

VOTE 15

DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

| | |
|---------------------------------------|---|
| To be appropriated by vote in 2025/26 | R 3 648 084 000 |
| Responsible MEC | MEC for Infrastructure Development, Co-operative Governance and Traditional Affairs |
| Administering Department | Department of Infrastructure Development |
| Accounting Officer | Head of Department |

1. OVERVIEW

Vision

A reliable and trusted partner in the social and economic development of communities through quality and sustainable infrastructure

Mission

To lead infrastructure delivery, optimise fixed capital investments, and manage the full lifecycle of GPG owned immovable assets in a manner that contributes to economic transformation and job creation.

Impact

Strategic Goals

Our results-based management plan has been revised to align with the priorities of the seventh administration. It includes a revised impact statement: “Improved livelihoods through quality and sustainable infrastructure”, and five strategic outcomes to guide us towards achieving the intended impact:

- Outcome 1: Optimised GPG property portfolio;
- Outcome 2: Sustainable infrastructure investment and delivery accelerated;
- Outcome 3: Poverty relief and employability accelerated;
- Outcome 4: Increased Contribution of Infrastructure Spend to Socio-Economic Development;
- Outcome 5: Capable, ethical and developmental organisation.

Core functions and responsibilities

- Implementation of social Infrastructure;
- Skills development;
- Community participation;
- Capital project management;
- Maintenance services; and
- Provincial property management.

Main services

The following Responsibilities define the DID’s mandate:

- implementing all Gauteng Provincial Government (GPG) capital expenditure budget allocations and public infrastructure projects funded solely or jointly by GPG financial investments;
- maximising the social and economic benefits derived from GPG's property portfolio;
- coordinating the provincial Expanded Public Works Programme (EPWP), linked to capital expenditure and maintenance projects, to positively impact skills development and poverty reduction within communities;
- implementing Broad-Based Black Economic Empowerment (B-BBEE) and preferential procurement regulations and policies in line with approved targets, ensuring effective empowerment of vulnerable groups—women, youth, and persons with disabilities; and
- serving as the sole implementing agent for all GPG department infrastructure developments, collaborating with client departments to deliver quality social infrastructure on time and within budget.

Administration and operation of the Gauteng Infrastructure Financing Agency (GIFA):

Premier's Notice 3 of 2024, as published in Provincial Gazette Extraordinary No. 364 dated 1 October 2024, formalises the pronouncement made by the Premier on 3 July 2024 when appointing the Members of the Executive Council (MECs) under the 7th Administration, designating the MEC for Infrastructure Development as the Executive Authority of the Gauteng Infrastructure Financing Agency (GIFA).

As of 3 July 2024, the administration and operation of GIFA falls within the portfolio of powers and functions assigned to the MEC for Infrastructure Development and, by extension, DID. The department therefore assumes responsibility and accountability from the GPT as of this date, while the GPT retains responsibility and accountability for all matters relating to GIFA prior to this date.

DID is therefore responsible for oversight of GIFA's mandate, which is to facilitate and accelerate infrastructure development within Gauteng by mobilising private sector investment and resources for key public infrastructure projects.

1.1 DID's Outcomes

Aligned to its mandate and strategic focus, and towards its impact, five outcomes will direct the effort and focus of the DID

Outcome 1: Optimised GPG property portfolio:

Priority - Optimising the GPG property portfolio is essential in revitalising urban centres, ensuring efficient use of public assets, and enhancing service delivery. As the custodian of the GPG immovable asset register, DID will drive strategic interventions such as the Gauteng Precinct Development Project, supporting the Johannesburg CBD revitalisation programme. By acquiring, refurbishing, and repurposing properties, releasing land for socio-economic infrastructure, and addressing underutilised or illegally occupied buildings, DID aims to strengthen asset management, promote economic development, and contribute to a well-planned, sustainable urban environment.

Outcome 2: Sustainable infrastructure investment and delivery accelerated:

Priority - Accelerating sustainable infrastructure investment and delivery is critical in ensuring functional, resilient, and future-ready public facilities across Gauteng. As the province's implementing agent for social infrastructure, DID will work closely with client departments to prioritise new developments in line with the GSDF 2030, complete distressed/backlog projects, and maintain GPG facilities and office accommodation. By securing land for hospitals, delivering schools aligned with GPG priorities, and supporting social and recreational infrastructure, DID will enhance service delivery and community well-being.

As an agency of DID, GIFA will support accelerated infrastructure development across various sectors within the GPG and municipalities by securing investments through alternative sources for new school developments, new hospital infrastructure, new economic infrastructure, as well as for bulk infrastructure and the commercialisation of selected properties within the GPG portfolio.

Outcome 3: Poverty relief and employability accelerated:

Priority - Enhancing poverty relief and employability is a key outcome for DID, as it coordinates the implementation of EPWP Phase 5 to create nearly half a million work opportunities across Gauteng. By working with GPG departments and municipalities, DID will prioritise unemployed youth, ensuring that at least 55 per cent of participants benefit from employment opportunities while gaining valuable skills to improve their long-term employability. Through targeted interventions, the department aims to reduce poverty, support economic inclusion, and create sustainable pathways to meaningful employment, ultimately driving economic growth and social upliftment across the province.

Outcome 4: Increased contribution of infrastructure spend to bolster inclusive economic growth:

Priority - DID will drive inclusive economic growth by ensuring that infrastructure spending directly benefits marginalised groups and underserved communities. By empowering emerging black firms through contracting and subcontracting opportunities, the department will advance economic transformation, setting annual targets of 40 per cent for women-owned firms, 30 per cent for youth-owned firms, 5 per cent for firms owned by PWDs, and 2 per cent for MV-owned businesses. Additionally, DID will integrate employment equity into infrastructure programmes under the EPWP, prioritising meaningful job creation for youth, women, and PWDs. Through labour-intensive public sector projects, the department aims to stimulate economic growth while promoting sustainable livelihoods in Gauteng.

Outcome 5: Capable, ethical, and developmental organisation:

Priority - DID is committed to strengthening operational effectiveness, ethical governance, and developmental focus in alignment with the MTDP priority of building a capable, ethical, and developmental state. A key success factor is institutionalising an improved GPG Infrastructure Delivery Model, supported by a revised funding framework from GPT to optimise resource allocation and enhance project outcomes.

The establishment of the infrastructure delivery platform (IDEP) will enable a more structured, coordinated approach to infrastructure planning, funding, and execution, improving efficiency, visibility, and accountability.

Effective stakeholder management is essential to this outcome. DID will promote strong relationships with client departments, municipalities, service providers, and communities to enhance collaboration, minimise project delays, and improve service delivery. To drive infrastructure transformation, the department will also invest in a high-performing workforce, ensuring technical expertise and leadership capabilities are in place to execute strategic priorities.

DID will uphold governance and accountability by ensuring project compliance with the Project Readiness Matrix (PRM), a best practice standard for infrastructure delivery. Transparent financial management, ethical leadership, and legislative compliance will remain priorities, with a strong focus on achieving a clean audit outcome that reinforces public trust and institutional credibility.

Acts, rules and regulations

- Government Immovable Assets Management Act, 2007;
- Rental Housing Amendment Act, 2007;
- Space Planning Norms and Standards Notice, No. 1665 of 2005;
- Local Government: Municipal Property Rates Act, 2004;
- Broad Based Black Economic Empowerment Act, 2003;
- Gauteng Planning and Development Act, 2003;
- Planning Professions Act, 2002;
- Project and Construction Management Act, 2000;
- Property Valuers' Profession Act, 2000;
- Preferential Procurement Policy Act, 2000;
- Framework for Supply Chain Management, 1999;
- Rental Housing Act, 1999;
- Prevention of Illegal Eviction from and Unlawful Occupation of Land Act, 1998;
- Constitution of the Republic of South Africa, 1996;
- Gauteng Land Administration Act, 1996;
- Occupational Health and Safety Act, 1993 (and particularly the associated construction regulations);
- Rating of State Property Act, 1984; and
- Deeds Registries Act, 1937.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2024/25)

In the following section, the overview of DID's performance for the 2024/25 financial year is discussed according to the five DID outcomes.

OUTCOME 1: OPTIMISED PUBLIC-OWNED FIXED PROPERTY PORTFOLIO

Optimal management of the provincial property portfolio will bring about much-needed benefits to the government and people of Gauteng. The department's intention is to ensure a reduction in costs and an increase in income through professional commercialisation of the property portfolio, including initiatives like land release for socio-economic infrastructure development. Non-core residential properties are planned to be disposed of through public auctions.

Managing a complete and accurate Immovable Asset Register is important for audit purposes and vital to informed decision-making on the lifecycle management of the portfolio of fixed property, including land and buildings. Capacity will be strengthened within the department in line with the decision to elevate the property management function, and the DID will actively seek contracted partnerships with property management and management companies led by women, youth, or people with disabilities.

KEY ACHIEVEMENTS AND CHALLENGES

Property revenue and cost management

The department planned to collect R24 million in property revenue for the 2023/24 financial year and only collected R22.4 million. The outstanding R1.6 million was not achieved due to poor rental payment by tenants. For the 2024/25 financial year, the department had initially planned to collect R34 million. To date, R28 million has been collected. The achievement is widely driven by the collection of revenue, mainly attributed to the sale of capital assets. Concerning the payment of municipal rates and taxes, the department planned to pay R983 million in the 2024/25 financial year, for which only R730 million has been paid. The outstanding R253 million was not paid due to budget constraints and will be settled in Q1 of the 2025/26 financial year.

Non-core properties (residential) disposed

In the previous financial period, the department planned to transfer twenty properties to third parties for the 2023/24 financial year, of which only twelve properties were transferred. The remaining eight sold properties were delayed due to internal administrative issues between the conveyancers, municipalities and pending evictions.

For the the 2024/25 financial year, the department planned to sell fifteen properties and transfer five. To date, the department sold a total number of properties against a target of fifteen. The sale was affected by government officials in occupation of houses approved for disposal resisting to buy at market value citing lack of affordability; delay in Public Works processing the Deed of Donation for the thirty-five Properties; and the delay in confirming support for the disposal of identified non-core residential vacant land identified for disposal. In addition, the department planned to transfer five properties, which were all transferred.

Land and buildings released for development or commercialisation

The department planned to release thirty-three3 properties for socio-economic infrastructure development for the 2023/24 financial year, and the set target was achieved. An overachievement of seventeen was due to the department's approval of the Property Optimization Strategy (POS), and the rapid land release has also allowed the department to embark in the process of approaching departments to surrender vacant properties for their short- or long-term alternative use.

In addition, 6 property facilities offered to user departments were planned, of which seven were achieved, and the overachievement was due to the lease for 1C Luipaard not in the annual plan and was procured through a quotation process.

For the 2024/25 financial year, twenty properties were planned to be released for socio-economic infrastructure development. The overachievement thus far was due to ten assets (closed schools) that were surrendered by GDE and re-allocated to DED to support the Township Revitalisation Strategy. A total of twenty will be achieved by the end of the current financial year. Furthermore, the department planned to conduct four utilisation inspections for office accommodation for the period under review and planned 1 inspection for each quarter were successfully achieved leading to a total of three to date.

Compliant Immovable Asset Register (IAR)

The department planned to verify 6,579 immovable assets in the 2023/24 financial year, of which 6,585 were verified, the overachievement of six assets was a result of vesting category movement and assets newly added to the IAR. The target of 711 immovable assets transferred from IAR 184 was achieved, but 527 were not achieved due to delays by the secondary custodians in accepting the assets transferred to them through section forty-two transfers.

For the 2024/25 financial year, the department planned to verify 6,256 immovable assets in the Immovable Assets Register (IAR), of which the first quarter target was 1290 the cumulative output of 6,256 has been met.

In terms of the 323 Immovable Assets planned to be transferred, the Immovable Asset Register was revised to 200 Immovable Assets due to some properties that were meant to be transferred to Human Settlements which did not meet the requirements in line with the Housing Act. To date, a total of 203 assets have been transferred.

OUTCOME 2: EFFICIENT AND EFFECTIVE DELIVERY OF SMART PUBLIC INFRASTRUCTURE

The mid-term assessment reflects that the DID is struggling to achieve this outcome; the department needs to address the bottlenecks hindering the delivery of projects on time, within budget, and in accordance with quality standards. Planned performance over the remaining period will be enabled as follows:

- By gaining approval for a revised funding model to ensure the DID has adequate budget, technical resources, and tools of trade to effectively manage the procurement processes for the implementation of maintenance programmes.
- By improving the procurement processes and capabilities of the organisation.
- By better assessing and managing cost efficiencies to create value for money in infrastructure development.
- By strengthening social facilitation and stakeholder management processes to mitigate against community work stoppages and other project disruptions.
- By managing the performance of contractors better through improved contracts and enforcement.
- By building and maintaining improved relationships with client departments.

KEY ACHIEVEMENTS AND CHALLENGES

Design of Infrastructure Projects

During the 2023/24 financial year, the department had planned twenty-two infrastructure designs ready for tender, and only twenty-five were achieved. There was an overachievement of three from STARS due to the placement of some projects which were withdrawn by the client but were later returned to DID for delivery.

For the 2024/25 financial year, the department planned twenty-three infrastructure designs ready for tender for projects. To date, there has been a total of twenty designs that are ready for tender.

Construction of Infrastructure Projects

For the financial year of 2024/25, the department planned six new (educational, health and stars) construction projects to be completed, and only one of the targeted projects was achieved.

Below are the reasons for deviation:

- Johannesburg Forensic Pathology Laboratory – project not complete due to delays on payments of the service providers by the client.
- Randfontein CHC: Contractors cash flow problems. The delays in payments of the contractor and the PSPs by the client resulted in PSPs providing limited services on-site, as they were not available for site inspections and contractor evaluations.
- Bekkersdal: project was not completed due to late approval of additional funds by the client and poor performance by the Professional Service Provider (PSP).
- Dr Fabian & Florence Riberio Treatment Centre: upgrading, Phase 1A, is not described as a new facility; therefore, was moved and reported on the indicator “Number of facilities Rehabilitated, Renovated and Refurbished”
- Women’s Living Monument project was not completed due to the late provision of electricity and delayed payment of Service Providers by the client.
- Dr WK Du Plessis Project was delayed due to the contractor experiencing cash flow challenges.

Furthermore, 13 facilities were targeted for rehabilitation, renovation, and refurbishment, while only 8 were achieved.

Below are the reasons for deviation:

- Provincial Integrated Centre: was not completed due to late confirmation of construction budget by client
- The remaining 4 projects are planned to be completed in the current reporting period (Quarter 4)

Furthermore, 4 facilities were targeted for upgrades and additions, while only two Queenswood and Swartkop, were achieved.

Below are the reasons for deviation:

- Thusanong slap was not completed due to the project being awarded on a short-term contract, whereas Thutopele Secondary School project is planned to be completed in the current reporting period (Q4)

- For the 2024/25 financial year, the department had initially planned the construction of twenty-eight GPG infrastructure facilities and the target was later revised to 23 GPG facilities (6 newly completed; 13 rehabilitated, renovated and refurbished; four upgrades and additions completed).

In the first quarter, the department planned to complete seven construction projects (five education projects and two STARS projects), which resulted in the following achievements:

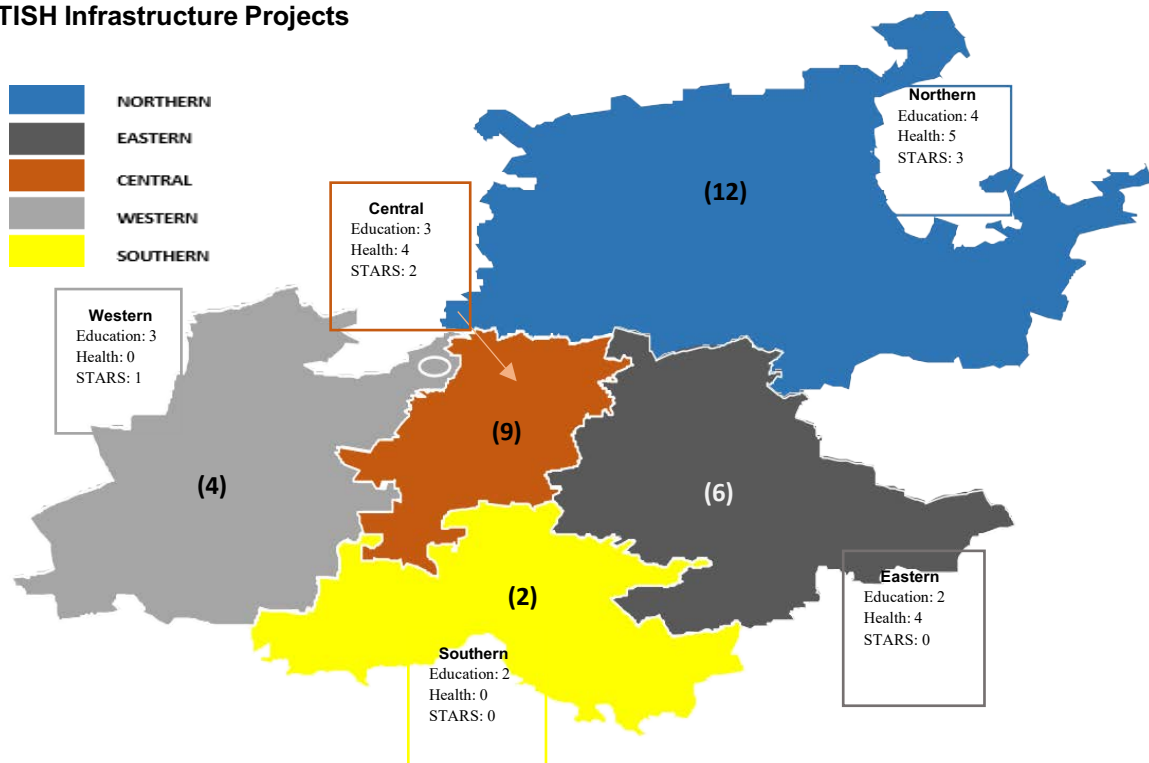
- one new school that was planned for Q2 (Semphato Secondary School) reported for sectionally pre-achievement.
- renovated schools (Goudwesskool , Lotus Garden Secondary School, Tshirela & Kokosi Primary school);
- two STARS renovation projects (Westhoven Boardroom and Dr. Fabian and Florence Riberio Treatment center phase 1b).

