The department's main responsibility is to strengthen and support Local Municipalities and Traditional Institutions. In line with this, the current situation at local municipality level in terms of their capacity and needs were considered in the compilation of the budget. Priorities in terms of the MTSF, SONA and SOPA were also considered in terms of the departmental budget process.

1.7 Aligning departmental budgets to achieve government's prescribed outcomes

There are no amendments to the Strategic Plan 2020/2024.

Drawing from the NDP chapter on a Capable and Developmental State, by 2030, we will have a developmental local state that is accountable, focused on citizen's priorities and capable of delivering high-quality services consistently and sustainably through cooperative governance and participatory democracy. In this scenario, local government is at the forefront of participatory democracy involving citizens in meaningful deliberations regarding governance and development; is responsive to citizens' priorities and enjoys high levels of trust and credibility amongst the public; whose employees are skilled, competent and

committed to delivering quality services; is able to cost-effectively increase the quantity and quality of services and operates within a supportive and empowering intergovernmental system.

In order to achieve the above vision there are a number of immediate barriers, constraints and challenges to be addressed. Proactive approach managing the intergovernmental system was introduced, to address specific weaknesses in coordination and capacity. The need to mediate agreements between district and local municipalities where there is duplication or conflict over the allocation of responsibilities and resources was implemented. The development of different modalities for the delivery of services in less well-resourced municipalities.

The 2020-2024 Medium Term Strategic Framework emphasizes that national and provincial departments and entities affecting local government will have to cooperate better and act with greater synergy in providing oversight and support to the local sphere. Therefore, the Department has improved systems of monitoring and evaluation on the assessment of supporting municipalities through various for and intervention implemented.

The Department has established Municipal Public Accounts Committee (MPAC) Forums that have led to increased capacitation of MPAC members. Based on this intervention 17 MPAC's are functional. The Department, through the Disaster Management Directorate, successfully intervened in the Jagersfontein disaster. The province has also been involved in the intervention in the town, which led to the building of 64 houses to replace the destroyed homes. The District Development office was established in the Department and in all the districts, including the Metro. These municipalities and the Metro were assisted to develop and finalize their One Plans. The support through secondment of officials of the Department to act in senior managers' positions in municipalities has stabilized these municipalities.

In Traditional Affairs, the following have been achieved:

- Reconstitution of the Provincial House of Traditional and Khoi-San Leaders ("the Provincial House") in accordance with section 49 and 63(13) of the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019) ("TKLA").
- Reconstitution of the Thabo Mofutsanyane Local House of Traditional and Khoi-San Leaders ("TMLHTKL") in accordance with section 50 of the TKLA.
- Establishment of the Provincial Initiation Coordinating Committee ("PICC") in accordance with the Customary Initiation Act, 2021 (Act No. 2 of 2021) ("CIA").
- Establishment of Investigative Committee that handles traditional leadership disputes and claims.
- There is an approved and adopted Bereavement Policy for Traditional Leaders.
- Participation of Traditional Leaders in Municipal Council in accordance with section 81 of Municipal Structures Act, 1998 (Act No. 117 of 1998) as amended.
- Provision of vehicles to both Principal Traditional Leaders, Senior Traditional Leaders, the Members of the Executive Committee of the Provincial House and the Chairperson of TMLHTKL.
- Appointment of Deputy Traditional Leaders for Senior Traditional Leaders who are full time members of the Provincial House in accordance with the provision of section 14 of the TKLA.
- Allocation of livestock (hardy cows and bulls) to five recognised traditional communities in Province in collaboration with the Free State Department of Agriculture and Rural Development. The allocated bulls will be made available for the members of the traditional communities for breeding.

- Partial acquisition of land for the traditional community of Batlokoa-ba-Mokgalong has been achieved. However, the size of the land is too small to accommodate the members of the community. The Public Works and Infrastructure is in engagement with landowners to avail land in the vicinity of Vrede to accommodate the traditional community of Batlokoa ba Mokgalong.
- Annual cultural celebrations for the five recognised traditional communities are hosted.
- The office accommodation for Provincial House has been identified and its readiness for occupation will be pronounced in the third quarter of 2024/25 financial year.
- Engagements between Traditional Leadership and Provincial Government in a form of Dialogue are held to promote cooperative governance.
- Monthly allowance for offices of Principal Traditional Leaders and Traditional Councils have been increased taking into account the inflation.
- Principal Traditional Leaders and Senior Traditional Leaders have been provided with laptops and cell phones to enhance their day-to-day performance of duties.
- Traditional Leaders undertook a trip to Ghana to benchmark on practices of their counterparts in that country.

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

Programme 1: Administration

Administration is responsible for the rendering of support to the Department, thereby enabling the Department to achieve its strategic objectives and related targets. This is done through the rendering of the following functions:

- a. Support to the Office of the MEC
- b. Support to the Office of the HOD
- c. Corporate Services:
 - Human Resource Management
 - Planning and Performance Management
 - Information Technology and Communications
 - Security Management
 - Auxiliary Services
- d. Office of the Chief Financial Officer
 - Finance and Budget Management
 - Supply Chain Management

Programme 2: Local Governance

The Directorate has been mandated to monitor compliance with regulatory frameworks and to provide advice and support to all Free State municipalities in this regard.

Municipal By-laws

During the period under review the following municipalities have adopted and reviewed their municipal by-laws:

1. Phumelela Local Municipality
2. Ngwathe Local Municipality

3. Letsemeng Local Municipality
4. Nketoana Local Municipality
5. Moqhaka Local Municipality
6. Dihlabeng Local Municipality
7. Mangaung Metro Municipality

Section 13 sets out the Legislative Procedure for Promulgation of Municipal By-laws and the Department is mandated to assist municipalities comply with legislative requirements as set out in this section.

In 2011 the MEC for local government in the Free State published forty-four (44) standard draft by- laws for adoption by way of reference by municipalities.

Since then, there has been a remarkable improvement in the rate at which municipalities are adopting and promulgating municipal by-laws in the province. At this stage the challenge facing municipalities as far as by-laws are concerned is the implementation of by-laws. The passing by-laws without enforcing it, serves no purpose. Failure by a municipality to enforce its by-laws amounts to a failure to give effect to the obligations imposed upon a municipality by section 152 of the Constitution which may also lead to Provincial Intervention through the provisions of section 139 of the Constitution.

Municipal Support Programme: (NT-Section 139 Interventions)

The Department received an allocation of R4.716 million for contract appointments to second officials to various municipalities placed under administration.

