

VOTE 11

Co-operative Governance and Traditional Affairs

Operational budget	R1 928 937 780
MEC remuneration	R 2 215 220
Total amount to be appropriated	R1 931 153 000
Responsible MEC	MEC for Co-operative Governance and Traditional Affairs
Administering department	Co-operative Governance and Traditional Affairs
Accounting officer	Head: Co-operative Governance and Traditional Affairs

1. Overview

Vision

The vision of the Department of Co-operative Governance and Traditional Affairs (COGTA) is: *Capable and co-operative governance for sustainable service delivery.*

Mission

The department's mission is: *To co-ordinate and foster co-operation among governance institutions and build capacity to accelerate delivery of high quality services to communities.*

Strategic outcomes

The department's strategic policy direction is to:

- Improve municipal and traditional institutional capacity.
- Improve co-ordination of service delivery.
- Improve institutional capacity.

Core functions

The mandate of the department is as follows:

- To co-ordinate all organs of state to ensure maximum impact.
- Interventionist approach.
- Improved internal and external co-operation and outcomes based Inter-governmental Relations (IGR) structures.
- Ensure single window of co-ordination and regulation of national, provincial and local government.

In essence, the department's mandate at the centre of integrated development has the following functions:

- Co-ordination, both vertically and horizontally, and doing away with the silo approach across the province.
- The key area of focus is planning. The department is repositioned as a critical ally of the Provincial Planning Commission to align planning across the three spheres of government, by strengthening Integrated Development Plans (IDPs).
- Ensuring alignment of priorities of both national and provincial departments implemented in a local space or with municipal IDPs.
- Ensure that the IDPs encapsulate the provincial priorities and budget in a co-ordinated manner.
- Enhance the IGR framework support integration (IGR framework to be reviewed and strengthened).
- Ensure seamless service delivery in a co-ordinated manner supported by emerging legislated processes.

- Put development planning at the centre stage.
- Put people at the centre of development.

The department will continue to support and ensure that there is alignment between the national, provincial, and local government priorities. Working together with different stakeholders in the province and countrywide, the department is committed to contributing toward realisation and achievement of government's priorities as spelt out in the MTDP.

Legislative mandate

The legislative mandate of COGTA is presented below.

Constitutional mandate

The mandates of COGTA are embodied in the following sections of the Constitution, 1996:

- Section 139 provides for provincial intervention in local government. This intervention in municipalities includes the issuing of directives and managing interventions by the Provincial Executive Council, in accordance with the provisions of Section 139(1) (a), (b) and (c).
- Section 154 determines that provincial governments must provide support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and perform their functions in accordance with the provisions of Section 154(1) and (2).
- Section 155(5) and (6) determines the types of municipalities to be established in KZN, where after the municipalities, by legislative and other measures, must be monitored and supported.
- Section 155(7) stipulates that provincial governments have legislative and executive authority to ensure effective performance by municipalities of their functions in respect of responsibilities listed in Schedules 4 and 5, by regulating the exercise by municipalities of their executive authority referred to in Section 156(1).
- Chapter 12 of the Constitution of the Republic of South Africa, 1996 recognises the institution of traditional leadership and emphasises the significant role it plays in preserving the customs of traditional communities. It further defines the institution as an organ of state which justifies its place in the democratic dispensation, especially in relation to governance issues.

Specific legislation for the department

- Disaster Management Act (Act No. 57 of 2002)
- Employment Equity Act (Act No. 55 of 1998)
- Fire Brigade Services Act (Act No. 99 of 1987)
- Infrastructure Development Act (Act No. 23 of 2014)
- KZN Cemeteries and Crematoria Act (Act No. 32 of 2000)
- KZN Determination of Types of Municipalities Act (Act No. 7 of 2000)
- KZN Planning and Development Act (PDA) (Act No. 6 of 2008)
- KZN Pounds Act (Act No. 3 of 2006)
- KZN Traditional Leadership and Governance Act (Act No. 5 of 2005)
- Labour Relations Act (Act No. 66 of 1995)
- Local Government Demarcation Act (Act No. 6 of 2004)
- Local Government Municipal Electoral Act (Act No. 27 of 2000)
- Municipal Finance Management Act (MFMA) (Act No. 53 of 2003)
- Municipal Fiscal Powers and Functions Act (Act No. 12 of 2007)
- Municipal Property Rates Act (Act No. 6 of 2004)
- Municipal Structures Act (Act No. 117 of 1998)
- Municipal Systems Act (Act No. 32 of 2000)

- Public Service Act (Proclamation No. 103 of 1994)
- Remuneration of Public Office Bearers Act (Act No. 20 of 1998)
- Spatial Planning and Land Use Management Act (SPLUMA) (Act No. 16 of 2013)
- The White Paper on Traditional Leadership

General legislation for departments dealing with local government and traditional affairs

- Annual Division of Revenue Act (DORA)
- KZN Provincial Supply Chain Management (SCM) Policy Framework (2006)
- Preferential Procurement Policy Framework Act (PPPFA) (Act No. 5 of 2000) and revised regulations dated 16 January 2023
- Protection of Personal Information Act (Act No. 4 of 2013)
- Skills Development Act (Act No. 97 of 1998) and levies act 9 of 99
- Public Finance Management Act (PFMA) (Act No. 1 of 1999, as amended) and Treasury Regulations
- Public Service Regulations

Specific legislation applicable to municipalities

In addition to the above, there are particular pieces of legislation which apply specifically to municipalities and relate to the department's oversight, co-operation, co-ordination and alignment functions:

- Communal Land Rights Act (Act No. 11 of 2004)
- Development Facilitation Act (Act No. 67 of 1995)
- Water Services Act (Act No. 108 of 1997)

Aligning the department's budget to achieve government's prescribed outcomes

The department's budget is aligned to the NDP and the 2025-2030 MTDP, and contributes toward the following MTDP priority areas:

- Priority 1 – Drive inclusive growth and job creation.
- Priority 2 – Maintain and optimise the social wage.
- Priority 3 – Build a capable, ethical and developmental state.

The 2025/26 APP contains a number of indicators that address the above-mentioned priorities. Some of these include:

- The implementation of the District Development Model (DDM) within the province.
- Support to municipalities to ensure the functionality of municipal Rapid Response Teams (RRTs).
- Support to municipalities to ensure the functionality of ward committees.
- Support to municipalities with the development of credible IDPs.
- Monitoring of all municipalities under intervention in line with their recovery plans.
- Investigation of all fraud, corruption and maladministration cases.
- Support to municipalities to improve their audit opinions.
- Monitoring of municipalities on the review of Water Service Development Plans (WSDPs).
- Support to municipalities with the implementation of the Community Work Programme (CWP) and the EPWP to create work opportunities.
- Ensuring that 30 per cent of procurement will be awarded to SMMEs, co-operatives, townships/rural enterprises and people with disabilities.

2. Review of the 2024/25 financial year

Section 2 provides a review of 2024/25, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

Local governance

The department provided support to local government institutions to strengthen governance, promote sound financial management, enhance public participation, and improve capacity of municipalities with the aim of accelerating service delivery, as follows:

- The department supported 28 municipalities in the institutionalisation of the Performance Management System (PMS) to manage and measure institutional performance, while the remaining 26 municipalities are to be supported at the end of 2024/25. All 54 municipalities are being supported to achieve unqualified audit outcomes with no findings (clean audit), through the implementation of developed Audit Action plans. Also, the department supported eleven municipalities which obtained poor audit outcomes during the 2023/24 audit cycle. These municipalities included the uMkhanyakude District Municipality, the Mpofana Local Municipality, the uThukela District Municipality, the iNkosi Langalibalele Local Municipality, among others.
- Supporting the strengthening of governance: The department supported 26 municipalities to comply with the Municipal Systems Act (MSA) Regulations on the appointment of senior managers. The department also supported 27 municipalities in maintaining functional oversight structures. In addition, in ensuring that municipalities under Section 139 intervention recover in terms of functionality, the department is monitoring the implementation of eight municipal recovery plans for municipalities placed under administration. The eight municipalities under intervention are the AbaQulusi Local Municipality, iNkosi Langalibalele Local Municipality, Mpofana Local Municipality, Msunduzi Local Municipality, iNkosi Mtubatuba Local Municipality, uMkhanyakude District Municipality, uMzinyathi District Municipality and uThukela District Municipality.
- Promoting sound financial management: The department assisted 27 municipalities in reducing Unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure in various municipalities. The municipalities were supported through the review of UIFW expenditure registers and by supporting municipalities in their Municipal Public Accounts Committees. The department also supported seven municipalities in reducing their Eskom debt. Support included quarterly reviews of municipal cashflows, updating payment plans where necessary and monitoring municipal payments against committed payment plans. The municipalities supported included the Ulundi Local Municipality, Mpofana Local Municipality, Msunduzi Local Municipality, etc.
- Enhance public participation: The department increased the number of functional war-rooms with Community Development Workers (CDW) from 320 to 370, however challenges were experienced in the delayed appointment of the additional 50 CDWs. This resulted in amending the Annual Target for the 2024/25 financial year from 370 to 320. In 2024/25, support was provided to these war-rooms through quarterly functionality assessments, monitoring war-room activities and support of war-rooms by CDWs, and 252 war-rooms with CDWs are functional. The remaining 68 war-rooms are being supported to become functional, in which it is anticipated that all 320 war-rooms will be functional by the end of 2024/25.
- Improve capacity of municipalities: The department is the custodian of the Integrated Capacity Building Strategy for Local Government. The implementation of the strategy is monitored through quarterly internal and external stakeholder forums. Following the State of Local Government assessments, the department assisted municipalities in developing Municipal Support and Intervention Plans (MSIP). These plans identify bottleneck areas that affect the functionality of municipalities, the interventions needed to address functionality gaps and required stakeholders to address these gaps. Co-ordinated by assigned Local Government Specialists, quarterly engagements are held with all the 54 municipalities and respective intervention stakeholders, in which progress on the implementation of MSIPs are updated.

Development and planning

Accelerated sustainable development can be achieved through effective integrated planning, Local

Economic Development (LED) and implementation of schemes and provision of basic services. As such, the department achieved the following:

- **Effective Integrated Planning:** Following the adoption of the Provincial Spatial Development Framework (PSDF), the department implemented measures to ensure that the framework is monitored for implementation. This includes reviewing the implementation framework and conducting assessments on the alignment of Municipal Spatial Development Frameworks (MSDF) to the PSDF. Also, the department developed and implemented an Integrated Land Use Information System. The system contains information, which includes property register data, municipal valuation data, scheme data and map viewers, to name a few. Users of the system are mainly municipalities, in which the data in the system is useful for municipal forward planning. The department supported municipalities through holding 11 Disaster Management Advisory Forums, where sector disaster management plans are assessed for alignment with draft municipal IDPs. Municipalities were also supported with disaster management planning to incorporate climate change adaption programmes.
- The department purchased an integrated disaster communication system to feed warnings to disaster centres. The project was introduced on 18 April 2024 to all Municipal mayors, managers and Executive Directors responsible for this function. The development and testing of the Disaster Management Digital System has been completed and the project was rolled out to municipalities in the province in September 2024.
- Implemented seven Water Master Plan Intervention programmes in Water Service Authorities (WSAs), including the water resource programme, water reticulation programme, water treatment, among others. There are seven standard interventions, which are implemented annually.
- **LED:** The department supported seven District Development Agencies (DDAs) towards functionality. The support included functionality assessments, development and implementation monitoring of support plans. The seven DDAs supported were uMgungundlovu, uThukela, uMzinyathi, uMkhanyakude, iLembe, Harry Gwala and Ugu. The department also supported all 54 municipalities in monitoring their LED implementation strategies. Furthermore, the department supported two municipalities in packaging development partnerships, namely the Mpofana Local Municipality and the Ndwedwe Local Municipality. The department also supported DDAs towards achieving functionality by hosting a provincial workshop, conducting assessments and implementing DDA support plans.
- **Implementation of schemes:** The department supported various municipalities with the implementation of MSDFs. Support included participation in the review of MSDFs through Project Steering Committees, making technical inputs, facilitating inputs by sector departments, and tracking the expression of MSDF priority projects in municipal budgets.
- **Provision of basic services:** On a quarterly basis, the department convenes two infrastructure co-ordinating structure meetings, such as the Water and Sanitation Task team, and the Electricity Task Team. These forums assist in the planning, budgeting and steering of service delivery related projects. The 14 WSAs were monitored on the implementation of operations and maintenance, as well as the implementation of the Municipal Infrastructure Grant (MIG) funded sanitation project. The department is the custodian of the provincial Water Master Plan. The seven interventions contained in the Water Master Plan were monitored by the department and are the Water Resource programme, the Water Reticulation programme, the Water Treatment, Bulk Distribution and Storage programme, the Water Conservation Water Demand Management programme, the Financial Sustainability and Revenue Enhancement programme, the Operation and Maintenance programme and the Human Resources Development programme. The department also monitored the implementation of six Regional Bulk Infrastructure projects, through site visits and quarterly engagements with the Department of Water and Sanitation. The department is also the custodian of the provincial Electricity Master Plan, and support included the provision of technical support on the implementation of electricity infrastructure projects to the 24 licensed energy distributors. The department also provided technical support to all local municipalities on electrical infrastructure projects funded by the Integrated National Electrification Programme (INEP) and the departmental Massification programme, through the District Energy Forums.

Traditional institutional management

Good governance is critical for traditional institutions to provide effective support to communities. As a result, the department undertook the following:

- In ensuring good governance, the department supported the conclusion of the recognition of *Amakhosi* and *Amabambabukhosi*, within a period of six months from the *ubukhosi* position becoming vacant. Eight positions of *ubukhosi* concluded their recognition processes within six months of becoming vacant. The department also supported eight traditional communities in updating the family trees of newly recognised *Amakhosi* and *Amabambabukhosi*.
- The resolution of succession disputes is critical in ensuring that there is smooth governance within traditional communities. The department received and processed 28 succession disputes, and these were resolved. Using Local House of Traditional Leaders, the department conducted information sharing sessions with *Amakhosi* on conflict management.
- The department also monitored the implementation of five governance guidelines. This was conducted through quarterly assessments with a selected number of Local Houses. The guidelines monitored include the guidelines on departmental contributions towards expenses associated with the funerals of *Amakhosi*, *Amabambabukhosi* and *Iziphakanyiswa*, guidelines on monitoring Traditional Councils (TCs) in KZN, guidelines on the monitoring of the performance of *Izinduna*, as well as guidelines on the development of support plans for TCs and appointment letters and contracts for TC secretaries.
- In supporting co-operative governance, the department supported 111 recognised *Amakhosi* to participate in municipal councils. The *Amakhosi* in all 11 districts were supported in communicating the content of municipal meetings, facilitating participation issues, conducting performance reviews, and have their related municipal council meeting resolutions consolidated and presented to their respective Local Houses.
- The department was allocated a once-off amount of R631.083 million in 2023/24 by National Treasury to settle the backpay amount owed to *Izinduna* for the backpay from 01 April 2013 to 30 November 2016. These funds were specifically and exclusively allocated to the department, and the department received the full amount that they requested. The department indicated that 3 004 *Izinduna* qualified, of which 2 229 were on the PERSAL system, and 775 had been terminated (thus are no longer on the system, either by removal, resignation or death). It should be noted that, of the 2 229 on the system, 206 *Izinduna* had since exited the department and had to be paid through BAS. The 206 *Izinduna* were added to the 775 terminated. Thus, of the 981 terminated *Izinduna*, only 253 remain to be paid. The department has continued to pay the backpay to *Izinduna* or their beneficiaries in 2024/25 which equates to 97 per cent of total budget (R631.083 million). There are still 66 matters that are not yet finalised, and it is anticipated that the legal/departmental processes of tracing beneficiaries and in the administration of deceased estates will continue beyond 2024/25 due to the complexity of these matters.
- With regard to the TC elections, these were planned to be undertaken in 2023/24 but were postponed to 2024/25 due to *Amakhosi* not being in favour of the elections. According to the department, traditional leaders throughout the country do not want to participate in the elections because they are disputing the formula that has been gazetted by the Minister of COGTA. The formula that *Amakhosi* are not happy about relates to the determination of the number of members of each TC. Prior to this, 60 per cent of the members were selected by *Amakhosi* and 40 per cent were elected democratically by communities. In the new formula, there is a new provision for an *Inkosi* to consult a committee of family members when selecting his 60 per cent and this is what *Amakhosi* are not happy about. The discussions are ongoing, and the sector is hoping for a resolution in 2024/25. The resolution was that TC elections are to take place by the end of 2024/25 however no date has been provided.

3. Outlook for the 2025/26 financial year

Section 3 looks at the key focus areas of 2025/26, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. In 2025/26, the department will continue to co-ordinate spheres of government, support local government to promote good governance and enhance financial management in municipalities for improved service delivery, as well as

provide support and build the capacity of traditional institutions. The department will also ensure the development of guidelines and procedures to regulate traditional government.

Local governance

The department will continue to co-ordinate support, promote good governance and enhance financial management in municipalities. The focus for 2025/26 will be on:

- The implementation of the DDM with focus on the One Budget, One Plan for district municipalities, will continue. This is an ongoing project as the DDM is a national programme implemented across the country.
- Providing support to municipalities in the development of IDPs through capacity building sessions, workshops, IDP forums and assessments. This is an annual exercise undertaken by the department.
- Continue to assist all 54 municipalities in developing and implementing PMS to manage and measure institutional performance. The PMS targets will be in line with the priorities, objectives and indicators contained in each municipality's IDP. This is an ongoing programme to support municipalities with performance management as it is audited by the A-G annually and has an impact on the audit opinion of municipalities (predetermined objectives).
- Assisting municipalities with plans to reduce UIFW expenditure. This is an ongoing project until all municipalities no longer have UIFW. Support will be aimed at targeted municipalities to improve and strengthen internal controls to reduce UIFW expenditure.
- Supporting municipalities with functional municipal oversight processes in respect of Section 80 Committees (Mayoral Committee Clusters, Mayoral Committees, oversight and standing committees) reporting to EXCO, EXCO reporting to Council in terms of Section 44 of the Municipal Systems Act, and Section 79 Committees reporting to Council in terms of the Municipal Structures Act. This is an annual exercise undertaken by the department.
- Providing support to municipalities by contracting and deploying governance and finance experts to municipalities to assist with the required skills, such as financial management, planning, human resources, among others. The department determines which municipality to support through their audit outcomes and the support is dependent on the availability of funding in the department.
- Monitoring the municipalities under intervention in respect of the municipal turnaround or recovery plans. This will further include providing support as required through the appointment of a panel of governance experts to support municipalities to improve functionality.
- Investigation of all allegations received after MEC approval, both formal Section 106 investigations and preliminary assessments of allegations. A Section 106 investigation is a formal inquiry into allegations of serious malpractice in a municipality which may include fraud, corruption, theft, and nepotism.
- Monitor regularly and report on the extent to which municipalities implement anti-corruption measures towards promoting good governance and build an ethical state which is driven by the constitutional values and principles of public administration and the rule of law, focused on the progressive realisation of socio-economic rights and social justice as outlined in the Bill of Rights. The anti-corruption measures are inter alia policies or strategies (anti-fraud, whistle blowing, investigation), structures (Committees) and awareness or training.
- Support municipalities with the reduction in debt owed by the consumers to the municipalities. The department will monitor and support municipalities to reduce consumer debt by undertaking an analysis of debt, categorisation of debt and identification of top 20 debtors, reconciliation of indigent and debtors' data and assess implementation of indigent and MPRA policies. Additionally, provide support with the reduction of debt owed to Eskom. This will be undertaken by monitoring and supporting municipalities to reduce arrear debt by monitoring of payment plans and support on cash flow.
- Supporting municipalities to reduce debt owed by government departments for municipal services. This excludes Ingonyama Trust Board debt. Support includes convening the provincial coordinating forum on government debt with sector departments, convening district or municipal engagements to

facilitate resolution of queried government accounts, participating in the National Task Team and compiling reports on government debt to various stakeholders.

- Monitor municipalities on the implementation of indigent policies through district forums. An indigent policy is aimed at assisting low-income individuals or households, often those who cannot afford basic services, including water, electricity, and rates. These policies aim to ensure that vulnerable populations have access to essential services without facing undue financial hardship and are monitored through district forums, municipalities are requested to report on certain key policy provisions and confirm whether these policy provisions are being implemented.