In the second quarter, the department planned to complete ten construction projects (four education projects, two Health projects and four STARS projects), which resulted in the following achievements:

- one renovated school (Refithilepele Primary School) and
- one Hellen Joseph Hospital upgrades and renovations.
- one upgraded school (Laerskool Queenswood).

The map below depicts the number of Infrastructure projects planned for construction in different corridors for the 2024/25 financial year.

TISH Infrastructure Projects



For the 2023/24 and 2024/25 (Quarter1, Quarter2 & Quarter3) financial years, the department has completed the following infrastructure projects in different categories:

Table 2: Completed Infrastructure Projects – 2023/24 Financial Year

| BRANCH | No. | PROJECTS NAME | PROJECT DESCRIPTION | MUNICIPALITY | TOWNSHIP | CORRIDOR |
|------------------------|--|------------------------------|---------------------------------------|-----------------------------|-----------------------|-------------------|
| 2023/24 FINANCIAL YEAR | | | | | | |
| EDUCATION | REHABILITATED, RENOVATED AND REFURBISHED (3) | | | | | |
| | 1 | Seotlwana Primary School | Restorative repairs and refurbishment | City of Ekurhuleni | Tembisa | Eastern Corridor |
| | 2 | Krugerlaan LSEN School | Repairs and Renovations | Emfuleni Local Municipality | Vereeniging | Southern Corridor |
| | 3 | Mulbarton Primary School | Restorative Repairs | City of Johannesburg | Mulbarton Extension 3 | Central Corridor |
| | UPGRADES AND ADDITIONS (2) | | | | | |
| EDUCATION | 4 | LG Holele | Upgrades and Additions (Sectional) | City of Tshwane | Ga-Rankuwa | Northern Corridor |
| | 5 | Laerskool Frikkie Meyer | Upgrades and Additions (Phase 1) | Emfuleni Local Municipality | Vanderbijlpark | Southern Corridor |
| STARS | UPGRADES AND ADDITIONS (1) | | | | | |
| | 6 | Dr Fabian & Florence Ribeiro | Upgrades and Additions (Phase 1) | City of Tshwane | Cullinan | Northern Corridor |

Table 3: Completed Infrastructure Projects – 2024/25 (Q1, Q2 and Q3) Financial Year

| BRANCH | No. | PROJECTS NAME | PROJECT DESCRIPTION | MUNICIPALITY | TOWNSHIP | CORRIDOR |
|------------------------|--|---|---|----------------------|----------------|-------------------|
| 2024/25 FINANCIAL YEAR | | | | | | |
| EDUCATION | NEW FACILITIES COMPLETED (1) | | | | | |
| | 1 | Semphato SS | Construction of new facility | City of Tshwane | Soshanguve | Northern Corridor |
| | REHABILITATED, RENOVATED AND REFURBISHED (2) | | | | | |
| | 2 | Kokosi Primary School (Emergency Scope) | Restorative repairs and refurbishment | West Rand | Fochville | Western Corridor |
| | 3 | Lotus Garden Secondary School (Practical) | Repairs and Renovations | City of Tshwane | Lotus | Northern Corridor |
| | 4 | Tshirela Primary School | The Delivery of 15 Mobile Units and Minor Repairs | Emfuleni | Vanderbijlpark | Southern |
| | 5 | Lenasia Secondary School | Structural Repairs | COJ | Lenasia | Central |
| | 6 | Robin Hills Primary School | Rehabilitation, Renovation | COJ | Randburg | Central |
| | UPGRADES AND ADDITIONS (2) | | | | | |
| | 4 | Laerskool Queenswood | Upgrades and Additions completed | City of Tshwane | Queenswood | Northern Corridor |
| HEALTH | 5 | Laerskool Swartkop | Upgrades and Additions completed | City of Tshwane | Swartkop | Northern Corridor |
| | REHABILITATED, RENOVATED AND REFURBISHED (1) | | | | | |
| STARS | 6 | Helen Joseph Hospital - Upgrading and Renovation of Nursing Residence | Repairs and Renovations | City of Johannesburg | Joburg | Central Corridor |
| | REHABILITATED, RENOVATED AND REFURBISHED (2) | | | | | |
| STARS | 7 | Westhoven Boardroom | Repairs and Renovations | City of Johannesburg | Joburg | Central Corridor |
| | 8 | Dr Fabian & Florence Ribeiro Treatment Centre Phase 1B(2) | Repairs and Renovations | City of Tshwane | Pretoria | Northern Corridor |

OUTCOME 3: FUNCTIONAL, RELIABLE, AND COMPLIANT INFRASTRUCTURE

GIAMA requires that the DID undertake regular assessments of the condition of facilities, based on which proactive maintenance plans are to be developed and implemented to improve the state of GPG properties.

Planned performance over the 6th Administration included:

The DID aimed to ensure that all facilities are compliant with OHS Act regulations.

The DID planned to facilitate a substantial improvement in the number of GPG facilities (offices and health facilities) that achieve a condition-based rating of at least three. As custodian, the DID will also provide guidance to schools to ensure they comply with the requirements of GIAMA.

The immediate focus is to address the provincial priority of ten hospitals brought up to a minimum condition-based assessment rating of three.

The DID is in the process of finalising a revised comprehensive maintenance strategy and operating model which is focused on ensuring eighty per cent of maintenance work is preventive and just twenty per cent reactive.

The 24/7/365 turnaround commitments will continue, and the maintenance teams will aim to ensure that all statutory maintenance backlogs are resolved, with facilities brought up to standard.

KEY ACHIEVEMENTS AND CHALLENGES

The department in the 2023/24 financial year had targeted to conduct seventy-four condition assessment on state owned properties, however, eighty-six was achieved. The over achievement was due to more buildings identified for new schools (twelve for STARS). Furthermore, the department awarded 139 maintenance projects opposed to the planned target of 138 maintenance projects, the overachievement was due to budget confirmation from G-fleet.

In 2024/25 financial year, the department planned 128 (120 for STARS and 8 for Health Facilities) condition assessments on state-owned properties to be conducted. All condition assessment that was planned for health were achieved. The STARS 120 condition assessment planned for Q2 were not achieved due to late appointment of the Professional Service Providers.

The department planned ninety-eight maintenance award projects (fifty for STARS and forty-eight for Health Facilities) in the 2024/25 financial year. Out of fifty STARS maintenance awards targeted for year fifty were awarded the overachievement was due to the need to attend the emergencies at seventy-five Fox Street from the department of Labor notices. The health branch planned a total of forty-eight awards and achieved forty-eight maintenance projects for the financial.

The department further planned to complete ninety-four maintenance projects (thirty for STARS and sixty-four for Health Facilities) to be completed in the 2024/25 financial year. STARS managed to complete thirty-seven out of thirty-four maintenance projects planned for the year. Furthermore, the department successfully completed all sixty-four Health maintenance projects against their annual target of sixty-four respectively. The department planned to commission Electro Mechanicals at twelve health facilities, which the target was revised to commissioning in ten health facilities. Out of the target of ten health facilities, a total of six facilities were commissioned.

OUTCOME 4: INCREASED CONTRIBUTION OF INFRASTRUCTURE SPEND TO SOCIO- ECONOMIC DEVELOPMENT**With regards to Outcome 4, planned performance over the period includes:**

- Increasing the targeted spend on designated groups, with a specific focus on women and youth- owned businesses.
- Ensuring sustainable opportunities provided to SMMEs across the construction and maintenance value chains, including a programme to empower at least fifty emerging black firms (40 per cent women and thirty per cent youth-owned).
- Creating ongoing opportunities for SMMEs to be developed, with a special focus on the maintenance programme and repairs to GPG facilities.
- The DID will continue its efforts to support vulnerable groups, especially women, youth, people with disabilities, and military veterans. Special focus is being given to ensuring that SMMEs are paid within thirty days, in line with Treasury regulations.

KEY ACHIEVEMENTS AND CHALLENGES

During the 2024/25 the financial year, the department met its procurement targets for black-owned enterprises, particularly black women-owned enterprises, due to awards made through the maintenance panel and a large representation of these previously disadvantaged businesses.

The department faced challenges in terms of achieving targets of procurement allocated to youth owned enterprises, people with disabilities and military veterans and these challenges relate to low response from these group. The Department is making strides to ensure that prioritisation of appointments to these groups by only selecting projects where these group will compete with each other. The target of 30 per cent on procurement allocated for Township Enterprises Revitalisation (TER) was over-achieved by 30.91 per cent due to the high volume of appointments through the maintenance panel.

OUTCOME 5: POVERTY RELIEF AND IMPROVED EMPLOYABILITY OF EPWP BENEFICIARIES

Planned performance over the period includes:

- Developing the EPWP Phase 4 Roadmap for Gauteng, supported by the Gauteng EPWP Policy Framework, for Exco approval.
- Supporting all departments and municipalities with the implementation of the biometrics system, providing technical support on document requirements and the use of the EPWP system.
- Ensuring that beneficiaries are up skilled and gain at least one skill that they did not have when entering the programme. As the lead for the infrastructure sector, the DID will continue with the roll out of the Moses Kotane Skills Centre, including gaining accreditation and increasing the range of training courses available.
- Developing and maintaining partnerships with other public and private sector organisations to provide exit opportunities for EPWP beneficiaries.

KEY ACHIEVEMENTS AND CHALLENGES

As the coordinator of the EPWP across all sectors and municipalities within the Gauteng province, the DID continues to optimise the GPG's contribution to the above priorities of government. Gauteng's EPWP target for the period to March 2025 is 500 000 work opportunities reported. The EPWP mandates that 60 per cent of reported for work opportunities must be women, 55 per cent must be youth and 2 per cent must be People with Disabilities.

For the 2024/25 financial year, the department reported a total of 24 662 EPWP work opportunities for infrastructure sector in Gauteng departments, achieving 14 721 against target of 14 797 for women, 13 117 against the target of 13 564 for youth and forty-four against the target of 493 for PWD. For social sector, the department recorded 23 389 EPWP work opportunities, achieving 16 094 against target of 14 033 for women, 11 567 against the target of 12 864 for youth and 131 against the target of 468 for PWD. Subsequently, by the environmental sector, the department achieved 14969 EPWP work opportunities, achieving 9 077 against target of 8 981 for women, 6 439 against the target of 8 233 for youth and 22 against the target of 299 for PWD.

The department planned the following targets for the 2024/25 financial year:

Planned annual target of 2 500 work opportunities created by Provincial Public Works through the National Youth Service Programme which was targeted to be achieved in Q2. The department recorded an achievement of 2 527 with an addition of twenty-seven to manage the high rate of attrition as participants leave for better opportunities.

The twenty-two Public Bodies reporting on EPWP targets in the province was planned from Q2 to Q4. The Q2 target was achieved as planned.

OUTCOME 6: A CAPABLE, ETHICAL, AND DEVELOPMENTAL ORGANISATION

Essential to a capable, ethical, and developmental organisation is sound financial management and effective internal controls, both of which are reflected in positive audit outcomes.

KEY ACHIEVEMENTS AND CHALLENGES

During the 2023/24 financial year, senior management at the department condemned fruitless and wasteful spending by ensuring that it is written off. The planned target of 30 per cent reduction in prior year for fruitless and wasteful expenditure write-off resulted in a 124 per cent increase compared to the previous year, therefore the department incurred 94 per cent interest on court order settlement fees.

The department planned the following targets for the 2024/25 financial year:

Unqualified Audit with reduced findings of financial statements was planned and achieved in Q2.

Reduction on prior year fruitless and wasteful expenditure by 30 per cent in the second quarter, recording 17 per cent reduction due to interest charged on court orders relating to litigations mainly Health projects. The 1 per cent reduction on prior year irregular expenditure of which 76.52 per cent reduction was recorded in Q2. The 30 per cent year on year reduction in the number of material findings on audit of predetermined objectives was planned and achieved in Q2.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2025/26)

While supporting delivery towards all five Outcomes of the Strategic Plan, the specific focus and contribution of

Programme 1: Administration over the medium-term is discussed below:

Outcome 4: Increased contribution of infrastructure spends to Inclusive Economic Growth:

Contributing to GMTDP Priority 1: Inclusive economic growth and job creation

Over the medium term the DID will focus its efforts on ensuring the departmental preferential procurement, financial management and jobs mainstreaming targets related to the rollout of infrastructure programmes are met. A strong focus on the MTDP priority and DID outcome will provide support for emerging Black firms to be further empowered through targeted contracting and sub-contracting mechanisms to ensure 82 per cent of procurement spend is on majority black-owned enterprises, and progress is being made towards achieving 40 per cent of spend on women-owned businesses and 30 per cent on youth-owned businesses as per MTSF 2019-2020 and GGT2030.

The initiative of allocation procurement percentage to MV-owned enterprises Veterans forms part of the department's commitment to support and recognise Military Veterans for their contribution to bring about the realisation of a peaceful, democratic and prosperous South Africa. For the 2025/26 financial year, the department has planned to allocate 2 per cent of procurement to Military Veterans- owned enterprises. Furthermore, the department is targeting to allocate 5 per cent of its' spending to persons with disabilities.

The department has a target to empower 410 emerging black firms for the 2025/26 financial year, with at least 40 per cent of the firm's women-owned, 30 per cent youth-owned and 30 per cent other.

There are number of bottlenecks inhibiting the DID from paying all service providers within 30 days, including delays relating to the interface between DID and client departments, inefficiencies in project and contract management, poor contractor performance and accruals. A multidisciplinary plan of action has been established to address the bottlenecks, and a target has been set to pay 100 per cent of DID invoices of service providers within 30 days in the 2025/26 financial year. Over the medium-term period, a concerted effort will be made to remove the bottlenecks to achieving the objective of paying all service providers within 30 days of receipt of a valid invoice.

Outcome 5: Capable, ethical and developmental organisation

Outcome 5 contributes to the range of interventions outlined in medium term strategic framework (MTSF) 2024-2029 to build a capable, ethical and developmental State. This outcome seeks to reinforce institutional governance, operational efficiency, and accountability within DID. By implementing robust internal controls, transparent performance management systems, and comprehensive risk and compliance frameworks, this outcome seeks to elevate the department's performance and service delivery.

The department is committed to institutionalising an improved GPG Infrastructure Delivery Model by introducing a revised funding framework that optimises resource allocation and enhances project outcomes across the province. In 2024, DID launched the Infrastructure Delivery Platform (IDEP) to accelerate and govern infrastructure delivery in Gauteng. This innovative platform serves as a single source of truth for managing and distributing project information and documents, providing real-time, reliable data throughout the project lifecycle and modernising traditional delivery methods. Effective stakeholder management is essential to this outcome. DID will promote strong relationships with client departments, municipalities, service providers, and communities to enhance collaboration, minimise project delays, and improve service delivery.

The Output indicators and targets have, therefore, been committed to that relate to the three conditions for a clean audit, namely, unqualified audit of financial statements, and zero material findings on the audit of performance objectives and non-compliance with legislation.

The outputs align with the Premier's priorities related to reducing and eliminating fruitless and wasteful expenditure, irregular expenditure, and paying service providers within thirty days (and fifteen days for township enterprises). Across the MTEF period, the department will continue to strive to receive an unqualified audit opinion, with no material findings.

Programme 2: Public Works over the medium-term is discussed below.**Outcome 1: Optimised GPG property portfolio:****Contributing to GMTDP Priority 2: Improved living conditions and enhanced health and wellbeing, and GMTDP Priority 3: Capable, ethical and developmental state**

The principal objective of a custodian is to provide immovable assets to users to meet their service delivery outcomes. DID as the principal custodian develop the Revised Property Optimisation Strategy, which was approved by the Executive Council in 2024. It recognises the Provincial Immovable Asset Register (IAR) as a significant tool that must be positively leveraged to redress historical spatial imbalances. Implementation of the optimisation strategy will take full effect in the 2025/26 financial year based on a comprehensive analysis of the immovable asset portfolio.

Alignment with Premier Priorities and the MTDP requires that precinct developments must be completed to accommodate GPG departments. Apart from ensuring a healthy and hospitable environment for GPG officials, the precinct development which comprises the refurbishment of existing Kopanong Building and development of new, directly contributes to the Premier's priority of CBD revitalisation. Adequate funding is therefore required to fund such strategic GPG initiatives as a failure to do so will result in a decaying CBD and unmanageable lease expenses in the long-term.

In relation to the Alexandra Renewal Project priority focus will be placed on optimising the use of designated land parcels in Linbro Park by exploring their potential as decanting sites. Simultaneously, enhancements will be implemented within existing housing settlements to drive comprehensive urban renewal.

Operating within a highly controlled environment, all property-related transactions are centralised on the ARCHIBUS platform, ensuring streamlined operations and adherence to GIAMA prescripts. This integrated system supports enhanced property maintenance through regular inspections, condition assessments, and rigorous physical verifications. The development and implementation of robust property management systems and policies are designed to stabilise the management environment and drive revenue generation through the optimal utilisation of provincial assets.

In addition to immediate revenue gains, these initiatives aim to lower non-revenue generating costs such as rates and taxes by divesting redundant and non-core properties for socio-economic purposes. For the 2025/26 financial year, the department plans to release fifteen unused government properties for development, economic growth, and job creation for socio-economic infrastructure development and further ensure availability of fit-for-purpose facilities to GPG users. The DID will actively seek to develop partnerships and to contract with property development and management companies that are women, youth or PwD-owned, thus contributing to the transformation of the property sector.

Redundant and non-core properties are sold or released for other socio-economic purposes so that the department can make savings on the payment of municipal rates and taxes rather than waste resources on maintaining them. For the 2025/26 financial year, the department has planned to dispose thirty-five properties and transfer fifteen to third parties.

Managing a complete and accurate immovable asset register is not only important for audit purposes but vital to support decision making on the lifecycle management of the portfolio of fixed property including land and buildings. For the 2024/25 financial year, the department has planned to ensure that ten GPG departments and entities are accommodated in compliant buildings.

For the the 2025/26 financial year, the department aims to verify 6256 immovable assets in the IAR, in accordance with the mandatory requirements of National Treasury.

Outcome 2: Sustainable infrastructure investment and delivery accelerated:**Contributing to GMTDP Priority 1: Inclusive economic growth and job creation**

The outcome relates to accelerating the delivery of smart public infrastructure through the development and implementation of the five-year infrastructure pipeline, in line with the priorities of GGT2030 and Gauteng Integrated Infrastructure Master Plan (GIIMP).