Programme 3: Development and Planning

In line with the Spatial Planning and Land Use Management Act, the Spatial Planning Directorate supports the municipalities with drafting of Spatial Development Framework (SDF) and Land Use Schemes (LUS). The spatial development framework guides spatial planning, land development and land use management, while the land use scheme which must be consistent with the spatial development framework determine the use and development of land within the municipal area in order to promote the following:

- Economic growth
- Social inclusion
- Efficient land development and
- Minimal impact on public health, the environment and natural resources

All municipalities in the province are providing Free Basic Services to qualifying households. The Department is currently assisting municipalities to align their Indigent policies to the National guidelines. The department is also monitoring municipalities on how indigent registers are updated. A tool kit was developed in conjunction with the National Department of Cooperative governance to assist municipalities to align their Indigent policies to the National guidelines.

The Department continue to monitor and support municipalities with the implementations of the Municipal Infrastructure Grant (MIG) towards municipal service delivery in the Province.

Disaster Management Funds (Earmarked Funds)

The last couple of years were the driest years in South Africa in over a century. Farmers have not had enough rainfall resulting in many farmers in need of financial assistance to aid in the recovery process of the damaging effects of the dry conditions. It is

envisaged that it will take years for farmers in the Free State to recover from the adverse effects of the drought.

For this reason, the Department will over the next few years support district municipalities including metro municipality with the functionality of their fire brigade services, thereby mitigating the disastrous effect that potential veld fires will have on live stock. Among the steps to be taken will be the assessment of municipalities on their capacity to implement the National Fire Safety and Prevention Strategy.

In order for the Free State Province to exercise its responsibility of oversight, support and strengthening the capacity of municipalities to manage their own affairs, the Province is required to establish its own capacity to be able to be of any assistance.

For the MTEF an amount of R 5 million per year was allocated for disaster support. This amount will be utilized to assist in disaster situations that might occur during the financial year.

Programme 4 and 5: Traditional Affairs

To realise full benefits of the B2B approach, the institution of traditional leadership as one of the key role players, should play a critical role. Given that, the institution of traditional leadership has a constituency base of people who live in rural areas; it has a vital role to play within the Free State Governance system to advance the developmental agenda. It therefore becomes imperative that the institution plays its role in governance.

The National Department of Traditional Affairs has assessed the functionality of Traditional Councils (TCs) in a number of provinces, and the Free State is one such province. One of the key focus areas of the assessment was the level and quality of participation of traditional leadership structures in municipal councils and their contribution to integrated development planning processes. Throughout the MTEF period, the Department will focus on creating a legislative and policy framework to address legislative gaps on participation of traditional leadership on local government level identified from the assessment.

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

The 7th Administration is focusing on building a capable, ethical and developmental state and inclusive growth and job creation for economic growth, spatial transformation, strategic infrastructure investment and reliable service delivery for all.

Since we are at the beginning of a new administration of government and the MTDP 2024/2029 has not yet been finalised, the Department continue to focus on the following areas of employment policy or practice barriers, to drive the achievement of our employment equity targets as stipulated in the Employment Equity Plan; recruitment procedures, appointments, training and development, promotions, succession and experience planning, and retention of designated personnel.

With the new reconfigured administration, the Department anticipates becoming more vigorously responsive to the needs of its clients (municipalities). In addition, filling of critical posts remains critical for the Department. Continuous capacitation of employees through training and development will work towards improving the service delivery.

The Department will provide hands on (through one-on-one capacitation sessions) support to municipalities with regards to the promulgation; review; amendment and implementation of municipal by-laws.

It is within the mandate and plans of the Department to provide support to municipalities on the Municipal Financial Management. Related issues such as Daily disciplines of reconciling cash receipts, deposits and payments, Proper document management Monitoring of monthly reconciliations, Implementation of consequences management, Confirmation of monthly Asset counts and Asset reconciliations, including progress on record keeping of Infrastructure Assets Monthly feedback to the mayor on revenue and expenditure linked to Performance Management and lastly Monthly feedback to the Mayor on the Monitoring of Compliance with Laws and Regulations

The District Development Model is anchored on the development of the One Plans. The One plan is an intergovernmental plan setting long-term strategic framework to guide investment and delivery in the districts and metropolitan spaces. By its design the One Plan must be developed and agreed to by all spheres of government, private sector and civil society. It should enable coherent, seamless and sustainable spatial planning and ensure integrated impact. Institutionalising a programmatic approach to intergovernmental relations, improving joint planning and streamlined and effective Local Government.

In response to the legislative requirement and to support and assist the Executive Authority commenting process, The Department will continue to coordinate, conduct and facilitate draft Integrated Development Plan (IDP) assessment session, and subsequently assessment report will be generated and shared with all municipalities to consider comments or inputs from the assessment session and advise all Municipalities to consider all inputs, submissions and recommendations.

The Department will also monitor and support municipalities in the implementation of Local Economic Development (LED) with the aim to eliminate economic challenges and creating an enabling environment for Local Economic growth. This will be done in line with the Economic Recovery Plans of the districts and Mangaung Metro.

Monitoring Municipalities indigent registers update. A tool kit was developed in conjunction with the National Department of Cooperative governance to assist municipalities to align their Indigent policies to the National guidelines. Quarterly MIG meetings held between the Department, stakeholders within Municipalities and Sector Departments continues to discuss under expenditure, progress, challenges and remedial measures on projects.

Provincial Disaster Management Advisory Forum (PDMAF): The principal objective of the PDMAF is to establish a platform for relevant stakeholders to engage in consultation, coordination, and management of activities related to disaster risk reduction.

The Provincial Disaster Management Centre will, among others ensures specialize in issues concerning disasters and disaster management in the province and act as an advisory and consultative body on issues concerning disasters and lastly, provide advice and guidance by disseminating information regarding disaster management in the province, especially to communities that are vulnerable to disasters

The Traditional and Khoi-San Leadership Act, 2019 (Act No 3 of 2019), (TKLA) is the national legislation applicable to the Traditional and Khoi-San traditional leadership nationally. This Act seeks to, inter alia: provide for the recognition of traditional and Khoi-San communities, leadership positions and for the withdrawal of such recognition; provide for the establishment traditional and Khoi-San councils, principal traditional councils, local

houses of traditional and Khoi-San leaders, and the provincial house of traditional and Khoi-San leaders.

To align the Free State legislation with the TKLA, amendments to the Free State Provincial and Local Houses of Traditional Leaders Act, 2017 (Act No 7 of 2017) have been tabled to the Provincial Legislature. The Department has amended the Free State Traditional Leadership and Governance Act, 2005 (No 8 of 2005) into the Free State Traditional Leadership and Governance Amendment Act, 2018 (Act No 4 of 2018), to make provision for establishment of Principal Traditional Councils. The term of office of traditional leadership institutions, i.e. traditional councils, principal traditional councils, kingship / queenship councils, local houses and provincial houses are aligned to the term of office of the National House of Traditional Leaders and all these houses of traditional leaders' terms of office expires during May 2027.

