

VOTE 15

DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

To be appropriated by vote in 2026/27	3 656 558 000
Responsible MEC	MEC for Infrastructure Development and Cooperative Governance and Traditional Affairs
Administering Department	Department of Infrastructure Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision

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

Mission

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

Strategic Goals

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

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

Core functions and responsibilities

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

Main services

The DID’s establishment mandate provides for the following delegated responsibilities:

- Implementing all Gauteng Provincial Government (GPG) capital expenditure budget allocations and public infrastructure projects funded solely or jointly by GPG financial investments
- Maximising the social and economic benefits derived from GPG's property portfolio
- Coordinating the provincial Expanded Public Works Programme (EPWP), linked to capital expenditure and maintenance projects, to positively impact skills development and poverty reduction within communities
- Implementing Broad-Based Black Economic Empowerment (B-BBEE) and preferential procurement regulations and policies in line with approved targets, ensuring effective empowerment of vulnerable groups—women, youth, and persons with disabilities

- Serving as the sole implementing agent for all GPG department infrastructure developments, collaborating with client departments to deliver quality social infrastructure on time and within budget

DID's Outcomes

The five (5) Outcomes inform the alignment to the mandate and strategic focus, and towards its impact, five outcomes will direct the effort and focus of the DID over the period.

Outcome 1: Optimised GPG fixed property portfolio

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

Outcome 2: Sustainable infrastructure investment and delivery accelerated:

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

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

Outcome 3: Poverty relief and employability accelerated

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

Outcome 4: Increased contribution of infrastructure spend to socio-economic development

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

Outcome 5: A capable, ethical, and developmental organisation

DID is committed to strengthening operational effectiveness, ethical governance, and developmental focus in alignment with the MTDP priority of building a capable, ethical, and developmental state. A key success factor is institutionalising an improved GPG Infrastructure Delivery Model, supported by a revised funding framework from GPT to optimise resource allocation and enhance project outcomes. The establishment of the IDEP will enable a more structured, coordinated approach to infrastructure planning, funding, and execution, improving efficiency, visibility, and accountability.

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

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

Acts, rules and regulations

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

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2025/26)

In the following section, the overview of DID's performance for 2025/26 financial year is discussed according to the six DID outcomes.

OUTCOME 1: OPTIMISED PUBLIC-OWNED FIXED PROPERTY PORTFOLIO

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

Property revenue and costs management

For the 2025/26 reporting period, the department initially projected revenue of R26.5 million. As at the end of Quarter 2, approximately R5.9 million was collected. Performance to date is largely driven by revenue from the disposal of capital assets which have not had significant traction. In addition, low collection levels are primarily due to tenant payment defaults and lapsed lease agreements. A target of 75% was set for the payment of rates and taxes in 2025/26. However, to date, only 19% of municipal rates and taxes have been verified and paid.

Non-core properties (residential) disposed

For the 2025/26 financial year, the department planned to transfer 15 properties and to sell 35 properties. To date, the department transferred a total number of 5 properties. The targets for 35 properties aimed for transfer and the remaining 10 properties planned for sale are anticipated to be achieved in the fourth quarter.

Land and buildings released for development or commercialisation

A total of 15 unused properties were planned to be released for development, economic growth, and job creation for the 2025/26 financial year. To date, none were released. However, the following submissions have been routed for approval for the proposed re-allocation and permission to occupy namely:

- Erf 215 of Erasmus portion 0 Bronkhorstspuit for re-allocation to GDSD
- Portion 16 Wildebeesfontein 536 for re-allocation to GDOH
- Portion 19 Nietgedacht 535JQ for re-allocation to GDOH
- 11947 Lenasia Ext 13 Lenasia Service Point for co-use re-allocation between GDSD and GDOH

Compliant Immovable Asset Register (IAR)

For the financial year under review, the department planned to verify 6 256 immovable assets in the Immovable Assets Register (IAR), of which 5 290 have been met. The remainder will be achieved in the fourth quarter. None of the 200 Immovable Assets planned for transfer have been transferred.

OUTCOME 2: EFFICIENT AND EFFECTIVE DELIVERY OF SMART PUBLIC INFRASTRUCTURE

For the 2025/26 financial year, the department planned four infrastructure project designs to be ready for tender. To date, one design is ready for tender. The remaining three projects are planned to be ready for tender in the fourth quarter.

Construction of Infrastructure Projects

For the 2025/26 financial year, the department scheduled the completion of five new construction projects across the education, health, and social sectors. To date, only two of these projects have been completed namely, the phased completion of the Women Living Heritage Monument and the Rus-Ter-Vaal Secondary School. The Bekkersdaal Integrated Social Facility project remains incomplete due to delays in contractor payments, while the remaining projects are expected to be finalized in the fourth quarter.