For the 2025/26 financial year, a total of five new construction projects are to be completed with two relating to Education and three (3) being STARS projects.

In terms of Education projects, the department has planned the construction of infrastructure of new schools, renovations, rehabilitations and refurbishments including upgrades and additions. These comprised two new construction projects for completion {Nancefield Primary School and Rust Ter Vaal Secondary School} and five (5) renovations {Phororong Primary School, Laerskool Noordhoek (Mobile Classroom), Laerskool Generaal Nicolaas, Thubelihle Intermediary School, and Laerskool Parksig} in the 2025/26 financial year. In addition, Bafeti LSEN School is planned for upgrades and additions.

For the 2025/26 financial year, the department will complete three new projects (Bekkersdal Social integrated Facility, Women Living Heritage Monument, and Bantubonke ECDC), and four facilities will be rehabilitated, renovated and refurbished {Koedoes crack, 75 Fox Cladding, 75 Fox Slab and and Thusanong building (slab)}.

For the 2025/26 financial year, the department, through the maintenance programme will continue to include the completion of approximately eight condition-based assessments at health facilities and 250 condition based assessment at state facilities. Furthermore, the department has planned to complete fifty-one maintenance projects in 2025/26 financial year for DID.

As with the capital development programme, priority will be given to providing SMMEs owned by women, youth and persons with disabilities, particularly those from townships, with opportunities to participate in the maintenance and repairs programmes.

The focus and contribution of Programme 3: EPWP over the medium-term is discussed below:

Enhancing poverty relief and employability is a key outcome for DID, as it coordinates the implementation of EPWP Phase 5 to create nearly half a million work opportunities across Gauteng. By working with GPG departments and municipalities, DID will prioritise unemployed youth, ensuring that at least 55 per cent of participants benefit from employment opportunities while gaining valuable skills to improve their long-term employability. Through targeted interventions, the department aims to reduce poverty, support economic inclusion, and create sustainable pathways to meaningful employment, ultimately driving economic growth and social upliftment across the province.

Outcome 3: Poverty relief and employability accelerated:

Contributing to GMTDP Priority 1: Inclusive economic growth and job creation

The objective of the EPWP for Phase 5 is: “To provide the unemployed poor with meaningful work opportunities through the delivery of community assets and services and actively build economic inclusion mechanisms that empower sustainable livelihoods and contribute to the country’s development agenda.”

EPWP Phase 5 has in alignment with the MTDP 2024–2029 targeted 469 047 EPWP jobs to be created in the province, of which 60 per cent are to be allocated to unemployed young people. It is anticipated that 282 179 of the overall targeted EPWP job opportunities for the term will be created through GPG departments with the remaining 186 868 created by municipalities. In addition to the EPWP beneficiaries of which 55 per cent are the youth, the programme will contribute towards supporting the development of 60 per cent women and 2 per cent PWD beneficiaries. As the coordinator of the EPWP across all sectors and municipalities within the Gauteng province, DID will continue to optimise the GPG’s contribution to the above priorities of Gauteng government.

Key initiatives include:

Ensure EPWP targets for all twenty-two Gauteng Public bodies are reported at EXCO as a monitoring mechanism in terms of the Protocol agreements signed between Mayors, MECs, the Premier and the National Department of Public Works and Infrastructure and DID.

Implementation of the 2 500 National Youth Service (NYS) Programme, managed by DID within the Infrastructure sector. In keeping with the strategic priority of driving Inclusive Economic Growth and Job Creation DID seeks to ensure EPWP participants are imparted with skills that ultimately increase their employability when exiting the programme.

Supporting all departments and municipalities with the implementation of the EPWP Reporting System and providing technical support on the use of the EPWP system and supporting document requirements.

This includes:

- Biometrics for the NYS programme Report, to enhance accountability across the programme;
- Sourcing of external technical support for inclusion of EPWP Labour Intensive Construction principles in the design of all infrastructure projects; and
- Provision of EPWP Reporting system (ERS) capacity building, to ensure that departments and Municipalities can utilise the ERS in the reporting of their job creation initiatives.
- Ensuring NYS participants acquire skills development and transformation programmes while their exposure within the EPWP- NYS programmes:
- Inclusion of skills programmes in NYS, through the provision of practical work experience aligned to their areas of interest and tertiary qualifications, on the job training, life skills programmes, work readiness preparation programmes and formal accredited training programmes.
- Public and private sector organisation engagements to encourage the learning pathways and encourage exit opportunities into permanent work outside of programme at the end of the participant contracts.

4. REPRIORITISATION

The department's budget is allocated across seven cost drivers: rates and taxes, compensation of employees, property leases, infrastructure projects, EPWP training and stipends, security services and soft services. The remaining budget is earmarked for other operating costs, including provision of tools of trade, ICT systems and G-Cars. The budget's reprioritisation for the 2025/26 financial year, is to ensure alignment of resources with operational needs and priorities.

In the year 2024/25 the department closed the year with accruals on goods and service, rates and taxes. As a result of a huge number of accruals on rates and taxes, the department prioritise funding on rates and taxes from R961 million in 2024/25 to R1 130 billion in the year 2025/26. As an when new properties are transferred to the department, the need to have adequate fund for rates and taxes increases and as a result the allocation over the MTEF period remaining constant at R1 122 billion in 2026/27 and R1 150 billion in 2027/28

In addressing the budget pressure in the year 2024/25 the department reduced the allocation on goods and service from R1 259 billion to R1 098 billion in the year 2025/26. To address the reduction in allocation for 2025/26 management took a decision to defer implementation of EPWP beneficiaries programme particularly vacant land and Health maintenance. In addition, the department increased an allocation for legal service to pay for a court order claims. The department has received additional funding during budget adjustment period for office accommodation, the need for compliance office accommodation has increased amongst all government departments and as a result the department submitted a business case to Gauteng Provincial Treasury which was approved with funding of R128 million. Allocation for additional funding for office accommodation continue to increase in the year 2025/26 and over the MTEF period. In the main this will ensure effective resource allocation

The reprioritisation of infrastructure aligns with the ECE estimates, although infrastructure projects are still underspending due to challenges in access to sites, resulting in surrounding some of the funding back to Treasury. The reprioritisation for 2025/26 the budget is R33 million and decreases to R10 million in 2027/28. Infrastructure projects have been reducing in anticipation of implementing Kopanong PPP projects., Currently the department is focusing on ensuring that buildings are OHS compliant. Maintenance overspending and funds redirected from CAPEX to avert disruption of much needed work required narrow down OHS non-compliance levels.

5. PROCUREMENT

Supply chain management operated within a highly regulated environment, and this Chief Directorate plays a crucial role in facilitating the procurement of goods and services required by various business units. It is thus essential for this unity to stay updates on relevant regulations, ensure proper record keeping, and report all transactions audit trail purposes. The following are key initiatives and challenges noted within the supply chain environment.

Irregular expenditure.

Irregular expenditure

The department adheres to National Treasury guidelines on irregular and unauthorised expenditure. Bid committees, in collaboration, with the Internal Control Unit, plays a vital role in preventing new irregular expenditure on tenders. In addition, probity auditors will audit all tender advertised of R2 million and above highlight any non-compliance before the contracts are awarded. During the year the department managed to resolve irregular expenditure for office accommodation and this indicate that the department is planning not to incur any new irregular expenditure in the MTEF period.

Achievements:

The department understands the importance of economic empowerment and therefore continuous procurement is channelled towards targeted groups such as Black owned enterprises, Black women, youth, people with disabilities, military veterans, SMMEs and township-based enterprises. Awareness sessions in communities of forthcoming construction projects seek to identify potential subcontractors that fall within these targeted groups and ultimately to be appointed by the successful main contractors. This will then streamline procurement towards these targeted groups at a subcontracting level.

Shortened procurement and acquisition processes through the procurement and approval of various panels this process has ensured that there is value for money.

The department has since finalised various panels for General Buildings. The department has since completed the procurement plan for 2025/26 and aligned it to the budget. As a result of distress projects under the education and health branch, the department has established panel of rescue practitioner responsible for rescuing distress projects. The department is anticipating finalising the appointment or procurement process in the year 2025/26. In addition the department is also planning to establish a compliance office that will be responsible for enforcing compliance on project readiness matrix or project life cycle. This process will ensure that there are less terminations and projects are completed on time and within a reasonable cost.

There has been an improvement in the payment of service providers within thirty and fifteen days and this has since reduced the number of accruals in the department. The department is committed to paying service providers within thirty days to that effect, the service providers are now submitting invoices on the system electronically thereby reducing timelines of processing and paying invoices.

Challenges

The process of allocating a 30 per cent contracting threshold to SMMEs remains challenging. Communities have high expectations for business opportunities, and collaboration between project and ward councillors have historically negatively impacted on-site project implementation. However, the department is working on improved processes including screening systems for selecting and appointing sub-contractors and the involvement of the Community Liaison Officer (CLO). Additionally, the pandemic led to project delays as many were put on hold, affecting the appointment of subcontractors.

There is a challenge regarding the number of probity auditors available for the workload, the limited number of military veterans and people with disabilities (PWD) for construction contracts and supplier performance management.

Strategies to address challenges

Increased capacity has been requested from probity auditors, and there is an augmentation of the maintenance panel targeting military veterans and PwD. The approved restriction of the service provider policy, SOP and Charter for Restriction Committee has been implemented. Additionally, there has been brainstorming for the supplier performance system to be implemented on the infrastructure pipeline portfolio, and also a performance of compliance with the procurement planning process through IDMS process.

The streamlined SCM processes aim to ensure the completion of outstanding infrastructure projects within the term. The department has thirty-eight distressed projects and plans to address the challenges through procurement in 2025/26. Internal SCM processes and timelines will be geared towards ensuring seamless procurement processes for these projects during the 2025/26 financial year. SCM will also embark on a review of its policy, standard operating procedures and templates to ensure smooth running of the chief directorates

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 15.1: SUMMARY OF DEPARTMENTAL RECEIPTS: DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

| 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 | 3 294 076 | 3 299 419 | 3 822 154 | 3 277 938 | 3 462 281 | 3 616 539 | 3 633 453 | 3 529 111 | 3 594 336 |
| Conditional grants | 18 988 | 6 768 | 9 031 | 9 010 | 9 010 | 9 010 | 14 631 | | |
| Expanded Public Works Programme | 18 988 | 6 768 | 9 031 | 9 010 | 9 010 | 9 010 | 14 631 | | |
| Total receipts | 3 313 064 | 3 306 187 | 3 831 185 | 3 286 948 | 3 471 291 | 3 625 549 | 3 648 084 | 3 529 111 | 3 594 336 |

Departmental receipts are made up of equitable share component and expanded public works programme conditional grant. The department's receipts for the year 2022/23 decreased by less than 1 percent to R3.3 billion when compared to the 2021/22 financial year. In the year 2023/24 the receipts increased to R3.8 billion as result of additional budget for implementation of solar at various department of Health institutions. In the year 2024/25 the department submitted business case on compensation of employees, legal services and office accommodation to the Gauteng Provincial Treasury to address inadequate funding of these items, the overall allocation was revised from R3.2 billion to R3.6 billion.

In the year 2025/26 conditional grants were increased to R14 million as due to overachievement of EPWP target. The allocation for 2025/26 is aligned to the adjusted budget of 2024/25 although there was compulsory budget cut across all GPG Departments. In addition, the department was allocated funding for awarded court orders. It is anticipated that the allocation for the current year will not defer much with allocation over the MTEF period.

The equitable share is the largest component of the allocation and follows the trend of the total receipt's allocation in the department.

The department is allocated an EPWP conditional grant, mainly for job creation and poverty alleviation. This grant is an incentive from the national Department of Public Works to fund the stipends in the NYS programme. Conditional grants saw fluctuations throughout the period. In 2021/22, the department received R 19 million, before experiencing a significant drop to R 6.8 million in 2022/23 due to imposed grant cuts to all provincial departments. However, this allocation increased reaching R 9 million in 2023/24.

In the 2024/25 financial year, the conditional grant is R9 million due to the previous year's performance and will further increase to R14.6 million in the 2025/26 financial year.

TABLE 15.2: SUMMARY OF DEPARTMENTAL RECEIPTS: DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

| 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 than capital assets | 15 953 | 16 537 | 13 744 | 33 450 | 33 450 | 20 309 | 34 949 | 36 557 | 38 202 |
| Fines, penalties and forfeits | | | | | | | | | |
| Interest, dividends and rent on land | 35 | 271 | 74 | | | | | | |
| Sales of capital assets | | 11 378 | 9 401 | | | 20 422 | | | |
| Transactions in financial assets and liabilities | 905 | 7 534 | 853 | 881 | 881 | 881 | 920 | 962 | 1 005 |
| Total departmental receipts | 16 893 | 35 720 | 24 072 | 34 331 | 34 331 | 41 612 | 35 869 | 37 519 | 39 207 |

Annual revenue consist of the disposal of properties amounting to 31 per cent of revenue collected, recoverable revenue related to prior year expenditure, rentals received from commercial and residential properties. An increase in revenue collection in from 2021/22 to 2022/23 is due to sale of non-core assets through public auction (fourteen properties) amounting to R12 million and reimbursement of an old debts amounting to R7.5 million by the Department of Community Safety. In 2023/24 the collection decreased to R24 million due to a decrease in old debts and decline in rental payments for residential properties. In the year 2024/25 the collection is revised from R34million to R41.6 million due to revenue recovered from property that was sold illegally. Most of residential and commercial tenants continue to pay their monthly rentals. It is anticipated that in the year 2025/26 tenants will continue to honour their lease agreement through rental payments and over the MTEF period.

The department revenue target for the 2024/25 financial year amounts to R34.3 million and collected R41.6 million. The increase in collection is due to the disposal of properties, recoverable revenue related to prior year expenditure, and rentals from commercial and residential properties and sale of residential buildings.

However Rental dwellings continue to under collect due to tenants not being able to afford the rentals. Most of the lease contracts have expired and the department is still in the process of renewing the lease contracts. A total number of 112 tenants have outstanding debt and have been handed over to legal services for recovery of outstanding debt and evictions. Intervention letters have been submitted to the Accounting Officers of all employees in occupation of government properties and not paying. The department has engaged with the department of electronic government (e-GOV) to explore options for recovering rental and outstanding debt through other avenues and a Debt collector has been appointed to assist in improving revenue collection efforts.

The department experienced a windfall of R20 million due to the sale of capital assets for non-core assets public auction from five residential properties and collected R12 million from the illegally sold property ERF24 Bervely.

The department is estimating a collection of R60million from leases of assets over five years; R309 million over three years from commercialization; R76 million from noncore assets and saving up to 30 per cent on water, 20 per cent on electricity and 10 per cent on Rates & Taxes.

The department is currently developing a framework for the leasing of vacant and underutilised properties. The facilities identified by the department will be offered through open tenders.

Revenue Strategies to improve debt collection

- **Recovery of long outstanding debts**

As part of the revenue initiatives to recover long outstanding debts, the department has appointed a service provider on a commission-based model for a period of three years to assist with the collection of debts. In the initial phase of the project, 50 per cent of the current debtor's book value will be handed over to the service provider. Engagements with the Top fifty owing tenants (both commercial and residential) will involve one-on-one interactions. Tenants will be required to sign an acknowledgment of debt. The current outstanding debt for the Top 50 is at R24.7 million. Non-paying tenants will be handed over to legal services for the recovery of outstanding debt.

- **Leasing of vacant and underutilised properties**

Develop a leasing framework to accommodate the element of leasing to NGO's & NPO's and to enable the department to offer available facilities through open market tenders.

- **Disposal of Noncore Assets**

Property rental is one of DID's main source of revenue, the portfolio comprises of both residential and commercial properties. The tenants are categorised in four subdivisions as commercial, NPO/NGO's, residential (private) and residential (state officials). DID has a total of 245 tenants, with an amount of R120mil over 120 days overdue.

Revenue generation initiatives include the disposal of seventy-six houses occupied by the department of Community Safety officials; disposal of thirty-five residential land parcels confirmed surplus and Granting servitudes to third parties over GPG land parcels/properties.

Five residential assets were sold on auction in the current financial year. Four assets have already been transferred, and one been lodged and is pending registration. A total of R8.1 million net revenue was received as proceeds from sale of assets in the current financial year. Estimated revenue of R6 million still to be realised between now and end of current financial year through sale of noncore assets. A total of 25 DCS officials have expressed interest and accepted the offer to purchase residential properties they currently occupy. These assets have a market value of R20.4 million. Service provider finalising Offer to Purchase (OTP's) to be signed by prospective buyers. Sixty vacant land parcels identified for sale are awaiting EXCO approval.

- **Leasing of Non-Core State Assets**

The department is one of the custodians of GPG-owned properties in terms of the Government Immovable Asset Management Act 19 of 2007 (GIAMA).

DID is currently managing 456 residential properties. These properties were expropriated by the Transvaal Provincial Administration around 1980's as future road reserves.

As custodian, DID has two main functions in terms of the leased portfolio namely:

Leasing Out – management of non-core GPG owned residential properties for a period until the disposal process of non-core properties is finalised. These properties are leased out to any member of public including non-profit organisations and government officials at market related rental, unless the approval of the National Treasury has been obtained (in terms of Treasury Regulation 16A7). The primary objective of leasing these properties is to assist the department in generating own revenue.

- **Commercialization of Assets**

To date a total of 100 properties have been earmarked for commercialisation as follows:

- sixty properties have been released to the market for commercialisation.
- forty additional properties have been identified for commercialisation as part of Phase 2.

Of the sixty properties advertised, 5 bids were recommended by the BEC for the following properties:

- Farm 15 Witfontein Portion 43
- Farm 15 Witfontein Portion 42
- Erf 555 Of Lonehill Portion 0
- Erf 556 Of Lonehill Ext 10 Portion 0
- Erf 15 Witfontein Portion 46

7. PAYMENT SUMMARY

7.1 Key assumptions

The department will continue provide for the infrastructure needs of the province as mandated by the provincial administration. The following elements have been considered when determining budgets for the 2023 MTEF.

Personnel:

Over the MTEF, the department has applied a 0 per cent increase in Cost-of-Living Adjustment (COLA) and no provision for performance bonuses.

Goods and services:

The consumer price index (CPI) inflation projections will be used for all non-personnel items over the MTEF.