Development and planning

The NDP stipulates that, for the country to support its long-term economic objectives and development goals, South Africa needs to focus on investing in basic services, such as electricity, water, sanitation, telecommunications and public transport. The department will continue to accelerate sustainable development through effective integrated planning, local economic development and implementation of schemes and provision of basic services. The main focus for 2025/26 will be to:

- Continue to map data in respect of climate related incidents and Municipal Schemes (GIS maps which plot where disaster incidents take place), to enhance the province's response to climate change. The department will complete the installation of the integrated disaster communication system.
- Monitor the implementation of service delivery programmes relating to electricity, water and sanitation, indigent policies, as well as operational and maintenance plans. The department provides support to municipalities to ensure that they implement business plans and achieve the milestones set therein. If the milestones are not achieved, the department will recover the unspent grants in line with the transfer manual.
- Support municipalities with the implementation of the Electricity Asset Management Framework in respect of maintenance and quarterly reporting to client forums, such as the National Energy Regulator of South Africa (NERSA) and Eskom. The department will put remedial action plans into place for those that are not compliant.
- Continue to implement seven Water Master Plan Intervention programmes in WSAs, including the water resource programme, water reticulation programme, water treatment, among others.
- Monitor municipalities on the review of their WSDPs to enhance existing municipal WSDPs, in collaboration with the Department of Water and Sanitation through WSDP review meetings. The department will put remedial actions plans into place for those municipalities that are not compliant.
- Support municipalities with the implementation of the Electricity Master Plan. This plan refers to licensed electricity distributors supported on project implementation of the Electricity Master Plan, through monthly meetings, reporting on budget expenditure and set timeframes.
- Supporting the DDAs in the province towards achieving functionality. The support will relate to hosting a provincial workshop, conducting assessments and the implementation of DDA Support Plans.
- Implementation of proposals as outlined in the Provincial Small Towns Socio-economic Revitalisation Strategy. Rehabilitation refers to interventions in municipalities which include renewal and construction of critical infrastructure that supports the functioning of a small town. Support will be provided through the coordination of the Small Towns Socio-economic Revitalisation Strategy, guidance to municipalities on the development of town specific revitalisation plans and the provision of funding where necessary and monitor the implementation of projects.
- The department will launch the *Amakhosi* resource mobilisation initiative and the TC's cleaning and greening, which is expected to involve 1 000 participants. The *Amakhosi* resource mobilisation initiative is a project which is done through Economic Local Development for *Amakhosi* and is actioned by programmes under EPWP.

Traditional institutional management

Traditional institutional governance remains central in supporting and building the capacity of traditional institutions. The main focus for 2025/26 will be to:

- Enhance traditional institutional governance by dealing with disputes, undertaking the recognition of *Amakhosi*, providing support to deceased *Amakhosi* families and participating in municipal councils.
- Update family trees and digitise the information for storage.
- Undertake the recognition of *Amakhosi* and *Amabambabukhosi* within the stipulated timeframes.
- Resolve emerging disputes and profile *Izizwe* (tribes) on customary law as a way of promoting a cultural and customary way of life.
- Support the Provincial and Local Houses of Khoisan and Traditional Leadership and TCs to ensure that they are functioning efficiently.
- Support *Amakhosi* to participate in the municipal councils. The support relates to communicating the meeting notices, agendas and relevant documents for the meetings, assisting with logistics, standardising participation and reviewing the performance of *Amakhosi*. Also, the department will assess the performance of *Izinduna* and TC secretaries in line with job descriptions.
- The department will provide financial and non financial support to TCs to perform their functions. Financial management support will include recording and accounting of finances of each TC. Non financial support will include capacity building workshop sessions on issues that will enhance the effective functioning of the councils.
- Over the 2025/26 MTEF, the department has budgeted to pay 3 077 *Izinduna* with a budget of R389.455 million in 2025/26, R434.498 million in 2026/27 and R442.177 million in 2027/28, in line with the number of *Izigodi*. The provincial allocation in this regard is R187.760 million in 2025/26, R196.453 million in 2026/27 and R205.439 million in 2027/28, and the difference is allocated from within the department's budget.

4. Reprioritisation

Reprioritisation was undertaken at both programme and economic classification levels and within programmes, as follows:

- Programme 1: Administration was decreased by R19 million in 2025/26 and R11.322 million in 2026/27, as follows:
 - R3.003 million in 2025/26 and R2.934 million in 2026/27 was moved to *Compensation of employees* to cater for the planned filling of vacant posts, the 1.5 per cent adjustment for pay progression and the increase for the housing and the medical allowances, as well as the cost-of-living adjustment of 4.6 per cent, in line with National Treasury guidelines, and the carry-through costs for the 2024 wage agreement. However, there may be a shortfall between the budgeted amount and the final agreement signed at 5.5 per cent, which then may need to be revisited in-year. These funds were moved from Programme 4, as explained below.
 - R7.003 million in 2025/26 and R14.256 million in 2026/27 was moved from *Goods and services* as a result of the department implementing strict controls over items such as property payments, travel and subsistence, departmental fleet service and other operating expenses such as stationery and printing. These funds were moved to Programme 3 in 2025/26 to cater for the Small Town Rehabilitation programme and Programme 4 in 2026/27 to cater for spending pressures, as explained below.
 - *Buildings and other fixed structures* was decreased by R15 million in 2025/26 mainly due to the reduced scope of the construction of departmental offices at Ixopo and this will be reassessed during the 2025/26 Adjustments Estimate. Additionally, the bid process for the uMzinyathi district office was cancelled due to high costs, which also contributed to the reprioritisation. These funds were moved to Programme 3 to cater for the Small Town Rehabilitation programme.
- Programme 2: Local Governance was increased by R5.678 million in 2025/26 and R12.493 million in 2026/27, as follows:
 - R5.678 million in 2025/26 and R12.493 million in 2026/27 was moved to *Compensation of employees* to cater for the planned filling of vacant posts, the 1.5 per cent adjustment for pay

progression and the increase for the housing and the medical allowances, the cost-of-living adjustment in line with National Treasury guidelines, as well as the carry-through cost for the 2024 wage agreement. As mentioned, the department will review this in-year, as the signed agreement was 5.5 per cent. These funds were reprioritised from Programme 4 in 2025/26 and from Programme 3 in 2026/27, as explained below.

- Programme 3: Development and Planning was increased by R27.202 million in 2025/26 and was decreased by R49.333 million in 2026/27, as follows:
 - *Compensation of employees* was decreased by R14.264 million in 2026/27 due to the discontinuing of the Municipal Interns Programme. The bulk of these funds were reprioritised to Programme 2 to cater for the increase in *Compensation of employees*. The budget was moved to cater for the growth in *Compensation of employees* which includes the cost-of-living adjustments in line with National Treasury guidelines, 1.5 per cent adjustment for pay progression, as well as the increases for the housing allowance and medical allowance. However, there may be a shortfall between the budgeted amount and the final agreement signed at 5.5 per cent, which then may need to be revisited in-year.
 - *Goods and services* was increased by R27.202 million in 2025/26 to cater for the launch of the *Amakhosi* resource mobilisation initiative and the TC's cleaning and greening, which is expected to involve 1 000 participants. The *Amakhosi* resource mobilisation initiative is a project which is done through LED for *Amakhosi*. This initiative is actioned by programme under EPWP. The budget increase also caters for the rising demand for disaster management relief stock, which is driven by an increase in requests from municipalities across the province due to various disasters. The budget for Small Town Rehabilitation, water intervention and disaster management centre was also increased due to support that is provided through the implementation of different proposals outlined in the revitalisation strategy, which include coordination of Small Towns socio-economic revitalisation strategy, providing guidance to municipalities on the development of town specific revitalisation plans, the provision of funding where necessary, and monitoring of the implementation of projects, among others. In addition, provision is made for disaster management in relation to the Tongaat tornados for infrastructure repairs. These funds were moved from Programmes 1 and 4.
 - *Goods and services* was decreased by R12.219 million in 2026/27. These funds were reprioritised due to the scaling down of the number of projects undertaken under the Small Town, Corridor Development, and LED programmes Rehabilitation. In 2026/27 the budget decreases due to multiple projects that will be implemented in 2025/26. These funds were reprioritised to Programme 4 to cater for the carry-through costs of the *Izinduna* vacancies which are frozen. The department conducts quarterly physical verification of *Izinduna* and posts found to have outstanding information are frozen until such a time that all the required information for the verification is received.
 - R22.850 million in 2026/27 was moved from *Buildings and other fixed structures* due to enforced savings to fund spending pressures under Programme 4. The reprioritisation will have an impact on the Community Service Centres (CSCs) infrastructure programme, which includes major rehabilitation, minor works and new construction projects. Also, the reprioritisation will impact on the *Imizi Yezizwe* programme. The department will postpone *Imizi Yezizwe* projects and any CSCs project that have not been awarded will also be postponed. These include the Mbumbane, Zwelethu new park home and ablution, Cele R, Nsimbini, KwaCeza, Zondi and Shazi new constructions CSCs and the Inkosi Mkhanyisi Fedricks Hlongwane, Inkosi Velile Jozana, Inkosi Sibongiseni Khumalo, Inkosi Phumlani Sboniso Zulu Imizi Yezizwe projects.
- Programme 4: Traditional Institutional Management was decreased by R13.880 million in 2025/26 and was increased by R48.162 million in 2026/27, as follows:
 - R17.485 million in 2026/27 was moved to *Compensation of employees* to cater for vacant posts, salary increases for *Amakhosi* as per the proclamation notice 171 of 2024 issued in relation to salaries and allowances for traditional leaders, members of the national house and provincial houses of traditional leaders. The department has made a provision of 2.44 per cent for senior

Traditional leaders, based on previous estimates. The increase also makes provisions for ten vacant *Amakhosi* positions. The funds also cater for the 1.5 per cent pay progression, increase for housing and medical allowances, as well as the cost-of-living adjustments in line with National Treasury guidelines.

- o *Goods and services* was decreased by R13.880 million in 2025/26 in respect of operational expenses such as subsistence and travel, operating payments, contractors etc., which were scaled down. These funds were reprioritised to Programmes 1, 2 and 3.
- o In 2026/27, *Goods and services* was increased by R24.056 million to cater for carry-through costs of the unfreezing of *Izinduna* vacancies, as explained above, as well as a 3 per cent annual increment.
- o *Transfers and subsidies to: Households* was increased R300 000 in 2026/27 to cater for leave gratuity payments emanating from staff exits.
- o *Machinery and equipment* was increased by R6.321 million in 2026/27 to cater for the filling of vacant posts and the related costs of the purchase and replacement of computer equipment.

It should be noted that further reprioritisation was undertaken within the programmes and within economic classification.

5. Procurement

The department uses a manual requisition and ordering system, which ensures compliance to SCM practices in line with financial and SCM delegations of the department. With the amended PPPFA regulations of 2022 taking effect in January 2023, the department also amended its SCM policy to be in line with the revised regulations to ensure that all future procurement is in line with the relevant and updated regulations.

The department will continue to implement government policies on procurement in order to maximise the current budget allocation. The major procurement to be undertaken continues to include the support to municipalities in the form of financial experts to assist municipalities with positive audit outcomes, appointment of governance experts to ensure good governance in municipalities and appointment of administrators to assist with sound administration within the municipalities.

The department will continue to procure water and electricity infrastructure and will comply with relevant prescripts. The provision of electrification projects will be undertaken in priority areas in line with prescripts. Also, some construction, rehabilitation and refurbishment of CSCs will continue in the province. There will be continuous support by the PDMC to provide relief to disaster-stricken communities in the form of blankets, food parcels, plastic sheeting and relief boxes.

The department will continue to support the *Amakhosi* resource mobilisation initiative and the TC's cleaning and greening programme, which is expected to involve 1 000 participants and implement or support Small Town Rehabilitation, water intervention and disaster management centre initiatives.

6. Receipts and financing

6.1 Summary of receipts

Table 11.1 indicates the sources of funding for Vote 11 over the seven-year period from 2021/22 to 2027/28. The table also compares actual and budgeted receipts against actual and budgeted payments. The department receives a provincial allocation in the form of an equitable share, and a national conditional grant allocation in respect of the EPWP Integrated Grant for Provinces. This grant is incentive driven and allocations are based on previous year's performance.

Table 11.1 shows growth of 4.3 per cent from 2024/25 to 2025/26 and 4.5 per cent in 2026/27 and 2027/28 which are in line with National Treasury guidelines. It should be noted that the growth was to some extent mitigated by the carry-through effect of the 2024/25 MTEF budget cuts, which are detailed later.

Table 11.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
Equitable share	1 779 557	1 818 040	2 431 053	1 848 066	1 878 066	1 878 066	1 927 713	2 014 718	2 105 380
Conditional grants	1 994	1 993	1 960	2 000	2 000	2 000	3 440	-	-
EPWP Integrated Grant for Provinces	1 994	1 993	1 960	2 000	2 000	2 000	3 440	-	-
Total receipts	1 781 551	1 820 033	2 433 013	1 850 066	1 880 066	1 880 066	1 931 153	2 014 718	2 105 380
Total payments	1 781 877	1 819 626	2 400 391	1 850 066	1 919 388	1 919 388	1 931 153	2 014 718	2 105 380
Surplus/(Deficit) before financing	(326)	407	32 622	-	(39 322)	(39 322)	-	-	-
Financing of which									
Provincial roll-over	-	-	2 496	-	35 118	35 118	-	-	-
Provincial cash resources	9 000	-	-	-	4 204	4 204	-	-	-
Surplus/(Deficit) after financing	8 674	407	35 118	-	-	-	-	-	-

2021/22 financial year:

In 2021/22, the department received provincial cash resources of R9 million to cater for the cost of repairing infrastructure damaged during the unrests that took place in the province in July 2021. The department under-spent the 2021/22 budget by R8.674 million against *Buildings and other fixed structures*, largely in respect of this additional R9 million. The additional funding was to cater for the five CSCs that were vandalised and looted. According to the department, because the funds were only received late in September 2021, DOPWI did not approve the use of emergency procurement toward project implementation. The department was dependent on DOPWI for the procurement and was only able to spend R326 000 by the end of the year.

2022/23 financial year:

In 2022/23, the department received no additional allocations, but the budget was impacted on by the carry-through of the 2021/22 MTEF budget cuts. The department under-spent its 2022/23 budget by R407 000 at year-end. This related to the TC elections that were not undertaken. The department had planned to undertake the elections in March 2023 but could not due to an appeal that took place on 8 February 2023. Also, the department indicated that *Amakhosi* were not in favour of the elections and, as such, could not undertake the elections and these elections were postponed.

2023/24 financial year:

In 2023/24, the department received a roll-over amount of R2.496 million from 2022/23 to 2023/24 for the provision of water in hot spot areas in the iLembe District Municipality. This related to donor funding received from the African Union (AU) and allocated to assist with water distribution to communities after the April 2022 flood disaster. The donor funding was not utilised by OTP in 2022/23, and they requested that the funds be rolled over to 2023/24 but allocated to the department as COGTA became responsible for this project. Also, in 2023/24, a once-off amount of R631.083 million was allocated to the department by National Treasury in respect of the equitable share towards the backpay of 3 004 *Izinduna*. The department under-spent their 2023/24 budget by R35.118 million at year-end of which R30.540 million relates to the backpay to 205 *Izinduna* which was rolled over from 2023/24 to 2024/25 in respect of the equitable share allocation.

Furthermore, in 2023/24, the department's equitable share budget was decreased by an amount of R10 million in respect of the provincial Crime Fighting Initiative for allocation to Vote 9: Community Safety and Liaison, as announced by the Honourable Premier in the 2023 SOPA.

2024/25 financial year:

In 2024/25 the department received an amount of R30 million from contingency reserves which relates to funds allocated to the department for transfer to Eskom to replace failed Eskom transformers as a result of overload and illegal connections in the eThekweni, Ugu, uMgungundlovu, iLembe and uMkhanyakude areas. An amount of R4.204 million was allocated under provincial cash resources in relation to funds recalled by the department from the uMuziwabantu Municipality and the uMfolozi Municipality, and the department requested Provincial Treasury to reimburse them the full amount. The unspent funds related to the construction of the Harding Trading Stores project and various completed projects. The department is projecting a balanced budget at the end of 2024/25 as per the November IYM.

The department's budget was reduced by the carry-through fiscal consolidation cuts from the 2021/22 MTEF by R93.008 million in 2023/24, R97.193 million in 2024/25 and R101.547 million in 2025/26 effected against *Compensation of employees* and *Goods and services*. In addition, the budget was reduced by the wage freeze and fiscal consolidation cuts, totalling R212.784 million in 2023/24, R222.359 million in 2024/25 and R232.321 million in 2025/26 effected against *Compensation of employees*. These all related to the carry-through cuts from the 2021/22 MTEF. Also over the 2023/24 MTEF, the department's budget was further cut by R23.184 million, R9.375 million and R16.504 million as a result of data updates of the equitable share formula and own revenue reduction effected against Programmes 1, 2 and 3, against *Goods and services*, *Buildings and other fixed structures* and *Machinery and equipment*.

The 2024/25 MTEF budget cuts amounted to R69.522 million in 2024/25, R68.697 million in 2025/26 and R73.527 million in 2026/27. There are no further fiscal consolidation budget cuts made over the 2025/26 MTEF.

6.2 Departmental receipts collection

Table 11.2 reflects departmental receipts for the period 2021/22 to 2027/28. Details of these receipts are presented in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Table 11.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	1 574	1 598	1 734	1 730	1 730	1 589	1 602	1 734	1 812
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 463	91	120	69	69	69	72	75	78
Sale of capital assets	-	2 580	-	1 600	1 600	1 600	1 700	1 800	1 881
Transactions in financial assets and liabilities	7 021	1 689	2 696	1 528	1 528	5 983	1 597	1 668	1 743
Total	10 058	5 958	4 550	4 927	4 927	9 241	4 971	5 277	5 514

Sale of goods and services other than capital assets derives its revenue from commission on PERSAL deductions such as insurance premiums and garnishee orders, sale of maps and publications, parking fees, tender fees and rental from officials occupying state houses. The revenue increases from 2021/22 to 2023/24 and shows a slight under-collection in 2024/25, due to the unpredictable nature of this source. The budget over the 2025/26 MTEF is conservative but falls in line with historic collection trends.

Interest, dividends and rent on land relates to interest derived from staff debts. The revenue trend is very volatile due to the uncertain nature of this source as it depends on the outstanding debts and the interest rate charged. The 2025/26 MTEF budget is very conservative, due to the unpredictable nature of this source.

Sale of capital assets relates to the sale of redundant assets such as motor vehicles and old office equipment. The high collection in 2022/23 related to an auction of redundant motor vehicles. Revenue from this source is very difficult to budget for as it relies on the volume of fleet and the performance of the auction. The revenue budget grows over the 2025/26 MTEF in line with the departmental asset disposal policy.

Transactions in financial assets and liabilities includes the recovery of staff debts such as breached bursary contracts and refunds related to previous years' expenditure. The high collection in 2024/25 Revised Estimate is due to unspent and/or surplus funds recalled from municipalities. This relates to an unspent transfer of R4.205 million surrendered from the uMuziwabantu Municipality. These funds were transferred in 2022/23 for the construction of the Harding Trading Stores. The project started, and the engineers completed the design, but after that there was no substantial progress, hence the department recalled the funds from the municipality. Furthermore, the uMfolozi Municipality returned savings of R57 000 from a completed project. These funds were transferred in 2018/19 for the preparation of the single land use scheme, while savings were realised against this transfer and these savings were recalled

by the department. These funds were re-allocated back to the department in the 2024/25 Adjustments Estimate towards implementation of additional projects. The revenue budget shows conservative growth over the 2025/26 MTEF due to the unpredictable nature of this category.

6.3 Donor and agency funding – Nil

7. Payment summary

Section 7 reflects payments and budgeted estimates for programmes and economic classifications. Details are given in Section 9, as well as *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

7.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- All inflation related increases are based on CPI projections.
- In terms of *Compensation of employees*, the department made provision for a 12.2 per cent growth (R103.134 million) in 2025/26 (as based on the 2024/25 Adjusted Appropriation), 4.9 per cent (R46.887 million) in 2026/27 and 5 per cent (R50.037 million) in 2027/28, and will be reviewed in the next budget process. The high growth in 2025/26 is to provide for the filling of critical vacant posts. The increase over the 2025/26 MTEF allows for the carry-through costs of the 2024 wage agreement plus the 1.5 per cent for pay progression. The department has budgeted for a 4.6 per cent cost-of-living adjustment and 1.5 per cent adjustment for pay progression, which is lower than what was agreed to at the bargaining council, at 5.5 per cent. The department plans to fill 101 vacant posts in 2025/26, six vacant posts in 2026/27 and six in 2027/28.