4. Reprioritisation

4.1. The following allocations are added to the 2025 MTEF baseline of the Department:

- **R2.688 million** in 2025/26, **R2.879 million** in 2026/27 and **R3.009 million** in 2027/28 towards the wage carry through on compensation of employees, intended to reduce the pressure of the salary bill.
- A total of **R15 million** is added to the earmarked Equitable share for the Cleaner City project with **R5 million** added in each year of the 2025 MTEF.
- A total of R15 million is added to earmarked own Revenue for the Building of palaces for Marena with R5 million added in each year of the 2025 MTEF.

4.2. During the Exco Budget Lekgotla a resolution was adopted that the R5 million allocated to fire-fighting equipment will be allocated to disaster management. Furthermore, the water Laboratory fund with the purpose of supporting municipalities with the maintenance of water treatment laboratories will remain an earmarked allocation.

5. Procurement

The establishment of policies in line with Section 217 of the Constitution which give guidance to procedures, sound systems of control and accountability for the Departmental reform. Furthermore, the tenders are advertised in line with the Preferential Procurement Regulations, 2022.

6. Receipts and financing

The following sources of funding are used for the Vote:

6.1. Summary of receipts

Table 8.1(a) Summary of receipts

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
Equitable share	284 555	341 579	284 980	310 107	314 725	314 874	325 825	340 932	356 274
of which									
Earmarked Funds:	25 177	22 328	28 020	32 216	32 060	32 060	42 427	42 648	42 880
Operation Clean Audit	344								
Water Laboratory Municipal Support	700			2 500			2 500	2 500	2 500
Municipal Support Programme	19 500	15 900	16 507	20 000	19 144	19 144	20 000	20 000	20 000
Municipal finance Recover(NT-139 inter)	4 133	6 428	6 013	4 716	7 216	7 216	4 927	5 148	5 380
Disaster	500			5 000	700	700	10 000	10 000	10 000
Cleaner City			5 500		5 000	5 000	5 000	5 000	5 000
TOTAL EQUITABLE SHARE ALLOCATION	309 732	363 907	313 000	342 323	346 785	346 934	368 252	383 580	399 154
Own Revenue	85 566	74 662	74 662	74 662	74 662	74 662	74 662	74 662	74 662
Specific Earmarked Own Revenue	12 500						5 000	5 000	5 000
Municipal Support Programme	12 500								
Building of Palaces for Marena							5 000	5 000	5 000
TOTAL DEPARTMENTAL ALLOCATION	395 298	438 569	387 662	416 985	421 447	421 596	447 914	463 242	478 816

Table 8.1(b) : Summary of receipts

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
Equitable share	300 636	341 579	342 529	342 323	346 785	346 785	373 252	388 580	404 154
Conditional grants									
Conditional/ Grant 1									
Departmental receipts	311	298	1 071	310	310	310	314	319	319
Total receipts	300 947	341 877	343 600	342 633	347 095	347 095	373 566	388 899	404 473

6.2. Departmental receipts collection

Table 8.2 : 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
Sales of goods and services other	175	182	181	184	184	184	187	190	190
Interest, dividends and rent on lanc	12	22	25	26	26	26	27	29	29
Transactions in financial assets and	124	94	865	100	100	100	100	100	100
Total departmental receipts	311	298	1 071	310	310	310	314	319	319

6.3. Donor funding

None

6.4. Agency receipts

None.

7. Payment summary**7.1. Key assumptions**

The following general assumptions were made with the compilation of the budget:

- The revised inflation projection are 2025/26 4.4 percent, 2026/27 4.5 percent and 2027/28 4.5 percent.
- The Department will have to re-prioritise the budget over the MTEF to effect the changes in the mandate of the Department and to fill critical vacant posts where most needed.
- The budget of 2025/2026 amounts to R447 .914 million
- The budget makes provision for Compensation of Employees, Goods and Services, Transfers and Subsidies and Payment of Capital Assets.

7.2. Programme summary

Table 8.3(a) : Summary of payments and estimates by programme: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

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	145 818	148 812	151 542	169 375	171 509	171 589	183 113	187 022	195 434
2. Local Governance	103 376	79 470	78 512	110 935	93 107	93 932	113 671	119 759	120 555
3. Development and Planning	56 181	48 223	66 026	67 922	78 387	77 614	72 604	74 612	77 179
4. Traditional Institutional Management	48 562	48 933	53 713	54 955	61 316	61 333	63 097	65 751	68 824
5. House of Traditional Leaders	11 790	14 842	16 785	13 798	17 128	17 128	15 429	16 098	16 824
Total	365 727	340 280	366 578	416 985	421 447	421 596	447 914	463 242	478 816

7.3. Summary of economic classification

Table 8.3(b) : Summary of provincial payments and estimates by economic classification: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

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	313 012	317 312	327 699	391 864	386 648	386 319	429 096	442 654	457 751
Compensation of employees	262 403	263 149	265 943	306 660	283 335	283 387	327 790	344 963	360 488
Goods and services	50 609	54 163	61 746	85 204	103 312	102 931	101 306	97 691	97 263
Interest and rent on land			10		1	1			
Transfers and subsidies to:	46 183	16 830	34 228	14 348	28 629	28 826	12 224	12 504	12 841
Provinces and municipalities	44 256	12 026	29 163	12 656	19 541	19 541	9 392	9 594	9 801
Departmental agencies and accounts	7	7	7	10	10	10	10	10	10
Non-profit institutions	374	663	1 495	1 020	7 160	7 160	2 160	2 207	2 306
Households	1 546	4 134	3 563	662	1 918	2 115	662	693	724
Payments for capital assets	6 110	5 938	4 503	10 773	6 170	6 451	6 594	8 084	8 224
Buildings and other fixed structures	827			2 500			3 000	5 000	5 000
Machinery and equipment	5 283	5 938	4 503	8 273	6 170	6 451	3 594	3 084	3 224
Payments for financial assets	422	200	148						
Total economic classification	365 727	340 280	366 578	416 985	421 447	421 596	447 914	463 242	478 816

7.4. Infrastructure payments**7.4.1 Departmental infrastructure payments**

Not applicable.

7.4.2 Maintenance (Table B 5)

Not applicable.

7.4.3 Non-infrastructure items (Table B 5)

Not applicable.

7.5. Conditional Grants

Not applicable.

7.6. Payment for Priorities

Please refer to Table 8.1 in paragraph 6.1 for details of funded priorities.

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

Table 8.4 : Summary of departmental transfers to other entities

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
Traditional Allowances	444	472	1 020	1 020	7 160	7 160	2 160	2 207	2 306
Total departmental transfers	444	472	1 020	1 020	7 160	7 160	2 160	2 207	2 306

7.8.3 Transfers to local government

Table 8.5 provides for transfers to municipalities by transfer type and Category (A, B and C).

Table 8.5 : Summary of departmental transfers to local government by category

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					2 018	2 018			
Category B	30 000	2 660	20 597		4 867	4 867			
Category C	14 256	9 366	4 392	4 392	8 692	8 692	4 392	4 594	4 801
Unallocated			4 174	8 264	3 964	3 964	5 000	5 000	5 000
Total departmental transfers	44 256	12 026	29 163	12 656	19 541	19 541	9 392	9 594	9 801

8. Receipts and retentions: Provincial legislatures

Not applicable.