7.2 Programme Summary

TABLE 15.3: SUMMARY OF PAYMENTS AND ESTIMATES: INFRASTRUCTURE DEVELOPMENT

| TABLE 15.3: SUMMARY OF PAYMENTS AND ESTIMATES: INFRASTRUCTURE DEVELOPMENT | | | | | | | | | |
|---|-----------|-----------|-----------|--------------------|------------------------|------------------|-----------------------|-----------|-----------|
| Outcome | | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
| R thousand | 2021/22 | 2022/23 | 2023/24 | | | | 2024/25 | 2025/26 | 2026/27 |
| 1. Administration | 403 641 | 448 389 | 530 334 | 446 177 | 473 557 | 517 883 | 668 589 | 374 813 | 368 085 |
| 2. Public Works Infrastructure | 2 693 819 | 2 734 268 | 3 028 430 | 2 564 812 | 2 719 960 | 2 837 423 | 2 783 195 | 2 907 136 | 2 993 598 |
| 3. Expanded Public Works Programme | 142 993 | 123 530 | 272 421 | 275 959 | 277 774 | 270 243 | 196 300 | 247 162 | 232 653 |
| Total payments and estimates | 3 240 453 | 3 306 187 | 3 831 185 | 3 286 948 | 3 471 291 | 3 625 549 | 3 648 084 | 3 529 111 | 3 594 336 |

7.3 Summary of Economic Classification

TABLE 15.4: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

| Outcome | | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--------------------------------------|-----------|-----------|-----------|--------------------|------------------------|------------------|-----------------------|-----------|-----------|
| R thousand | 2021/22 | 2022/23 | 2023/24 | 2024/25 | | | 2025/26 | 2026/27 | 2027/28 |
| Current payments | 2 104 822 | 2 162 226 | 2 390 772 | 2 171 146 | 2 372 257 | 2 535 395 | 2 380 055 | 2 316 341 | 2 351 927 |
| Compensation of employees | 1 151 014 | 1 151 970 | 1 244 054 | 1 271 993 | 1 311 418 | 1 262 786 | 1 281 636 | 1 386 933 | 1 426 489 |
| Goods and services | 932 309 | 1 007 596 | 1 135 417 | 899 153 | 1 057 139 | 1 259 130 | 1 098 419 | 929 408 | 925 438 |
| Interest and rent on land | 21 500 | 2 660 | 11 301 | | 3 700 | 13 479 | | | |
| Transfers and subsidies to: | 1 095 296 | 1 103 465 | 1 042 386 | 1 031 084 | 1 031 281 | 1 032 355 | 1 200 943 | 1 193 322 | 1 221 491 |
| Provinces and municipalities | 1 025 348 | 1 033 435 | 962 284 | 961 539 | 961 539 | 961 539 | 1 130 884 | 1 122 365 | 1 150 297 |
| Departmental agencies and accounts | 64 044 | 63 706 | 74 868 | 65 468 | 65 468 | 65 468 | 65 808 | 68 323 | 68 442 |
| Households | 5 904 | 6 324 | 5 234 | 4 077 | 4 274 | 5 348 | 4 251 | 2 634 | 2 752 |
| Payments for capital assets | 39 567 | 38 477 | 397 542 | 84 718 | 67 712 | 57 758 | 67 086 | 19 448 | 20 918 |
| Buildings and other fixed structures | 10 143 | 13 887 | 359 321 | 45 760 | 40 431 | 48 045 | 34 086 | 9 000 | 10 000 |
| Machinery and equipment | 28 611 | 24 590 | 37 454 | 38 958 | 27 281 | 9 713 | 33 000 | 10 448 | 10 918 |
| Software and other intangible assets | 813 | | 767 | | | | | | |
| Payments for financial assets | 768 | 2 019 | 485 | | 41 | 41 | | | |
| Total economic classification | 3 240 453 | 3 306 187 | 3 831 185 | 3 286 948 | 3 471 291 | 3 625 549 | 3 648 084 | 3 529 111 | 3 594 336 |

The Payments summary consists of payments of compensation of employees, goods and services including prior year accruals, rates and taxes including prior year accruals, capex and payments for movable assets.

Increase in the expenditure from R3.2 billion in 2021/22 to R3.3 billion in the year 2022/23 was mainly due to accruals of the prior year that were paid with current year budget. Regarding due wage agreements with the trade union, the department required salary adjustments for all employees in the year 2023/24. Additionally, the department continues to pay accruals under goods and services relating to office accommodation and security services. Building and other fixed structure payments increased due to payments made to service providers responsible for implementing solar at various health institutions due to load shedding that was experienced across the country. Initially in 2024/25, the allocation was reduced to R3.2 billion and later revised to R3.6 billion based on increase in payments for office accommodation and compensation of employees.

In the year 2024/25 the department will close the year with a huge number of accruals that will service as a direct charge in the budget allocation for 2025/26. The department does not foresee any significant decrease in the annual commitment hence the payments for the year 2025/26 and over the MFET will remain relatively unchanged.

Over the MTEF, the budget decreases from R3.6 billion in the 2025/26 financial year to R3.5 billion in 2027/28 financial year.

There is a function shift where GIFA is transferred to DID including historic spending and the funds transferred over the MTEF are R65.4 million in 2024/25; R65.8 million in 2025/26; R68.3 million for 2026/27 and R68.4 million for 2027/28.

Programme 1

Expenditure of R403 million was incurred in the year 2021/22 and increased to R448 million in the year 2022/23. The administration programme spent R530 million in 2023/24, increasing to R473 million in 2024/25. Over the MTEF the budget increased to R668 million in 2025/26. The programme has been faced with budget constraints due to the settlement of court orders on litigations for projects implemented on behalf of Department of Health (DoH). In the year 2026/27 the budget will decrease to R374 million and R368 million in 2027/28. This programme provides strategic leadership to the department and supports core programmes, hence all activities implemented within this programme are administrative.

Programme 2

The purpose of this programme is to deliver essential services mandated to the department. In 2021/22 the expenditure was R2.6 billion and increased to R2.7 billion in the year 2022/23. This programme was allocated a budget of R3 billion in the 2023/24 financial year compared to R2.7 billion in the previous financial year. The increase was due to additional funding for alternative energy and office accommodation. This programme spent 99.5 per cent of its' budget and had an underspend of R15.4 million due to delays in submission of invoices for repairs and maintenance, alternative energy, and security services in 2023/24. The programme in 2024/25 is allocated R2.5 billion, increases to R2.8 billion in 2025/26. In the year 2026/27 the budget will increase to R2.91 billion and R2.99 billion in 2027/28. The cost drivers being leases for office accommodation, security services, infrastructure maintenance, Rates & Taxes and Utilities.

Programme 3

This programme forms part of the key priorities of the province in job creation since it develops and empowers communities. The aim is to improve the skills of the beneficiaries and empower them to be self-sufficient after they have exited the programme. Two new programmes were introduced in the the 2023/24 financial year, i.e. vacant sites and facilities and health maintenance aimed at improving the skills of the beneficiaries.

In 2021/22 the expenditure was R142 million and decreased to R123 billion in the year 2022/23. This programme was allocated a budget of R272 million for the year the 2023/24 financial year and had no underspending. It accounts for 7.2 per cent of the overall departmental budget allocation. The adjusted budget for 2024/25 is R270 million and will reduce to R196 million in 2025/26 due to reprioritisation of functions. The programme in 2024/25 is allocated R275 million adjusted to R270 million and decreases to R196 million in 2025/26. In the year 2026/27 the budget will increase to R247 million and decrease to R232 million in 2027/28.

The EPWP conditional grant has been fully spent in both 2023/24 and 2024/25 even though the department had a grant cut in 2023/24.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the 2025 Estimates of Capital Expenditure (ECE)

7.4.2 Departmental Public-Private-Partnership (PPP) projects

The Kopanong PPP project is still in the planning stage.

7.5 Transfers

7.5.1 Transfers to public entities

TABLE 15.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES: INFRASTRUCTURE DEVELOPMENT

| Outcome | | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| R thousand | 2021/22 | 2022/23 | 2023/24 | | 2024/25 | | 2025/26 | 2026/27 | 2027/28 |
| Gauteng Infrastructure Finance Agency: | 64 044 | 63 706 | 74 868 | 65 468 | 65 468 | 65 468 | 65 808 | 68 323 | 68 442 |
| Total departmental transfers | 64 044 | 63 706 | 74 868 | 65 468 | 65 468 | 65 468 | 65 808 | 68 323 | 68 442 |

The President's proclamation notices (i.e., the Proclamation 220 of 2024 issued by the President of the Republic of South Africa as published in Government Gazette, No. 51556 dated 15 November 2024) and the letter dated 15 October 2024 issued by the Gauteng Premier informing the MEC for Finance and Economic Development and the MEC for Infrastructure Development and Cooperative Governance and Traditional Affairs about the transfer of GIFA specify the responsibility and accountability for the GIFA. The abovementioned President's proclamation notice replaces the Gauteng Provincial Treasury with the Gauteng Department of Infrastructure Development in Schedule 2 and Schedule 3 of the Public Service Act of 1994. The abovementioned Gauteng Premier's letter stipulates that any reference to the MEC for Finance and the Gauteng Provincial Treasury in any instrument or document must be construed as the reference to the MEC responsible for Infrastructure Development and the Gauteng Department of Infrastructure Development.

PROGRAMME NAME

1. Administration

2. Project Development and Compliance

3. Structured Finance

PROGRAMME PURPOSE

To provide administration support the GIFA to become a centre of excellence.

To source infrastructure projects from sector departments, municipalities, and agencies.

To structure finance for strategic infrastructure projects, engage potential private and public funders with the aim of raising finance for the projects and to constantly research best practices and models for financing infrastructure projects.

There is a function shift where GIFA is transferred to DID and the historic spending and funds are transferred over the MTEF R65.4 million in 2024/25; R65.8 million in 2025/26 and R68.3 million for 2026/27 and R68.4 million for 2027/28.

7.5.2 Transfers to other entities

N/A

7.5.3 Transfers to local government

TABLE 15.6: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY: INFRASTRUCTURE DEVELOPMENT

| 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 | 951 181 | 847 450 | 810 984 | 840 249 | 843 891 | 862 062 | 982 381 | 967 179 | 988 129 |
| Category B | 141 000 | 185 985 | 132 540 | 104 000 | 100 358 | 84 212 | 129 765 | 135 604 | 141 706 |
| Category C | 13 972 | | 18 760 | 17 290 | 17 290 | 15 265 | 18 738 | 19 581 | 20 462 |
| Unallocated | (80 805) | | | | | | | | |
| Total departmental transfers | 1 025 154 | 1 033 435 | 962 284 | 961 539 | 961 539 | 961 539 | 1 130 884 | 1 122 365 | 1 150 297 |

These are inter-governmental debts between the province and municipalities. On an annual basis the municipalities charges the provincial government rates and taxes depending on the market value of the property owed by the department and number of properties registered under GPG. Once annual billing is received per municipality the department will verify the accuracy of the bill by confirming the property registered under GPG and made payments. The table above illustrate the different allocations made to metro municipalities and other categories. The arrear accounts due to municipalities on rates and taxes and the identification of additional state properties to be added to the Assets Register necessitates that the allocation on rates and taxes should increase over the years.

Allocation for 2022/23 decreased from R1.1 billion in 2021/22 to R1 billion due to credit that were set off against current billing. The credit is due to adjustment in municipal tariff and its resultant impact on the municipal bill. The credit continues to be implemented in 2023/24 hence a decrease in allocation to R962 million. The budget allocation over the MTEF is R961.5 million in the 2024/25 financial year and thereafter increased to R1.13 billion in the 2025/26 financial year and thereafter increased to R1.15 billion in 2027/28. It anticipated that the department will reduce the accruals hence the increase in MTEF allocation.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The purpose of the Administration Programme is to provide strategic leadership to the department and support the core programmes in their efforts towards implementing its mandate. This includes the provision of strategic and operational support services for the MEC and the HOD, the provision of finance and supply chain management services, corporate support services, and organisational risk management services.

This programme is instrumental in driving increased contribution of infrastructure spend to inclusive economic growth. Through rigorous governance, sound financial stewardship, and strategic ICT integration, DID is positioned itself to accelerate infrastructure development that generates employment opportunities and stimulates sustainable economic growth for the Gauteng province. The Administration Programme underpins the creation of equitable opportunities for women, youth, and persons with disabilities, in direct support of GMTDP Priority 1: Inclusive Economic Growth and Job Creation, as well as GMTDP Priority 3: A Capable, Ethical and Developmental State.

Programme objectives

Office of the MEC

Management of the executive office and provision of executive support to ensure that the Executive Authority is able to fulfil her mandate as prescribed by legislation

Office of the HOD

Management of the office of the HOD and the provision of support to enable the HOD to provide the Department with administrative and strategic leadership to fulfil all statutory and strategic requirements pertaining to the functioning of the Department.

Financial Management and Supply Chain Management (SCM)

Manage and facilitate the provision of efficient and effective financial management and supply chain management services for the Department, as well as to ensure internal controls to drive prudent governance practices in the department. This includes ensuring value for money in the spend of the DID and client budgets

Corporate Support

To manage and monitor the provision of corporate management services, including human resources management, transversal support services (strategic planning, performance monitoring and evaluation), communications, information systems, legal services, logistics and security management.

Explanation of Planned Performance over the Medium-Term Period

The focus and contribution of Programme 1: Administration over the medium-term is discussed below.

Outcome 4: Increased Contribution of Infrastructure Spend to Inclusive Economic Growth

Contributing to GMTDP Priority 1: Inclusive economic growth and job creation

Over the medium term the DID will focus its efforts on ensuring the departmental preferential procurement, financial management and jobs mainstreaming targets related to the rollout of infrastructure programmes are met. A strong focus on the MTDP priority and DID outcome will provide support for emerging Black enterprises to be further empowered through targeted contracting and sub-contracting mechanisms to ensure 82 per cent of all contractors are Black-owned s.

In the 2025/26 financial year, the department will further ensure its preferential procurement spend directly benefits key groupings with procurement allocations specifically targeted as follows: Black women-owned enterprises: 40 per cent, Youth-owned enterprises: 30 per cent PWD-owned businesses: 5 per cent, MV-owned enterprises: 2 per cent, Small, medium and micro enterprises (SMMEs): 50 per cent, Township enterprises: 30 per cent.

This integrated approach is aligned to MTDP 2024–2029 and not only reinforces the DID commitment to economic transformation and inclusivity but also lays a strong foundation for sustainable development, job creation, and capacity building within historically disadvantaged enterprises.

The initiative of allocating procurement expenditure to MV-owned enterprises forms part of the department's commitment to support and recognise military veterans for their contribution to bring about the realisation of a peaceful, democratic and prosperous South Africa. The department will intensify its transformation efforts and has accordingly targeted to empower 400 emerging black owned enterprises over the five-year period, with at least 40 per cent of the firm's being women-owned while 30 per cent of targeted black firms will be youth-owned.

There are bottlenecks inhibiting the department from paying all service providers within 30 days, including delays relating to the interface between DID and client departments, inefficiencies in project and contract management, poor contractor performance and accruals. A multidisciplinary plan of action has been established to address the bottlenecks, and a target has been set for the settlement of 100 per cent of valid invoices received from DID service providers within 30 days as of the 2025/26 financial year.

Outcome 5: Capable, ethical and developmental organisation

Contributing to GMTDP Priority 3: Capable, ethical and developmental state

Outcome 5 contributes to the range of interventions outlined in MTDP 2024–2029 to build a capable, ethical and developmental state. This outcome seeks to reinforce institutional governance, operational efficiency, and accountability within DID. By implementing robust internal controls, transparent performance management systems, and comprehensive risk and compliance frameworks, this outcome seeks to elevate the department's performance and service delivery.

Emphasis towards ensuring the achievement of an unqualified external audit opinion during the financial year will be placed on an integrated approach for addressing recommendations from the Auditor-General, thereby addressing underlying weaknesses within the internal control environment. This strategic focus of this outcome will further ensure that DID continuously evolves into a more capable, ethical, and resilient institution and this aim is to be driven by targeted outputs aligned with the Premier's priorities related to reducing and eliminating fruitless and wasteful expenditure, and irregular expenditure.

The department is committed to institutionalising an improved GPG Infrastructure Delivery Model by introducing a revised funding framework that optimises resource allocation and enhances project outcomes across the province. In 2024, DID launched the Infrastructure Delivery Platform (IDEP) to accelerate and govern infrastructure delivery in Gauteng. This innovative platform serves as a single source of truth for managing and distributing project information and documents, providing real-time, reliable data throughout the project lifecycle and modernising traditional delivery methods.

The IDEP further underpins a coordinated approach to infrastructure planning, funding, and execution by incorporating the PRM, and includes a live dashboard that visualises critical project metrics including status, budget, expenditure, and security enabling swift remedial interventions. Additionally, the platform features a Portfolio of Evidence application which allows project managers and contractors to document progress through photographic evidence, thereby enhancing accountability and proactive governance.

Effective stakeholder management is essential to this outcome. DID will promote strong relationships with client departments, municipalities, service providers, and communities to enhance collaboration, minimise project delays, and improve service delivery. To drive infrastructure transformation, the department will also invest in a high-performing workforce, ensuring technical expertise and leadership capabilities are in place to execute strategic priorities.