7.2 Amendments to provincial and equitable share funding: 2023/24 to 2025/26 MTEF

Table 11.3 shows amendments to the provincial and equitable share funding over the 2023/24, 2024/25 and 2025/26 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2027/28) are based on the incremental percentage used in the 2025/26 MTEF.

Table 11.3 : Summary of amendments to provincial and equitable share allocations for the 2023/24 to 2025/26 MTEF

R thousand	2023/24	2024/25	2025/26	2026/27	2027/28
2023/24 MTEF period	607 899	1 939	(5 060)	(5 288)	(5 526)
Cost of living adjustment carry-through (3%)	-	11 314	11 444	11 959	12 497
PES data update and own revenue reduction	(23 184)	(9 375)	(16 504)	(17 247)	(18 023)
Izinduna backpay	631 083	-	-	-	-
2024/25 MTEF period		(69 522)	(68 697)	(73 527)	(76 836)
Fiscal consolidation reduction by National Treasury		(69 522)	(68 697)	(73 527)	(76 836)
2025/26 MTEF period			-	-	-
Total	607 899	(67 583)	(73 757)	(78 815)	(82 362)

Over the 2023/24 MTEF, the department received additional allocations from National Treasury of R11.314 million in 2024/25 and R11.444 million in 2025/26 with carry-through relating to the 3 per cent cost-of-living adjustment carry-through. Also, the department was allocated an amount of R631.083 million from National Treasury in 2023/24 only, to settle the backpay amount owed to *Izinduna* in this province. The additional allocations were to some extent mitigated by the 2023/24 MTEF budget cuts implemented by National Treasury amounting to R23.184 million in 2023/24, R9.375 million in 2024/25 and R16.504 million in 2025/26 with carry-through in line with the equitable share data update and own revenue reduction.

Over the 2024/25 MTEF, the department's budget was cut by an aggregate amount of R211.746 million in line with the fiscal consolidation reduction by National Treasury.

In the 2025/26 MTEF, there were no changes made to the department's allocation.

7.3 Summary by programme and economic classification

The services rendered by the department are categorised under four programmes. The department received approval from National Treasury in June 2018 to deviate slightly from the uniform budget structure for the COGTA sector and this deviation continues to be in place. Tables 11.4 and 11.5 provide a summary of the Vote's payments and budgeted estimates over the seven-year period, by programme and economic classification, respectively.

Table 11.4 : Summary of payments and estimates by programme: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
1. Administration	462 748	435 739	441 384	489 465	502 294	517 364	493 130	559 765	624 904
2. Local Governance	313 542	337 076	336 706	383 077	369 642	367 011	397 547	407 915	423 625
3. Development and Planning	494 918	479 085	383 430	336 408	362 605	358 502	377 893	302 136	289 141
4. Traditional Institutional Management	510 669	567 726	1 238 871	641 116	684 847	676 511	662 583	744 902	767 710
Total	1 781 877	1 819 626	2 400 391	1 850 066	1 919 388	1 919 388	1 931 153	2 014 718	2 105 380

Table 11.5 : Summary of payments and estimates by economic classification: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
Current payments	1 429 962	1 525 555	2 195 395	1 777 429	1 807 801	1 804 529	1 861 082	1 938 351	1 994 661
Compensation of employees	729 258	746 691	776 930	884 954	848 587	848 076	951 721	998 608	1 048 645
Goods and services	700 257	778 771	1 418 465	892 475	959 206	956 445	909 361	939 743	946 016
Interest and rent on land	447	93	-	-	8	8	-	-	-
Transfers and subsidies to:	231 248	234 321	167 749	8 049	41 308	41 436	10 044	9 054	9 668
Provinces and municipalities	188 504	181 489	87 138	900	838	653	1 000	1 000	1 000
Departmental agencies and accounts	13 000	1	-	-	-	-	-	-	-
Higher education institutions	-	1 280	-	1 280	1 280	1 280	960	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	30 100	30 100	-	-	-
Non-profit institutions	19 820	40 433	71 052	250	-	-	-	250	250
Households	9 924	11 118	9 559	5 619	9 090	9 403	8 084	7 804	8 418
Payments for capital assets	108 902	59 452	37 247	64 588	70 279	73 423	60 027	67 313	101 051
Buildings and other fixed structures	79 528	26 884	22 754	30 567	23 785	24 079	17 453	33 150	48 462
Machinery and equipment	16 403	31 189	12 791	22 571	36 216	39 288	21 535	23 613	42 589
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	12 971	1 379	1 702	11 450	10 278	10 056	21 039	10 550	10 000
Payments for financial assets	11 765	298	-	-	-	-	-	-	-
Total	1 781 877	1 819 626	2 400 391	1 850 066	1 919 388	1 919 388	1 931 153	2 014 718	2 105 380

Programme 1 mainly provides for the improvement of the department's ICT systems, and the maintenance and upgrading of various departmental buildings. The increase in the 2024/25 Adjusted Appropriation was in respect of an increase in *Goods and services* to cater for computer services in respect of SITA running costs, legal services, property payments and advertising costs in respect of the payment of invoices from 2023/24. Additionally, the increase catered for operating leases costs in respect of outstanding invoices from 2023/24. These costs are in respect of leases for official buildings. This resulted from delays in 2023/24 in the signing of the lease agreement for the Southern Life Plaza between the landlord and DOPWI as they needed to resolve various details and DOPWI held back on the payment of the invoices until the necessary documentation was signed. The department also incurred interest in respect of overdue Telkom accounts. The department had to pay interest on an account, as one of the invoices was not recorded in the invoice register on time, and it missed the payment run for that period. Also, the Main Appropriation was increased by a roll-over of R4.578 million which was approved to be re-purposed to cater for pressures under this programme in respect of legal services, partly related to the legal costs incurred in terms of tracing *Izinduna* beneficiaries. The 2024/25 budget also includes property payment, travel and subsistence, departmental fleet service and other operating expenses such as stationery and printing. The 2025/26 MTEF allocations cater for the filling of critical vacant posts, including Director: Internal Control, Director: Budget Control Planning, Deputy Director: Budget Planning, Budget Analyst, among others and also for the OSS events and operational budget.

Programme 2 caters for the training of municipal councillors, governance and financial experts, municipal administrators, and community outreach programmes (including *Izimbizo* and community dialogues with ward committees as part of the Back to Basics campaigns), among others. The decrease in the 2024/25 Adjusted Appropriation is mainly due to slower than anticipated filling of vacant post, delays in renewing the support staff for ministerial representatives, as well as the non-payment of the municipal experts retention fees. Funds were moved to Programmes 1 and 4 to cater for SITA running costs and costs of the 2024 wage agreement, as well as the salary backpay to *Amakhosi* in line with the signed proclamation in July 2024 mandating a 2.5 per cent increase, which was implemented in August 2024 and backdated to April 2023 and April 2024. Programme 2 reflects an increasing trend over the 2025/26 MTEF due to reprioritisation to this programme to cater for vacant posts, the 1.5 per cent pay progression, increase for housing and medical allowances, and the cost-of-living adjustments. The increase was to some extent impacted by the 2024/25 MTEF budget cuts, effected only in 2025/26 and 2026/27 in this programme against *Goods and services* in respect of consultants' costs. This will impact on the governance and financial experts that will be scaled down. Over the 2025/26 MTEF, the budget provides for the filling of 29 vacant posts, namely Chief Director: Municipal Administration and Support, two Deputy Directors and one Assistant Director within Municipal Finance, Chief Director: CDWs and Public Participation, Director: IDP, among others. The budget has sufficient growth to fill all vacant, the 1.5 per cent pay progression and the carry-through cost of a 3 per cent cost-of-living adjustment over the MTEF. Also, the 2025/26 MTEF budget provides for public participation programmes such as community engagements, Know your CDW, service delivery events etc. It also provides for financial experts, forensic investigations and support to the eThekweni Metropolitan Municipality, among others.

Programme 3 caters for various projects such as electrification projects, the Cleaning and Greening Programme, new construction and refurbishment and rehabilitation of CSCs, disaster management relief stock, disaster management summits, accelerated water intervention programme, and maintenance of Disaster Management Centres. This also includes new centres under Nquthu Local Municipality and Nkandla Local Municipality however further consultations are awaited the office of MEC in this regard. Other projects included are the Small Town Rehabilitation and the *Amakhosi* resource mobilisation initiative among others. This initiative will allow traditional leaders to raise funds to utilise for their community upliftment programmes and projects. The 2024/25 Adjusted Appropriation was decreased mainly against *Compensation of employees* as a result of slower than anticipated filling of vacant posts and due to enforced savings from the postponement of various construction and rehabilitation of CSC projects that have not been committed for 2024/25 due to financial pressures within the department. The decrease in the 2024/25 Adjusted Appropriation was mitigated by an increase of R30 million, under the sub-programme Municipal Infrastructure. This relates to the funds allocated to the department for transfer to Eskom to replace failed Eskom transformers as a result of overloading and illegal connections in the eThekweni, Ugu, uMgungundlovu, iLembe and uMkhanyakude areas. The 2025/26 MTEF allocations provide for the maintenance, refurbishment, rehabilitation, and construction of CSCs including Mhlungwini, Hlope, etc., and houses for *Amakhosi*, disaster management relief stock (blankets, food parcels, beds for stricken communities, plastic sheeting, fire alarms), as well as disaster management summits. Also, the department will continue with priority water service delivery interventions in terms of the Water Master Plan, and electrification projects. The 2025/26 budget provides for the filling of 11 vacant posts, namely Chief Town and Regional Planners (OSD), Deputy Director: Control GIS Technicians (OSD), Deputy Director: Project Manager, Assistant Directors: Water and Sanitation, among others.

Programme 4 caters for the recognition and installation of *Amakhosi*, cultural events, capacity building programmes for *Amakhosi* and the remuneration of *Amakhosi*, *Izinduna* and TC secretaries, etc. The increase in the 2024/25 Adjusted Appropriation relates to *Compensation of employees* to cater for the cost of the 2024 wage agreement, as well as the salary backpay to *Amakhosi* in line with the signed proclamation in July 2024 mandating a 2.5 per cent increase backdated to April 2023 and April 2024. Additionally, an amount of R30.540 million was rolled over from 2023/24 to 2024/25 in respect of the equitable share allocation. This relates to the backpay to 205 *Izinduna* allocated under the sub-programme: Traditional Institutional Administration, against *Goods and services*. The 2025/26 MTEF allocations also cater for the planned filling of vacant posts, the payment and remuneration of *Amakhosi*, *Izinduna* and TC secretaries, support to traditional institutions, installation and recognition of *Amakhosi*, dispute

resolutions, as well as events (such as cultural, *imbizo*, installations, etc.). Also, the 2025/26 MTEF budget provides for the filling of 22 critical vacant posts, including Admin Officers, Drivers, Development Facilitation Officer, Personal Assistant and Finance Clerk, among others. The department has sufficient growth to fill all vacant posts and has budgeted for the 1.5 per cent pay progression and 4.6 per cent for the cost-of-living adjustment over the 2025/26 MTEF which is below the 5.5. per cent which was agreed to at the bargaining council, and the department will review this in-year.

Compensation of employees reflects positive growth over the 2025/26 MTEF. The decrease in the 2024/25 Adjusted Appropriation was as a result of slow progress with filling budgeted vacant posts as a result of lengthy internal recruitment processes, as well as resignations, deaths and retirements. This category shows growth of 12.1 per cent from the 2024/25 Adjusted Appropriation to 2025/26, 4.9 per cent in 2026/27 and 5 per cent in 2027/28 and will be reviewed in the next budget process. The growth caters for the filling of 66 vacant posts that are in progress to be filled in 2024/25, 101 vacant posts in 2025/26 and 6 posts in 2026/27. Funds were reprioritised to this category over the 2025/26 MTEF to cater for vacant posts, the 1.5 per cent pay progression, increase for housing and medical allowances, as well as the carry through costs of the 2024 wage agreement. The budget has sufficient growth to fill these vacant posts and the department has budgeted for a 4.6 per cent cost-of-living adjustment and 1.5 per cent pay progression over the MTEF.

Goods and services fluctuates over the period under review. This category caters for projects such as nodal plans, implementation of spatial equity norms and standards, the SDF support, Geospatial Land Register and Development Application Management System programmes, Small Town Rehabilitation, the Massification and Corridor Development programmes, among others. The high amount in 2023/24 included R631.083 million in respect of backpay owed to *Izinduna* in this province. The increase in 2024/25 was to cater for higher than budgeted for travel and subsistence costs due to an increase in travel to support events such as MEC cluster engagements, leasing official buildings, municipal services costs, maintenance of departmental buildings, fleet services costs, SITA running costs, advertising costs, legal costs, as well as training costs etc. Also, the increase was in relation to a roll-over from 2023/24 to 2024/25 in respect of the equitable share allocation. An amount of R30.540 million was rolled over in relation to the back-pay to 205 *Izinduna*, as explained. The department conducts quarterly physical verification of *Izinduna* and posts found to have outstanding information are frozen until such a time that all the required information for the verification is received. Currently the department is not paying for those *Izinduna* which were not verified, and payment will be made once all information is verified. The MTEF allocations provide for funding to cover the operating payments associated with the carry-through costs for the unfreezing and filling of *Izinduna* vacancies, as explained. This category also caters for the payment of stipends to about 294 TC secretaries and *Izinduna*. The TC secretaries are paid a stipend, which increased from R1 600 to R8 000 per month per TC secretary from 1 April 2023. Over the 2025/26 MTEF, the department has budgeted to pay 3 077 *Izinduna* with a budget of R389.455 million in 2025/26, R434.498 million in 2026/27 and R442.177 million in 2027/28, in line with the number of *Izigodi*. The provincial allocation in this regard is R187.760 million in 2025/26, R195.667 million in 2026/27 and R204.617 million in 2027/28, and the difference is allocated from within the department's budget. This category also houses the budget for the EPWP Integrated Grant for Provinces. The grant allocation has increased slightly in 2025/26 in comparison to 2024/25 due to the incentive nature of the grant. The grant is allocated annually and, hence no funds are allocated in the two outer years of the 2025/26 MTEF, at this stage. The budget over the 2025/26 MTEF includes additional funds allocated for the strengthening of the province's support interventions in municipalities placed under administration in terms of Section 139 of the Constitution, and for projects under the Small Town Rehabilitation, Corridor Development and Massification programmes, water and electrification projects, among others.

Interest and rent on land caters for penalties and interest paid by the department, such as the payment made to the South African Revenue Services (SARS) related to an amended SARS reconciliation for the previous year that resulted in interest charged against the department. The increase in the 2024/25 Adjusted Appropriation was in respect of an overdue Telkom account. The department had to pay interest, as one of the invoices was not recorded in the invoice register on time, and missed the payment run for that period.

Transfers and subsidies to: Provinces and municipalities fluctuates over the period, in line with spending patterns of municipalities, and caters for various projects under the Disaster Management, Corridor Development, Small Town Rehabilitation and Massification programmes, among others. The substantial increase in 2022/23 was due to funds that were moved for the implementation of service delivery projects in the province by municipalities. These include water intervention projects, as well as Small Town Rehabilitation and Massification projects (including electricity projects). The increase in 2023/24 was in respect of various projects including electrification projects, the construction of a fire and disaster management centre, and the equipping of an existing disaster management centre with emergency communication and information management technology, and the procurement and fitting of furniture and operational appliances, the installation of solar streetlights and high masts to assist with the improvement of security within towns, among others. The decrease in the 2024/25 Adjusted Appropriation was in respect of delays in the delivery of motor vehicles. The fluctuating trend is in line with the transfers to the municipalities.

Transfers and subsidies to: Departmental agencies and accounts caters for various once-off projects. The amount of R13 million in 2021/22 was mainly in respect of the transfer to the Agri-business Development Agency (ADA) for the construction of the KwaXolo greenhouse tunnel, as well as additional hydroponic tunnels and open field irrigation on a farm in Bulwer. This was a once-off transfer and hence there are no allocations from 2022/23 onward.

The allocations against *Transfers and subsidies to: Higher education institutions* are in respect of a programme of action to improve the resilience of human settlements through improved spatial planning and land use management in the province. The department is in partnership with the University of KwaZulu-Natal (UKZN), where four post-doctoral academic experts are contracted to undertake the project. The project aims to provide diagnostic case studies on the April 2022 flood disaster, recommend areas to address in the provincial guidelines, and provide provincial protocol and a guiding framework for Land Use Schemes and zoning of vulnerable areas, among others. The 2023/24 transfer was withdrawn by the department because UKZN had not finalised the appointment of the four post-doctoral students to undertake the project. The decrease in 2025/26 is due to one student who dropped out.

Transfers and subsidies to: Public corporations and private enterprises was increased in the 2024/25 Adjusted Appropriation due to a once-off transfer to the South African Institute of Planning (SAPI) for the Planning African Conference 2024 in Durban in August 2024 in partnership with the department. The conference offers planners in the department and municipalities an opportunity to highlight critical planning issues and the mandate of municipalities in managing and planning land use development in their area. Also, the conference offers planners with the opportunity to learn from national and international good practice and showcase and share local lessons and good practices. The department contributed R100 000 towards the conference costs. Also, Programme 3's budget was increased by R30 million, under the Municipal Infrastructure sub-programme. This relates to the funds allocated to the department for transfer to Eskom to replace failed Eskom transformers as a result of overloading and illegal connections in the eThekweni, Ugu, uMgungundlovu, iLembe and uMkhanyakude areas, as mentioned. There is no allocation under this item over the 2025/26 MTEF.

Transfers and subsidies to: Non-profit institutions caters for the transfer to the Tembe Trust Account in support of the Umthayi Amarula festival to celebrate the first fruits of the marula fruits, which are brewed into a traditional beer by all households in the Tembe Traditional Community, and this is presented to the *Inkosi* at his residence in the form of a colourful festival. The decrease in the 2024/25 Adjusted Appropriation relates to funds that were not transferred due to various spending pressures within the department to cater for higher than budgeted staff exit costs.

Transfers and subsidies to: Households fluctuates over the period due to staff exit costs, as well as bursaries to external students. The increase in the 2024/25 Adjusted Appropriation and Revised Estimate was in respect of higher than budgeted staff exit costs. The MTEF provides for external bursaries and staff exit costs.

Buildings and other fixed structures fluctuates over the period and relates to the construction and rehabilitation of CSCs and *Imizi Yezizwe*. The decrease in the 2024/25 Adjusted Appropriation was due to

the postponement of the construction of the Ixopo offices to 2025/26 in order to contain spending and offset spending pressures within the department through the postponement of various construction and rehabilitation projects that have not been committed for 2024/25 due to financial pressures within the department. These include the Emandleni, Mangwebuthanani, Ubizo, Shabalala-Matiwane, Chwezi and Khoza Bhejane CSCs, among others. The 2025/26 MTEF allocations provide for the rehabilitation of the Mhlungwini and Qadi TACs, Hlomindleni, Xaba TAC park home project, and the construction of Mavela TACs, among others.

Machinery and equipment caters for departmental fleet, computer and office equipment, etc. The 2022/23 spending included the purchase of an integrated disaster communication system for the PDMC and mapping of disaster incidents data. The decrease in 2023/24 was due to delays in the procurement of office furniture and equipment due to the non-filling of vacant posts. The high 2024/25 allocation was for the procurement of four water tankers for the department to be used for the transportation of water to areas affected by water crisis, when the need arises. The increase in the 2024/25 Adjusted Appropriation was for the procurement of tools of trade for staff and 260 *Amakhosi*. The allocations over the MTEF are for the purchase of new and replacement office and computer equipment, as well as for the correct classification of finance leases which was previously budgeted for under *Goods and services*. The MTEF allocations cater for the upgrade of IT equipment, replacement vehicles and purchases for new appointees. The allocations in the two outer years of the MTEF are in line with the department plan for procurement of new laptops and desktops for new employees in line with the filling of vacant posts, as well as the correct classification of finance leases which was budgeted under *Goods and services*.