Furthermore, there were seven facilities which were targeted for rehabilitation, renovation, and refurbishment, whilst only three were achieved, and they are, Phororong Primary School, Parksig Primary School, and Thusanong Slab. The project of Laerskool Noordhoek is at 92% and set to be achieved at the end of Quarter 3. The remaining projects are planned to be completed in the fourth quarter.

OUTCOME 3: FUNCTIONAL, RELIABLE, AND COMPLIANT INFRASTRUCTURE

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

In 2025/26 financial year, the department planned to conduct 33 (25 for STARS and 8 for Health Facilities) condition assessments on state-owned properties. A total of six condition assessment that were achieved to date were planned for the Department of Health. The STARS 25 condition assessment are planned to be completed in Quarter 4 of the period under

review. The department planned 52 maintenance award projects (45 for STARS and 7 for Health Facilities) in 2025/26 financial year. Out of 45 STARS maintenance awards targeted for the year, 29 were awarded, whilst the remaining are planned for Quarter 4. The health branch planned a total of seven awards and achieved all seven maintenance projects for the financial year.

The department further planned to complete 37 maintenance projects (28 for STARS and 9 for Health Facilities) to be completed in 2025/26 financial year. STARS managed to complete 11 out of 28 maintenance projects planned for the year. The department completed 2 Health maintenance projects against their annual target of 9 to date.

OUTCOME 4: INCREASED CONTRIBUTION OF INFRASTRUCTURE SPEND TO SOCIO- ECONOMIC DEVELOPMENT

With regards to Outcome 4, planned performance over the period includes:

- Increasing the targeted spend on designated groups, with a specific focus on women and youth- owned businesses.
- Ensuring sustainable opportunities provided to SMMEs across the construction and maintenance value chains, including a programme to empower at least 50 emerging black firms (40% women and 30% youth-owned).
- Creating ongoing opportunities for SMMEs to be developed, with a special focus on the maintenance programme and repairs to GPG facilities.

During the fiscal year 2025/26, the department met its procurement targets for black-owned enterprises with an achievement of 98,24% against a target of 82% during the period under review, particularly on black women-owned enterprises 68,78% was achieved against a target of 40%, while youth owned enterprises & SMMEs were at 45% and 98,51% respectively. This is attributed to awards made through the maintenance panel and a large representation of these previously disadvantaged businesses.

The department faced challenges in terms of achieving targets of procurement allocated to people with disabilities which is at 2,02% against a target of 5%; township enterprises at 14% against a target of 30%; and military veterans at 0,57% against a target of 2% due to low response rates from these groups. The department's focus is on giving these groups priority access to appointments by choosing projects they can implement.

OUTCOME 5: POVERTY RELIEF AND IMPROVED EMPLOYABILITY OF EPWP BENEFICIARIES

As the coordinator of the EPWP across all sectors and municipalities within the Gauteng province, DID continues to optimise the GPG's contribution to the above priorities of government. Gauteng's EPWP target for the period ending March 2026 is 92 039 work opportunities with departments at 55 777 and municipalities at 36 262. The EPWP requires 60% of reported work opportunities to be for women, 55% to be for youth and 2% to be for People with Disabilities.

For the 2025/26 financial year, the department has set the following targets:

- Planned annual target of 2 500 on work opportunities created by Provincial Public Works through the National Youth Service Programme which was targeted to be achieved in the second quarter. The department recorded an achievement of 2 500.
- The 22 Public Bodies reporting on EPWP targets in the province was planned from quarter two to four with quarter two target being achieved as planned.

OUTCOME: A CAPABLE, ETHICAL, AND DEVELOPMENTAL ORGANISATION

Essential to a capable, ethical, and developmental organisation is sound financial management and effective internal controls, both of which are reflected in positive audit outcomes. The department achieved an unqualified audit opinion with reduced findings of financial statements and pre-determined objectives and aims to improve on this over the MTEF.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2026/27)

While supporting delivery towards all five (5) Outcomes of the Strategic Plan, the specific focus and contribution of Programme 1: Administration over the medium-term is discussed below.

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

Over the medium term the DID will focus its efforts on ensuring the departmental preferential procurement, financial management and jobs mainstreaming targets related to the rollout of infrastructure programmes are met.

A strong focus on the MTDP priority and DID outcome will provide support for emerging Black firms to be further empowered through targeted contracting and sub-contracting mechanisms to ensure 82% of all contractors are Black-owned enterprises.