9. Programme description

9.1. Description and Outputs

10. Programme 1: Administration

Purpose of the Programme.

This programme is dedicated to support the Department and all other services rendered as well as the Financial Management of the Department. This Programme consists of two operational Sub-Programmes: Office of the MEC and Corporate Services.

Description and Objectives

- To ensure effective and efficient administrative support to the MEC.
- To improve capability of the Department to meet its objectives.
- To ensure that financial resources are planned, managed and spent economically, efficiently and effectively.
- To ensure that procurement is done in accordance with a system that is fair, equitable, efficient, transparent and cost-effective.
- To ensure effective, efficient and transparent systems of financial, risk management and internal control in the department.
- To ensure an effective system of internal audit under the control and direction of an audit committee.

Table 8.6(a) Program 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	8 719	11 166	11 010	10 099	11 208	11 118	10 453	9 961	10 406
2. Corporate Services	137 099	137 646	140 532	159 276	160 301	160 471	172 660	177 061	185 028
Total payments and estimates	145 818	148 812	151 542	169 375	171 509	171 589	183 113	187 022	195 434

Table 8.6(b) : 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	139 925	143 396	146 539	162 725	165 528	165 247	179 229	183 635	191 894
Compensation of employees	103 770	107 728	108 546	117 878	116 265	116 265	126 016	132 666	138 634
Goods and services	36 155	35 668	37 983	44 847	49 262	48 981	53 213	50 969	53 260
Interest and rent on land			10		1	1			
Transfers and subsidies to:	393	1 614	2 275	290	1 516	1 596	290	303	316
Provinces and municipalities									
Departmental agencies and accounts	7	7	7	10	10	10	10	10	10
Higher education institutions									
Non-profit institutions									
Households	386	1 607	2 268	280	1 506	1 586	280	293	306
Payments for capital assets	5 083	3 797	2 692	6 360	4 465	4 746	3 594	3 084	3 224
Buildings and other fixed structures									
Machinery and equipment	5 083	3 797	2 692	6 360	4 465	4 746	3 594	3 084	3 224
Heritage Assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	417	5	36						
Total economic classification	145 818	148 812	151 542	169 375	171 509	171 589	183 113	187 022	195 434

11. Programme 2: Local Governance

Purpose of the Programme

This programme provides for the implementation of an institutional, administrative, financial and public participation framework in terms of the Constitution of the RSA, 1996. This Programme consists of five Sub-Programmes: Municipal Administration, Municipal Performance Monitoring, Municipal Finance, Public Participation and Capacity Development.

Description and Objectives

- Coordinated municipal service delivery initiatives
- Administratively- and institutionally viable and sustainable municipalities
- Cooperative governance and service delivery through effective community participation
- Financially viable and sustainable municipalities
- Effective municipal performance, monitoring and reporting
- Coordinated municipal service delivery initiatives

Table 8.7(a) : Summary of payments and estimates by sub-programme: Programme 2: Local 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. Municipal Administration	18 705	19 256	18 997	22 750	17 348	18 181	20 978	22 601	23 620
2. Municipal Finance	42 058	14 395	11 891	21 631	17 637	17 689	22 615	23 824	20 301
3. Public Participation	9 324	10 458	10 883	13 079	12 161	12 101	12 232	12 850	13 429
4. Capacity Development	26 283	27 635	30 327	44 565	39 140	39 140	49 944	52 158	54 504
5. Municipal Performance Monitoring, Rep	7 006	7 726	6 414	8 910	6 821	6 821	7 902	8 326	8 701
Total payments and estimates	103 376	79 470	78 512	110 935	93 107	93 932	113 671	119 759	120 555

Table 8.7(b) : Summary of payments and estimates by economic classification: Programme 2: Local 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	67 052	68 185	69 102	97 610	78 308	79 133	104 279	110 165	110 754
Compensation of employees	62 650	61 932	60 378	84 530	65 910	65 962	90 354	95 066	99 345
Goods and services	4 402	6 253	8 724	13 080	12 398	13 171	13 925	15 099	11 409
Transfers and subsidies to:	36 324	9 980	8 247	12 656	14 420	14 420	9 392	9 594	9 801
Provinces and municipalities	36 256	9 365	7 748	12 656	14 300	14 300	9 392	9 594	9 801
Households	68	615	499		120	120			
Payments for capital assets		1 158	1 092	669	379	379			
Machinery and equipment		1 158	1 092	669	379	379			
Payments for financial assets		147	71						
Total economic classification	103 376	79 470	78 512	110 935	93 107	93 932	113 671	119 759	120 555

Programme 3: Development and Planning

Purpose of the Programme

This Programme aims to support the municipalities with simplified Integrated Development Plan. This Programme consists of four Sub-Programmes: Spatial Planning, Local Economic Development, Municipal Infrastructure and Disaster Management.

Description and Objectives

- Credible spatial development frameworks
- Improved local economy
- Successful implemented municipal infrastructure programme
- Integrated risk planning and management of disasters
- Improved municipal Integrated Development Planning

Table 8.8(b) : Summary of payments and estimates by sub-programme: Programme 3: Development and Planning

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. Spatial Planning	17 922	15 939	14 520	23 013	17 692	17 692	21 585	22 403	23 409
2. Local Economic Development	4 474	5 335	4 749	6 410	5 213	5 213	5 423	5 470	5 714
3. Municipal Infrastructure	24 604	16 703	36 676	22 187	32 878	32 105	24 682	25 323	26 125
4. Disaster Management	9 181	10 246	10 081	16 312	22 604	22 604	20 914	21 416	21 931
Total payments and estimates	56 181	48 223	66 026	67 922	78 387	77 614	72 604	74 612	77 179

Table 8.8(b) : Summary of payments and estimates by economic classification: Programme 3: Development and Planning

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	46 859	43 027	44 005	64 571	67 671	66 898	72 604	74 612	77 179
Compensation of employees	42 083	39 377	39 046	45 837	42 768	42 768	48 990	51 545	53 865
Goods and services	4 776	3 650	4 959	18 734	24 903	24 130	23 614	23 067	23 314
Transfers and subsidies to:	8 386	4 278	21 501		10 510	10 510			
Provinces and municipalities	8 000	2 661	21 415		5 241	5 241			
Non-profit institutions					5 000	5 000			
Households	386	1 617	86		269	269			
Payments for capital assets	936	905	505	3 351	206	206			
Buildings and other fixed structures	827			2 500					
Machinery and equipment	109	905	505	851	206	206			
Payments for financial assets		13	15						
Total economic classification	56 181	48 223	66 026	67 922	78 387	77 614	72 604	74 612	77 179

Programme 4: Traditional Institutional Management

Purpose of the Programme

This programme aims to support and enhance the capacity of Traditional Authorities. This Programme consists of Traditional Institutional Administration.