Software and other intangible assets caters for the purchase, maintenance and upgrade of existing software, including the GIS software upgrade, the Environmental Systems Research Institute (ESRI) licence, Mimecast licence, Exinda licence, Symantec licence and Secure Sockets Layer (SSL) licence, among others. The low 2022/23 amount was due to the renewal cycle of the software licences. The 2025/26 MTEF caters for the purchase, maintenance and upgrade of existing software, including the Bandwidth Optimisation Tool, Microsoft Licence, E-leave/E-submissions, SharePoint, among others.

Payments for financial assets relates to write-offs of staff debts (mainly in respect of salary over-payments for both officials and *Izinduna*) who have passed away, and these debts are older than five years. The high amount in 2021/22 relates to debts written off and clearing of suspense accounts that were identified as irrecoverable. This included the Ingwe fraud of R7.500 million cleared in line with the legal ruling by legal experts, as well as other tax related debts, etc. The department indicated that it was defrauded in respect of a transfer payment of R7.500 million made in 2015, that was meant for the Ingwe Local Municipality. On 14 October 2015, after the project was gazetted and the necessary authorisation was obtained for the payment to be made, an SCM clerk changed the account number of the Ingwe Local Municipality and replaced it with that of Imvusa Trading, which was approved on 15 October 2015 by the SCM supervisor. On 11 November 2015, the department disbursed R7.500 million in accordance with the payment requisition form which contained Imvusa Trading banking details instead of those of the Ingwe Local Municipality. As the Ingwe Local Municipality did not receive the funds, they lodged a complaint to the department and that is how it was found that the funds were transferred to Imvusa Trading.

7.4 Summary of conditional grant payments and estimates

Tables 11.6 and 11.7 summarise conditional grant payments and budgeted estimates over the seven-year period, by grant name and economic classification, respectively. Detailed information on the conditional grant is given in the *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Note that the historical figures in Tables 11.6 and 11.7 reflect actual expenditure per grant and should not be compared to those figures reflected in Table 11.1, which represent the actual receipts for each grant.

Table 11.6 : Summary of conditional grant payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
EPWP Integrated Grant for Provinces	1 994	1 993	1 960	2 000	2 000	2 000	3 440	-	-
Total	1 994	1 993	1 960	2 000	2 000	2 000	3 440	-	-

Table 11.7 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
Current payments	1 994	1 993	1 960	2 000	2 000	2 000	3 440	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	1 994	1 993	1 960	2 000	2 000	2 000	3 440	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 994	1 993	1 960	2 000	2 000	2 000	3 440	-	-

EPWP Integrated Grant for Provinces: Funds were allocated to Programme 3, against *Goods and services* in respect of this grant, and are utilised for the appointment of EPWP learnerships. The EPWP learnerships relate to the Municipal In-Service Programme (MISP), which seeks to bridge the youth skills gap identified. The objectives of the MISP are to create jobs and training opportunities for the unemployed youth across various sectors, to ensure participation of youth in community service delivery, and also to provide in-service training opportunities for youth in TVET colleges to complete their qualifications. The grant is allocated annually, and is based on the previous year's performance, and hence no funds are allocated in the two outer years of the 2025/26 MTEF, at this stage. The department funded its learnership initiatives using both the EPWP Integrated Grant for Provinces and the equitable share. The department will continue to pay 11 current contracts and will appoint 50 in-service trainees in 2025/26 using the EPWP Integrated Grant for Provinces allocation. Additionally, the department will use these funds to pay 500 cleaning and greening programme beneficiaries which is currently ongoing and will use its equitable share to top up the grant allocation.

7.5 Summary of infrastructure payments and estimates

Table 11.8 summarises the infrastructure expenditure and estimates relating to the department. Further detailed information on infrastructure is provided in the 2025/26 *ECE*. The infrastructure expenditure reflects a fluctuating trend over the period.

Table 11.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
Existing infrastructure assets	15 619	28 559	31 901	25 797	27 716	25 422	15 361	18 150	20 000
Maintenance and repair: Current	5 368	10 972	16 530	10 000	13 021	12 217	5 000	6 000	8 000
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	10 251	17 587	15 371	15 797	14 695	13 205	10 361	12 150	12 000
New infrastructure assets: Capital	69 277	9 297	7 383	14 770	9 090	10 874	7 092	21 000	36 462
Infrastructure transfers	201 020	179 100	86 605	-	30 000	30 000	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	201 020	179 100	86 605	-	30 000	30 000	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure leases	30 329	25 749	19 148	27 272	33 714	34 224	29 633	31 510	33 716
Non infrastructure¹	17 115	22 112	23 238	-	-	-	-	-	-
Total	333 360	264 817	168 275	67 839	100 520	100 520	52 086	70 660	90 178
<i>Capital infrastructure</i>	<i>280 548</i>	<i>205 984</i>	<i>109 359</i>	<i>30 567</i>	<i>53 785</i>	<i>54 079</i>	<i>17 453</i>	<i>33 150</i>	<i>48 462</i>
<i>Current infrastructure</i>	<i>35 697</i>	<i>36 721</i>	<i>35 678</i>	<i>37 272</i>	<i>46 735</i>	<i>46 441</i>	<i>34 633</i>	<i>37 510</i>	<i>41 716</i>

1. Non infrastructure is a stand-alone item, and is therefore excluded from Capital infrastructure and Current infrastructure, but it is included in the overall total

Maintenance and repair: Current caters for the maintenance of infrastructure, including departmental buildings, *Imizi Yezizwe*, CSCs and TC buildings, etc. The 2024/25 Adjusted Appropriation was increased

to cater for the day-to-day maintenance of various departmental buildings, repairs at Wadley House, and waterproofing of the roof at the Mayville building, etc., which were higher than anticipated. The 2025/26 MTEF caters for the maintenance of various district offices, including installation of split unit air conditioners at the Mayville building, day-to-day maintenance of all departmental buildings, among others. The low amounts are in line with the number of projects planned.

Refurbishment and rehabilitation: Capital caters for the refurbishment and renovation of existing CSCs and Traditional Administrative Centres (TACs) infrastructure. The fluctuations are in line with progress in renovating various CSCs. The decrease in the 2024/25 Adjusted Appropriation was due to the postponement of various rehabilitation of CSC projects that had not been committed for 2024/25 due to financial pressures within the department. The 2025/26 MTEF caters for the rehabilitation of the Mhlungwini, and Qadi TACs.

New infrastructure assets: Capital caters mainly for the construction of CSCs and *Imizi Yezizwe*, TACs, as well as drilling and equipping of boreholes. The category fluctuates due to the nature of the construction activities. The decrease in the 2024/25 Adjusted Appropriation was due to the postponement of the Ixopo offices and various CSC projects. The 2025/26 MTEF allocations cater for the construction of the Hlomindleni TAC park home project, the construction of the Mavela TACs and Ixopo district office. The high growth over the two outer years of the MTEF cater for completion of the construction of Ixopo offices. The project is anticipated to start slow based on the budget available in 2025/26 however this will be reviewed during the 2025/26 Adjustment Estimates.

Infrastructure transfers: Capital caters for transfers to various municipalities for infrastructure projects such as the construction of TACs and CSCs, and the Corridor Development, Disaster Management, Massification and Small Town Rehabilitation programmes, among others. The increase in the 2024/25 Adjusted Appropriation was to provide for the transfer to Eskom allocated to the department to replace failed Eskom transformers as a result of overloading and illegal connections in the eThekweni, Ugu, uMgungundlovu, iLembe and uMkhanyakude areas. There are no allocations over the 2025/26 MTEF at this stage. However, the department usually budgets for projects under *Goods and services* and then shifts the funds to *Transfers and subsidies to: Provinces and municipalities* during the Adjustments Estimate for transfer to municipalities, after an annual departmental exercise that indicates whether the municipalities have the necessary capacity to deliver on the particular projects themselves. As such, the category will be reviewed in-year, and funds will be allocated but at a reduced scale.

Infrastructure: Leases caters for the buildings leased by the department. The increase in the 2024/25 Adjusted Appropriation was to cater for outstanding invoices from 2023/24 as a result of delays with signing the lease agreement for the Southern Life Plaza as they needed to resolve various details and DOPWI held back on the payment of the invoices until the necessary documentation was signed. The allocations over the 2025/26 MTEF provide for building leases such as Southern Life Plaza, uMzinyathi District office, Amajuba District office, among others.

Non infrastructure is in respect of the personnel budget and tools of trade used in the completion of all infrastructure projects. There is no allocation over the 2025/26 MTEF as the department does not have personnel who meet this category in terms of classification.

7.6 Summary of Public Private Partnerships – Nil

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Table 11.9 shows transfers made by the department to public entities that are listed in terms of Schedule 3 of the PFMA, as well as other entities. The public entity ADA does not fall under the auspices of the department but was merely used as an implementing agent.

Table 11.9 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PMFA) and other entities

		Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	Sub-programme	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
Transfers to public entities		13 000	-	-	-	-	-	-	-	-
ADA	3.3: LED	13 000	-	-	-	-	-	-	-	-
Transfers to other entities		19 820	43 433	71 052	250	-	-	-	250	250
uThukela DDA	3.3: LED	-	3 000	-	-	-	-	-	-	-
Traditional levies and trust account	4.4: Traditional Institutional Administration	19 620	40 183	70 802	-	-	-	-	-	-
Tembe Trust Account	4.4: Traditional Institutional Administration	200	250	250	250	-	-	-	250	250
Total		32 820	43 433	71 052	250	-	-	-	250	250

The once-off amount of R13 million in 2021/22 was in respect of a transfer to ADA for the construction of the KwaXolo greenhouse tunnel, additional hydroponic tunnels and open field irrigation on a farm in Bulwer, as explained. The amount was once-off, hence there are no allocations from 2022/23 onward.

In 2022/23, the department transferred R3 million to the uThukela DDA in the uThukela District Municipality to operationalise the implementation of the Rural LED programme. The amount was once-off, hence there are no allocations from 2023/24 onward.

There are no amounts in 2024/25 and over the MTEF against the traditional levies and trust account as the amounts for the traditional levies and trust account are only determined at the end of the year, when expenditure has been incurred.

The amounts from 2021/22 onward against the Tembe Trust Account relate to donations to support the Umthayi Amarula Festival, as explained. The decrease in the 2024/25 Adjustment Estimates was due to decision taken that the event will not be supported largely due to budget pressures, and this also accounts for no allocation being made in this regard in 2025/26. However, funding is made in 2026/27 and 2027/28.

7.8 Transfers to local government

Table 11.10 details the transfers to local government, summarised according to categories A, B and C. Table 11.11 provides the departmental transfers to local government by grant name. Detailed information on the departmental transfers to local government by transfer/grant type, category and municipality is given in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Transfers to local government exclude funds in respect of motor vehicle licences. These funds will not be transferred to any municipality, hence the amounts are not reflected in Tables 11.10 and 11.11.

Table 11.10 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Category A	-	-	-	-	-	-	-	-	-
Category B	72 720	101 100	84 109	-	-	-	-	-	-
Category C	115 300	77 000	2 496	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	188 020	178 100	86 605	-	-	-	-	-	-

Table 11.11 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Municipal Excellence Awards	2.5: Mun. Perf. Mon., Rep. & Eval.	-	2 000	-	-	-	-	-	-	-
Corridor Development prog.	3.3: LED	-	11 200	-	-	-	-	-	-	-
Small Town Rehabilitation	3.3: LED	33 920	67 900	17 100	-	-	-	-	-	-
CSC Infrastructure Support	3.3: LED	7 500	-	-	-	-	-	-	-	-
Co-operative support for LED	3.3: LED	-	10 000	-	-	-	-	-	-	-
Massification prog.	3.4: Mun. Infra.	22 600	20 000	63 009	-	-	-	-	-	-
Roll-over (AU donor funds)	3.4: Mun. Infra.	-	-	2 496	-	-	-	-	-	-
Water Intervention prog.	3.4: Mun. Infra.	124 000	57 000	-	-	-	-	-	-	-
Disaster Management prog.	3.5: Disaster Mgt.	-	10 000	4 000	-	-	-	-	-	-
Total		188 020	178 100	86 605	-	-	-	-	-	-

The fluctuation in transfers to local government is attributed to the spending patterns of municipalities, and caters mainly for projects under the Corridor, Massification, Disaster Management and the Small Town Rehabilitation programmes, as well as the water intervention programme, among others.

In 2023/24, funds were allocated to *Transfers and subsidies to: Provinces and municipalities* for implementing service delivery projects in municipalities, including electrification projects, the construction of a fire and disaster management centre, and the equipping of an existing disaster management centre with emergency communication and information management technology and the procurement and fitting of furniture and operational appliances, as well as the installation of solar streetlights and high masts to assist with the improvement of security in towns. Also, the department received R2.496 million for the provision of water in hot spot areas in the iLembe District Municipality. The funds were received from the AU, as explained. There are no allocations over the 2025/26 MTEF. However, the department usually budgets for further projects under *Goods and services* and then shifts the funds to *Transfers and subsidies to: Provinces and municipalities* during the Adjustments Estimate for transfer to municipalities, after an annual departmental exercise that indicates that the municipalities have the necessary capacity to deliver on the particular projects themselves. As such, the category will be reviewed in-year, and funds will be allocated for projects at a reduced scale.

7.9 Transfers and subsidies

Table 11.12 gives a summary of *Transfers and subsidies* expenditure and estimates at an item level for each programme of the department.

Details are provided in the paragraphs before and after the table. *Transfers and subsidies* fluctuates over the period due to various projects undertaken at different times.

- *Transfers and subsidies* under Programme 1 fluctuates over the seven-year period due to the following:
 - *Provinces and municipalities* relates to the payment of motor vehicle licences.
 - *Households* caters for the payment of staff exit costs, external bursaries and claims against the state. Also included is the uMsekeli Municipal Support Services pensioners' medical aid obligation.
- *Transfers and subsidies* under Programme 2 fluctuates over the seven-year period due to the following:
 - The once-off allocation against *Provinces and municipalities* in 2022/23 relates to the Municipal Excellence Awards to support municipalities that budgeted more than the National Treasury norm of 8 per cent on repairs and maintenance based on the property, plant and equipment budget for 2021/22, and taking into account how much of the repairs and maintenance budget was spent. There are no amounts allocated over the 2025/26 MTEF in this regard as this is an annual event and there were no recipient municipalities identified as best performing in 2024/25.
 - *Households* caters mainly for the payment of staff exit costs and claims against the state.
- *Transfers and subsidies* under Programme 3 shows significant fluctuations due to the following:
 - *Provinces and municipalities* represents municipal projects as explained in Section 7.8.
 - *Departmental agencies and accounts* relates to the transfer of R13 million to ADA in 2021/22, as explained in Section 7.7.
 - *Higher education institutions* relates to funds to be transferred to UKZN for a programme of action to improve the resilience of human settlements through improved spatial planning and land use management in the province. The 2023/24 transfer was withdrawn by the department because UKZN had not finalised the appointment of the four post-doctoral students to undertake the project. The decrease in 2025/26 is due to one student who dropped out.
 - *Households* caters for the payment of staff exit costs.

Table 11.12 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
1. Administration	7 457	7 037	5 736	6 019	6 623	6 576	7 151	7 854	8 068
Provinces and municipalities	484	389	533	900	838	653	1 000	1 000	1 000
Motor vehicle licences	484	389	533	900	838	653	1 000	1 000	1 000
Departmental agencies and accounts	-	1	-	-	-	-	-	-	-
Households	6 973	6 647	5 203	5 119	5 785	5 923	6 151	6 854	7 068
Staff exit costs	4 973	4 133	3 754	3 230	3 199	3 027	2 858	3 891	4 000
Bursaries and claims against the state	2 000	2 514	1 449	1 889	2 586	2 896	3 293	2 963	3 068
2. Local Governance	753	2 543	1 945	450	321	451	900	600	900
Provinces and municipalities	-	2 000	-	-	-	-	-	-	-
Municipal Excellence Award	-	2 000	-	-	-	-	-	-	-
Households	753	543	1 945	450	321	451	900	600	900
Staff exit costs	753	543	1 298	450	321	451	900	600	900
Claims against the state	-	-	647	-	-	-	-	-	-
3. Development and Planning	202 132	183 704	88 099	1 330	33 223	33 227	1 693	50	50
Provinces and municipalities	188 020	179 100	86 605	-	-	-	-	-	-
Corridor Development programme	-	11 200	-	-	-	-	-	-	-
Disaster Management programme	-	10 000	4 000	-	-	-	-	-	-
Massification prog (incl. elec. projects)	22 600	20 000	63 009	-	-	-	-	-	-
CSC Infrastructure Support	7 500	-	-	-	-	-	-	-	-
Co-operative support for LED	-	10 000	-	-	-	-	-	-	-
Small Town Rehabilitation programme	33 920	67 900	17 100	-	-	-	-	-	-
Water Intervention programme	124 000	57 000	-	-	-	-	-	-	-
Roll-over AU donor funds for flood (from OTP)	-	-	2 496	-	-	-	-	-	-
uThukela DDA	-	3 000	-	-	-	-	-	-	-
Departmental agencies and accounts	13 000	-	-	-	-	-	-	-	-
ADA	13 000	-	-	-	-	-	-	-	-
Higher education institutions	-	1 280	-	1 280	1 280	1 280	960	-	-
Public corporations and private enterprises	-	-	-	-	30 100	30 100	-	-	-
ESKOM	-	-	-	-	30 000	30 000	-	-	-
SALGA	-	-	-	-	100	100	-	-	-
Households	1 112	3 324	1 494	50	1 843	1 847	733	50	50
Staff exit costs	1 112	3 324	1 494	50	1 843	1 847	733	50	50
4. Traditional Institutional Management	20 906	41 037	71 969	250	1 141	1 182	300	550	650
Non-profit institutions	19 820	40 433	71 052	250	-	-	-	250	250
Traditional levies and trust account	19 620	40 183	70 802	-	-	-	-	-	-
Tembe Trust Account	200	250	250	250	-	-	-	250	250
Households	1 086	604	917	-	1 141	1 182	300	300	400
Staff exit costs	1 029	522	863	-	1 141	1 182	300	300	400
Claims against the state	57	82	54	-	-	-	-	-	-
Total	231 248	234 321	167 749	8 049	41 308	41 436	10 044	9 054	9 668

- *Transfers and subsidies* under Programme 4 are as follows:

- *Non-profit institutions* relates to the transfer in respect of the traditional levies and trust account that was moved from the various economic categories within Programme 4. The amounts from 2021/22 onward against the Tembe Trust Account relate to donations to support the Umthayi Amarula Festival, as explained in Section 7.7.
- *Households* caters for staff exit costs and claims against the state (third party claim for car damage).

8. Programme description

The services rendered by the department are categorised under four programmes. Details are given in the *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

The department received approval from National Treasury in June 2018 to deviate slightly from the uniform budget and programme structure for the sector, and the deviation is as follows:

- The sub-programme: Rural Development Facilitation from Programme 4 was incorporated into Programme 3.
- The sub-programme: Traditional Land Administration was shifted within Programme 4 and was incorporated into the sub-programme: Traditional Resource Administration.
- The sub-programme: IDP Co-ordination was shifted within Programme 2 and was incorporated into the sub-programme Municipal Performance, Monitoring, Reporting and Evaluation.

8.1 Programme 1: Administration

This programme comprises all support services within the department, the Office of the MEC and all special projects. This programme largely conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector. Tables 11.13 and 11.14 illustrate a summary of payments and estimates for the financial years 2021/22 to 2027/28 relating to Programme 1.