In the 2026/27 financial year, the department will further ensure its preferential procurement spend directly benefits key groupings with procurement allocations specifically targeted as follows:

- Black women-owned enterprises: 40%
- Youth-owned enterprises: 30%
- PWD-owned businesses: 5%
- MV-owned enterprises: 2%
- Small, medium and micro enterprises (SMMEs): 50%
- Township enterprises: 30%

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

The initiative of allocating procurement expenditure to MV-owned enterprises forms part of the department's commitment to support and recognise military veterans for their contribution to bring about the realisation of a peaceful, democratic and prosperous South Africa. The department will intensify its transformation efforts and has accordingly targeted 85 emerging black firms in 2026/27 financial year, with at least 40% of the firm's being women-owned while 30% of the targeted black firms will be youth-owned.

Outcome 5: Capable, ethical and developmental organisation

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

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

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

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

Outcome 1: Optimised GPG property portfolio

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

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

In addition to immediate revenue gains, these initiatives aim to lower non-revenue generating costs such as rates and taxes by divesting redundant and non-core properties for socio-economic purposes. For the 2026/27 financial year, the department plans to release 20 unused government properties for development, economic growth, and job creation for socio-economic infrastructure development and further ensure availability of fit-for-purpose facilities to GPG users. The department will also actively pursue partnerships with women, youth, and PwD-owned property development and management companies, thereby contributing to the broader transformation of the property sector.

For the 2026/27 financial year, the department aims to verify 6 256 immovable assets in the IAR, in accordance with the mandatory requirements of National Treasury.

Outcome 2: Sustainable infrastructure investment and delivery accelerated.

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

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

For the 2026/27 financial year, the department has revised the target for construction projects for the following budget categories: Ready for tender, new construction; rehabilitated, renovated and refurbished and upgrades and additions.

In terms of Education projects, the department has planned the construction of infrastructure of new schools, school for learners with special needs, renovations, rehabilitations and refurbishments including upgrades and additions. These comprise of three (3) new construction projects for completion and twenty-four (24) renovations. In addition, the department has targeted three (3) upgrades and additions.

In terms of STARS projects, the department has planned to complete the following construction for the 2026/27 financial year: the department will complete four (4) new projects, two (2) facilities will be rehabilitated, renovated and refurbished and one (1) upgrades and additions.

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

For the 2026/27 financial year, the department through the maintenance programme plans to complete approximately 25 condition-based assessment at state facilities.

Outcome 3: Poverty relief and employability accelerated.

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

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

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

Key initiatives include:

- Ensuring EPWP targets for all 22 Gauteng Public bodies are reported at EXCO as a monitoring mechanism in terms of the Protocol agreements signed between Mayors, MECs, the Premier and the National Department of Public Works and Infrastructure and DID.
- Implementation of the 2 500 National Youth Service (NYS) Programme, managed by DID within the Infrastructure sector. In keeping with the strategic priority of driving Inclusive Economic Growth and Job Creation, DID seeks to ensure EPWP participants develop skills that increase their employability when exiting the programme.

- Supporting all departments and municipalities with the implementation of the EPWP Reporting System and providing technical support on the use of the EPWP system and supporting document requirements.
- Ensuring NYS participants acquire skills development and transformation programmes during their exposure within the EPWP- NYS programmes.

4. REPRIORITISATION

The department's budget is allocated across seven cost drivers: Municipal Rates and Taxes, Compensation of Employees, Property Leases, Infrastructure projects, EPWP training and stipends, Security Services, and soft services. The remaining budget is earmarked for other operating costs, including provision of tools of trade, ICT systems and G-Cars. The budget's reprioritisation for the 2026/27 financial year and outer years is aimed at ensuring proper alignment of resources with needs and priorities. It is also aimed at aligning the budget allocation with operational needs.

The department conducted a reprioritisation exercise for the 2026/27 MTEF, redirecting funds towards critical service delivery priorities and key cost drivers aligned with its mandate. A key priority over the medium term is the continued funding of Provincial Infrastructure, with allocations amounting to R183 million in 2026/27, R173 million in 2027/28, and R173 million in 2028/29. These allocations are intended to support infrastructure delivery and maintenance of provincial assets in line with the department's core mandate.

The department prioritised personnel funding to support the implementation of the approved organisational structure. This includes the filling of critical and management posts that are directly linked to the core functions of the department, with the objective of strengthening institutional capacity and reducing high vacancy rate. In addition, funding is prioritised for office accommodation and municipal rates and taxes, which remain an operational obligation arising from the department's role as custodian of the provincial immovable asset portfolio. These cost items continue to place significant pressure on the baseline due to lease commitments and escalating municipal tariffs.