TABLE 15.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|---------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| | 2021/22 | 2022/23 | 2023/24 | | | | 2025/26 | 2026/27 | 2027/28 |
| 1. Office Of The Mec | 12 747 | 11 864 | 13 726 | 11 643 | 9 493 | 5 933 | 11 265 | 9 271 | 6 483 |
| 2. Corporate Support | 377 430 | 426 762 | 510 397 | 415 559 | 444 834 | 499 368 | 634 991 | 345 481 | 340 639 |
| 3. Management Of The Department | 13 464 | 9 763 | 6 211 | 18 975 | 19 230 | 12 582 | 22 333 | 20 061 | 20 963 |
| Total payments and estimates | 403 641 | 448 389 | 530 334 | 446 177 | 473 557 | 517 883 | 668 589 | 374 813 | 368 085 |

TABLE 15.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

| Outcome | | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--------------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| R thousand | 2021/22 | 2022/23 | 2023/24 | | 2024/25 | | 2025/26 | 2026/27 | 2027/28 |
| Current payments | 374 650 | 421 269 | 491 852 | 403 219 | 444 440 | 506 120 | 631 589 | 374 813 | 368 085 |
| Compensation of employees | 217 613 | 237 188 | 245 362 | 276 077 | 306 986 | 260 284 | 298 372 | 312 292 | 303 489 |
| Goods and services | 157 037 | 181 421 | 235 242 | 127 142 | 133 754 | 232 357 | 333 217 | 62 521 | 64 596 |
| Interest and rent on land | | 2 660 | 11 248 | | 3 700 | 13 479 | | | |
| Transfers and subsidies to: | 1 433 | 1 328 | 785 | 4 000 | 2 118 | 2 065 | 4 000 | | |
| Provinces and municipalities | | | | | | | | | |
| Households | 1 433 | 1 328 | 785 | 4 000 | 2 118 | 2 065 | 4 000 | | |
| Payments for capital assets | 26 790 | 23 773 | 37 212 | 38 958 | 26 958 | 9 657 | 33 000 | | |
| Machinery and equipment | 25 977 | 23 773 | 36 445 | 38 958 | 26 958 | 9 657 | 33 000 | | |
| Software and other intangible assets | 813 | | 767 | | | | | | |
| Payments for financial assets | 768 | 2 019 | 485 | | 41 | 41 | | | |
| Total economic classification | 403 641 | 448 389 | 530 334 | 446 177 | 473 557 | 517 883 | 668 589 | 374 813 | 368 085 |

This programme is administrative and services as a support to the core function of the department. Overall allocation increased to R448 million in 2022/23 due payment of court orders. In the year 2023/24 the department continued to pay court orders plus interest and implemented cost of living adjustment which resulted in an overall increase to R530 million. In the years 2024/25 the department procure tools of trade of which payment is expected to be effected in the following year. Additionally, the department continues to pay for court orders.

The sub-programmes within this programme are administrative in nature and Supply chain management within the corporate support sub-programme remains one of the critical functions that support our core branches in the department.

Sub-programmes

The office of the MEC has seen a consistent decline in budget allocation. Starting at R12.7 million in 2021/22, it decreases steadily to a projected R6.4 million by 2027/28. There is a reallocation of funds from DID to COGTA to establish the office of the MEC hence the decrease in the allocation in the year 2024/25.

Corporate Support is the largest sub-programme which demonstrates fluctuating allocations. From R377.4 million in 2021/22, the budget peaks significantly to R499 million in 2024/25. The allocation will increase to R634 million in 2025/26 due to additional funding of R217 million allocated for the reimbursement of legal costs for court orders. The increased allocation aligns with anticipated increases in operational demands and strategic initiatives. However, the department continue to experience financial constraints due to an escalation in litigations. Over the MTEF, the budget is set to decline from R634 million in 2025/26 to R340 million in 2027/28 due to implementation of cost containment measures throughout the department. Management of the department, though smaller in scale, displays a gradual increase over time. The spending was R13.4 million in 2021/22, decreases to R6.2 million in 2023/24. In 2024/25 the budget is R 18 million increases to R22 million in 2025/26 and thereafter decreases to R20 million in 2026/27 and 2027/28.

Economic Classification Trends

Compensation of Employees shows a steady upward line. From R217.6 million in 2021/22, this category grows to R303 million by 2027/28, demonstrating a commitment to sustaining workforce-related costs amidst inflationary pressures and compliance with wage agreements. In the 2023/24 financial year, the department identified 108 critical posts that must be filled, however, only seventy-eight posts were filled during year due to budget cuts implemented over the MTEF periods. Overall, technical capacity has increased, however, the current vacancy rate in the department is 13 per cent, which is above the expected norm of 10 per cent, and this has a direct impact on the capacity to deliver services.

Allocation for compensation of employees has significantly increased over the years. The increase in the current year's allocation is due to additional funding allocated to cover wage agreements and pay progression. The cost-of-living adjustment was implemented throughout, resulting in a gradual increase in the compensation of employee's budget. At the end of 2024/25 there was a wage agreement between the Government and Trade Unions from level 1 to 12 and therefore an increase in compensation of employees from R260 million to R298 million in 2025/26 is meant to cover inflationary adjustments.

Goods and Services reflect an increase at R235.2 million in 2023/24 before declining to R127 million in 2024/25. This dramatic reduction suggests a focus on cutting operational costs and inadequate funding of the departments cost drivers and priorities. In 2025/26 the budget increases to R333 million mainly attributable to payment of court orders. Thereafter decreases to R 62 million in 2026/27 and increases to R64 million in 2027/28.

Transfers and Subsidies remains minimal throughout the period. The budget increases from R785 000 in 2023/24 to R4 million in 2024/25. In 2025/26 the budget remains constant at R4 million with no projections for the rest of the outer years.

Machinery and equipment budget for the 2020/21 financial year is R26.7 million and declined to R23.8 million in 2022/23 due to cost-cutting measures and strict monitoring of cell phones. During the mid-year budget adjustment in 2023/24, the budget was revised from R38.3 million to R36.3 million to make provision for additional funding under tools of trade. Thereafter the budget increases to R33 million in 2025/26 with no projections for the rest of the outer years. This sustained increase signals a strategic focus on enhancing operational tools to support departmental functions.

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

| Programme performance measures | Estimated performance | Medium-term estimates | | |
|--|--|--|--|--|
| | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| Amount of Revenue collected | 30 million | 24 million | 24 million | 24 million |
| Percentage of DID service provider invoices settled within 30 days | 100% | 100% | 100% | 100% |
| Percentage of client department service provider invoices settled within 30 days | 80% | 80% | 80% | 80% |
| Percentage of management posts filled by women | 50% | 50% | 50% | 50% |
| Departmental vacancy rate in percentage | 13% | 10% | 10% | 10% |
| Percentage of procurement allocated to black owned enterprises | 99.03% | 82% | 82% | 82% |
| Percentage of procurement allocated to black women owned enterprises | 72.38% | 40% | 40% | 40% |
| Percentage of procurement allocated to people with disabilities owned enterprises | 2.51% | 5% | 5% | 5% |
| Percentage of procurement allocated to youth owned enterprises | 32.85% | 30% | 30% | 30% |
| Percentage of procurement allocated to MV owned enterprises | 4.57% | 2% | 2% | 2% |
| Percentage of procurement allocated to Small-medium-micro enterprises | 98.18% | 50% | 50% | 50% |
| Percentage of procurement allocated to TER | 51.26% | 30% | 30% | 30% |
| Number of emerging black firms empowered through sub-contractors per annum, of which 40% are women owned and 30% are youth owned | 400 Women: 40% Youth: 30% Other: 30% | 410 Women: 40% Youth: 30% Other: 30% | 420 Women: 40% Youth: 30% Other: 30% | 430 Women: 40% Youth: 30% Other: 30% |
| AGSA opinion on the audit of financial statements | Unqualified with the reduction in recurring funding | Unqualified audit opinion with reduced findings | Unqualified audit opinion with no material findings | Unqualified audit opinion with no material findings |
| Percentage reduction in prior year fruitless and wasteful expenditure | 30% reduction on prior year | 30% reduction on prior year | 30% reduction on prior year | 30% reduction on prior year |
| Percentage reduction in prior year accruals (excluding rates and taxes) | 40% reduction on prior year | 40% reduction on prior year | 40% reduction on prior year | 40% reduction on prior year |
| Percentage reduction in prior year irregular expenditure | 1% reduction on DID prior year irregular expenditure | 1% reduction on DID prior year irregular expenditure | 1% reduction on DID prior year irregular expenditure | 1% reduction on DID prior year irregular expenditure |
| Percentage year on year reduction in the number of material finding on performance objectives | 30% reduction | 30% reduction | 30% reduction | 30% reduction |
| Percentage implementation of the milestones of the ICT strategy | 100% | 100% | 100% | 100% |

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

Programme Description

The purpose of the Public Works Programme is to provide core services that are mandated to the department. This includes planning, design and construction of infrastructure projects, implementation of maintenance projects, property management (immovable asset management) facilities management and provision of infrastructure research, policy and systems.

DID manages construction procurement projects for provincial departments and issues framework/term contracts for day-to-day, routine/preventative maintenance, when required, for all provincial departments. This includes maintenance and estate management services provided to GPG departments and the DID itself. A key intervention is the implementation of the Gauteng Precinct Development, comprising eighteen buildings in the COJ CBD, to accommodate departmental head offices in modern, high-quality facilities. Until the project is completed, DID remains committed to ensuring GPG departments are accommodated in suitable, OHS-compliant facilities, either within GPG buildings, or leased.

The Programme is also responsible for managing the GPG's immovable assets as the provincial custodian. It oversees the effective and efficient utilisation of immovable assets, manages leases, estates, and creditor payments for designated areas, and handles the acquisition and disposal of immovable properties, as well as facilitating property development. Commercialisation of the property portfolio is a key priority for the planning period, with an intent to significantly increase revenue generation, to dispose of underutilised, non-performing, and non-core assets. While DID is compelled to pay valid rates and taxes invoices in full, the reduction in unproductive assets will reduce the municipal liability.

Programme Objectives

Sub-Programme

Health infrastructure, maintenance and technical portfolio support branch

To provide infrastructure planning, design and construction management, maintenance and technical support services for health facilities in the province.

Education and general provincial government building infrastructure, maintenance and technical portfolio support branch

To provide infrastructure planning, design and construction management, maintenance and technical support services for education; sports, arts, culture and recreation; roads and transport; agriculture and rural development; social development; and DID facilities in the province.

Property Management Chief Directorate

To manage the property portfolio of the province; to establish and manage the provincial strategic and infrastructure plan; to provide accommodation for all provincial departments and other institutions; to acquire and dispose of accommodation in terms of the plan and in terms of the Land Administration Acts, 1998, which entails:

- Acquiring and disposal of properties;
- Lease administration;
- Revenue generation;
- Management of the asset registers;
- Monitor the utilisation of Provincial Government facilities; and
- Management of payment of all utilities.

Infrastructure research, policy and systems

To manage Infrastructure research, longer-term Infrastructure planning and projects, programme and portfolio management of systems and standards, and the green agenda.

Public Works Infrastructure Programme: Explanation of Planned Performance over the Medium-Term Period

The focus and contribution of Programme 2: Public Works over the medium-term is discussed below.

Outcome 1: Optimised GPG property portfolio

Contributing to GMTDP Priority 2: Improved living conditions and enhanced health and wellbeing, and GMTDP Priority 3: Capable, ethical and developmental state

The principal objective of a custodian is to provide immovable assets to users to meet their service delivery outcomes. DID as the principal custodian developed the Revised Property Optimisation Strategy, which was approved by the Executive Council in 2024. It recognises the Provincial Immovable Asset Register (IAR) as a significant tool that must be positively leveraged to redress historical spatial imbalances. Implementation of the optimisation strategy will take full effect in the 2025/26 financial year based on a comprehensive analysis of the immovable asset portfolio.

Operating within a highly controlled environment, all property-related transactions are centralised on the ARCHIBUS platform, ensuring streamlined operations and adherence to GIAMA prescripts. This integrated system supports enhanced property maintenance through regular inspections, condition assessments, and rigorous physical verifications. The development and implementation of robust property management systems and policies are designed to stabilise the management environment and drive revenue generation through the optimal utilisation of provincial assets.

In addition to immediate revenue gains, these initiatives aim to lower non-revenue generating costs such as rates and taxes by divesting redundant and non-core properties for socio-economic purposes. For the 2025/26 financial year, the department plans to release 20 unused government properties for development, economic growth, and job creation for socio-economic infrastructure development and further ensure availability of fit-for-purpose facilities to GPG users. The department will also actively pursue partnerships with women, youth, and PwD-owned property development and management companies, thereby contributing to the broader transformation of the property sector.

Optimising Government Strategic Assets stands as a key priority for the GPG this term. To achieve this goal, the DID will need to delegate Power of Attorney to the Gauteng Investment Fund Authority (GIFA). This delegation will empower GIFA to unlock the economic potential of underutilised assets in strategic areas, thereby generating vital revenue and creating lasting value for the province. Moreover, by harnessing these assets more effectively, the province can stimulate sustainable growth, attract private investment, and foster public-private partnerships, ensuring that its resources are fully leveraged to support broader developmental objectives.

For the 2025/26 financial year, the department aims to verify 6256 immovable assets in the IAR, in accordance with the mandatory requirements of National Treasury.

Outcome 2: Sustainable infrastructure investment and delivery accelerated

Contributing to GMTDP Priority 1: Inclusive economic growth and job creation

The outcome relates to accelerating the delivery of social infrastructure through the development and implementation of the five-year infrastructure pipeline, in line with the priorities of MTDP 2024–2029, user requirements, and GSDF 2030.

For the 2025/26 financial year, a total of seven new construction projects are to be completed with two) relating to Education, three Health and the remaining two being STARS projects. In terms of Education projects, the department has planned the construction of infrastructure of new schools, school for learners with special needs, renovations, rehabilitations and refurbishments including upgrades and additions.

These comprise of four new construction projects for completion:

Rust Ter Vaal Secondary School, Simunye Secondary School, Semphato SS and Dr. WK Du Plessis LSEN} and nine (9) renovations {Goudwesskool, Laerskool Noordhoek (Mobile Classroom), Kokosi Primary School (Emergency scope), Tshirela Primary School (Emergency scope), Refithlilepele PS, Athlone Girls HS, Robin Hills PS, Lanasia SS and Thubelihle IS} in the 2024/25 financial year.

In addition, the department has targeted six upgrades and additions on education state facilities {Thuto Pele Secondary School (Completion Contract), Laerskool Queenswood, Laerskool Swartkop, Sandown SS (ES), Mogobeng PS (completion) and Inkululeko Yesizwe PS}.

For the the 2025/26 financial year, the department will complete two new projects {Womens' Living Heritage Monument and Bekkersdal Social integrated Facility} and three facilities will be rehabilitated, renovated and refurbished {Provincial Integrated Command Centre, Westhoven Boardroom and Dr Fabian & Florence Ribeiro Treatment Centre Phase 1B (2)}.

In addition, the department has targeted an upgrades and additions for Thusanong building (slab).

Ensuring that GPG has functional, reliable and compliant infrastructure through the effective management and timeous maintenance of facilities is, therefore, a priority for the eaprtment. A comprehensive maintenance strategy and plan is under development, which is GIAMA compliant, and focused on increasing the ratio of preventive to reactive maintenance to 80:20 over the MTEF period.

For the 2025/26 financial year, the department through the maintenance programme will continue to include the completion of approximately eight condition-based assessments at health facilities and 228 condition based assessment at state facilities.

To ensure effective, ongoing maintenance takes place at Health facilities, the DID and the department of Health have established a health infrastructure working group that includes Gauteng Provincial Treasury. The working group will, during the 2025/26 financial year continue to meet regularly to discuss maintenance requirements and implementation progress. Maintenance plans have been developed, costed and included in the MTEF budget of the Department of Health.

Alignment with Premier Priorities and the MTDP requires that precinct developments must be completed to accommodate GPG departments. Apart from ensuring a healthy and hospitable environment for GPG officials, the precinct development which comprises the refurbishment of existing Kopanong Building and development of new, directly contributes to the Premier's priority of CBD revitalisation. Adequate funding is therefore required to fund such strategic GPG initiatives as a failure to do so will result in a decaying CBD and unmanageable lease expenses in the long-term.

In relation to the Alexandra Renewal Project priority focus will be placed on optimising the use of designated land parcels in Linbro Park by exploring their potential as decanting sites. Simultaneously, enhancements will be implemented within existing housing settlements to drive comprehensive urban renewal.

As with the capital development programme, priority will be given to providing SMMEs owned by women, youth and persons with disabilities, particularly those from townships, with opportunities to participate in the maintenance and repairs programmes.

TABLE 15.9: SUMMARY OF PAYMENTS AND ESTIMATES: PUBLIC WORKS INFRASTRUCTURE

| Outcome | | | | Main appropriation | Adjusted appropriation 2024/25 | Revised estimate | Medium-term estimates | | |
|-------------------------------|------------|-----------|-----------|--------------------|-----------------------------------|------------------|-----------------------|-----------|-----------|
| | R thousand | 2021/22 | 2022/23 | 2023/24 | | | 2025/26 | 2026/27 | 2027/28 |
| 1. Construction | 260 214 | 291 282 | 675 775 | 324 180 | 315 075 | 354 899 | 292 898 | 331 320 | 334 718 |
| 2. Maintenance | 673 474 | 692 190 | 743 692 | 758 644 | 781 038 | 790 269 | 739 031 | 790 382 | 816 268 |
| 3. Immovable Asset Management | 1 760 131 | 1 750 796 | 1 608 963 | 1 481 988 | 1 623 847 | 1 692 255 | 1 751 266 | 1 785 434 | 1 842 612 |
| Total payments and estimates | 2 693 819 | 2 734 268 | 3 028 430 | 2 564 812 | 2 719 960 | 2 837 423 | 2 783 195 | 2 907 136 | 2 993 598 |

TABLE 15.10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC WORKS INFRASTRUCTURE

| Outcome | | | | Main appropriation | Adjusted appropriation 2024/25 | Revised estimate | Medium-term estimates | | |
|--------------------------------------|------------|-----------|-----------|--------------------|-----------------------------------|------------------|-----------------------|-----------|-----------|
| | R thousand | 2021/22 | 2022/23 | 2023/24 | | | 2025/26 | 2026/27 | 2027/28 |
| Current payments | 1 587 182 | 1 617 435 | 1 626 573 | 1 492 045 | 1 650 205 | 1 759 221 | 1 552 417 | 1 694 545 | 1 751 376 |
| Compensation of employees | 817 740 | 824 872 | 871 025 | 874 398 | 882 746 | 896 196 | 854 280 | 954 327 | 997 272 |
| Goods and services | 747 942 | 792 563 | 755 495 | 617 647 | 767 459 | 863 025 | 698 137 | 740 218 | 754 104 |
| Interest and rent on land | 21 500 | | 53 | | | | | | |
| Transfers and subsidies to: | 1 093 860 | 1 102 129 | 1 041 527 | 1 027 007 | 1 029 001 | 1 030 101 | 1 196 692 | 1 193 143 | 1 221 304 |
| Provinces and municipalities | 1 025 348 | 1 033 435 | 962 284 | 961 539 | 961 539 | 961 539 | 1 130 884 | 1 122 365 | 1 150 297 |
| Departmental agencies and accounts | 64 044 | 63 706 | 74 868 | 65 468 | 65 468 | 65 468 | 65 808 | 68 323 | 68 442 |
| Households | 4 468 | 4 988 | 4 375 | | 1 994 | 3 094 | | 2 455 | 2 565 |
| Payments for capital assets | 12 777 | 14 704 | 360 330 | 45 760 | 40 754 | 48 101 | 34 086 | 19 448 | 20 918 |
| Buildings and other fixed structures | 10 143 | 13 887 | 359 321 | 45 760 | 40 431 | 48 045 | 34 086 | 9 000 | 10 000 |
| Machinery and equipment | 2 634 | 817 | 1 009 | | 323 | 56 | | 10 448 | 10 918 |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 2 693 819 | 2 734 268 | 3 028 430 | 2 564 812 | 2 719 960 | 2 837 423 | 2 783 195 | 2 907 136 | 2 993 598 |

This programme is considered core, with the bulk of the department's budget allocated to it. Budget allocation increased from R2.6 billion to R2.7 billion in the year 2022/23. In the year 2023/24 the allocation increased to R3 billion as a result of implementation of Solar at various Health institutions and implementation of cost of living adjustments. In 2024/25 the budget was decreased to R2.7 billion since the process of solar was fully implemented in the previous year.