Table 11.13 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
1. Office of the MEC	14 442	16 953	27 956	23 290	17 470	21 214	21 230	25 733	28 465
2. Corporate Services	448 306	418 786	413 428	466 175	484 824	496 150	471 900	534 032	596 439
Total	462 748	435 739	441 384	489 465	502 294	517 364	493 130	559 765	624 904

Table 11.14 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
Current payments	415 307	414 084	428 047	455 866	472 354	484 569	456 758	517 479	565 420
Compensation of employees	174 761	179 105	171 607	228 273	191 433	199 684	244 792	257 393	272 210
Goods and services	240 099	234 886	256 440	227 593	280 913	284 877	211 966	260 086	293 210
Interest and rent on land	447	93	-	-	8	8	-	-	-
Transfers and subsidies to:	7 457	7 037	5 736	6 019	6 623	6 576	7 151	7 854	8 068
Provinces and municipalities	484	389	533	900	838	653	1 000	1 000	1 000
Departmental agencies and accounts	-	1	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	6 973	6 647	5 203	5 119	5 785	5 923	6 151	6 854	7 068
Payments for capital assets	28 219	14 320	7 601	27 580	23 317	26 219	29 221	34 432	51 416
Buildings and other fixed structures	-	700	420	4 300	2 600	2 894	2 000	18 000	30 962
Machinery and equipment	15 248	12 241	5 479	11 830	10 439	13 269	6 182	5 882	10 454
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	12 971	1 379	1 702	11 450	10 278	10 056	21 039	10 550	10 000
Payments for financial assets	11 765	298	-	-	-	-	-	-	-
Total	462 748	435 739	441 384	489 465	502 294	517 364	493 130	559 765	624 904

The sub-programme: Office of the MEC provides for the printing of the departmental APP, budget speech, Section 131 of the MFMA report, annual report, OSS initiatives, as well as filling of critical vacant posts. The fluctuating trend is in line with projects undertaken and the filling of critical vacant posts. The 2024/25 budget included the once-off purchase of four water tankers, and this accounts for the decrease in 2025/26. The decrease in the 2024/25 Adjusted Appropriation was as a result of slow progress with filling budgeted vacant posts. The 2025/26 MTEF caters for OSS events and the MEC's operational budget, among others.

The sub-programme: Corporate Services houses the bulk of Programme 1's budget and provides for the department's ICT system, maintenance of departmental buildings, financial management, and auxiliary services, among others. The high 2024/25 Adjusted Appropriation and Revised Estimate relates to the roll over amount from 2023/24 to 2024/25 in respect of the department's equitable share allocation, which related to the backpay to 205 *Izinduna*. A portion of R4.578 million was approved to be re-purposed to *Goods and services* under Programme 1, to cater for the department's legal services costs. Also, the 2024/25 Adjusted Appropriation was increased against *Software and other intangible assets* for the payment for the Opti ghost licence, among others, which were not fully budgeted for. The slight increase in the 2024/25 Revised Estimate can be attributed to the payment of outstanding invoices paid in respect of the lease of official buildings, as well as the department's ICT system, SITA costs, maintenance and upgrading of departmental buildings, among others. The 2025/26 MTEF allocations also cater for computer services which is inclusive of SITA costs, ICT Projects and software licences, property payments, leasing of offices, VIP security services, and the construction of Ixopo offices, among others. The increase over the MTEF caters for the filling of vacant posts, which include the Chief Operating Officer and two Deputy Directors. The funds also cater for the 1.5 per cent pay progression, increase for

housing and medical allowances, as well as the cost-of-living adjustments of 4.6 per cent, in line with National Treasury guidelines. The increase also caters for the carry-through costs of the 2024 wage agreement. The growth was also due to inflationary increments.

Compensation of employees increases over the MTEF period, and provides for the filling of critical vacant posts, among others. The decrease in the 2024/25 Adjusted Appropriation was as a result of slow progress with filling budgeted vacant posts. *Compensation of employees* shows a high increase of 27.9 per cent from the 2024/25 Adjusted Appropriation to 2025/26 to cater for the filling of 66 vacant posts. The growths of 5 per cent in 2026/27 and 5.7 per cent in 2027/28 are inflationary and will be reviewed in the next budget process. Funds were reprioritised to this category over the 2025/26 MTEF to cater for vacant posts, the 1.5 per cent pay progression, increase for housing and medical allowances, as well as the carry-through costs of the 2024 wage agreement.

Goods and services fluctuates over the MTEF period due to once-off projects such as the Microsoft migration, and the ESRI licence projects. The increase in the 2024/25 Adjusted Appropriation was in respect of payment of invoices for advertising, legal costs, and operating leases from 2023/24 which were paid in 2024/25. Additionally, the Adjusted Appropriation was increased to cater for operating payments and SITA running costs which were higher than budgeted for. Also, the increase was in relation to the roll-over amount from 2023/24 to 2024/25 in respect of the equitable share allocation. This relates to the backpay to 205 *Izinduna* allocated under this sub-programme, against *Goods and services*. A portion of R4.578 million of the roll-over was approved to be re-purposed to cater for pressures under this programme in respect of legal services, partly related to the legal costs incurred in terms of tracing *Izinduna* beneficiaries. The 2025/26 MTEF provide for the implementation of various maintenance and repair projects, advertising costs and the running costs for the departmental fleet, SITA, ICT, among others.

Interest and rent on land relates to an amended SARS reconciliation for the previous year that resulted in interest charged against the department, and hence there is no expenditure over the 2025/26 MTEF. The increase in the 2024/25 Adjusted Appropriation was in respect of overdue Telkom accounts, as explained.

Transfers and subsidies to: Provinces and municipalities relates to the payment of motor vehicle licences. The decrease in the 2024/25 Adjusted Appropriation was in respect of delays in the delivery of vehicles.

Transfers and subsidies to: Households provides for staff exit costs, external bursaries, claims against the state, and the uMsekeli Municipal Support Services pensioners' medical aid obligation, as explained. The 2025/26 MTEF allocations are in this regard.

Buildings and other fixed structures are for caters for the construction of Ixopo and Dundee COGTA district offices and new CSCs under uMzinyathi and Harry Gwala. The decrease in the 2024/25 Adjusted Appropriation was due to the postponement of the construction of the Ixopo offices to 2025/26 in order to contain spending and offset spending pressures within the department. The high growth in 2026/27 and 2027/28 caters for completion of the construction of Ixopo and Dundee district offices. The projects are anticipated to show low budget requirements initially in line with budget availability.

Machinery and equipment provides for the purchase of new and replacement vehicles and computer equipment. The high amount in 2024/25 was for the purchase of four water tankers for the department, and this accounts for the reduction in the first two outer years of the MTEF. The decrease in the 2024/25 Adjusted Appropriation was due to the postponement of the purchase of departmental fleet in order to offset spending pressures within the department. The high growth in 2026/27 is in line with the projections made for finance leases for new and existing employees and procurement of new laptops.

Software and other intangible assets caters for the purchase, maintenance and upgrade of existing software, including the GIS software upgrade, ESRI licence, Mimecast licence, Exinda licence, Symantec licence and SSL licence, among others. The 2025/26 MTEF caters for the purchase, maintenance and upgrade of existing software, including the Bandwidth Optimisation Tool, Microsoft Licence, E-leave/E-submissions, SharePoint, among others.

Payments for financial assets relates to the write-off of debts. The high 2021/22 amount included the Ingwe fraud of R7.500 million, as explained. There is no allocation for this item over the MTEF.

Service delivery measures: Administration

Table 11.15 illustrates the main service delivery measures pertaining to Programme 1. The performance indicators provided fully comply with the customised measures for the COGTA sector. The table includes both sector and non-sector measures.

Table 11.15: Service delivery measures: Administration

Outputs	Performance indicators	Estimated Performance	Medium-term targets			
		2024/25	2025/26	2026/27	2027/28	
1.1 Office of MEC						
1.1.1	Inspection sites conducted	• No. of inspections conducted	2	2	2	2
1.2 Corporate Services						
1.2.1	Clean audit opinion achieved	• No. of departmental clean audit opinions achieved	1	1	1	1
1.2.2	Payment of suppliers within 30 days	• % of suppliers/invoices paid within the 30-day period	100%	100%	100%	100%
1.2.3	Performance assessment engagements held with Ministerial representatives	• No. of performance assessment engagements held with Ministerial representatives	6	6	6	6
1.2.4	Service Delivery Model developed	• No. of Service Delivery Models developed	-	1	-	-
1.2.5	Employment opportunities for people with disabilities	• % of people with disabilities employed	3%	3%	3%	3%
1.2.6	Employment opportunities in the entry-level for youth	• % of entry-level posts filled with youth	30%	35%	40%	45%
1.2.7	All employees disclosing financial interests	• % of employees compliant with financial disclosure submission	100%	100%	100%	100%
1.2.8	Graduate interns recruited	• No. of graduate interns recruited	100	-	100	-
1.2.9	Implementation of the training plan	• % of identified personnel trained in line with the training plan	100%	100%	100%	100%
1.2.10	Departmental buildings audited for compliance with the Occupational Health and Safety Act conducted	• No. of departmental buildings audits conducted for compliance with the Occupational Health and Safety Act	17	17	17	17
1.2.11	End point cyber-security initiatives implemented	• % of end point cyber-security initiatives implemented	100%	100%	100%	100%
1.2.12	Automate business process to be more efficient	• No. ICT Strategy initiatives implemented	-	4	4	4
1.2.13	Mitigation for financial mismanagement	• % reduction of UIFW expenditure	50%	50%	50%	50%
1.2.14	Procurement awarded to designated groups	• % of procurement awarded to designated groups	60%	60%	60%	60%
1.2.15	Financial transactions assessed to identify irregular expenditure	• % of transactions assessed to identify irregular expenditure	100%	100%	100%	100%
1.2.16	Determination testing conducted on UIFW	• % of transactions subjected to determination tests for UIFW expenditure	100%	100%	100%	100%
1.2.17	Audits conducted on bid processes	• % of bid compliance audits conducted	100%	100%	100%	100%
1.2.18	Implement and enforce a zero-tolerance policy towards corruption	• % of fraud and corruption cases monitored for finalisation	100%	100%	100%	100%
1.2.19	APP developed in line with national and provincial imperatives	• No. of APPs developed	1	1	1	1
1.2.20	SDIP Implementation Monitored	• No. of assessments conducted on the implementation of SDIPs	4	3	4	4
1.2.21	Performance of the department compliant with APP requirements	• No. of performance reviews conducted	4	4	4	4
1.2.22	Evaluation of performance of departmental programmes	• No. of evaluation studies conducted on departmental programmes	2	2	2	2
1.2.23	Implementation of departmental policies monitored	• No. of policies monitored	12	212	12	12
1.2.24	Research studies conducted	• No. of research studies conducted for evidence-based policy making	2	2	2	2
1.2.25	Department compliant with legislation, policies and prescripts	• % compliance with legislation	100%	100%	100%	100%

8.2 Programme 2: Local Governance

The purpose of the programme is to co-ordinate, support, promote and enhance governance, administration and public participation in local government. This programme conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector.

Tables 11.16 and 11.17 illustrate a summary of payments and estimates for 2021/22 to 2027/28 relating to Programme 2.

Table 11.16 : Summary of payments and estimates by sub-programme: Local Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
1. Municipal Administration	53 387	58 376	58 369	61 018	59 824	55 199	65 180	61 723	59 588
2. Municipal Finance	41 088	45 648	33 745	27 410	21 610	21 403	26 449	27 894	26 824
3. Public Participation	180 640	186 373	200 150	233 857	237 833	237 526	243 898	261 502	276 869
4. Capacity Development	9 103	9 228	9 079	16 076	9 711	9 864	11 913	9 745	10 193
5. Municipal Perf., Monitoring, Reporting and Evaluation	29 324	37 451	35 363	44 716	40 664	43 019	50 107	47 051	50 151
Total	313 542	337 076	336 706	383 077	369 642	367 011	397 547	407 915	423 625

Table 11.17 : Summary of payments and estimates by economic classification: Local Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
Current payments	312 242	330 550	331 519	375 226	358 674	355 672	389 966	402 786	418 020
Compensation of employees	252 747	264 192	279 532	316 683	315 352	312 808	352 783	364 420	380 072
Goods and services	59 495	66 358	51 987	58 543	43 322	42 864	37 183	38 366	37 948
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	753	2 543	1 945	450	321	451	900	600	900
Provinces and municipalities	-	2 000	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	753	543	1 945	450	321	451	900	600	900
Payments for capital assets	547	3 983	3 242	7 401	10 647	10 888	6 681	4 529	4 705
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	547	3 983	3 242	7 401	10 647	10 888	6 681	4 529	4 705
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	313 542	337 076	336 706	383 077	369 642	367 011	397 547	407 915	423 625

The sub-programme: Municipal Administration provides oversight and functionality of IGR structures (such as MINMEC, MUNIMEC, Municipal IGR fora, etc.), enforcement of legislation and policy in local government, as well as the implementation of integrity management programmes in municipalities. The decrease in the 2024/25 Adjusted Appropriation against *Compensation of employees* was as a result of slower than anticipated filling of vacant posts. The high amount in 2025/26 compared to 2026/27 is a result of planned filling of vacant posts. The allocations over the MTEF cater for the training of municipal councillors, community outreach programmes, forensic investigations to be undertaken, as well as the appointment of municipal administrators as approved by the Provincial Executive Council. The growth over the 2025/26 MTEF is inflationary.

The sub-programme: Municipal Finance includes the financial experts' clean audit programme and special intervention projects, such as financial interventions in affected municipalities, etc. Also, the sub-programme assists with attending to irregular and wasteful expenditure and audit outcomes of the municipalities. The decrease in the 2024/25 Adjusted Appropriation was due to low consultants' costs resulting from delays in the commencement of duties by ministerial representatives to perform their duties in certain municipalities due to protests. Also, delays in the finalisation of the report relating to the municipal experts' retention fees contributed to the savings, as mentioned earlier. The 2025/26 MTEF caters for municipal projects, such as the development and maintenance of Indigent registers for municipalities, used for keeping record of all households that qualify for free basic services, financial experts' clean audit programme, planned filling of critical vacant posts, etc.

The sub-programme: Public Participation houses the bulk of the budget of Programme 2 and provides for cell phone contracts, travel and subsistence and furniture for CDWs, in order to improve their work and reporting. The sub-programme also provides for the deployment of skilled professionals and administrators in municipalities, as well as the provision of support to OSS in addressing service delivery needs of the communities, particularly communities in remote and rural areas, among others. The increase in the 2024/25 Adjusted Appropriation against *Goods and services* was mainly to cater for the appointment of service providers pertaining to the revenue and debt management project, which was

under-budgeted for. The growth over the 2025/26 MTEF can be attributed to the reprioritisation against *Compensation of employees* in respect of the planned filling of vacant posts, the 1.5 per cent adjustment for pay progression and the increase for the housing and the medical allowances, the cost-of-living adjustment in line with National Treasury guidelines, as well as the carry-through cost for the 2024 wage agreement. The 2025/26 MTEF provides for various community outreach programmes and public participation projects in municipalities. These projects involve *Izimbizo* and community dialogues with ward committees as part of the Back to Basics campaigns. Over the MTEF, the department will also monitor and support municipalities to promote participation in community-based local governance processes, respond to community concerns, as well as implement gender-based violence and Municipal workshops on legislative mandate, CDW Outreach programmes, public participation programmes (community engagement) among others.

The main function of the sub-programme: Capacity Development is to ensure the development and implementation of a comprehensive capacity building strategy for local government and traditional institutions. The high amount in 2024/25 was in respect of the roll-out of a leadership and good governance course offered by UKZN for 20 *Amakhosi*, it also catered for the new and replacement laptops for CDWs and for the development of a programme geared towards voter mobilisation relating to the 2024 general elections, well as training of TC secretaries and *Izinduna* on roles and responsibilities. The decrease in the 2024/25 Adjusted Appropriation was due to over-budgeted costs of 3Gs, cellular phones, laptops and tablets for CDWs. The MTEF allocations cater for capacity building (skills audit), LED capacity building and the planned filling of critical vacant posts, etc.

The sub-programme: Municipal Performance, Monitoring, Reporting and Evaluation relates to strategic planning support to municipalities, with a focus on development planning, capacity building and the review and development of IDPs in various municipalities. The MTEF growth is mainly inflationary, and the allocations are to support municipalities to improve their standard of service delivery, support functionality of IGR structures and governance through the improvement of PMS in municipalities, municipal service awards, travel and subsistence costs etc.

Compensation of employees reflects an increasing trend over the period, and provides for the filling of vacant posts, among others. The category shows an increase of 11.9 per cent from the 2024/25 Adjusted Appropriation to 2025/26, growth of 3.3 per cent in 2026/27 and growth of 4.3 per cent in 2027/28. The decrease in the 2024/25 Adjusted Appropriation was as a result of slower than anticipated filling of vacant posts. Over the 2025/26 MTEF, the budget provides for the filling of 66 critical vacant posts, which are in progress and six posts in 2026/27, the 1.5 per cent pay progression and the carry-through cost of the 2024 wage agreement, as well as the cost-of-living adjustment, among others.

Goods and services provides mainly for the deployment of additional skilled professionals and administrators in municipalities, cell phone contracts for CDWs, laptops, travel and subsistence and furniture, etc. The decrease in the 2024/25 Adjusted Appropriation was as a result of delays in the commencement of duties by ministerial representatives to perform their duties in certain municipalities due to protest and also delays in the finalisation of the report relating to the municipal experts' retention fees. Additionally, the decrease was due to strict internal control measures put in place against travel and subsistence to limit travelling by officials in order to fund other departmental pressures. There is inflationary growth over the MTEF and the allocations provide for the financial experts' clean audit programme and special intervention projects, such as financial interventions in affected municipalities, etc., improving standards of service delivery and governance in municipalities, the capacity building skills audit project in municipalities, among others.

The expenditure in 2022/23 against *Transfers and subsidies to: Provinces and municipalities* was in respect of the Municipal Excellence Awards, as explained.

Transfers and subsidies to: Households caters for staff exit costs and external bursaries.

Machinery and equipment caters for furniture and office and computer equipment for the filling of critical posts, as well as new and replacement vehicles. The MTEF allocations are in line with the department's project plan and cater for the replacement of laptops, desktops and purchase of computer equipment for new staff and correct classification of finance leases which was previously budgeted for under *Goods and services*.

Service delivery measures: Local Governance

Table 11.18 illustrates the main service delivery measures pertaining to Programme 2. The performance indicators fully comply with the customised measures for the COGTA sector. The table includes both sector and non-sector measures.

Table 11.18 : Service delivery measures: Local Governance

Outputs	Performance indicators	Estimated Performance	Medium-term targets			
		2024/25	2025/26	2026/27	2027/28	
2.1	Municipal Governance and Administration					
2.1.1	Appointment of competent municipal officials	• No. of municipalities supported to comply with MSA Regulations on the appointment of Senior Managers	54	54	54	54
2.1.2	Oversight structures functional	• No. of municipalities supported to maintain functional oversight structures	54	54	54	54
2.1.3	Framework on monitoring, support and application of intervention	• No. of frameworks on implementation of Section 139 interventions developed	-	1	-	-
2.2	Municipal Finance					
2.2.1	Reduction of UIFW in municipalities	• No. of municipalities supported to reduce UIFW expenditure	54	44	44	44
2.2.2	Reassess allocation of free basic services to beneficiary households. (electricity and water)	• No. of municipalities supported to provide free basic services to indigent households	-	27	27	27
2.2.3	Develop framework on prioritisation on budget allocation of repairs and maintenance on infrastructure assets	• No. of municipalities supported to ring fence budget for repairs and maintenance	54	54	54	54
2.2.4	Reduction in government debt	• No. of municipalities supported to reduce government debt	54	27	27	27
2.2.5	Section 131 reports of the MFMA submitted	• No. of reports submitted on state of municipal finance in terms of Section 131 of the MFMA	1	1	1	1
2.2.6	Municipalities guided to comply with MPRA	• No. of municipalities guided to comply with the MPRA	44	44	44	44
2.2.7	Identification of revenue streams	• No. of municipalities supported on enhanced revenue collections	-	11	11	11
2.2.8	Support municipalities on setting water cost reflective tariffs	• No. of municipalities supported on setting water cost reflective tariffs	-	14	14	14
2.2.9	Coordinate the data cleansing exercise by sampling challenged municipalities	• No. of municipalities supported on data cleansing programme	-	2	2	2
2.3	Public Participation					
2.3.1	Indigent ward profiling conducted to align with the provision of free basic services indicator	• No. of indigent ward profiling conducted to align with the provision of free basic services indicator	-	27	27	27
2.3.2	Improve Municipal Service Delivery Complaints Management system	• No. of complaints management system developed	-	1	1	1
2.3.3	Oversee the functionality of vulnerable groups units in municipalities	• No. municipalities supported with functional vulnerable groups units	-	44	44	44
2.3.4	Municipalities monitored on the implementation of GBVF responsive programmes	• No. of municipalities monitored on the implementation of GBVF responsive programmes	54	54	54	54
2.4	Capacity Building					
2.4.1	Support the implementation of Chapter 5 of the Local Government Municipal Staff regulations	• No. of municipalities supported on the implementation of Chapter 5 of the Local Government Municipal Staff regulations	11	11	11	11
2.4.2	Capacity assessment of municipalities to determine the skills deficiencies	• No. of water service authorities and licenced electricity distributors monitored on implementation of municipal workplace skills plans	38	38	38	38
2.4.3	Capacity building interventions conducted in municipalities	• No. of capacity building interventions conducted in municipalities	16	16	16	16
2.5	Municipal Performance Monitoring, Reporting and Evaluation					
2.5.1	Municipalities supported with performance management systems	• No. of municipalities supported to institutionalise performance management systems	54	54	54	54
2.5.2	Municipal performance reports compiled	• No. of Section 47 reports compiled as prescribed by the MSA	1	1	1	1
2.5.3	Assessment of municipal performance using standardised key performance indicators	• No. of municipalities assessed on municipal performance	54	54	54	54
2.5.4	Assessment of municipal performance using standardised key performance indicators	• No. of municipalities supported to standardise provincial municipal reporting	54	54	54	54

8.3 Programme 3: Development and Planning

The purpose of this programme is to promote informed integrated planning and development in the province. This programme largely conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector. Tables 11.19 and 11.20 illustrate a summary of payments and estimates for 2021/22 to 2027/28.