Description and objectives

Effective administration of traditional leadership institutions.

Table 8.9(a) : Summary of payments and estimates by sub-programme: Programme 4: Traditional Institutional 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. Traditional Institutional Administration	48 562	48 933	53 713	54 955	61 316	61 333	63 097	65 751	68 824
Total payments and estimates	48 562	48 933	53 713	54 955	61 316	61 333	63 097	65 751	68 824

Table 8.9(b) : Summary of payments and estimates by economic classification: Programme 4: Traditional Institutional 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	47 477	47 923	51 379	53 214	58 367	58 367	57 555	58 144	61 100
Compensation of employees	45 390	45 125	48 167	49 239	49 216	49 216	52 623	55 367	57 859
Goods and services	2 087	2 798	3 212	3 975	9 151	9 151	4 932	2 777	3 241
Interest and rent on land									
Transfers and subsidies to:	1 080	957	2 141	1 402	2 183	2 200	2 542	2 607	2 724
Non-profit institutions	374	663	1 495	1 020	2 160	2 160	2 160	2 207	2 306
Households	706	294	646	382	23	40	382	400	418
Payments for capital assets	22	167	167	339	766	766	3 000	5 000	5 000
Buildings and other fixed structures							3 000	5 000	5 000
Machinery and equipment		22	167	339	766	766			
Payments for financial assets	5	31	26						
Total economic classification	48 562	48 933	53 713	54 955	61 316	61 333	63 097	65 751	68 824

Programme 5: House of Traditional Leaders

Purpose of the Programme

This Programme aims to promote and enhance the effective and efficient functioning of the Free State House of Traditional Leaders as well as Local Houses. This Programme consists of the Administration of Houses of Traditional Leaders.

Description and objectives

Effective functioning of the Free State House of Traditional Leaders.

Table 8.10(a) : Summary of payments and estimates by sub-programme: Programme 5: House of Traditional Leaders

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 of House of Traditional Leaders	11 790	14 842	16 785	13 798	17 128	17 128	15 429	16 098	16 824
Total payments and estimates	11 790	14 842	16 785	13 798	17 128	17 128	15 429	16 098	16 824

Table 8.10(b) : Summary of payments and estimates by economic classification: Programme 5: House of Traditional Leaders

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	11 699	14 781	16 674	13 744	16 774	16 674	15 429	16 098	16 824
Compensation of employees	8 510	8 987	9 806	9 176	9 176	9 176	9 807	10 319	10 785
Goods and services	3 189	5 794	6 868	4 568	7 598	7 498	5 622	5 779	6 039
Transfers and subsidies to:		1	64			100			
Households		1	64			100			
Payments for capital assets	91	56	47	54	354	354			
Machinery and equipment	91	56	47	54	354	354			
Payments for financial assets		4							
Total economic classification	11 790	14 842	16 785	13 798	17 128	17 128	15 429	16 098	16 824

11.1. Service delivery measures**Departmental goals**

Goal No.	Goal Statement	Strategic Objectives
1	Creation of a Department geared towards service excellence.	Effective and efficient administrative support to the MEC
		Improved capability of the Department to meet its obligations
2	Promotion of unaccountable and sustainable local governance	Coordinated municipal service delivery initiatives
		Administratively- and institutionally viable and sustainable municipalities
		Cooperative governance and service delivery through effective community participation
		Financially viable and sustainable municipalities
		Effective municipal performance, monitoring and reporting
		Coordinated municipal service delivery initiatives
3	Integrated Development and Planning	Credible spatial development frameworks
		Improved local economy
		Successful implemented municipal infrastructure programme
		Integrated risk planning and management of disasters
		Improved municipal Integrated Development Planning
4	Viable and sustainable Traditional Institutions.	Effective administration of traditional leadership institutions.
5	Effective functioning of the Free State House of Traditional Leader	Effective functioning of the Free State House of Traditional Leader.

11.2. Other programme information

9.3.1 Personnel numbers and costs

Table 8.11(a) : 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	255	257	254	241	241	241	241
2. Local Governance	73	80	73	59	59	59	59
3. Development and Planning	59	56	59	51	51	51	51
4. Traditional Institutional Management	301	208	299	194	194	194	194
5. House of Traditional Leaders	19	18	18	20	20	20	20
Direct charges							
Total provincial personnel numbers	707	619	703	565	565	565	565
Total provincial personnel cost (R thousand)	262 403	263 149	265 943	283 387	327 790	344 963	360 488
Unit cost (R thousand)	371	425	378	502	580	611	638

1. Full-time equivalent

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Table 8.11(b) : Summary of departmental personnel numbers and costs by component

	Actual						Revised estimate				Medium-term expenditure estimate						Average annual growth over MTEF		
	2021/22		2022/23		2023/24		2024/25				2025/26		2026/27		2027/28		2024/25 - 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	431	102 852	434	75 132	432	94 130	275	124	399	77 733	399	82 536	399	87 586	399	92 918		6,1%	26,1%
8 – 10	88	45 668	87	32 877	84	44 999	55	26	81	35 154	81	37 326	81	39 610	81	42 021		6,1%	11,8%
11 – 12	57	52 684	54	45 591	56	55 184	41	7	48	33 655	48	35 735	48	37 921	48	40 229		6,1%	11,3%
13 – 16	42	62 404	44	56 702	43	54 977	24	13	37	41 528	37	44 094	37	46 792	37	49 640		6,1%	14,0%
Other	89	871		71 882	88	30 357				95 317		128 099		133 054		135 679		12,5%	36,8%
Total	707	264 479	619	282 184	703	279 647	395	170	565	283 387	565	327 790	565	344 963	565	360 488		8,4%	100,0%
Programme																			
1. Administration	255	103 770	257	107 728	254	108 546	230	11	241	116 265	241	126 016	241	132 666	241	138 634		6,0%	39,2%
2. Local Governance	73	62 650	80	61 932	73	60 378	41	18	59	65 962	59	90 354	59	95 066	59	99 345		14,6%	26,3%
3. Development and Planning	59	42 083	56	39 377	59	39 046	43	8	51	42 768	51	48 990	51	51 545	51	53 865		8,0%	15,0%
4. Traditional Institutional Management	301	45 390	208	45 125	299	48 167	64	130	194	49 216	194	52 623	194	55 367	194	57 859		5,5%	16,4%
5. House of Traditional Leaders	19	8 510	18	8 987	18	9 806	17	3	20	9 176	20	9 807	20	10 319	20	10 785		5,5%	3,1%
Direct charges												1)							
Total	707	262 403	619	263 149	703	265 943	395	170	565	283 387	565	327 790	565	344 963	565	360 488		8,4%	100,0%
Employee dispensation classification																			
Total								1	1								-100,0%		