In the 2025/26 the allocation remains consistent at R2.7 billion in line with current commitments and additional funding received office accommodation and compensation of employee. It is anticipated that the allocation will increase over the MTEF to align to commitment and ensure adequate funding for key activities within the department.

The initial appropriation for the 2023/24 financial year was R2.5 billion and then revised to R3 billion, aiming to provide funding for alternative energy, wage agreement, property leases, and utilities that were previously unfunded. The overall programme showed improvement in the allocation, although some of the items within the goods and service are not adequately funded.

The budget allocation is R2.6 billion the 2024/25 financial year, increasing to R2.7 billion in 2025/26 financial year, and further increasing to R2.9 billion in the 2026/27 and R2.9 billion in 2027/28 financial years.

Sub-programme

Construction sub-programme was allocated R260 million in 2021/22 and peaked sharply to R675 million in 2023/24. This increase indicates a focus on large-scale infrastructure projects during this period specifically R329 million that was allocated for Solar project. In 2024/25 the budget is R324 million decreases to R292 million in 2025/26, increases to R 331 million in 2026/27 and R334 million in 2027/28.

Maintenance sub-programme allocation increases from R673.5 million in 2021/22 to R816 million by 2027/28. This trend reflects a commitment to preserving and extending the life of existing infrastructure, emphasising proactive asset management to reduce future capital pressures.

Immovable Asset Management sub-programme experiences an initial decline from 2021/22 to 2024/25 before recovering by 2027/28. This decline shows the temporary reprioritisation of funds from Municipal Rates & Taxes in 2023/24 toward more immediate needs in Goods & Services. The recovery in the outer years indicates the standing obligation to sustain investments in managing immovable assets.

Economic Classification Trends

Compensation of Employees shows consistent growth, rising from R817.7 million in 2021/22 to R871 million in 2023/24. This upward trend reflects efforts to retain skilled personnel and comply with wage agreements, ensuring the department remains operationally effective.

Compensation of employees includes personnel that service health institutions, the Gauteng Department of Education and STARS. Over the years, this budget has been increasing significantly due to critical vacant posts that need to be occupied to ensure improved service delivery and to align with Technical Requirements as per the IDMS.

However, National Treasury has implemented compulsory budget cuts on compensation of employees which will affect the department's recruitment plan and filling of vacant posts. Over the MTEF, the budget will however increase from R854 million in 2025/26 to R997 million in 2027/28.

Goods and Services Allocations decrease from R747.9 million in 2021/22 to R617.6 million in 2024/25 before increasing to R698 million in 2025/26. There's a provincial additional funding allocated on operating leases to address operational demands and commitments in the outer years. Shifting and virements were implemented to ensure adequate provision of the tools and safeguarding of government assets, office accommodation and infrastructure maintenance.

Goods and services include the payment of property leases, soft services and security services. These three items constitute approximately R580 million of the allocated budget for goods and services. An amount of R327 million is allocated for ongoing spending on commitments amounting to R500 million for office accommodation, and additional funding amounting to R128 million is allocated during 2024/25 mid-year budget adjustments and R162 million in the 2025/26 financial year. Reduction in allocation from R863 million in the year 2024/25 to R698 million in the year 2025/26 is due to a shortfall allocation under office accommodation. In 2026/27 the allocation is R740 million and increases to R754 million in 2027/28.

Transfers and Subsidies remain a prominent component, consistently channelling significant resources to provinces and municipal Rates & Taxes.

There is a function shift whereby GIFA is transferred from GPT to DID and the function will be in Programme 2 under departmental Agencies.

Rates and taxes allocation have been increasing over the last financial years due to an increase in devolved properties and the increase in billing rates by municipalities. The budget increased from R1 billion in 2021/22 to R962 million in 2023/24. The department has been fully utilising the allocated budget owed to municipalities to avoid any distractions on the government buildings.

In 2024/25 the budget increases from R961 million to R1.1 billion in 2025/26 due to increase in accruals, market value and some of the properties being transferred from National to Provincial Departments. In 2026/27 the budget is R1.12 billion and increases to R1.15 billion in 2027/28.

The identification of additional state buildings/properties has put pressure on this allocation over the years. The additional properties normally come with arrear accounts.

Capital Assets peak dramatically in 2023/24 at R360.3 million, primarily driven by investments in buildings and other fixed structures i.e. Solar Project. In subsequent years, allocation decreased to R45 million in 2024/25, as no additional funding is received for Solar projects. In 2025/26 the budget is R34 million and decreases to R20 million in 2027/28.

Infrastructure projects, conversely, have been reducing in anticipation of implementing Kopanong PPP projects. Currently the Department is focusing on ensuring that buildings are OHS compliant. These projects are government-owned head office buildings and will be refurbished and rehabilitated.

SERVICE DELIVERY MEASURES

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

| | Estimated performance | Medium-term estimates | | |
|--|------------------------------------|---|---|---|
| Programme performance measures | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| Number of infrastructure designs ready for tender (IDMS Gate 4) | 31 | 3 | 22 | 22 |
| Number of new facilities completed | 7 | 5 | 7 | 7 |
| Number of facilities rehabilitated, renovated and refurbished | 14 | 10 | - | 3 |
| Number of upgrades and additions completed on GPG facilities | 6 | 1 | 2 | 5 |
| 2.2.2. Number of land parcels acquired for development of new hospitals | New indicator | 3 Land parcels secured | - | - |
| Number of condition assessments conducted on state owned buildings | 236 | 258 | 250 | - |
| Approved concept document on the establishment of fully functional GPG Public Infrastructure Nerve Centre | Implementation design concept | Implementation design concept | Implementation design concept | Implementation design concept |
| Number of planned maintenance awarded | 155 | 75 | 85 | 95 |
| Number of planned maintenance projects completed | 130 | 51 | 62 | 71 |
| Revised feasibility study approved for Gauteng Precinct Development | Appointment of transaction advisor | Revised feasibility study approved | Appointment of PMU 4 buildings refurbished and/or built | Completion of 6 buildings refurbished and/or built |
| Number of properties sold | 15 | 35 | 20 | 20 |
| Number of properties transferred to third parties | 5 | 15 | 20 | 20 |
| Number of unused government buildings and land released for development, economic growth, and job creation | 10 | 15 | 15 | 10 |
| Number of GPG departments and entities accommodated in compliant buildings | New indicator | 10 | 11 | 13 |
| Number of utilisation inspections conducted for office accommodation (Disposals and leases) | 4 | 4 | 4 | 4 |
| | R34m | R26.5m | R26.8m | R27.2m |
| Percentage of confirmed municipal rates and taxes accounts paid | New Indicator | 100% of confirmed municipal rates and taxes accounts paid | 100% of confirmed municipal rates and taxes accounts paid | 100% of confirmed municipal rates and taxes accounts paid |
| Number of immovable assets verified in the Immoveable Asset Register (IAR) | 6 256 | 6 256 | 6 256 | 6 256 |
| Number of immovable assets transferred from the Immoveable Asset Register (IAR) | 203 | 200 | 200 | 200 |
| | | | | |

PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

Programme Description

The purpose of EPWP is to coordinate the implementation of programmes and strategies that lead to the development and empowerment of communities and develop strategies to promote enterprise development. The EPWP goes beyond creating jobs and transferring income by enabling participants to contribute to their communities through productive work that benefits the poor. Its diverse initiatives from home-based care and ecosystem restoration to building essential infrastructure and establishing Early Childhood Development Centres while improving living standards and empowering women economically.

This encompasses the provincial coordination of the EPWP Phase 5, which includes the following priorities:

- Job creation and skills development: Focus is not only on the number of jobs created but also on the quality of these jobs, aiming to improve participants' skills and employability.
- Social inclusion: Continuing to prioritise vulnerable groups, including women, youth, and persons with disabilities, to ensure that they benefit from the work opportunities created.
- Sustainability: Promoting sustainable projects that contribute to long-term economic and social development, aligning with the government's broader development goals.

By overseeing the coordination and implementation of EPWP Phase 5, the DID plays a crucial role in helping Gauteng meet the job creation and poverty alleviation targets set out in the MTDP for 2024–2029, while also ensuring that infrastructure and services are delivered efficiently through labour-intensive methods.

Provincial departments and municipalities are required to assume responsibility of planning, design and implementation of job creation initiatives within their departments and municipalities. Reporting of job creation onto the EPWP Reporting System and all budgetary and project management principles therefore remains the responsibility of each reporting body.

Programme Objectives

Sub-Programme

Programme support CBD

Overall management and support of the branch, including provision of back office technical administration, provision of built sector knowledge management services, finance, built sector supply chain management and management of stores, telecommunications as well as serving as the co coordinating division of the branch.

Community Development

Programmes to bring about the development and empowerment of impoverished communities

Expanded Public Works Programme: Explanation of Planned Performance over the Medium-Term Period

The focus and contribution of Programme 3: Expanded Public Works Programme over the medium-term is discussed below:

Outcome 3: Poverty relief and employability accelerated

Contributing to GMTDP Priority 1: Inclusive economic growth and job creation

The objective of the EPWP for Phase 5 is: “To provide the unemployed poor with meaningful work opportunities through the delivery of community assets and services and actively build economic inclusion mechanisms that empower sustainable livelihoods and contribute to the country’s development agenda.”

EPWP Phase 5 has in alignment with the MTDP 2024–2029 targeted 469 047 EPWP jobs to be created in the province, of which 60 per cent are to be allocated to unemployed young people. It is anticipated that 282 179 of the overall targeted EPWP job opportunities for the term will be created through GPG departments with the remaining 186 868 created by municipalities. In addition to the EPWP beneficiaries being 55 per cent youth, the programme will contribute towards supporting the development of 60 per cent women and 2 per cent PWD beneficiaries. As the coordinator of the EPWP across all sectors and municipalities within the Gauteng province, DID will continue to optimise the GPG’s contribution to the above priorities of Gauteng government.

Key initiatives include:

- To ensure EPWP targets for all 22 Gauteng Public bodies are reported at EXCO as a monitoring mechanism in terms of the Protocol agreements signed between Mayors, MECs, the Premier and the National Department of Public Works and Infrastructure and DID.
- Implementation of the 2 500 National Youth Service (NYS) Programme, managed by DID within the Infrastructure sector. In keeping with the strategic priority of driving Inclusive Economic Growth and Job Creation DID seeks to ensure EPWP participants are imparted with skills that ultimately increase their employability when exiting the programme.
- Supporting all departments and municipalities with the implementation of the EPWP Reporting System and providing technical support on the use of the EPWP system and supporting document requirements.

This includes:

- Biometrics for the NYS programme Report, to enhance accountability across the programme;
- Sourcing of external technical support for inclusion of EPWP Labour Intensive Construction principles in the design of all infrastructure projects; and
- Provision of EPWP Reporting system (ERS) capacity building, to ensure that departments and municipalities can utilise the ERS in the reporting of their job creation initiatives.
- Ensuring NYS participants acquire skills development and transformation programmes during their exposure within the EPWP- NYS programmes:
- Inclusion of skills programmes in NYS, through the provision of practical work experience aligned to their areas of interest and tertiary qualifications, on the job training, life skills programmes, work readiness preparation programmes and formal accredited training programmes.
- Public and private sector organisation engagements to encourage the learning pathways and encourage exit opportunities into permanent work outside of programme at the end of the participant contracts.
- Overall, investing in the continuation and expansion of the EPWP is essential. It ensures that vulnerable populations are not left behind and that the potential of all individuals is harnessed to drive sustainable development. The long-term benefits include reduced dependency on social welfare programmes, enhanced social cohesion, and the creation of a skilled workforce capable of adapting to the evolving demands of the global economy.

In keeping with the MTDP aim of ensuring the creation of decent employment through inclusive economic growth the DID focus during the 2025/26 financial year will remain on driving the coordination of job creation through Infrastructure Projects. In practice, this will necessitate the recording of all projects on IDEP while tracking provincial job creation initiatives including those related to projects in municipalities to promote complete and accurate reporting on job creation. This will require collaboration between DID and all provincial role-players such as the Office of The Premier, COGTA, GIFA, the GCRA and all GPG departments.

TABLE 15.11: SUMMARY OF PAYMENTS AND ESTIMATES: EXPANDED PUBLIC WORKS PROGRAMME

| Outcome | | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| R thousand | 2021/22 | 2022/23 | 2023/24 | 2024/25 | | | 2025/26 | 2026/27 | 2027/28 |
| 1. Programme Support Cbp | 20 276 | 29 103 | 43 497 | 58 124 | 62 282 | 58 124 | 53 063 | 34 742 | 36 305 |
| 2. Community Development | 122 718 | 94 427 | 228 924 | 217 835 | 215 492 | 212 119 | 143 237 | 212 420 | 196 348 |
| Total payments and estimates | 142 993 | 123 530 | 272 421 | 275 959 | 277 774 | 270 243 | 196 300 | 247 162 | 232 653 |

TABLE 15.12: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME

| Outcome | | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--------------------------------------|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| R thousand | 2021/22 | 2022/23 | 2023/24 | 2024/25 | | | 2025/26 | 2026/27 | 2027/28 |
| Current payments | 142 990 | 123 522 | 272 347 | 275 882 | 277 612 | 270 054 | 196 049 | 246 983 | 232 466 |
| Compensation of employees | 115 661 | 89 910 | 127 667 | 121 518 | 121 686 | 106 306 | 128 984 | 120 314 | 125 728 |
| Goods and services | 27 329 | 33 612 | 144 680 | 154 364 | 155 926 | 163 748 | 67 065 | 126 669 | 106 738 |
| Interest and rent on land | | | | | | | | | |
| Transfers and subsidies to: | 3 | 8 | 74 | 77 | 162 | 189 | 251 | 179 | 187 |
| Provinces and municipalities | | | | | | | | | |
| Households | 3 | 8 | 74 | 77 | 162 | 189 | 251 | 179 | 187 |
| Payments for capital assets | | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | | |
| Machinery and equipment | | | | | | | | | |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 142 993 | 123 530 | 272 421 | 275 959 | 277 774 | 270 243 | 196 300 | 247 162 | 232 653 |

The Expanded Public Works Programme (EPWP) demonstrates a steady growth line across its sub-programmes, reflecting its role in promoting job creation, skill development, and community upliftment. The program's allocations highlight its dual focus on operational support and impactful community initiatives. The aim is to improve the skills of the beneficiaries to empower them to be self-sufficient after they have exited the programme.

For the 2021/22 financial year, the programme was heavily hampered by COVID-19 restrictions, and participants were negatively impacted by the pandemic. This required that the training of these beneficiaries be implemented a staggered approach due to social distancing restrictions. In the year 2021/22 allocation decreased to R123 million from 142 million of the previous year. In year 2023/24 and 2024/25 respectively the department allocated more funding to training and introduced the two new programmes within EPWP responsible for creating job opportunities. A decrease in the year 2025/26 is due to compulsory budget cut across all the departments which necessitates the department to defer implementation of the two programme to the years 2026/27 and 2027/28

Sub-programme

Programme Support (CBP) sub-programme displays a consistent increase in allocations during the earlier years, rising from R20.3 million in 2021/22 to R58.1 million in 2024/25. This growth underscores efforts to strengthen the operational backbone required to execute EPWP initiatives effectively. However, the allocation decreases to R36.3 million by 2027/28.

Community Development sub-programme demonstrates significant fluctuations, with an allocation of R122.7 million in 2021/22 that increased to R228.9 million in 2023/24. Although it decreases to R143 million in 2025/26 due to redirection of funds to other priorities with budget pressures. However, the department reflects the programme's commitment to community-based projects, aligning with its core objective of delivering public goods and services while generating employment opportunities, sustained investment in reducing unemployment and improving livelihoods through EPWP initiatives.

Economic Classification Trends

Current Payments and allocations increase significantly, from R142.9 million in 2021/22 to R232 million by 2027/28. This growth is attributed to consistent allocation in Compensation of Employees for NYS stipends and Goods and Services for vacant land and Health Maintenance programmes including EPWP training. The Compensation of Employee's budget includes the conditional grant received from the National Department of Public Works and is primarily for the payment of stipends to the beneficiaries. In the year 2025/26 the allocation increased from R106 million to R128 million due to an increase in the allocation from EPWP grants and salary wage adjustment from level 1 to 12 in line with the agreement with Trade Union and the Government.

Goods and Services, however, show substantial growth, rising sharply from R27.3 million in 2021/22 to R106 million by 2027/28. This significant increase reflects escalating operational costs associated with the scale of EPWP projects, including training, Personal Protective Equipment, and project-specific expenditures.

During the 2023/24 financial year the programme witnessed a substantial increase in allocation to R144 million due to the implementation of the two programmes vacant land and Health Maintenance. In the same year, the department trained most of the EPWP beneficiaries. Non-implementation of the Vacant land and Health Maintenance programme resulted in reduction in the allocation of goods and services in the year 2025/26 from R163 million to R67million.

The noticeable increase in allocations for Community Development in the outer years aligns with broader government priorities to tackle unemployment and poverty. This strategic redirection of resources reflects an adaptive approach to leveraging the EPWP as a transformative tool for socio-economic development.

EPWP Conditional Grant - The department was allocated a budget of R9 million in the 2024/25 financial year, which has been fully spent, resulting in a 100 per cent spending rate. The allocation for 2025/26 is R14 million. The grant is received in tranches, and all funds disbursed to the department have been utilised in full as received, leaving no available balance.