Table 11.19 : Summary of payments and estimates by sub-programme: Development and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Spatial Planning	27 254	30 964	33 211	37 103	34 060	34 257	38 148	34 081	35 132
2. Land Use Management	25 120	28 232	27 425	27 799	27 902	27 928	31 525	31 554	31 969
3. Local Economic Development	145 261	184 276	119 505	116 600	100 696	100 490	161 126	117 907	69 553
4. Municipal Infrastructure	266 240	189 919	145 236	106 545	153 834	149 580	88 941	61 565	71 904
5. Disaster Management	31 043	45 694	58 053	48 361	46 113	46 247	58 153	57 029	80 583
Total	494 918	479 085	383 430	336 408	362 605	358 502	377 893	302 136	289 141

Table 11.20 : Summary of payments and estimates by economic classification: Development and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	212 708	254 754	269 663	307 741	298 264	294 656	357 297	284 155	252 243
Compensation of employees	145 993	139 969	147 352	167 124	155 228	154 694	160 194	169 781	179 271
Goods and services	66 715	114 785	122 311	140 617	143 036	139 962	197 103	114 374	72 972
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	202 132	183 704	88 099	1 330	33 223	33 227	1 693	50	50
Provinces and municipalities	188 020	179 100	86 605	-	-	-	-	-	-
Departmental agencies and accounts	13 000	-	-	-	-	-	-	-	-
Higher education institutions	-	1 280	-	1 280	1 280	1 280	960	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	30 100	30 100	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 112	3 324	1 494	50	1 843	1 847	733	50	50
Payments for capital assets	80 078	40 627	25 668	27 337	31 118	30 619	18 903	17 931	36 848
Buildings and other fixed structures	79 528	26 184	22 334	26 267	21 185	21 185	15 453	15 150	17 500
Machinery and equipment	550	14 443	3 334	1 070	9 933	9 434	3 450	2 781	19 348
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	494 918	479 085	383 430	336 408	362 605	358 502	377 893	302 136	289 141

The 2025/26 MTEF allocations for Programme 3 provide for the launch of the *Amakhosi* resource mobilisation initiative and the TC's cleaning and greening programme, as mentioned above, which is expected to involve 1 000 participants. This initiative will allow traditional leaders to raise funds to utilise for their community upliftment programmes and projects. Also, the budget increase in 2025/26 reflects the rising demand for disaster management relief stock which is driven by an increase in requests from municipalities across the province due to various disasters and the allocation of Small Town Rehabilitation, water intervention and maintenance of disaster management centres, as mentioned.

The sub-programme: Spatial Planning caters for Schemes Support (housing schemes in support of home-ownership) and SDF support in municipalities. The decrease in the 2024/25 Adjusted Appropriation against *Compensation of employees* was as a result of slower than anticipated filling of vacant posts, hence the high amount in 2025/26. The MTEF allocations are in line with spending on various municipal projects, such as the Schemes Support, SDF support, nodal plans, Building Plans Information Management System, Geospatial Database Development, Contacts and Address Database and GIS Functionality, among others. The growth over the MTEF is inflationary.

The sub-programme: Land Use Management caters for projects such as the town settlement formalisation support, support to municipalities with the implementation of SPLUMA, development of provincial norms and standards, development planning legislation, as well as the remuneration of board members dealing with appeals, such as the Town Planning Appeals Board and the KZN Planning and Development Act (PDA) Tribunal Appeals Board. The MTEF caters for projects such as One Stop Local Land Offices

(Outcome of Land Governance Summit), Uniform for survey services and operational budget, among others.

The sub-programme: Local Economic Development caters for transfers undertaken for the Small Town Rehabilitation programme such as taxi rank upgrades and pothole repairs, for development initiatives, for support to CSCs for effective functionality and provision of infrastructure for *Imizi Yezizwe*. The decrease in the 2024/25 Adjusted Appropriation was as a result of slower than anticipated filling of vacant posts and due to enforced savings from the postponement of various construction and rehabilitation of CSC projects that have not been committed for 2024/25 due to financial pressures within the department. These include the Emandleni, Mangwebuthanani, Ubizo, Shabalala-Matiwane, Chwezi and Khoza Bhejane CSCs. The 2025/26 MTEF allocations caters for the construction of new, refurbishment and rehabilitation of CSCs, *Imizi Yezizwe*, *Amakhosi* resource mobilisation initiative and the TC's cleaning and greening programme, which is expected to involve 1 000 participants etc.

The sub-programme: Municipal Infrastructure supports municipalities in service delivery utilising various IGR fora, in improving delivery and maintenance of basic water services, production and maintenance of energy sources, etc. The increase in the 2024/25 Adjusted Appropriations was in respect of consultants' costs relating to the payment of invoices from 2023/24 in respect of the Project Management unit (PMU) for water intervention projects in Ugu and uThukela and electricity infrastructure projects in Msunduzi and also catered for payment of invoices for the audio-visual equipment and fire smoke alarms purchased for the PDMC. Furthermore, Programme 3's budget was increased by R30 million, which relates to the funds allocated to the department for transfer to Eskom to replace failed Eskom transformers as a result of overloading and illegal connections in the eThekwin, Ugu, uMgungundlovu, iLembe and uMkhanyakude areas. The 2025/26 MTEF budget provides for completing existing projects, such as the electrification of AbaQulusi wards 2 and 12, and new construction for an expanded scope in AbaQulusi ward 2 and the allocation for water project, among others.

The sub-programme: Disaster Management caters for Disaster Risk Management planning, holding Provincial and Municipal Disaster Management Advisory Forums, among others. The decrease in 2024/25 relates to reprioritisation from the sub-programme. The 2025/26 MTEF allocations will support municipalities with fire brigade services, maintain functional disaster management centres, provision of disaster management relief stock (blankets, food parcels, beds for stricken communities, plastic sheeting, fire alarms), as well as disaster management summits, among others.

Compensation of employees shows growth over the period and provides for the filling of posts, among others. The increase in the 2024/25 Adjusted Appropriation was to cater for the cost of the 2024 wage agreement, as well as the salary backpay to *Amakhosi* in line with the signed proclamation in July 2024 mandating a 2.5 per cent increase backdated to April 2023 and April 2024. The 2025/26 MTEF caters for the filling of ten critical vacant posts in 2025/26, six posts in 2026/27 and six posts in 2027/28. Further, the increase was in respect of the *Amakhosi* salary increase and was also respect to ten *ubukhosi* vacancies under the following areas, namely Ugu, eThekwin, uMzinyathi, King Cetshwayo, Harry Gwala, uThukela and Amajuba. The budget has sufficient growth to fill all vacant posts and provides for the 1.5 per cent pay progression and the carry-through cost of the 2024 wage agreement and the cost-of-living adjustment over the MTEF.

Goods and services relates to various projects undertaken under the Small Town Rehabilitation, Massification, Corridor Development, water intervention programmes, nodal plans, implementation of spatial equity norms and standards, the SDF support, Geospatial Land Register and Development Application Management System programmes, among others. The department usually budgets for these programmes against this category and the funds are shifted to *Transfers and subsidies to: Provinces and municipalities* in-year after an annual exercise indicates that the municipalities have the necessary capacity to deliver on the particular projects themselves. The decrease in 2026/27 and 2027/28 relates to the carry through effects of historic budget cuts affected against this item, as well as reprioritisation from this category to Programmes 1, 2 and to other sub-programmes within Programme 3. The allocations over the MTEF are in respect of projects undertaken under the Small Town Rehabilitation, Corridor Development, and LED programmes, but at a reduced scale. The high 2025/26 amount relates to projects for the construction of new, as well as refurbishment and rehabilitation of CSCs, the *Amakhosi* resource

mobilisation initiative and the TC's cleaning and greening programme, which is expected to involve 1 000 participants and Small Town Rehabilitation, among others.

Transfers and subsidies to: Provinces and municipalities caters for the Small Town Rehabilitation, Corridor Development and Massification programmes, among others, which are originally budgeted for under *Goods and services*, as explained. The allocation under this category is reviewed in-year and annually. This is because the department usually budgets for projects under *Goods and services* and then shifts the funds to *Transfers and subsidies to: Provinces and municipalities* during the Adjustments Estimate for transfer to municipalities, after an annual departmental exercise indicates that the municipalities have the necessary capacity to deliver on the projects themselves.

Transfers and subsidies to: Departmental agencies and accounts caters for various once-off projects. The amount of R13 million in 2021/22 was in respect of the transfer to ADA, as explained.

The allocations against *Transfers and subsidies to: Higher education institutions* are in respect of a programme of action to improve the resilience of human settlements through improved spatial planning and land use management in the province, as explained under Section 7.9.

Transfers and subsidies to: Public corporations and private enterprises was increased in the 2024/25 Adjusted Appropriation due to a once-off transfer to SAPI for the Planning African Conference 2024 in Durban in August 2024 in partnership with the department. Also, Programme 3's budget was increased by R30 million and relates to the funds allocated to the department for transfer to Eskom to replace failed Eskom transformers as a result of overloading and illegal connections in the eThekweni, Ugu, uMgungundlovu, iLembe and uMkhanyakude areas. There is no allocation under this item over the 2025/26 MTEF.

Transfers and subsidies to: Households caters mainly for staff exit costs.

Buildings and other fixed structures provides for the construction and rehabilitation of CSCs and houses for Amakhosi, among others. The category fluctuates in line with the number of projects undertaken. The decrease in the 2023/24 was attributed to the slow movement of CSC projects in respect of new construction, as well as refurbishment and rehabilitation projects, and changes needed to be made to the implementation plan for *Imizi Yezizwe* from a transfer to in-house implementation. The decrease in the 2024/25 Adjusted Appropriation was mainly due to enforced savings from the postponement of various construction and rehabilitation of CSC projects that have not been committed for 2024/25 due to financial pressures within the department.

Machinery and equipment caters for office and computer equipment. The high amount in 2022/23 was in respect of the purchase of office and computer equipment for existing and newly appointed staff, as well as the procurement of an integrated disaster communication system, which will be used by the PDMC and mapping of disaster incidents data, as explained, among others. The increase in the 2024/25 Adjusted Appropriation was in respect of payment of invoices for the audio-visual equipment and fire smoke alarms purchased for PDMC. These were costs from 2023/24. The procurement process took longer than expected in the previous year, and the department had to change the specifications due to high quotations from service providers in the first procurement attempt. The high amount in 2027/28 provides for modified water trucks, fire engines with equipment and departmental fleet.

Service delivery measures: Development and Planning

Table 11.21 gives the main service delivery measures pertaining to Programme 3.

The performance indicators provided do not comply fully with the customised measures for the COGTA sector and are currently being reviewed by the department. The table includes both sector and non-sector measures.

Table 11.21: Service delivery measures: Development and Planning

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2024/25	2025/26	2026/27	2027/28	
3.1	Spatial Planning					
3.1.1	Provincial SDFs monitored for implementation	• No. of provincial SDFs monitored for implementation	1	1	1	1
3.1.2	Develop Spatial Planning and Land Use Management Bill	• No. of Spatial Planning and Land Use Management Bills developed	-	1	-	-
3.1.3	Traditional Settlement Master Plans developed	• No. of Traditional Settlement Master Plans developed	11	11	11	11
3.2	Land Use Management					
3.2.1	Hands-on support with strong monitoring of oversight committees	• No. of municipalities supported to maintain functional Municipal Planning Tribunals (MPTs)	44	44	44	44
3.2.2	Municipalities supported to implement an effective Land Use Management system	• No. of municipalities supported to implement an effective Land Use Management system	44	44	44	44
3.2.3	Improving municipal policies, bylaws and regulations	• No. of municipalities supported with review and update of bylaws on municipal SPLUMA	44	44	44	44
3.3.	Local Economic Development (Special initiatives)					
3.3.1	Revamp LED – LED grant	• % of identified SMMEs supported in line with the Funding Approach (Inclusive LED programmes)	100%	100%	100%	100%
3.3.2	Coordinate and oversee the implementation of trading bylaws.	• No. of municipalities supported to implement trading bylaws.	-	44	44	44
3.3.3	Review LED strategies to ensure inclusion municipal financial viability interventions	• No. of municipal LED strategies monitored for implementation of financially viable interventions	-	54	54	54
3.3.4	Municipalities supported to implement the Provincial Small Town Revitalisation Strategy	• No. of municipalities supported to implement the Provincial Small Town Revitalisation Strategy	-	5	5	5
3.3.5	Support municipal initiatives for the implementation for business retention, attractions and expansion strategies	• % of identified support initiatives for business retention attractions and expansion strategies implemented	-	6	6	6
3.3.6	Implementation of one catalytic project per district	• No. of catalytic projects implemented per district	-	11	11	11
3.3.7	Pilot one initiative of Invest Rural Master Plan in prioritised districts (uThukela & Zululand)	• No. of Traditional Councils projects implemented through the Invest Rural Master Plan	-	2	2	2
3.3.8	Support 30 Amakhosi with income-generating resources	• No. of Amakhosi supported with income generating initiatives	-	30	30	30
3.3.9	Coordinate and facilitate partnerships between traditional authorities and private sectors to support economic development initiatives	• No. of partnerships developed for economic development initiatives between traditional authorities and private sector	-	1	-	-
3.3.10	Better management of informal trading through the management of space allocation for informational traders	• No. of informal trading through the management of space allocation for informational traders	-	10	10	10
3.3.11	Support district social compact	• No. of social compact/ partnerships with government, labour, civil society and private sector developed	-	10	-	-
3.3.12	Implement a small-scale mining and social labour plans beneficiation programme for traditional communities.	• No. of small-scale mining and SLP beneficiation programmes implemented	-	1	1	1
3.4.	Local Economic Development (CSCs)					
3.4.1	New CSCs at construction phase	• No. of CSCs at construction phase	2	2	2	2
3.5	Local Economic Development (EPWP)					
3.5.1	Increase participation in public employment programmes	• No. of EPWP work opportunities created	1 000	1 000	1000	1000
3.5.2	Traditional Councils Cleaning and Greening Programmes implemented	• No. of work opportunities created through Traditional Councils Cleaning and Greening Programme	-	524	524	524
3.5.3	In-service training programme implemented	• No. of students recruited to participate in the in-service training programme	-	50	50	50
3.5.4	Exit work opportunities programmes for women participants over the age of 55 implemented	• No. of exit work opportunities programmes created for women participants over the age of 55	-	1	1	1

Table 11.21: Service delivery measures: Development and Planning

Table 11.2.1: Service delivery measures: Development and Planning						
Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2024/25	2025/26	2026/27	2027/28
3.5.5	Key partnerships for skills development targeting vulnerable groups established	<ul style="list-style-type: none">No. of key partnerships established for skills development targeting vulnerable groups.	-	1	1	1
3.6	Local Economic Development (CWP)					
3.6.1	Work opportunities reported through CWP	<ul style="list-style-type: none">No. of work opportunities reported through CWP	45 000	45 000	45 000	45 000
3.7	Municipal Infrastructure					
3.7.1	Implementation of water access and water quality improvement programmes/projects through the 7 pillars of Provincial Water Master Plan	<ul style="list-style-type: none">% of Water Master Plan Interventions implementation	100%	100%	100%	100%
3.7.2	Oversee compliance to grant requirements on labour intensive methods, skills development and economic empowerment.	<ul style="list-style-type: none">% of identified labour intensive skills development programmes implemented	-	100%	100%	100%
3.7.3	Develop Provincial Energy Master Plan	<ul style="list-style-type: none">No. of energy master plans developed	-	1	1	1
3.7.4	Facilitate the implementation of interventions to address the non-technical energy losses	<ul style="list-style-type: none">No. of municipalities supported with the implementation of energy loss strategies	-	12	12	12
3.7.5	Support municipalities to review storm water management plans	<ul style="list-style-type: none">No. of municipalities supported to review storm water management plans	-	9	9	9
3.7.6	WSAs monitored on implementation of operations and maintenance plans	<ul style="list-style-type: none">No. of WSAs monitored on implementation of operations and maintenance plans	-	14	14	14
3.7.7	Municipalities monitored on the implementation of infrastructure delivery programmes	<ul style="list-style-type: none">No. of municipalities monitored on the implementation of infrastructure delivery programmes	53	53	53	53
3.7.8	Dysfunctional municipalities supported with the management and expenditure of grant funding in line with Risk Adjusted Approach	<ul style="list-style-type: none">% of dysfunctional municipalities supported with the management and expenditure of grant funding	100%	100%	100%	100%
3.7.9	Compliance with Provincial Treasury Infrastructure Planning and Reporting Circular	<ul style="list-style-type: none">No. of districts monitored on the spending of national grants	10	10	10	10
3.7.10	Bulk water supply projects monitored for Implementation	<ul style="list-style-type: none">% of regional bulk infrastructure projects monitored for implementation	100%	100%	100%	100%
3.8	Disaster Management					
3.8.1	Municipalities supported to maintain functional disaster management centres	<ul style="list-style-type: none">No. of municipalities supported to maintain functional disaster management centres	11	11	11	11
3.8.2	Provision of financial & technical support to municipalities for the construction of DM centres and fire stations.	<ul style="list-style-type: none">No. of municipalities supported on establishment of disaster management centre and fire stations	-	2	2	2
3.8.3	Municipalities supported on fire brigade services	<ul style="list-style-type: none">No. of municipalities supported on fire brigade services	-	11	11	11
3.8.4	Support municipalities with the implementation of disaster management risk reduction programmes	<ul style="list-style-type: none">No. of disaster risk reduction initiatives implemented in municipalities	-	4	4	4
3.8.5	Post disaster grants monitored	<ul style="list-style-type: none">% of post disaster grants monitored	100%	100%	100%	100%
3.8.6	Integrated communication systems installed	<ul style="list-style-type: none">No. of integrated communication systems installed	1	1	-	-

8.4 Programme 4: Traditional Institutional Management

The purpose of this programme is to support the Institutions of Traditional leadership on governance, conflict management, partnerships and participation on Municipal Councils. This programme largely conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector. Tables 11.22 and 11.23 illustrate a summary of payments and estimates for 2021/22 to 2027/28 relating to Programme 4.