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

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9.3.2 Training

Table 8.12(a) : 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	2 651	807	1 952	2 618	2 618	2 618	2 618	2 738	2 861
2. Local Governance									
3. Development and Planning									
4. Traditional Institutional Management									
5. House of Traditional Leaders									
Total payments on training	2 651	807	1 952	2 618	2 618	2 618	2 618	2 738	2 861

Table 8.12(b) : Information on training: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

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	707	619	703	565	565	565	565	565	565
Number of personnel trained	129	129	167	417	417	417	417	417	417
<i>of which</i>									
Male	52	52	71	146	146	146	146	146	146
Female	77	77	96	271	271	271	271	271	271
Number of training opportunities	118	118	88	35	35	35	35	35	35
<i>of which</i>									
Tertiary	44	44	53						
Workshops	25	25	35	35	35	35	35	35	35
Seminars	17	17							
Other	32	32							
Number of bursaries offered	40	40	20	35	35	35	35	35	35
Number of interns appointed	12	12	4	12	12	12	12	12	12
Number of learnerships appointed	103	103		50	50	50	50	50	50
Number of days spent on training	215	215	38						
Payments on training by programme									
1. Administration	2 651	807	1 952	2 618	2 618	2 618	2 618	2 738	2 861
2. Local Governance									
3. Development and Planning									
4. Traditional Institutional Management									
5. House of Traditional Leaders									
Total payments on training	2 651	807	1 952	2 618	2 618	2 618	2 618	2 738	2 861

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9.3.3 Reconciliation of structural changes

Table 8.13 : Reconciliation of structural changes: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

2024/25		2025/26	
Programmes	R'000	Programmes	R'000
		1. Administration	183 113
		1. Office of the MEC	10 453
		2. Corporate Services	172 660
		2. Local Governance	113 671
		1. Municipal Administration	20 978
		2. Municipal Finance	22 615
		3. Public Participation	12 232
		4. Capacity Development	49 944
		5. Municipal Performance Monitoring, Reporting and Evaluation	7 902
		3. Development and Planning	72 604
		1. Spatial Planning	21 585
		2. Local Economic Development	5 423
		3. Municipal Infrastructure	24 682
		4. Disaster Management	20 914
		4. Traditional Institutional Management	63 097
		1. Traditional Institutional Administration	63 097
		5. House of Traditional Leaders	15 429
		1. Administration of House of Traditional Leaders	15 429
			447 914

Annexure to the Estimates of Provincial Revenue and Expenditure

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Table B.1: Specification of receipts: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
R thousand									
Sales of goods and services other than capital assets	175	182	181	184	184	184	187	190	190
Sale of goods and services produced by department (excluding capital assets)	175	182	181	184	184	184	187	190	190
Sales by market establishments									
Administrative fees	175	182	181	184	184	184	187	190	190
Interest, dividends and rent on land	12	22	25	26	26	26	27	29	29
Interest	12	22	25	26	26	26	27	29	29
Dividends									
Rent on land									
Transactions in financial assets and liabilities	124	94	865	100	100	100	100	100	100
Total departmental receipts	311	298	1 071	310	310	310	314	319	319

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Table B.2: Payments and estimates by economic classification: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

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	313 012	317 312	327 699	391 864	386 648	386 319	429 096	442 654	457 751
Compensation of employees	262 403	263 149	265 943	306 660	283 335	283 387	327 790	344 963	360 488
Salaries and wages	230 992	230 912	233 189	273 921	250 696	250 748	292 363	307 840	321 694
Social contributions	31 411	32 237	32 754	32 739	32 639	32 639	35 427	37 123	38 794
Goods and services	50 609	54 163	61 746	85 204	103 312	102 931	101 306	97 691	97 263
Administrative fees	455	723	1 004	673	773	886	502	533	557
Advertising	235	712	555	451	692	1 524	201	222	232
Minor assets	99	478	416	212	336	378	24	33	34
Audit costs: External	3 851	3 834	3 133	5 322	4 530	4 530	5 326	5 571	5 822
Bursaries: Employees	1 375	1 316	1 658	1 531	1 431	1 431	1 531	1 601	1 673
Catering: Departmental activities	563	1 602	2 698	1 617	3 990	4 108	1 335	1 641	1 713
Communication (G&S)	675	598	1 791	1 360	1 559	1 547	2 895	1 965	2 054
Computer services	6 470	6 725	8 216	8 034	9 610	9 610	10 747	11 117	11 618
Consultants: Business and advisory services	3 702	803	2 634	9 354	24 625	22 967	19 940	18 539	14 441
Legal services (G&S)	1 576	1 295	2 122	1 232	3 538	4 371	2 228	2 284	2 388
Contractors	4 041	5 336	3 949	8 997	4 540	3 738	13 022	12 312	12 641
Fleet services (including government motor transport)	4 759	4 774	4 937	4 937	6 105	6 105	7 105	7 220	7 543
Inventory: Other supplies		241	100			885			
Consumable supplies	1 379	316	929	404	876	885	1 804	1 821	1 905
Consumables: Stationery, printing and office supplies	1 247	1 732	2 564	4 807	2 974	2 738	2 116	2 337	2 439
Operating leases	11 195	5 874	5 584	6 398	11 358	11 358	11 358	10 822	11 309
Property payments	29	29	49	100	70	55	70	75	78
Transport provided: Departmental activity		177	519	321	792	677	321	336	351
Travel and subsistence	6 653	13 801	16 416	22 186	21 614	21 356	14 780	13 427	14 369
Training and development	408	940	1 020	2 618	2 454	2 454	2 618	2 738	2 861
Operating payments	894	1 182	925	3 170	801	763	2 457	2 354	2 459
Venues and facilities	1 003	1 674	527	1 480	644	565	926	743	776
Interest and rent on land			10		1	1			
Interest (Incl. interest on unitary payments (PPP))			10		1	1			
Transfers and subsidies	46 183	16 830	34 228	14 348	28 629	28 826	12 224	12 504	12 841
Provinces and municipalities	44 256	12 026	29 163	12 656	19 541	19 541	9 392	9 594	9 801
Municipalities	44 256	12 026	29 163	12 656	19 541	19 541	9 392	9 594	9 801
Municipal bank accounts	44 256	12 026	29 163	12 656	19 541	19 541	9 392	9 594	9 801
Municipal agencies and funds									
Departmental agencies and accounts	7	7	7	10	10	10	10	10	10
Social security funds									
Departmental agencies (non-business entities)	7	7	7	10	10	10	10	10	10
Non-profit institutions	374	663	1 495	1 020	7 160	7 160	2 160	2 207	2 306
Households	1 546	4 134	3 563	662	1 918	2 115	662	693	724
Social benefits	1 496	4 044	3 563	385	1 918	2 115	662	693	724
Other transfers to households	50	90		277					
Payments for capital assets	6 110	5 938	4 503	10 773	6 170	6 451	6 594	8 084	8 224
Buildings and other fixed structures	827			2 500			3 000	5 000	5 000
Buildings	827			2 500			3 000	5 000	5 000
Other fixed structures									
Machinery and equipment	5 283	5 938	4 503	8 273	6 170	6 451	3 594	3 084	3 224
Transport equipment									
Other machinery and equipment	5 283	5 938	4 503	8 273	6 170	6 451	3 594	3 084	3 224
Payments for financial assets	422	200	148						
Total economic classification	365 727	340 280	366 578	416 985	421 447	421 596	447 914	463 242	478 816