SERVICE DELIVERY MEASURES

PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

| Programme performance measures | Estimated performance | Medium-term estimates | | |
|--|-----------------------|-----------------------|---------|---------|
| | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| Number of work opportunities created by Provincial Public Works and infrastructure | 2 500 | 2 500 | 2 500 | 2 500 |
| Number of Public Bodies reporting on EPWP targets in the province | 22 | 22 | 22 | 22 |
| Number of EPWP participants successfully completed skills development programmes | 2 500 | 2 500 | 2 500 | 2 500 |

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

COE strategies include the provision of adequate capacity on an ongoing basis to ensure continued service delivery and sustainability, staff retention of scarce skills within stringent cost controls on overtime and acting allowances. In addition, the department seeks to improve employee productivity ensuring Performance agreements with Personal Development Plans and assessments are concluded within the set time frame as well as maintaining employee Relations and well-being. The department provides critical maintenance and repairs to the client Departments which include scheduled maintenance, emergencies and other projects in respect of health institutions such as hospitals, primary health care facilities, ambulance stations, mortuaries and other health care and ancillary facilities.

According to the department's recruitment plan over the MTEF, there is an obligation to fill fifty-three priority posts during the 2024/25 financial year, 158 priority posts during the 2025/26 financial year, 143 in the 2026/27 financial year and ninety-two for the 2027/28 financial year. Therefore, the department plans to fill a total of 446 vacant posts on the current organisational structure to alleviate the burden of staff burnout and to ensure continuity and sustainability in the execution of the departmental mandate. The following slides depict the COE budget requirements to implement the department's recruitment plan for the MTEF.

Assumptions:

Confirmation of availability of budget from GPT to fill all identified priority posts over the MTEF.

Estimated COLA of 6.5 per cent is factored into expenditure projections for the MTEF cycle.

In response to the Premier's SOPA pronouncements, the department has registered a structural project with OoP to incorporate a Bulk Infrastructure Delivery unit. The unit is envisaged to be implemented in the 2025/26 FY with an estimated funding requirement of R 20 million.

The vacancy rate at the beginning of financial year 2022/23 was 16 per cent, with a total of 470 vacancies. Out of these, 200 positions were prioritised for filling in the financial year 2022/2023. All 200 identified positions were filled, along with other positions that became vacant due to natural attrition. It is note worth that more than 70 per cent of the filled positions were due to promotions, resulting in no significant impact on the vacancy rate. The annual turnover rate is 6.3 per cent. The vacancy rate at the beginning of 2023/24 financial year remained at 16 per cent with a total of 460 vacancies.

Out of the 460 vacancies, 108 positions were prioritised for filling during the 2023/2024 financial period. To date, 104 positions have been filled, and the remaining 4 positions are expected to be filled before the end of this financial year. Once more, most of the positions were filled through promotions.

A total of 136 critical vacant positions are planned to be filled during the 2024/2025 financial year. Approval has been granted by the Head of the Department to advertise, and the approval has been communicated to the Director General in the Office of the Premier for further approval. The estimated cost to fill all 136 posts is R48 million.

Delay in filling essential service posts has a negative impact on service delivery to client departments, resulting in cost implications for the overtime budget.

However, due to the COE cost containment measures applied over the MTEF by National Treasury, the department has developed its Recruitment Plan in line with the National Treasury directive for departments to spend within the allocated COE budget baselines. Although the department plans to recruit within the allocated COE budget, there is a risk that the department may not meet the regulated 10 per cent vacancy rate:

Furthermore, the Minister for Public Service and Administration introduced Circular No. 49 of 2023, dated 17 October 2023, outlining control measures to assist executive authorities in managing fiscal sustainability during the creation and filling of posts in the departments.

According to this Circular, certain vacant posts in the department are programmatically blocked on PERSAL. This includes posts that become vacant after the implementation of this Circular, which is 17 October 2023. The restriction imposed by this Circular poses a risk that may adversely impact the timely filling of the remaining vacant posts in the department, as a consultation process with the MPSA must be followed for these posts to be considered for filling.

The department is currently in consultation with the Provincial Treasury to confirm the budget availability for the implementation of the proposed organisational structure.

TABLE 15.123 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 | | | |
| R thousands | | 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 growth rate | Costs growth rate | % Costs of Total | |
| Salary level | | | | | | | | | | | | | | | | | |
| 1 – 6 | 1 380 | 399 165 | 1 342 | 404 136 | 1 389 | 345 255 | 1 288 | 101 | | 1 389 | 373 384 | 1 389 | 428 378 | 1 389 | 447 656 | 0% | 30.8% |
| 7 – 10 | 265 | 195 900 | 271 | 198 339 | 279 | 158 685 | 274 | 5 | | 279 | 144 379 | 279 | 179 492 | 279 | 187 568 | 0% | 12.7% |
| 11 – 12 | 94 | 101 142 | 99 | 102 402 | 95 | 77 049 | 92 | 3 | | 95 | 104 070 | 95 | 92 919 | 95 | 97 100 | 0% | 7.1% |
| 13 – 16 | 59 | 97 129 | 65 | 98 339 | 63 | 81 814 | 62 | 1 | | 63 | 116 758 | 63 | 113 803 | 63 | 118 899 | 0% | 8.2% |
| Other | 696 | 357 678 | 710 | 348 754 | 744 | 523 675 | 700 | 44 | | 744 | 543 045 | 744 | 572 341 | 744 | 575 266 | 0% | 41.2% |
| Total | 2 494 | 1 151 014 | 2 487 | 1 151 970 | 2 570 | 1 186 478 | 2 416 | 154 | | 2 570 | 1 281 636 | 2 570 | 1 386 933 | 2 570 | 1 426 489 | 0% | 100.0% |
| Programme | | | | | | | | | | | | | | | | | |
| 1. Administration | 360 | 217 613 | 344 | 237 188 | 373 | 245 362 | 359 | 14 | | 373 | 293 067 | 373 | 340 052 | 373 | 355 355 | 0% | 24.2% |
| 2. Public Works Infrastructure | 2 082 | 817 740 | 2 093 | 824 872 | 2 143 | 871 025 | 2 003 | 140 | | 2 143 | 873 671 | 2 143 | 926 950 | 2 143 | 945 807 | 0% | 67.0% |
| 3. Expanded Public Works Programme | 52 | 115 661 | 50 | 89 910 | 54 | 127 667 | 54 | | | 54 | 114 898 | 54 | 119 931 | 54 | 125 327 | 0% | 8.8% |
| Direct charges | | | | | | | | | | | | | | | | 0% | 0% |
| Total | 2 494 | 1 151 014 | 2 487 | 1 151 970 | 2 570 | 1 244 054 | 2 416 | 154 | | 2 570 | 1 281 636 | 2 570 | 1 386 933 | 2 570 | 1 426 489 | 0% | 100.0% |

The current financial constraints have required cuts to some of the planned training interventions, leading to the inability to implement other priority training programmes. The Directorate: Human Resources Development (HRD) is concerned that the cost containment measures are likely to have a negative impact on the sustainability of the bursaries programme and the implementation of learnerships and internships as outlined in the current financial year.

9.2 Training

TABLE 15.14: INFORMATION ON TRAINING: INFRASTRUCTURE DEVELOPMENT

| 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 |
| Number of staff | 2 494 | 2 487 | 2 570 | 2 570 | 2 570 | 2 570 | 2 570 | 2 570 | 2 570 |
| Number of personnel trained | 1 330 | 1 510 | 1 490 | 1 540 | 1 540 | 1 540 | 1 550 | 1 550 | 1 550 |
| of which | | | | | | | | | |
| Male | 730 | 810 | 820 | 820 | 820 | 820 | 820 | 820 | 820 |
| Female | 600 | 700 | 670 | 720 | 720 | 720 | 730 | 730 | 730 |
| Number of training opportunities | 980 | 1 140 | 1 190 | 1 170 | 1 170 | 1 170 | 1 170 | 1 170 | 1 170 |
| of which | | | | | | | | | |
| Tertiary | 50 | 60 | 70 | 70 | 70 | 70 | 70 | 70 | 70 |
| Workshops | 130 | 140 | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| Seminars | 120 | 130 | 140 | 140 | 140 | 140 | 140 | 140 | 140 |
| Other | 680 | 810 | 830 | 810 | 810 | 810 | 810 | 810 | 810 |
| Number of bursaries offered | | 150 | 100 | 150 | 150 | 150 | 150 | 150 | 150 |
| Number of interns appointed | | 160 | 170 | 170 | 170 | 170 | 170 | 170 | 170 |
| Number of learnerships appointed | | 40 | 60 | 70 | 70 | 70 | 80 | 80 | 80 |
| Number of days spent on training | | | | | | | | | |
| Payments on training by programme | | | | | | | | | |
| 1. Administration | 1 494 | 5 813 | 5 871 | 5 930 | 5 930 | 5 930 | 6 196 | 6 481 | 6 773 |
| 2. Public Works Infrastructure | 7 880 | 13 055 | 13 135 | 13 266 | 13 266 | 13 266 | 13 860 | 14 498 | 15 150 |
| 3. Expanded Public Works Programme | 691 | 1 796 | 1 814 | 1 832 | 1 832 | 1 832 | 1 914 | 2 002 | 2 092 |
| Total payments on training | 10 065 | 20 664 | 20 820 | 21 028 | 21 028 | 21 028 | 21 970 | 22 981 | 24 015 |

The current financial constraints have required cuts to some of the planned training interventions, leading to the inability to implement other priority training programmes. The Directorate: Human Resources Development (HRD) is concerned that the cost containment measures are likely to have a negative impact on the sustainability of the bursaries programme and the implementation of learnerships and internships as outlined in the current financial year.

9.3 Reconciliation of structural changes

N/A

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 15.15: SPECIFICATION OF RECEIPTS: INFRASTRUCTURE DEVELOPMENT

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| | 2021/22 | 2022/23 | 2023/24 | | | | 2025/26 | 2026/27 | 2027/28 |
| Tax receipts | | | | | | | | | |
| Sales of goods and services other than capital assets | 15 953 | 16 537 | 13 744 | 33 450 | 33 450 | 20 309 | 34 949 | 36 557 | 38 202 |
| Sale of goods and services produced by department (excluding capital assets) | 15 953 | 16 537 | 13 744 | 33 450 | 33 450 | 20 309 | 34 949 | 36 557 | 38 202 |
| Sales by market establishments | 15 953 | 16 537 | 13 744 | 33 450 | 33 450 | 20 309 | 34 949 | 36 557 | 38 202 |
| Transfers received from: | | | | | | | | | |
| Fines, penalties and forfeits | | | | | | | | | |
| Interest, dividends and rent on land | 35 | 271 | 74 | | | | | | |
| Interest | 35 | 271 | 74 | | | | | | |
| Dividends | | | | | | | | | |
| Sales of capital assets | | 11 378 | 9 401 | | | 20 422 | | | |
| Other capital assets | | | | | | | | | |
| Transactions in financial assets and liabilities | 905 | 7 534 | 853 | 881 | 881 | 881 | 920 | 962 | 1 005 |
| Total departmental receipts | 16 893 | 35 720 | 24 072 | 34 331 | 34 331 | 41 612 | 35 869 | 37 519 | 39 207 |

TABLE 15.16: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|---|-----------|-----------|-----------|--------------------|------------------------|------------------|-----------------------|-----------|-----------|
| | 2021/22 | 2022/23 | 2023/24 | | | | 2025/26 | 2026/27 | 2027/28 |
| Current payments | 2 104 822 | 2 162 226 | 2 390 772 | 2 171 146 | 2 372 257 | 2 535 395 | 2 380 055 | 2 316 341 | 2 351 927 |
| Compensation of employees | 1 151 014 | 1 151 970 | 1 244 054 | 1 271 993 | 1 311 418 | 1 262 786 | 1 281 636 | 1 386 933 | 1 426 489 |
| Salaries and wages | 1 009 038 | 1 001 049 | 1 073 294 | 1 095 612 | 1 135 037 | 1 086 461 | 1 096 698 | 1 193 487 | 1 224 338 |
| Social contributions | 141 976 | 150 921 | 170 760 | 176 381 | 176 381 | 176 325 | 184 938 | 193 446 | 202 151 |
| Goods and services | 932 309 | 1 007 596 | 1 135 417 | 899 153 | 1 057 139 | 1 259 130 | 1 098 419 | 929 408 | 925 438 |
| Administrative fees | 106 | 13 | 6 | 520 | 10 | 18 | 50 | | |
| Advertising | 4 438 | 3 356 | 3 850 | 2 500 | 1 731 | 945 | 7 000 | 707 | |
| Minor assets | 428 | 454 | 1 836 | 2 300 | 638 | 681 | 3 006 | 837 | 875 |
| Audit costs: External | 22 929 | 38 056 | 10 794 | 17 971 | 13 971 | 17 270 | 21 000 | 11 990 | 12 530 |
| Bursaries: Employees | 89 | 103 | 6 084 | 6 500 | 6 500 | 5 710 | 4 500 | | |
| Catering: Departmental activities | 607 | 603 | 2 365 | 200 | 306 | 324 | 200 | | |
| Communication (G&S) | 1 506 | 1 089 | 2 241 | 2 096 | 847 | 717 | 4 552 | 1 198 | 1 252 |
| Computer services | 22 296 | 28 537 | 15 140 | 13 000 | 8 018 | 13 018 | 26 000 | 21 866 | 22 850 |
| Consultants: Business and advisory services | 17 404 | 6 794 | 43 574 | 34 000 | 49 355 | 31 466 | 41 000 | | |
| Legal services (G&S) | 46 887 | 62 038 | 109 836 | 21 000 | 21 000 | 100 402 | 149 909 | 10 929 | 11 421 |
| Science and technological services | | | | | | | | | |
| Contractors | 2 679 | 2 433 | 319 | 2 500 | 1 300 | 1 | 2 000 | | |
| Agency and support/outsource services | 28 317 | 41 991 | 144 373 | 147 650 | 155 875 | 175 326 | 78 600 | 119 317 | 99 055 |
| Entertainment | | | | | | | | | |

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|---|-----------|-----------|-----------|--------------------|------------------------|------------------|-----------------------|-----------|-----------|
| | 2021/22 | 2022/23 | 2023/24 | | | | 2025/26 | 2026/27 | 2027/28 |
| Fleet services (including government motor transport) | 39 810 | 43 881 | 46 860 | 47 572 | 34 164 | 43 070 | 54 000 | 26 576 | 27 772 |
| Inventory: Clothing material and accessories | 3 826 | 3 280 | 6 454 | 14 100 | 12 860 | 3 056 | 22 757 | 4 386 | 4 583 |
| Inventory: Food and food supplies | | | | | | | | | |
| Inventory: Fuel, oil and gas | | | | | | | | | |
| Inventory: Learner and teacher support material | | | | | | | | | |
| Inventory: Materials and supplies | 5 | 45 | 17 | | 2 | | | | |
| Inventory: Medical supplies | | | | | | | | | |
| Inventory: Other supplies | | | | | | | | | |
| Consumable supplies | 3 581 | 3 673 | 7 008 | 1 945 | 3 932 | 4 272 | 1 055 | 1 142 | 1 193 |
| Consumables: Stationery, printing and office supplies | 4 222 | 4 096 | 3 905 | 3 399 | 2 702 | 1 996 | 2 648 | 1 201 | 1 255 |
| Operating leases | 494 231 | 470 541 | 396 265 | 204 500 | 335 054 | 503 979 | 331 570 | 342 729 | 357 560 |
| Rental and hiring | | | | | | | | | |
| Property payments | 205 729 | 263 011 | 298 144 | 352 202 | 388 252 | 337 445 | 314 341 | 369 573 | 367 371 |
| Transport provided: Departmental activity | 37 | | | | | | | | |
| Travel and subsistence | 15 807 | 20 231 | 22 447 | 16 780 | 13 099 | 14 314 | 16 161 | 4 478 | 4 680 |
| Training and development | 13 629 | 11 455 | 12 629 | 7 018 | 4 452 | 2 910 | 11 930 | 12 479 | 13 041 |
| Operating payments | 1 165 | | 124 | 400 | 71 | 42 | 140 | | |
| Venues and facilities | 2 579 | 1 916 | 1 146 | 1 000 | 3 000 | 2 168 | 6 000 | | |
| Interest and rent on land | 21 500 | 2 660 | 11 301 | | 3 700 | 13 479 | | | |
| Interest | 21 500 | 2 660 | 11 301 | | 3 700 | 13 479 | | | |
| Rent on land | | | | | | | | | |
| Transfers and subsidies | 1 095 296 | 1 103 465 | 1 042 386 | 1 031 084 | 1 031 281 | 1 032 355 | 1 200 943 | 1 193 322 | 1 221 491 |
| Provinces and municipalities | 1 025 348 | 1 033 435 | 962 284 | 961 539 | 961 539 | 961 539 | 1 130 884 | 1 122 365 | 1 150 297 |
| Provinces | | | | | | | | | |
| Provincial agencies and funds | | | | | | | | | |
| Municipalities | 1 025 348 | 1 033 435 | 962 284 | 961 539 | 961 539 | 961 539 | 1 130 884 | 1 122 365 | 1 150 297 |
| Municipalities | 1 025 348 | 1 033 435 | 962 284 | 961 539 | 961 539 | 961 539 | 1 130 884 | 1 122 365 | 1 150 297 |
| Departmental agencies and accounts | 64 044 | 63 706 | 74 868 | 65 468 | 65 468 | 65 468 | 65 808 | 68 323 | 68 442 |
| Provide list of entities receiving transfers | 64 044 | 63 706 | 74 868 | 65 468 | 65 468 | 65 468 | 65 808 | 68 323 | 68 442 |
| Households | 5 904 | 6 324 | 5 234 | 4 077 | 4 274 | 5 348 | 4 251 | 2 634 | 2 752 |
| Social benefits | 5 812 | 6 315 | 5 234 | 4 077 | 4 274 | 5 348 | 4 251 | 1 764 | 1 843 |
| Other transfers to households | 91 | 9 | | | | | | 870 | 909 |
| Payments for capital assets | 39 567 | 38 477 | 397 542 | 84 718 | 67 712 | 57 758 | 67 086 | 19 448 | 20 918 |
| Buildings and other | 10 143 | 13 887 | 359 321 | 45 760 | 40 431 | 48 045 | 34 086 | 9 000 | 10 000 |