Table 11.22 : Summary of payments and estimates by sub-programme: Traditional Institutional Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
1. Traditional Institutional Administration	442 622	473 694	1 142 081	547 635	595 165	584 605	561 903	625 200	638 605
2. Traditional Resource Administration	68 047	94 032	96 790	93 481	89 682	91 906	100 680	119 702	129 105
Total	510 669	567 726	1 238 871	641 116	684 847	676 511	662 583	744 902	767 710

Table 11.23 : Summary of payments and estimates by economic classification: Traditional Institutional Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
Current payments	489 705	526 167	1 166 166	638 596	678 509	669 632	657 061	733 931	758 978
Compensation of employees	155 757	163 425	178 439	172 874	186 574	180 890	193 952	207 014	217 092
Goods and services	333 948	362 742	987 727	465 722	491 935	488 742	463 109	526 917	541 886
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	20 906	41 037	71 969	250	1 141	1 182	300	550	650
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	19 820	40 433	71 052	250	-	-	-	250	250
Households	1 086	604	917	-	1 141	1 182	300	300	400
Payments for capital assets	58	522	736	2 270	5 197	5 697	5 222	10 421	8 082
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	58	522	736	2 270	5 197	5 697	5 222	10 421	8 082
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	510 669	567 726	1 238 871	641 116	684 847	676 511	662 583	744 902	767 710

The sub-programme: Traditional Institutional Administration provides for the remuneration of *Amakhosi*, *Izinduna* and TC secretaries, support to traditional institutions and the TC elections, installation and recognition of *Amakhosi*, dispute resolutions, among others. The substantial increase in 2023/24 was attributed to the once-off amount of R631.083 million allocated by National Treasury to settle the backpay owed to the *Izinduna* in this province, and this accounts for the decrease from 2023/24 to 2024/25. The increase in the 2024/25 Adjusted Appropriation was mainly due to an amount of R30.540 million which was rolled over from 2023/24 to 2024/25 in respect of the equitable share allocation, as explained. This relates to the backpay to 205 *Izinduna* allocated under this sub-programme, against *Goods and services*. The further increase relates to *Compensation of employees* to cater for the cost of the 2024 wage agreement, as well as the salary backpay to *Amakhosi* in line with the signed proclamation in July 2024 mandating a 2.5 per cent increase backdated to April 2023 and April 2024. The MTEF provides for the operating payments associated with the carry-through costs for the unfreezing of *Izinduna* vacancies, as explained above, additional *Izinduna* vacancies, filled *Amakhosi* positions, along with the Chairperson and Deputy Chairperson of Provincial House. Additionally, provisions are made for sitting allowances, which vary depending on the number of meetings held. The budget also accounts for salary increases for *Amakhosi* as per the proclamation and includes provisions for ten vacant *Amakhosi* positions. Over the 2025/26 MTEF, the department has budgeted to pay 3 077 *Izinduna* with a budget of R389.455 million in 2025/26, R434.498 million in 2026/27 and R442.177 million in 2027/28, in line with the number of *Izigodi*. The provincial allocation in this regard is R187.760 million in 2025/26, R196.453 million in 2026/27 and R205.439 million in 2027/28, and the difference is allocated from within the department's budget.

The sub-programme: Traditional Resource Administration caters for the implementation of financial controls in municipalities and capacity building programmes for *Amakhosi*. The decrease in the 2024/25 Adjusted Appropriation and Revised Estimate, as well as in 2025/26 was due to reprioritisation from this sub-programme for *Compensation of employees* in respect of the *Amakhosi* salary increase, staff exit costs and for the procurement of tools of trade for staff and 260 *Amakhosi*. The MTEF allocations provide for various initiatives, including a knowledge sharing seminar between Traditional Leaders and experts in various fields, research and capacity building programmes, among others.

Compensation of employees caters for the filling of posts, among others. The increase in the 2024/25 Adjusted Appropriation was to cater for the *Amakhosi* salary increase, as well as provision with respect to ten *ubukhosi* vacancies under the following areas, namely Ugu, eThekweni, uMzinyathi, King Cetshwayo, Harry Gwala, uThukela and Amajuba. The vacancies resulted from deaths and the department had commenced with the filling of these vacancies. The MTEF allocations show growth of 3.9 per cent in 2025/26, and growth of 6.7 per cent in 2026/27 and 4.8 per cent in 2027/28 and will be reviewed in the next budget process. The allocations over the MTEF cater for the filling of eleven critical vacant posts, as explained. The budget for 2025/26 will be reviewed in line with filling of the eight posts, the 1.5 per cent pay progression and the carry-through cost of 2024 wage agreement.

Goods and services relates to the sitting allowance of TC members, dispute resolutions, capacity building programmes, installation and recognition of *Amakhosi*, stipends for *Izinduna*, among others. The substantial increase in 2023/24 was attributed to the once-off amount of R631.083 million allocated by National Treasury to settle the backpay owed to the *Izinduna* in this province, and this accounts for the decrease in 2024/25. The increase in the 2024/25 Adjusted Appropriation was mainly due to an amount of R30.540 million which was rolled over from 2023/24 to 2024/25 in respect of the equitable share allocation. This relates to the backpay to 205 *Izinduna*, as explained. The MTEF allocations provide for funding to cover the operating payments associated with the carry-through costs for the unfreezing of *Izinduna* vacancies and filling of *Izinduna* vacancies etc, as explained above. The department conducts quarterly physical verification of *Izinduna* and posts found to have outstanding information are frozen until such a time that all the required information for the verification is received. Currently the department is not paying for those *Izinduna* which were not verified, and payment will be made once all information is verified.

Transfers and subsidies to: Non-profit institutions relates to expenditure for the traditional levies and trust account moved from the various economic categories within Programme 4, as explained. The decrease in the 2024/25 Adjusted Appropriation relates to funds that were not be transferred to the Tembe Trust Account in support of the Umthayi Amarula Festival as the department was no longer be supporting the festival due to the various spending pressures within the department and this also accounts for no allocation being made in this regard in 2025/26.

Transfers and subsidies to: Households caters for staff exit costs.

Machinery and equipment caters for the purchase of office and computer equipment, etc. The increase in the 2024/25 Adjusted Appropriation was for the procurement of tools of trade for staff and 260 *Amakhosi*. The allocations over the 2025/26 MTEF are for the purchase of new and replacement office and computer equipment, as well as well the correct classification of finance leases which was previously budgeted for under *Goods and services*.

Service delivery measures: Traditional Institutional Management

Table 11.24 illustrates the main service delivery measures pertaining to Programme 4. The table includes sector and non-sector measures.

Table 11.24: Service delivery measures: Traditional Institutional Management

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2024/25	2025/26	2026/27	2027/28	
4.1. Traditional Institutional Administration						
4.1.1 Resolution of succession claims/disputes	• % of Traditional Leadership succession disputes processed	100%	100%	100%	100%	
4.1.2 Functionality of the Provincial and Local House(s) and its sub-committees monitored	• No. of Provincial Houses monitored for functionality	1	1	1	1	
4.1.3 Functionality of the Provincial and Local House(s) and its sub-committees monitored	• % of Local Houses monitored for functionality	100%	100%	100%	100%	
4.1.4 Anti GBVF Intervention/campaigns for traditional leadership	• No. of Anti GBVF, racism, sexism, ethnicity and intolerance Intervention/campaigns conducted	2	2	2	2	
4.1.5 Traditional Councils supported to perform their functions	• No. of Traditional Councils supported to perform their functions	307	307	307	307	
4.1.6 Amakhosi recognised	• % of Amakhosi/ Amabambabukhosi recognised within 6 months of <i>ubukhosi</i> position becoming vacant	100%	100%	100%	100%	

Table 11.24: Service delivery measures: Traditional Institutional Management

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2024/25	2025/26	2026/27	2027/28	
4.1.7	Promote social cohesion	3	3	3	3	
4.1.8	TCs supported to have clearly demarcated boundaries enabling Integrated Land Use Management Systems	100%	100%	100%	100%	
4.1.9	Training programme on LED initiatives to attract investors for land owned by Amakhosi	1	1	1	1	

9 Other programme information

9.1 Personnel numbers and costs

Table 11.25 provides detail of the department's approved establishment and personnel numbers, per level and programme. This category includes the payment of CDWs, over the MTEF. The table also gives a breakdown of employees' dispensation classification. Details are provided in the paragraphs below.

Table 11.25 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF		
	2021/22		2022/23		2023/24		2024/25				2025/26		2026/27		2027/28		2024/25 - 2027/28		
	Pers. Nos.1	Costs	Pers. Nos.1	Costs	Pers. Nos.1	Costs	Filled posts	Addit. posts	Pers. Nos.1	Costs	Pers. Nos.1	Costs	Pers. Nos.1	Costs	Pers. Nos.1	Costs	Pers. growth rate	Costs growth rate	% of Total
R thousands																			
Salary level																			
1 – 7	735	245 193	703	252 626	714	270 452	763	15	778	309 816	845	348 385	850	362 427	850	375 232	3.0%	6.6%	36.2%
8 – 10	225	138 438	212	143 438	254	134 779	238	14	252	158 965	298	187 244	298	200 855	298	212 828	5.7%	10.2%	19.8%
11 – 12	157	145 218	159	150 218	164	160 954	166	8	174	167 733	185	191 772	196	200 629	196	212 336	4.0%	8.2%	20.1%
13 – 16	64	82 914	64	82 914	64	76 499	70	8	78	96 770	80	111 085	80	120 161	80	128 067	0.8%	9.8%	11.9%
Other	747	117 495	1 093	117 495	656	134 246	53	288	341	114 792	390	113 235	380	114 536	380	120 182	3.7%	1.5%	12.1%
Total	1 928	729 258	2 231	746 691	1 852	776 930	1 290	333	1 623	848 076	1 798	951 721	1 804	998 608	1 804	1 048 645	3.6%	7.3%	100.0%
Programme																			
1. Administration	393	174 761	335	179 105	326	171 607	317	27	344	199 684	432	244 792	432	257 393	432	272 210	7.9%	10.9%	25.2%
2. Local Governance	517	252 747	537	264 192	532	279 532	637	1	638	312 808	665	352 783	665	364 420	665	380 072	1.4%	6.7%	36.5%
3. Development and Planning	590	145 993	939	139 969	564	147 352	191	-	191	154 694	247	160 194	253	169 781	253	179 271	9.8%	5.0%	17.4%
4. Traditional Institutional Management	428	155 757	420	163 425	430	178 439	145	305	450	180 890	454	193 952	454	207 014	454	217 092	0.3%	6.3%	20.9%
Total	1 928	729 258	2 231	746 691	1 852	776 930	1 290	333	1 623	848 076	1 798	951 721	1 804	998 608	1 804	1 048 645	3.6%	7.3%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	1 150	579 848	1 103	597 281	1 186	630 722	1 225	45	1 270	719 538	1 394	822 092	1 410	867 098	1 410	910 725	3.5%	8.2%	86.3%
PSA appointees to be covered by OSDs	21	20 697	22	20 697	1	6 641	4	-	4	6 768	4	6 960	4	7 140	4	7 461	-	3.3%	0.7%
Prof. Nurses, Staff Nurses, Nursing Assist.	1	718	1	718	1	713	1	-	1	724	1	735	1	746	1	780	-	2.5%	0.1%
Legal Professionals	4	5 367	7	5 367	4	1 915	3	-	3	3 201	3	3 351	3	3 501	3	3 659	-	4.6%	0.4%
Engineering Prof. and related occupations	5	5 133	5	5 133	4	2 693	4	-	4	3 053	6	5 348	6	5 587	6	5 838	14.5%	24.1%	0.5%
Others such as interns, learnerships, etc	747	117 495	1 093	117 495	656	134 246	53	288	341	114 792	390	113 235	380	114 536	380	120 182	3.7%	1.5%	12.1%
Total	1 928	729 258	2 231	746 691	1 852	776 930	1 290	333	1 623	848 076	1 798	951 721	1 804	998 608	1 804	1 048 645	3.6%	7.3%	100.0%

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

Compensation of employees reflects healthy growth over the 2025/26 MTEF. The significant increase from 2021/22 to 2022/23 was to cater for 170 critical vacant posts. The growth over the 2025/26 MTEF caters for the filling of vacant posts, among others. This category shows growth of 12.2 per cent from the 2024/25 Adjusted Appropriation to 2025/26. Also, there is an increase of 4.9 per cent in 2026/27 and 5 per cent in 2027/28. The department plans to fill 101 vacant posts in 2025/26 and 6 vacant posts in 2026/27 and 2027/28, as mentioned. The department has catered for sufficient growth to fill all vacant posts and has budgeted for the 1.5 per cent pay progression and the carry-through cost of the 2024 wage agreement and the cost-of-living adjustment for 2025 in line with National Treasury guidelines, over the MTEF.

Others (*interns, EPWP, learnerships*) includes the CDWs appointed to bridge the gap between government and the community and strengthen integration and co-ordination of services provided by government and access to these services by communities. These officials are included against the respective salary levels (mainly level 6).

9.2 Training

Table 11.26 gives a summary of departmental spending and information on training per programme over the seven-year period from 2021/22 to 2027/28. The department is required by the Skills Development Act

to budget at least 1 per cent of its salary expenses on staff training, to cater for human resource development, and the department meets this requirement.

The training budget is centralised under Programme 1 and Programme 4 against the sub-programme: Corporate Services, Directorate: Human Capital Development and Traditional Resource Administration, respectively, which aims to facilitate the management of all training undertaken in the department and ensuring that training is obtained from accredited training institutions. Expenditure on training fluctuates and is based on the training needs of staff during a particular period. The department reviews the staff training needs on an annual basis. The department has also allocated a budget for Capacity Building for *Amakhosi*.

Table 11.26 : Information on training: Co-operative Governance and Traditional Affairs

R thousand	Audited 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	1 928	2 231	1 852	1 623	1 623	1 623	1 798	1 804	1 804
Number of personnel trained	1 709	1 709	1 709	341	341	341	341	341	341
of which									
Male	685	690	690	110	110	110	110	110	110
Female	1 024	1 019	1 019	231	231	231	231	231	231
Number of training opportunities	95	107	107	14	14	14	15	15	15
of which									
Tertiary	9	12	12	-	-	-	1	1	1
Workshops	20	24	24	2	2	2	2	2	2
Seminars	15	17	17	-	-	-	-	-	-
Other	51	54	54	12	12	12	12	12	12
Total departmental receipts	90	114	90	55	10	10	60	80	100
Number of interns appointed	72	72	72	100	60	60	100	100	100
Number of learnerships appointed	-	-	-	-	-	-	-	10	10
Number of days spent on training	140	147	147	147	147	147	46	46	46
Payments on training by programme									
1. Administration	1 088	2 058	1 666	1 000	1 582	1 582	2 000	1 000	2 000
2. Local Governance	-	-	-	-	-	-	-	-	-
3. Development and Planning	-	-	-	-	-	-	-	-	-
4. Traditional Institutional Management	-	-	-	-	5 345	-	-	-	-
Total	1 088	2 058	1 666	1 000	6 927	1 582	2 000	1 000	2 000

Training programmes prioritised over the 2025/26 MTEF will form part of the Workplace Skills and Personal Development Plans and will be implemented using the allocated budget to ensure the capacitation and enhancement of employees' skills. Also, interns will be appointed to participate in the internship programme for 24 months. Furthermore, the department will continue to support employees, as well as youth who are pursuing or furthering their studies through different institutions. That will be guided by the departmental approved policies and procedures. Employees will also be encouraged to enrol for free online courses offered by the National School of Governance (NSG). Job specific training programmes will be prioritised, and accredited training providers will be sourced following proper SCM processes. The department will ensure that budget allocated for bursary benefits those that have limited or no means at all to pursue qualifications for employability and promotions in order to contribute to the alleviation of unemployment and to government priorities.

ANNEXURE – VOTE 11: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Table 11.A : Details of departmental receipts: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	1 574	1 598	1 734	1 730	1 730	1 589	1 602	1 734	1 812
Sale of goods and services produced by department (excluding capital assets)	1 569	1 598	1 734	1 730	1 730	1 589	1 602	1 734	1 812
Sale by market establishments	678	635	800	620	620	538	572	622	650
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	891	963	934	1 110	1 110	1 051	1 030	1 112	1 162
Of which									
Commission	828	925	650	974	974	1 007	974	974	1 018
Tender documents	21	15	294	25	25	4	25	25	26
Sale: Asset <R5000	39	-	-	150	150	40	150	150	157
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	5	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 463	91	120	69	69	69	72	75	78
Interest	1 463	91	120	69	69	69	72	75	78
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	2 580	-	1 600	1 600	1 600	1 700	1 800	1 881
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	2 580	-	1 600	1 600	1 600	1 700	1 800	1 881
Transactions in financial assets and liabilities	7 021	1 689	2 696	1 528	1 528	5 983	1 597	1 668	1 743
Total	10 058	5 958	4 550	4 927	4 927	9 241	4 971	5 277	5 514

Table 11.B : Payments and estimates by economic classification: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	1 429 962	1 525 555	2 195 395	1 777 429	1 807 801	1 804 529	1 861 082	1 938 351	1 994 661
Compensation of employees	729 258	746 691	776 930	884 954	848 587	848 076	951 721	998 608	1 048 645
Salaries and wages	646 025	655 474	679 596	787 445	741 289	740 825	827 151	866 805	909 168
Social contributions	83 233	91 217	97 334	97 509	107 298	107 251	124 570	131 803	139 477
Goods and services	700 257	778 771	1 418 465	892 475	959 206	956 445	909 361	939 743	946 016
Administrative fees	1 031	1 583	2 138	3 047	3 230	3 250	2 925	3 819	4 036
Advertising	15 074	13 258	16 534	10 372	17 092	18 157	12 622	16 150	24 378
Minor assets	598	1 146	589	1 130	1 581	1 600	1 215	575	1 648
Audit cost: External	9 427	9 536	8 394	8 000	7 312	7 312	10 250	6 300	5 500
Bursaries: Employees	45	1 177	1 345	1 319	1 143	1 142	1 000	6 650	7 150
Catering: Departmental activities	759	2 002	1 931	4 119	4 277	4 223	4 724	7 873	8 299
Communication (G&S)	14 611	14 264	8 308	16 624	12 867	14 182	9 463	9 882	11 169
Computer services	52 423	40 164	37 579	47 759	65 079	64 362	43 881	55 152	59 495
Cons & prof sev: Business and advisory services	83 594	120 808	95 095	111 754	125 610	119 608	179 931	92 448	45 830
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	15 204	15 117	15 438	12 420	26 666	26 166	8 690	13 290	12 690
Scientific and technological services	-	-	-	-	-	-	-	-	-
Contractors	12 931	13 681	36 479	46 809	37 491	35 534	27 542	37 207	45 582
Agency and support / outsourced services	9 766	6 184	8 618	12 000	10 708	13 338	11 836	13 236	14 236
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	14 960	21 493	22 092	20 400	20 211	23 542	17 400	22 300	22 600
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	67	-	-	-	-	1 000	1 000
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	4 084	4 790	6 828	4 500	4 500	4 500	4 000	6 000	6 000
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	3 488	3 525	5 893	4 000	4 574	4 249	3 500	4 500	6 500
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	6 652	8 527	21 044	13 000	8 161	8 386	6 000	7 000	7 000
Consumable supplies	4 339	3 037	6 424	12 013	9 169	9 614	6 656	8 085	9 601
Consumable: Stationery, printing and office supplies	13 234	8 678	12 619	10 117	7 582	7 284	7 502	10 262	11 099
Operating leases	33 467	29 010	22 500	32 677	38 739	35 790	36 558	38 689	41 296
Rental and hiring	5 263	6 937	1	-	52	48	-	-	-
Property payments	48 994	61 984	71 116	54 556	64 562	65 546	46 360	59 379	66 049
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	18 240	34 655	44 664	48 190	37 280	38 485	47 197	54 839	61 064
Training and development	1 088	2 058	1 666	1 000	6 927	1 582	2 000	1 000	2 000
Operating payments	330 985	355 157	971 103	416 669	444 393	448 415	418 109	464 107	471 794
Venues and facilities	-	-	-	-	-	130	-	-	-
Interest and rent on land	447	93	-	-	8	8	-	-	-
Interest	447	93	-	-	8	8	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	231 248	234 321	167 749	8 049	41 308	41 436	10 044	9 054	9 668
Provinces and municipalities	188 504	181 489	87 138	900	838	653	1 000	1 000	1 000
Provinces	484	389	533	900	838	653	1 000	1 000	1 000
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	484	389	533	900	838	653	1 000	1 000	1 000
Municipalities	188 020	181 100	86 605	-	-	-	-	-	-
Municipalities	188 020	178 100	86 605	-	-	-	-	-	-
Municipal agencies and funds	-	3 000	-	-	-	-	-	-	-
Departmental agencies and accounts	13 000	1	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	13 000	1	-	-	-	-	-	-	-
Higher education institutions	-	1 280	-	1 280	1 280	1 280	960	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	30 100	30 100	-	-	-
Public corporations	-	-	-	-	30 100	30 100	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	30 100	30 100	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	19 820	40 433	71 052	250	-	-	-	250	250
Households	9 924	11 118	9 559	5 619	9 090	9 403	8 084	7 804	8 418
Social benefits	7 867	8 522	7 409	3 730	6 504	6 507	4 791	4 841	5 350
Other transfers to households	2 057	2 596	2 150	1 889	2 586	2 896	3 293	2 963	3 068
Payments for capital assets	108 902	59 452	37 247	64 588	70 279	73 423	60 027	67 313	101 051
Buildings and other fixed structures	79 528	26 884	22 754	30 567	23 785	24 079	17 453	33 150	48 462
Buildings	11 521	25 876	22 334	30 567	21 899	22 193	17 453	33 150	48 462
Other fixed structures	68 007	1 008	420	-	1 886	1 886	-	-	-
Machinery and equipment	16 403	31 189	12 791	22 571	36 216	39 288	21 535	23 613	42 589
Transport equipment	3 964	21 866	2 477	9 800	2 919	2 919	3 000	4 000	-
Other machinery and equipment	12 439	9 323	10 314	12 771	33 297	36 369	18 535	19 613	42 589
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	12 971	1 379	1 702	11 450	10 278	10 056	21 039	10 550	10 000
Payments for financial assets	11 765	298	-	-	-	-	-	-	-
Total	1 781 877	1 819 626	2 400 391	1 850 066	1 919 388	1 919 388	1 931 153	2 014 718	2 105 380