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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	139 925	143 396	146 539	162 725	165 528	165 247	179 229	183 635	191 894
Compensation of employees	103 770	107 728	108 546	117 878	116 265	116 265	126 016	132 666	138 634
Salaries and wages	88 557	91 272	91 475	102 640	100 927	100 927	109 757	115 633	120 835
Social contributions	15 213	16 456	17 071	15 238	15 338	15 338	16 259	17 033	17 799
Goods and services	36 155	35 668	37 983	44 847	49 262	48 981	53 213	50 969	53 260
Administrative fees	289	224	400	331	298	278	230	245	256
Advertising	149	566	113	451	201	1 022	201	222	232
Minor assets	28	456	297	163	188	230	19	26	27
Audit costs: External	3 851	3 834	3 133	5 322	4 530	4 530	5 326	5 571	5 822
Bursaries: Employees	1 375	1 316	1 658	1 531	1 431	1 431	1 531	1 601	1 673
Catering: Departmental activities	110	309	683	500	438	373	363	386	403
Communication (G&S)	675	568	1 790	1 260	1 559	1 547	2 795	1 860	1 944
Computer services	6 470	6 725	8 216	8 034	9 610	9 610	10 747	11 117	11 618
Consultants: Business and advisory services	666	584	749	361	1 202	1 202	361	378	395
Legal services (G&S)	86			4					
Contractors	726	2 736	1 874	3 410	1 326	1 234	3 067	2 101	2 195
Fleet services (including government motor transport)	4 759	4 774	4 937	4 937	6 105	6 105	7 105	7 220	7 543
Inventory: Other supplies		241	100						
Consumable supplies	1 362	271	637	217	651	652	821	831	869
Consumables: Stationery, printing and office supplies	587	1 003	1 095	2 163	1 238	1 193	943	1 043	1 090
Operating leases	11 195	5 874	5 584	6 398	11 358	11 358	11 358	10 822	11 309
Property payments	29	29	49	100	70	55	70	75	78
Transport provided: Departmental activity				111	180	95	111	116	121
Travel and subsistence	1 823	3 826	4 641	5 266	5 383	4 795	4 044	3 037	3 173
Training and development	408	940	1 020	2 618	2 454	2 454	2 618	2 738	2 861
Operating payments	722	836	734	995	792	757	965	1 011	1 056
Venues and facilities	845	556	273	675	248	60	538	569	595
Interest and rent on land			10		1	1			
Interest (Incl. interest on unitary payments (PPP))			10		1	1			
Transfers and subsidies	393	1 614	2 275	290	1 516	1 596	290	303	316
Departmental agencies and accounts	7	7	7	10	10	10	10	10	10
Departmental agencies (non-business entities)	7	7	7	10	10	10	10	10	10
Non-profit institutions									
Households	386	1 607	2 268	280	1 506	1 586	280	293	306
Social benefits	386	1 607	2 268	280	1 506	1 586	280	293	306
Payments for capital assets	5 083	3 797	2 692	6 360	4 465	4 746	3 594	3 084	3 224
Machinery and equipment	5 083	3 797	2 692	6 360	4 465	4 746	3 594	3 084	3 224
Other machinery and equipment	5 083	3 797	2 692	6 360	4 465	4 746	3 594	3 084	3 224
Payments for financial assets	417	5	36						
Total economic classification	145 818	148 812	151 542	169 375	171 509	171 589	183 113	187 022	195 434

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24		2024/25		2025/26	2026/27	2027/28
Current payments	67 052	68 185	69 102	97 810	78 308	79 133	104 279	110 165	110 754
Compensation of employees	62 650	61 932	60 378	84 530	65 910	65 962	90 354	95 066	99 345
Salaries and wages	57 005	56 363	55 378	78 212	59 592	59 644	83 283	87 652	91 598
Social contributions	5 645	5 569	5 000	6 318	6 318	6 318	7 071	7 414	7 747
Goods and services	4 402	6 253	8 724	13 080	12 398	13 171	13 925	15 099	11 409
Administrative fees	61	127	182	153	106	126	95	102	106
Advertising			17		6	9			
Minor assets	12	12	88		39	39			
Catering: Departmental activities	81	439	366	137	1 282	1 280	137	144	151
Communication (G&S)			1	100			100	105	110
Consultants: Business and advisory services	226		57	169	223	223	5 079	5 661	1 546
Legal services (G&S)	1 490	1 295	2 122	1 228	3 538	4 371	2 228	2 284	2 388
Contractors			927	859	1 237	1 227	859	898	938
Consumable supplies	10	22	50	90	56	58	366	360	376
Consumables: Stationery, printing and office supplies	278	219	721	870	691	618	378	417	434
Transport provided: Departmental activity					462	462			
Travel and subsistence	2 112	3 865	4 193	8 471	4 698	4 698	3 762	4 151	4 338
Operating payments	132	205		979			910	955	999
Venues and facilities		69		24	60	60	21	22	23
Transfers and subsidies	36 324	9 980	8 247	12 656	14 420	14 420	9 392	9 594	9 801
Provinces and municipalities	36 256	9 365	7 748	12 656	14 300	14 300	9 392	9 594	9 801
Municipalities	36 256	9 365	7 748	12 656	14 300	14 300	9 392	9 594	9 801
Municipal bank accounts	36 256	9 365	7 748	12 656	14 300	14 300	9 392	9 594	9 801
Households	68	615	499		120	120			
Social benefits	68	615	499		120	120			
Machinery and equipment		1 158	1 092	669	379	379			
Other machinery and equipment		1 158	1 092	669	379	379			
Payments for financial assets		147	71						
Total economic classification	103 376	79 470	78 512	110 935	93 107	93 932	113 671	119 759	120 555