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--------------------------------------|-----------|-----------|-----------|--------------------|------------------------|------------------|-----------------------|-----------|-----------|
| | 2021/22 | 2022/23 | 2023/24 | | | | 2025/26 | 2026/27 | 2027/28 |
| fixed structures | | | | | | | | | |
| Buildings | 10 143 | 13 887 | 359 321 | 45 760 | 40 431 | 48 045 | 34 086 | 9 000 | 10 000 |
| Machinery and equipment | 28 611 | 24 590 | 37 454 | 38 958 | 27 281 | 9 713 | 33 000 | 10 448 | 10 918 |
| Other machinery and equipment | 28 611 | 24 590 | 37 454 | 38 958 | 27 281 | 9 713 | 33 000 | 10 448 | 10 918 |
| Software and other intangible assets | 813 | | 767 | | | | | | |
| Payments for financial assets | 768 | 2 019 | 485 | | 41 | 41 | | | |
| Total economic classification | 3 240 453 | 3 306 187 | 3 831 185 | 3 286 948 | 3 471 291 | 3 625 549 | 3 648 084 | 3 529 111 | 3 594 336 |

TABLE 15.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|---|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| | 2021/22 | 2022/23 | 2023/24 | | | | 2025/26 | 2026/27 | 2027/28 |
| Current payments | 374 650 | 421 269 | 491 852 | 403 219 | 444 440 | 506 120 | 631 589 | 374 813 | 368 085 |
| Compensation of employees | 217 613 | 237 188 | 245 362 | 276 077 | 306 986 | 260 284 | 298 372 | 312 292 | 303 489 |
| Salaries and wages | 190 556 | 208 255 | 213 754 | 237 424 | 268 333 | 225 952 | 259 316 | 271 439 | 260 798 |
| Social contributions | 27 057 | 28 933 | 31 608 | 38 653 | 38 653 | 34 332 | 39 056 | 40 853 | 42 691 |
| Goods and services | 157 037 | 181 421 | 235 242 | 127 142 | 133 754 | 232 357 | 333 217 | 62 521 | 64 596 |
| Administrative fees | 67 | 13 | 6 | 520 | 10 | 18 | 50 | | |
| Advertising | 4 438 | 3 356 | 3 850 | 2 500 | 1 731 | 945 | 7 000 | 707 | |
| Minor assets | 223 | 194 | 1 204 | 1 000 | 285 | 85 | 506 | | |
| Audit costs: External | 22 929 | 38 056 | 10 794 | 17 971 | 13 971 | 17 270 | 21 000 | 11 990 | 12 530 |
| Bursaries: Employees | 89 | 103 | 6 084 | 6 500 | 6 500 | 5 710 | 4 500 | | |
| Catering: Departmental activities | 174 | 410 | 732 | 100 | 240 | 239 | 200 | | |
| Communication (G&S) | 1 394 | 672 | 1 674 | 2 096 | 596 | 403 | 4 552 | 1 198 | 1 252 |
| Computer services | 22 294 | 28 515 | 15 061 | 13 000 | 8 000 | 13 000 | 26 000 | 20 916 | 21 857 |
| Consultants: Business and advisory services | 17 404 | 6 794 | 42 521 | 17 000 | 32 355 | 29 868 | 38 500 | | |
| Legal services (G&S) | 46 866 | 62 038 | 109 836 | 21 000 | 21 000 | 100 402 | 149 909 | 10 929 | 11 421 |
| Science and technological services | | | | | | | | | |
| Contractors | 2 679 | 2 433 | 319 | 2 500 | 1 300 | 1 | 2 000 | | |
| Agency and support/outsource d services | 5 061 | 4 777 | 7 914 | 10 000 | 18 225 | 15 611 | 13 600 | | |
| Fleet services (including government motor transport) | 8 075 | 9 419 | 9 306 | 3 038 | 5 428 | 9 212 | 14 369 | 2 227 | 2 327 |
| Inventory: Clothing material and accessories | 74 | 502 | 34 | 8 100 | 7 088 | 67 | 22 757 | | |
| Inventory: Food and food supplies | | | | | | | | | |
| Inventory: Fuel, oil and gas | | | | | | | | | |
| Inventory: Learner and teacher support material | | | | | | | | | |
| Inventory: Materials and supplies | 5 | | 2 | | 2 | | | | |

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|---|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| | 2021/22 | 2022/23 | 2023/24 | | | | 2025/26 | 2026/27 | 2027/28 |
| Inventory: Medical supplies | | | | | | | | | |
| Inventory: Other supplies | | | | | | | | | |
| Consumable supplies | 877 | 1 806 | 2 954 | 500 | 919 | 1 014 | 1 020 | | |
| Consumables: Stationery, printing and office supplies | 3 737 | 3 961 | 3 903 | 3 099 | 2 699 | 1 993 | 2 648 | 1 201 | 1 255 |
| Operating leases | 3 416 | 2 402 | 2 467 | 4 500 | 4 500 | 29 901 | 3 600 | | |
| Rental and hiring | | | | | | | | | |
| Property payments | 31 | | | | | | | | |
| Transport provided: Departmental activity | 37 | | | | | | | | |
| Travel and subsistence | 1 665 | 2 899 | 2 682 | 5 300 | 1 382 | 1 853 | 2 936 | 874 | 913 |
| Training and development | 12 721 | 11 155 | 12 629 | 7 018 | 4 452 | 2 555 | 11 930 | 12 479 | 13 041 |
| Operating payments | 1 150 | | 124 | 400 | 71 | 42 | 140 | | |
| Venues and facilities | 1 629 | 1 916 | 1 146 | 1 000 | 3 000 | 2 168 | 6 000 | | |
| Interest and rent on land | | 2 660 | 11 248 | | 3 700 | 13 479 | | | |
| Interest | | 2 660 | 11 248 | | 3 700 | 13 479 | | | |
| Rent on land | | | | | | | | | |
| Transfers and subsidies | 1 433 | 1 328 | 785 | 4 000 | 2 118 | 2 065 | 4 000 | | |
| Households | 1 433 | 1 328 | 785 | 4 000 | 2 118 | 2 065 | 4 000 | | |
| Social benefits | 1 429 | 1 328 | 785 | 4 000 | 2 118 | 2 065 | 4 000 | | |
| Other transfers to households | 4 | | | | | | | | |
| Payments for capital assets | 26 790 | 23 773 | 37 212 | 38 958 | 26 958 | 9 657 | 33 000 | | |
| Machinery and equipment | 25 977 | 23 773 | 36 445 | 38 958 | 26 958 | 9 657 | 33 000 | | |
| Other machinery and equipment | 25 977 | 23 773 | 36 445 | 38 958 | 26 958 | 9 657 | 33 000 | | |
| Software and other intangible assets | 813 | | 767 | | | | | | |
| Payments for financial assets | 768 | 2 019 | 485 | | 41 | 41 | | | |
| Total economic classification | 403 641 | 448 389 | 530 334 | 446 177 | 473 557 | 517 883 | 668 589 | 374 813 | 368 085 |

TABLE 15.18: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC WORKS INFRASTRUCTURE

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|-----------------------------------|-----------|-----------|-----------|--------------------|------------------------|------------------|-----------------------|-----------|-----------|
| | 2021/22 | 2022/23 | 2023/24 | | | | 2025/26 | 2026/27 | 2027/28 |
| Current payments | 1 587 182 | 1 617 435 | 1 626 573 | 1 492 045 | 1 650 205 | 1 759 221 | 1 552 417 | 1 694 545 | 1 751 376 |
| Compensation of employees | 817 740 | 824 872 | 871 025 | 874 398 | 882 746 | 896 196 | 854 280 | 954 327 | 997 272 |
| Salaries and wages | 704 561 | 704 752 | 734 057 | 739 743 | 748 091 | 757 531 | 710 553 | 803 988 | 840 167 |
| Social contributions | 113 179 | 120 120 | 136 968 | 134 655 | 134 655 | 138 665 | 143 727 | 150 339 | 157 105 |
| Goods and services | 747 942 | 792 563 | 755 495 | 617 647 | 767 459 | 863 025 | 698 137 | 740 218 | 754 104 |
| Administrative fees | 39 | | | | | | | | |
| Advertising | | | | | | | | | |
| Minor assets | 205 | 260 | 632 | 1 300 | 353 | 596 | 2 500 | 837 | 875 |
| Catering: Departmental activities | 2 | 9 | 151 | 100 | | 19 | | | |
| Communication | 47 | 341 | 532 | | 240 | 297 | | | |

| 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 |
| (G&S) | | | | | | | | | |
| Computer services | 2 | 22 | 79 | | 18 | 18 | | 950 | 993 |
| Consultants: Business and advisory services | | | 1 053 | 3 000 | 3 000 | 1 598 | 2 500 | | |
| Legal services (G&S) | 21 | | | | | | | | |
| Science and technological services | | | | | | | | | |
| Contractors | | | | | | | | | |
| Agency and support/outsource d services | 608 | 6 653 | | | | | | | |
| Entertainment | | | | | | | | | |
| Fleet services (including government motor transport) | 30 255 | 32 292 | 35 129 | 43 339 | 26 821 | 32 402 | 37 631 | 23 043 | 24 080 |
| Inventory: Clothing material and accessories | 2 981 | 2 501 | 3 221 | 6 000 | 4 760 | 1 977 | | | |
| Inventory: Food and food supplies | | | | | | | | | |
| Inventory: Materials and supplies | | 45 | 15 | | | | | | |
| Consumable supplies | 2 704 | 1 867 | 4 054 | 400 | 2 005 | 2 250 | 25 | | |
| Consumables: Stationery, printing and office supplies | 485 | 135 | 2 | 300 | 3 | 3 | | | |
| Operating leases | 490 815 | 468 139 | 393 798 | 200 000 | 330 554 | 474 078 | 327 970 | 342 729 | 357 560 |
| Rental and hiring | | | | | | | | | |
| Property payments | 205 698 | 263 011 | 298 144 | 352 202 | 388 252 | 337 445 | 314 341 | 369 573 | 367 371 |
| Transport provided: Departmental activity | | | | | | | | | |
| Travel and subsistence | 14 066 | 17 288 | 18 685 | 11 006 | 11 453 | 11 987 | 13 170 | 3 086 | 3 225 |
| Training and development | | | | | | 355 | | | |
| Operating payments | 15 | | | | | | | | |
| Interest and rent on land | 21 500 | | 53 | | | | | | |
| Interest | 21 500 | | 53 | | | | | | |
| Rent on land | | | | | | | | | |
| Transfers and subsidies | 1 093 860 | 1 102 129 | 1 041 527 | 1 027 007 | 1 029 001 | 1 030 101 | 1 196 692 | 1 193 143 | 1 221 304 |
| Provinces and municipalities | 1 025 348 | 1 033 435 | 962 284 | 961 539 | 961 539 | 961 539 | 1 130 884 | 1 122 365 | 1 150 297 |
| Provinces | | | | | | | | | |
| Provincial agencies and funds | | | | | | | | | |
| Municipalities | 1 025 348 | 1 033 435 | 962 284 | 961 539 | 961 539 | 961 539 | 1 130 884 | 1 122 365 | 1 150 297 |
| Municipalities | 1 025 348 | 1 033 435 | 962 284 | 961 539 | 961 539 | 961 539 | 1 130 884 | 1 122 365 | 1 150 297 |
| Departmental agencies and accounts | 64 044 | 63 706 | 74 868 | 65 468 | 65 468 | 65 468 | 65 808 | 68 323 | 68 442 |
| Provide list of entities receiving transfers | 64 044 | 63 706 | 74 868 | 65 468 | 65 468 | 65 468 | 65 808 | 68 323 | 68 442 |
| Households | 4 468 | 4 988 | 4 375 | | 1 994 | 3 094 | | 2 455 | 2 565 |
| Social benefits | 4 380 | 4 979 | 4 375 | | 1 994 | 3 094 | | 1 585 | 1 656 |
| Other transfers to households | 87 | 9 | | | | | | 870 | 909 |

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|--------------------------------------|-----------|-----------|-----------|--------------------|------------------------|------------------|-----------------------|-----------|-----------|
| | 2021/22 | 2022/23 | 2023/24 | | | | 2025/26 | 2026/27 | 2027/28 |
| Payments for capital assets | 12 777 | 14 704 | 360 330 | 45 760 | 40 754 | 48 101 | 34 086 | 19 448 | 20 918 |
| Buildings and other fixed structures | 10 143 | 13 887 | 359 321 | 45 760 | 40 431 | 48 045 | 34 086 | 9 000 | 10 000 |
| Buildings | 10 143 | 13 887 | 359 321 | 45 760 | 40 431 | 48 045 | 34 086 | 9 000 | 10 000 |
| Machinery and equipment | 2 634 | 817 | 1 009 | | 323 | 56 | | 10 448 | 10 918 |
| Other machinery and equipment | 2 634 | 817 | 1 009 | | 323 | 56 | | 10 448 | 10 918 |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 2 693 819 | 2 734 268 | 3 028 430 | 2 564 812 | 2 719 960 | 2 837 423 | 2 783 195 | 2 907 136 | 2 993 598 |

TABLE 15.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME

| R thousand | Outcome | | | Main appropriation | Adjusted appropriation | Revised estimate | Medium-term estimates | | |
|---|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| | 2021/22 | 2022/23 | 2023/24 | | | | 2025/26 | 2026/27 | 2027/28 |
| Current payments | 142 990 | 123 522 | 272 347 | 275 882 | 277 612 | 270 054 | 196 049 | 246 983 | 232 466 |
| Compensation of employees | 115 661 | 89 910 | 127 667 | 121 518 | 121 686 | 106 306 | 128 984 | 120 314 | 125 728 |
| Salaries and wages | 113 921 | 88 042 | 125 483 | 118 445 | 118 613 | 102 978 | 126 829 | 118 060 | 123 373 |
| Social contributions | 1 740 | 1 868 | 2 184 | 3 073 | 3 073 | 3 328 | 2 155 | 2 254 | 2 355 |
| Goods and services | 27 329 | 33 612 | 144 680 | 154 364 | 155 926 | 163 748 | 67 065 | 126 669 | 106 738 |
| Advertising | | | | | | | | | |
| Catering: Departmental activities | 431 | 184 | 1 482 | | 66 | 66 | | | |
| Communication (G&S) | 65 | 76 | 35 | | 11 | 17 | | | |
| Consultants: Business and advisory services | | | | 14 000 | 14 000 | | | | |
| Agency and support/outsource d services | 22 648 | 30 561 | 136 459 | 137 650 | 137 650 | 159 715 | 65 000 | 119 317 | 99 055 |
| Fleet services (including government motor transport) | 1 480 | 2 170 | 2 425 | 1 195 | 1 915 | 1 456 | 2 000 | 1 306 | 1 365 |
| Inventory: Clothing material and accessories | 771 | 277 | 3 199 | | 1 012 | 1 012 | | 4 386 | 4 583 |
| Consumable supplies | | | | 1 045 | 1 008 | 1 008 | 10 | 1 142 | 1 193 |
| Travel and subsistence | 76 | 44 | 1 080 | 474 | 264 | 474 | 55 | 518 | 542 |
| Training and development | 908 | 300 | | | | | | | |
| Venues and facilities | 950 | | | | | | | | |
| Transfers and subsidies | 3 | 8 | 74 | 77 | 162 | 189 | 251 | 179 | 187 |
| Households | 3 | 8 | 74 | 77 | 162 | 189 | 251 | 179 | 187 |
| Social benefits | 3 | 8 | 74 | 77 | 162 | 189 | 251 | 179 | 187 |
| Payments for capital assets | | | | | | | | | |
| Software and other intangible assets | | | | | | | | | |
| Payments for financial assets | | | | | | | | | |
| Total economic classification | 142 993 | 123 530 | 272 421 | 275 959 | 277 774 | 270 243 | 196 300 | 247 162 | 232 653 |

TABLE 15.20 SUMMARY OF DEPARTMENTAL PAYMENTS AND ESTIMATES BY DISTRICT AND LOCAL MUNICIPALITY

| 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 |
| Ekurhuleni | 280 000 | 312 382 | 235 719 | 205 146 | 300 146 | 282 205 | 354 486 | 376 433 | 347 489 |
| City of Johannesburg | 350 359 | 186 425 | 318 798 | 351 913 | 175 555 | 209 260 | 328 654 | 283 011 | 271 044 |
| City of Tshwane | 320 822 | 348 643 | 256 467 | 283 190 | 368 190 | 370 597 | 299 241 | 307 735 | 369 596 |
| Sedibeng District Municipality | 104 000 | 125 701 | 112 425 | 90 000 | 90 302 | 67 156 | 110 166 | 115 123 | 120 304 |
| Emfuleni | 79 000 | 92 711 | 90 102 | 68 000 | 68 000 | 54 000 | 92 324 | 96 479 | 100 820 |
| Midvaal | 11 000 | 9 121 | 11 809 | 6 000 | 6 302 | 7 829 | 9 961 | 10 409 | 10 878 |
| Lesedi | 14 000 | 23 869 | 10 514 | 16 000 | 16 000 | 5 327 | 7 881 | 8 236 | 8 606 |
| West Rand District Municipality | 37 000 | 60 284 | 20 115 | 14 000 | 10 056 | 17 056 | 19 599 | 20 481 | 21 402 |
| Mogale City | 24 000 | 17 542 | 8 529 | 8 000 | 1 000 | 8 000 | 8 088 | 8 452 | 8 832 |
| Merafong City | 13 000 | 26 316 | 11 586 | 6 000 | 9 056 | 9 056 | 11 511 | 12 029 | 12 570 |
| Rand West City | - | 16 426 | - | - | - | - | - | - | - |
| District Municipalities | 13 972 | - | 18 760 | 17 290 | 17 290 | 15 265 | 18 738 | 19 581 | 20 462 |
| Sedibeng District Municipality | | | | | | | | | |
| West Rand District Municipality | 13 972 | - | 18 760 | 17 290 | 17 290 | 15 265 | 18 738 | 19 581 | 20 462 |
| Unallocated | (80 805) | - | - | - | - | - | - | - | - |
| Total transfers to municipalities | 1 025 348 | 1 033 435 | 962 284 | 961 539 | 961 539 | 961 539 | 1 130 884 | 1 122 365 | 1 150 297 |