Table 11.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25	2024/25	2024/25	2025/26	2026/27	2027/28
Current payments	415 307	414 084	428 047	455 866	472 354	484 569	456 758	517 479	565 420
Compensation of employees	174 761	179 105	171 607	228 273	191 433	199 684	244 792	257 393	272 210
Salaries and wages	154 312	155 664	146 882	204 837	164 542	171 801	212 073	224 020	238 455
Social contributions	20 449	23 441	24 725	23 436	26 891	27 883	32 719	33 373	33 755
Goods and services	240 099	234 886	256 440	227 593	280 913	284 877	211 966	260 086	293 210
Administrative fees	689	879	1 309	949	1 210	1 343	979	1 093	1 206
Advertising	14 986	13 123	16 419	9 900	17 024	18 089	10 900	14 249	22 395
Minor assets	507	588	220	350	901	930	435	565	628
Audit cost: External	9 427	9 536	8 394	8 000	7 312	7 312	5 100	5 300	5 500
Bursaries: Employees	45	1 177	1 345	1 319	1 143	1 142	1 000	1 500	2 000
Catering: Departmental activities	300	688	751	360	515	461	509	630	820
Communication (G&S)	8 850	8 690	6 982	8 032	7 699	7 481	5 656	5 896	7 067
Computer services	52 423	40 164	37 579	45 917	62 623	61 906	43 881	55 152	59 495
Cons & prof sev: Business and advisory services	16 384	7 063	1 396	551	356	177	573	1 594	3 594
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	15 204	15 117	15 438	8 070	26 166	26 166	8 090	12 090	12 090
Scientific and technological services	-	-	-	-	-	-	-	-	-
Contractors	2 002	4 046	7 833	8 059	4 115	3 895	8 332	8 707	9 082
Agency and support / outsourced services	-	88	8 618	12 000	10 708	9 915	11 836	13 236	14 236
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	14 960	21 493	22 092	20 400	20 211	23 542	17 400	22 100	22 400
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	67	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	255	1	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	255	-	-	-
Consumable supplies	2 519	2 686	3 605	2 300	2 909	3 309	2 082	2 340	3 609
Consumable: Stationery, printing and office supplies	11 522	7 724	12 172	7 885	7 103	6 859	5 979	8 525	9 308
Operating leases	32 151	27 472	20 725	29 923	36 123	33 204	33 357	35 389	37 871
Rental and hiring	-	-	1	-	52	48	-	-	-
Property payments	48 984	59 594	71 116	54 556	64 562	65 546	46 360	59 379	66 049
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	8 056	12 388	18 344	8 022	8 100	11 142	7 267	11 091	13 690
Training and development	1 088	2 058	1 666	1 000	1 582	1 582	2 000	1 000	2 000
Operating payments	2	312	368	-	244	572	230	250	170
Venues and facilities	-	-	-	-	-	-	-	-	-
Interest and rent on land	447	93	-	-	8	8	-	-	-
Interest	447	93	-	-	8	8	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	7 457	7 037	5 736	6 019	6 623	6 576	7 151	7 854	8 068
Provinces and municipalities	484	389	533	900	838	653	1 000	1 000	1 000
Provinces	484	389	533	900	838	653	1 000	1 000	1 000
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	484	389	533	900	838	653	1 000	1 000	1 000
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	1	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	1	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	6 973	6 647	5 203	5 119	5 785	5 923	6 151	6 854	7 068
Social benefits	4 973	4 133	3 754	3 230	3 199	3 027	2 858	3 891	4 000
Other transfers to households	2 000	2 514	1 449	1 889	2 586	2 896	3 293	2 963	3 068
Payments for capital assets	28 219	14 320	7 601	27 580	23 317	26 219	29 221	34 432	51 416
Buildings and other fixed structures	-	700	420	4 300	2 600	2 894	2 000	18 000	30 962
Buildings	-	700	-	4 300	2 600	2 894	2 000	18 000	30 962
Other fixed structures	-	-	420	-	-	-	-	-	-
Machinery and equipment	15 248	12 241	5 479	11 830	10 439	13 269	6 182	5 882	10 454
Transport equipment	3 964	9 731	2 477	9 800	2 919	2 919	3 000	4 000	-
Other machinery and equipment	11 284	2 510	3 002	2 030	7 520	10 350	3 182	1 882	10 454
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	12 971	1 379	1 702	11 450	10 278	10 056	21 039	10 550	10 000
Payments for financial assets	11 765	298	-	-	-	-	-	-	-
Total	462 748	435 739	441 384	489 465	502 294	517 364	493 130	559 765	624 904

Table 11.D : Payments and estimates by economic classification: Local Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	312 242	330 550	331 519	375 226	358 674	355 672	389 966	402 786	418 020
Compensation of employees	252 747	264 192	279 532	316 683	315 352	312 808	352 783	364 420	380 072
Salaries and wages	215 562	224 984	237 180	272 265	268 346	265 966	302 103	309 908	320 572
Social contributions	37 185	39 208	42 352	44 418	47 006	46 842	50 680	54 512	59 500
Goods and services	59 495	66 358	51 987	58 543	43 322	42 864	37 183	38 366	37 948
Administrative fees	172	438	480	709	329	306	1 008	1 059	1 109
Advertising	17	72	115	472	68	68	1 722	1 801	1 883
Minor assets	86	86	116	265	219	218	260	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	430	527	644	1 221	1 922	1 922	1 864	1 957	2 084
Communication (G&S)	4 570	4 507	1 096	4 388	2 610	2 595	2 365	2 493	2 600
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	26 708	35 521	28 028	16 500	8 575	8 506	5 503	5 000	2 000
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Contractors	8 171	7 967	8 198	19 500	18 884	18 794	8 500	11 400	12 400
Agency and support / outsourced services	9 766	6 096	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	-	-	-	-	-	-	-	200	200
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	348	-	-	-	-	-	-	-
Consumable supplies	928	115	245	998	23	21	149	160	167
Consumable: Stationery, printing and office supplies	1 132	266	264	1 327	342	304	837	1 030	1 072
Operating leases	464	756	920	1 005	1 090	1 085	831	900	952
Rental and hiring	1 846	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	4 127	9 493	11 481	11 773	8 934	8 589	13 944	12 366	13 481
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	1 078	166	400	385	326	326	200	-	-
Venues and facilities	-	-	-	-	-	130	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	753	2 543	1 945	450	321	451	900	600	900
Provinces and municipalities	-	2 000	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	2 000	-	-	-	-	-	-	-
Municipalities	-	2 000	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	753	543	1 945	450	321	451	900	600	900
Social benefits	753	543	1 298	450	321	451	900	600	900
Other transfers to households	-	-	647	-	-	-	-	-	-
Payments for capital assets	547	3 983	3 242	7 401	10 647	10 888	6 681	4 529	4 705
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	547	3 983	3 242	7 401	10 647	10 888	6 681	4 529	4 705
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	547	3 983	3 242	7 401	10 647	10 888	6 681	4 529	4 705
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	313 542	337 076	336 706	383 077	369 642	367 011	397 547	407 915	423 625

Table 11.E : Payments and estimates by economic classification: Development and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25	2024/25	2024/25	2025/26	2026/27	2027/28
Current payments	212 708	254 754	269 663	307 741	298 264	294 656	357 297	284 155	252 243
Compensation of employees	145 993	139 969	147 352	167 124	155 228	154 694	160 194	169 781	179 271
Salaries and wages	132 696	125 186	131 767	151 780	138 555	137 938	141 949	150 461	158 880
Social contributions	13 297	14 783	15 585	15 344	16 673	16 756	18 245	19 320	20 391
Goods and services	66 715	114 785	122 311	140 617	143 036	139 962	197 103	114 374	72 972
Administrative fees	170	266	349	339	384	294	338	367	367
Advertising	71	63	-	-	-	-	-	100	100
Minor assets	-	139	42	60	55	46	20	10	20
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	29	787	536	455	226	226	520	555	564
Communication (G&S)	1 191	1 067	230	1 007	883	993	565	574	579
Computer services	-	-	-	1 842	2 456	2 456	-	-	-
Cons & prof sev: Business and advisory services	40 502	75 354	61 814	94 703	111 352	105 074	169 971	81 970	36 352
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Contractors	916	1 129	12 144	3 300	108	108	1 000	1 000	2 500
Agency and support / outsourced services	-	-	-	-	-	3 423	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	1 000	1 000
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	4 084	4 790	6 828	4 500	4 500	4 500	4 000	6 000	6 000
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	3 488	3 525	5 893	4 000	4 319	4 248	3 500	4 500	6 500
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	6 652	8 179	21 044	13 000	8 161	8 131	6 000	7 000	7 000
Consumable supplies	892	236	2 574	7 405	5 937	5 908	2 165	1 825	2 065
Consumable: Stationery, printing and office supplies	580	688	183	345	125	116	326	347	359
Operating leases	852	782	855	891	780	770	1 042	1 072	1 101
Rental and hiring	3 417	6 937	-	-	-	-	-	-	-
Property payments	10	2 390	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 769	8 315	9 818	8 770	3 750	3 669	7 656	8 054	8 465
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	92	138	1	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	202 132	183 704	88 099	1 330	33 223	33 227	1 693	50	50
Provinces and municipalities	188 020	179 100	86 605	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	188 020	179 100	86 605	-	-	-	-	-	-
Municipalities	188 020	176 100	86 605	-	-	-	-	-	-
Municipal agencies and funds	-	3 000	-	-	-	-	-	-	-
Departmental agencies and accounts	13 000	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	13 000	-	-	-	-	-	-	-	-
Higher education institutions	-	1 280	-	1 280	1 280	1 280	960	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	30 100	30 100	-	-	-
Public corporations	-	-	-	-	30 100	30 100	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	30 100	30 100	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 112	3 324	1 494	50	1 843	1 847	733	50	50
Social benefits	1 112	3 324	1 494	50	1 843	1 847	733	50	50
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	80 078	40 627	25 668	27 337	31 118	30 619	18 903	17 931	36 848
Buildings and other fixed structures	79 528	26 184	22 334	26 267	21 185	21 185	15 453	15 150	17 500
Buildings	11 521	25 176	22 334	26 267	19 299	19 299	15 453	15 150	17 500
Other fixed structures	68 007	1 008	-	-	1 886	1 886	-	-	-
Machinery and equipment	550	14 443	3 334	1 070	9 933	9 434	3 450	2 781	19 348
Transport equipment	-	12 135	-	-	-	-	-	-	-
Other machinery and equipment	550	2 308	3 334	1 070	9 933	9 434	3 450	2 781	19 348
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	494 918	479 085	383 430	336 408	362 605	358 502	377 893	302 136	289 141

Table 11.F : Payments and estimates by economic classification: Traditional Institutional Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	489 705	526 167	1 166 166	638 596	678 509	669 632	657 061	733 931	758 978
Compensation of employees	155 757	163 425	178 439	172 874	186 574	180 890	193 952	207 014	217 092
Salaries and wages	143 455	149 640	163 767	158 563	169 846	165 120	171 026	182 416	191 261
Social contributions	12 302	13 785	14 672	14 311	16 728	15 770	22 926	24 598	25 831
Goods and services	333 948	362 742	987 727	465 722	491 935	488 742	463 109	526 917	541 886
Administrative fees	-	-	-	1 050	1 307	1 307	600	1 300	1 354
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	5	333	211	455	406	406	500	-	1 000
Audit cost: External	-	-	-	-	-	-	5 150	1 000	-
Bursaries: Employees	-	-	-	-	-	-	-	5 150	5 150
Catering: Departmental activities	-	-	-	2 083	1 614	1 614	1 831	4 731	4 831
Communication (G&S)	-	-	-	3 197	1 675	3 113	877	919	923
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	-	2 870	3 857	-	5 327	5 851	3 884	3 884	3 884
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	4 350	500	-	600	1 200	600
Scientific and technological services	-	-	-	-	-	-	-	-	-
Contractors	1 842	539	8 304	15 950	14 384	12 737	9 710	16 100	21 600
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	1 310	300	376	2 260	3 760	3 760
Consumable: Stationery, printing and office supplies	-	-	-	560	12	5	360	360	360
Operating leases	-	-	-	858	746	731	1 328	1 328	1 372
Rental and hiring	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	2 288	4 459	5 021	19 625	16 496	15 085	18 330	23 328	25 428
Training and development	-	-	-	-	5 345	-	-	-	-
Operating payments	329 813	354 541	970 334	416 284	443 823	447 517	417 679	463 857	471 624
Venues and facilities	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	20 906	41 037	71 969	250	1 141	1 182	300	550	650
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	19 820	40 433	71 052	250	-	-	-	250	250
Households	1 086	604	917	-	1 141	1 182	300	300	400
Social benefits	1 029	522	863	-	1 141	1 182	300	300	400
Other transfers to households	57	82	54	-	-	-	-	-	-
Payments for capital assets	58	522	736	2 270	5 197	5 697	5 222	10 421	8 082
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	58	522	736	2 270	5 197	5 697	5 222	10 421	8 082
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	58	522	736	2 270	5 197	5 697	5 222	10 421	8 082
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	510 669	567 726	1 238 871	641 116	684 847	676 511	662 583	744 902	767 710

Table 11.G : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces (Prog 3: Development and Planning)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25	2024/25	2024/25	2025/26	2026/27	2027/28
Current payments	1 994	1 993	1 960	2 000	2 000	2 000	3 440	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	1 994	1 993	1 960	2 000	2 000	2 000	3 440	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	1 994	1 993	1 960	2 000	2 000	2 000	3 440	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 994	1 993	1 960	2 000	2 000	2 000	3 440	-	-

Table 11.H : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	39 700	15 200	20 700	-	-	-	-	-	-
B KZN212 uMdoni	-	4 000	-	-	-	-	-	-	-
B KZN213 uMzombe	-	-	20 700	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	4 600	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	14 000	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	25 700	6 600	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	54 920	64 300	20 700	-	-	-	-	-	-
B KZN221 uMshwathi	7 500	5 000	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	3 000	-	-	-	-	-	-	-
B KZN224 iMpindle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	15 000	16 600	-	-	-	-	-	-	-
B KZN226 Mkhambathini	14 420	14 500	20 700	-	-	-	-	-	-
B KZN227 Richmond	-	5 200	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	18 000	20 000	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	15 900	7 100	-	-	-	-	-	-
B KZN235 Okhahlamba	-	15 900	7 100	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	-	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	-	-	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	9 100	11 500	31 609	-	-	-	-	-	-
B KZN241 eNdumeni	1 600	-	-	-	-	-	-	-	-
B KZN242 Nquthu	-	-	31 609	-	-	-	-	-	-
B KZN244 uMsinga	-	-	-	-	-	-	-	-	-
B KZN245 uMvoti	-	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	7 500	11 500	-	-	-	-	-	-	-
Total: Amajuba Municipalities	13 800	9 900	-	-	-	-	-	-	-
B KZN252 Newcastle	8 700	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	5 100	9 900	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	13 600	-	-	-	-	-	-	-
B KZN261 eDumbe	-	10 600	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 AbaQulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	3 000	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	11 500	10 000	-	-	-	-	-	-	-
B KZN271 uMhlabyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN275 Inkosi uMtubatuba	11 500	-	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	10 000	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	500	-	-	-	-	-	-	-
B KZN281 uMfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	500	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	25 000	26 000	5 496	-	-	-	-	-	-
B KZN291 Mandeni	-	5 000	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	5 000	3 000	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	25 000	16 000	2 496	-	-	-	-	-	-
Total: Harry Gwala Municipalities	34 000	11 200	1 000	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	1 000	-	-	-	-	-	-	-
B KZN434 Johannes Phumani Phungula	-	5 000	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	-	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	5 200	1 000	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	34 000	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	188 020	178 100	86 605	-	-	-	-	-	-

Table 11.I : Transfers to local government - Massification programme (Including electrification projects)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	6 000	-	20 700	-	-	-	-	-	-
B KZN213 uMzombe	-	-	20 700	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	6 000	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	15 000	10 000	20 700	-	-	-	-	-	-
B KZN225 Msunduzi	15 000	10 000	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	20 700	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	1 600	-	21 609	-	-	-	-	-	-
B KZN241 eNdumeni	1 600	-	-	-	-	-	-	-	-
B KZN242 Nquthu	-	-	21 609	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	10 000	-	-	-	-	-	-	-
B KZN291 Mandeni	-	5 000	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	5 000	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	22 600	20 000	63 009	-	-	-	-	-	-

Table 11.J : Transfers to local government - Small Town Rehabilitation programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	8 000	4 000	-	-	-	-	-	-	-
B KZN212 uMdoni	-	4 000	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	8 000	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	14 420	27 200	-	-	-	-	-	-	-
B KZN221 uMshwathi	-	5 000	-	-	-	-	-	-	-
B KZN223 Mpofana	-	3 000	-	-	-	-	-	-	-
B KZN226 Mkhambathini	14 420	14 000	-	-	-	-	-	-	-
B KZN227 Richmond	-	5 200	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	15 900	7 100	-	-	-	-	-	-
B KZN235 Okhahlamba	-	15 900	7 100	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	10 000	-	-	-	-	-	-
B KZN242 Nquthu	-	-	10 000	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	10 600	-	-	-	-	-	-	-
B KZN261 eDumbe	-	10 600	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	11 500	-	-	-	-	-	-	-	-
B KZN275 Inkosi uMtubatuba	11 500	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	10 200	-	-	-	-	-	-	-
B KZN434 Johannes Phumani Phungula	-	5 000	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	5 200	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	33 920	67 900	17 100	-	-	-	-	-	-

Table 11.K : Transfers to local government - Co-operative support for LED

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	10 000	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	10 000	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	10 000	-	-	-	-	-	-	-

Table 11.L : Transfers to local government - Disaster Management programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	5 000	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	5 000	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	5 000	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	5 000	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	3 000	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	3 000	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	1 000	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	1 000	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	10 000	4 000	-	-	-	-	-	-

Table 11.M : Transfers to local government - Corridor Development programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	4 600	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	4 600	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	6 600	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	6 600	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	11 200	-	-	-	-	-	-	-

Table 11.N : Transfers to local government - Roll-over AU donor funds for flood (from OTP)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	2 496	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	2 496	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	2 496	-	-	-	-	-	-

Table 11.O : Transfers to local government - Water Intervention programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	25 700	6 600	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	25 700	6 600	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	18 000	20 000	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	18 000	20 000	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	7 500	6 500	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	7 500	6 500	-	-	-	-	-	-	-
Total: Amajuba Municipalities	13 800	4 900	-	-	-	-	-	-	-
B KZN252 Newcastle	8 700	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	5 100	4 900	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	3 000	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	3 000	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	25 000	16 000	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	25 000	16 000	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	34 000	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	34 000	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	124 000	57 000	-	-	-	-	-	-	-

Table 11.P : Transfers to local government - CSC Infrastructure Support

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	7 500	-	-	-	-	-	-	-	-
B KZN221 uMshwathi	7 500	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	7 500	-	-	-	-	-	-	-	-

Table 11.Q : Transfers to local government - Municipal Excellence Awards

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	500	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	500	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	500	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	500	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	1 000	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	1 000	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	2 000	-	-	-	-	-	-	-	-