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Table B.2: Payments and estimates by economic classification: Programme 3: Development and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
Current payments	46 859	43 027	44 005	64 571	67 671	66 898	72 604	74 612	77 179
Compensation of employees	42 083	39 377	39 046	45 837	42 768	42 768	48 990	51 545	53 865
Salaries and wages	36 780	34 545	34 118	40 246	37 377	37 377	42 996	45 265	47 302
Social contributions	5 303	4 832	4 928	5 591	5 391	5 391	5 994	6 280	6 563
Goods and services	4 776	3 650	4 959	18 734	24 903	24 130	23 614	23 067	23 314
Administrative fees	11	48	52	91	84	89	79	83	87
Advertising			191		485	490			
Minor assets		10	31	49	31	31	5	7	7
Catering: Departmental activities	51	89	598	557	472	463	412	668	696
Consultants: Business and advisory services	2 810			8 824	19 454	17 796	12 500	12 500	12 500
Contractors	411		1 108	1 363	16	16	5 731	5 793	5 829
Inventory: Other supplies						885			
Consumable supplies	1	7	75	75	145	145	425	427	447
Consumables: Stationery, printing and office supplies	318	346	409	1 358	826	736	559	622	649
Transport provided: Departmental activity			168						
Travel and subsistence	1 082	2 493	1 960	5 109	3 204	3 284	3 241	2 745	2 869
Training and development									
Operating payments	4	126	191	527			295	70	72
Venues and facilities	88	531	176	781	186	195	367	152	158
Transfers and subsidies	8 386	4 278	21 501		10 510	10 510			
Provinces and municipalities	8 000	2 661	21 415		5 241	5 241			
Municipalities	8 000	2 661	21 415		5 241	5 241			
Municipal bank accounts	8 000	2 661	21 415		5 241	5 241			
Non-profit institutions					5 000	5 000			
Households	386	1 617	86		269	269			
Social benefits	386	1 617	86		269	269			
Payments for capital assets	936	905	505	3 351	206	206			
Buildings and other fixed structures	827			2 500					
Buildings	827			2 500					
Machinery and equipment	109	905	505	851	206	206			
Other machinery and equipment	109	905	505	851	206	206			
Payments for financial assets		13	15						
Total economic classification	56 181	48 223	66 026	67 922	78 387	77 614	72 604	74 612	77 179

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Table B.2: Payments and estimates by economic classification: Programme 4: Traditional Institutional 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	47 477	47 923	51 379	53 214	58 367	58 367	57 555	58 144	61 100
Compensation of employees	45 390	45 125	48 167	49 239	49 216	49 216	52 623	55 367	57 859
Salaries and wages	40 876	40 561	43 260	44 449	44 426	44 426	47 403	49 897	52 143
Social contributions	4 514	4 564	4 907	4 790	4 790	4 790	5 220	5 470	5 716
Goods and services	2 087	2 798	3 212	3 975	9 151	9 151	4 932	2 777	3 241
Administrative fees	20	85	113	36	126	134	36	38	40
Advertising		3	16			3			
Catering: Departmental activities	90	433	250	38	1 128	1 128	38	40	42
Consultants: Business and advisory services		219	76		3 746	3 746	2 000		
Contractors	1 495	679	40	1 321	961	961	321	382	400
Entertainment		1							
Consumable supplies	2	4	140	18	18	18	168	169	177
Consumables: Stationery, printing and office supplies		90	174	354	114	86	204	220	230
Transport provided: Departmental activity			49	210	150	120	210	220	230
Travel and subsistence	444	1 146	2 354	1 329	2 749	2 899	1 668	1 390	1 790
Operating payments	36	13		669	9	6	287	318	332
Venues and facilities		125			150	50			
Transfers and subsidies	1 080	957	2 141	1 402	2 183	2 200	2 542	2 607	2 724
Non-profit institutions	374	663	1 495	1 020	2 160	2 160	2 160	2 207	2 306
Households	706	294	646	382	23	40	382	400	418
Social benefits	656	204	646	105	23	40	382	400	418
Other transfers to households	50	90		277					
Payments for capital assets	22	167	167	339	766	766	3 000	5 000	5 000
Buildings and other fixed structures							3 000	5 000	5 000
Buildings							3 000	5 000	5 000
Machinery and equipment	22	167	167	339	766	766			
Transport equipment									
Other machinery and equipment	22	167	167	339	766	766			
Payments for financial assets	5	31	26						
Total economic classification	48 562	48 933	53 713	54 955	61 316	61 333	63 097	65 751	68 824

Table B.2: Payments and estimates by economic classification: Programme 5: House of Traditional Leaders

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	11 699	14 781	16 674	13 744	16 774	16 674	15 429	16 098	16 824
Compensation of employees	8 510	8 987	9 806	9 176	9 176	9 176	9 807	10 319	10 785
Salaries and wages	7 774	8 171	8 958	8 374	8 374	8 374	8 924	9 393	9 816
Social contributions	736	816	848	802	802	802	883	926	969
Goods and services	3 189	5 794	6 868	4 568	7 598	7 498	5 622	5 779	6 039
Administrative fees	74	239	257	62	159	259	62	65	68
Advertising	86	143	218						
Minor assets	59				78	78			
Catering: Departmental activities	231	332	801	385	670	864	385	403	421
Communication (G&S)		30							
Consultants: Business and advisory services			1 752						
Contractors	1 409	1 921		2 044	1 000	300	3 044	3 138	3 279
Consumable supplies	4	12	27	4	6	12	34	34	36
Consumables: Stationery, printing and office supplies	64	74	165	62	105	105	32	35	36
Travel and subsistence	1 192	2 471	3 268	2 011	5 580	5 680	2 065	2 104	2 199
Operating payments		2							
Venues and facilities	70	393	78			200			
Transfers and subsidies		1	64			100			
Households		1	64			100			
Social benefits		1	64			100			
Payments for capital assets	91	56	47	54	354	354			
Machinery and equipment	91	56	47	54	354	354			
Other machinery and equipment	91	56	47	54	354	354			
Payments for financial assets		4							
Total economic classification	11 790	14 842	16 785	13 798	17 128	17 128	15 429	16 098	16 824

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Table B.3: Transfers to local government by category and municipality: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

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					2 018	2 018			
Mangaung					2 018	2 018			
Category B	30 000	2 660	20 597		4 867	4 867			
Letsemeng	3 500								
Kopanong			6 017						
Mohokare	3 500								
Masilonyana	5 500								
Tokologo	1 500		3 356		1 644	1 644			
Tswelopele			4 577		1 423	1 423			
Matjhabeng	3 500								
Ditlabeng					1 800	1 800			
Maluti-a-Phofung	2 500								
Phumelela		1 748	2 219						
Moghaka	6 500								
Ngwathe	3 500								
Metsimaholo		912	1 150						
Matube			3 278						
Category C	14 256	9 366	4 392	4 392	8 692	8 692	4 392	4 594	4 801
Xhariep District Municipality	9 256	9 366	4 392	4 392	8 692	8 692	4 392	4 594	4 801
Thabo Mofutsanyana District Municipality	5 000								
Fezile Dabi District Municipality									
=TVote 8 COGTA - 2025 MTEF Database FINAL CORRECTED (0			4 174	8 264	3 964	3 964	5 000	5 000	5 000
Total transfers to municipalities	44 256	12 026	29 163	12 656	19 541	19 541	9 392	9 594	9 801