Funds are shifted from non-core expenditure items to core operational priorities and key cost drivers to ensure effective functioning of the department. This included reprioritisation from items such as advertising, computer services, consultants, and outsourced services, towards pressures related to operating leases, fleet services, personal protective equipment (PPE), and municipal rates and taxes.

The reprioritisation ensures that allocations are distributed across operational items to maintain business continuity and enable the department to meet its service delivery obligations.

5. PROCUREMENT

Supply chain management operates within a highly regulated environment, and this Chief Directorate plays a crucial role in facilitating the procurement of the goods and services required by various business units. It is thus essential for this unit to stay updated on relevant regulations, ensuring proper record keeping and reporting all transactions timeously. The following are key initiatives and challenges within the supply chain environment.

Procurement Planning and Alignment

The department has aligned the procurement plan to items that are budgeted for. All items which do not have budget will be removed from the procurement plan during the adjustment of the procurement plan.

Supplier Database and Tender Processes

- The department will issue these on the Central Supplier Database to invite quotation.
- All tenders are advertised on the E-Tender Portal

Supply Chain Management Reform & Capacity

SCM reforms implemented

- Budget verification at specification stage.
- Locked commitments on SRM.
- Legal participation in BAC.
- Early renewal of tenders to avoid irregular extensions.
- Active audit oversight and deviation control.
- Panels in place have improved procurement turnaround and execution.

Achievements

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

Shortened procurement and acquisition processes through the procurement and approval of various panels will ensure that there is value for money.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Equitable share	3 299 419	3 822 154	3 464 370	3 633 453	3 661 977	4 123 004	3 643 922	3 600 050	3 633 253
Conditional grants	6 768	9 031	9 010	14 631	14 631	14 631	12 636		
Expanded Public Works Programme							12 636		
Total receipts	3 306 187	3 831 185	3 473 380	3 648 084	3 676 608	4 137 635	3 656 558	3 600 050	3 633 253

Departmental receipts are made up of equitable share component and expanded public works programme conditional grant. The department's receipts increased from R3.3 billion in 2022/23 to R3.8 billion in 2023/24 due to additional funds for implementation of solar installations at various Health institutions. In the year 2024/25 the receipts decreased to R3.5 billion due to budget cuts implemented across departments. In the year 2025/26, the equitable share was adjusted upwards from R3.6 billion to R3.7 billion. The additional budget was mainly to address inadequate funding in operating lease costs and compensation of employees.

The department also receives the Expanded Public Works Programme conditional grant to support job creation and poverty alleviation. The grant is an incentive allocation from the National Department of Public Works and Infrastructure to fund stipends for participants in the National Youth Service programme. Over the past three years, the grant has fluctuated. In 2022/23, the department received R6.8 million and it increases to R12 million in 2026/27 financial year.

6.2 Departmental receipts

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Sales of goods and services other than capital assets	16 537	13 744	13 477	14 949	14 949	14 949	19 707	20 852	24 321
Fines, penalties and forfeits									
Interest, dividends and rent on land	271	74	1						
Sales of capital assets	11 378	9 401	20 421	20 000	20 000	20 000	16 850	17 350	15 600
Transactions in financial assets and liabilities	7 534	853	724	920	920	920	962	1 005	1 050
Total departmental receipts	35 720	24 072	34 623	35 869	35 869	35 869	37 519	39 207	40 971

The department's revenue is mainly from rental income from commercial and residential properties, and sale of non-core assets. Over the past three years, revenue has fluctuated. It decreased from R35.7 million in 2022/23 to R24.1 million in 2023/24. This drop was mainly due to fewer property sales and lower debt recoveries, which are usually once-off and depend on the timing of disposals. In 2024/25, revenue increased to R34.6 million.

The department's revenue target for 2025/26 is R35.9 million. This increase from R34.6m in 2024/25 is due to property sales and improved revenue management.

Revenue under Sales of Goods and Services Other Than Capital Assets mainly includes rental income and sale of immovable assets. Collections declined from R16.5 million in 2022/23 to R13.4 million in 2024/25 due to rental payment challenges. Demand for state-owned accommodation remains steady, and the department is aligning lease agreements to market-related rates to improve collections.

Sales of Capital Assets are below target because property sales are taking longer than expected. Revenue depends on completion of these legal processes.

Revenue from Financial Transactions in Assets and Liabilities is from debt recoveries. Stronger debt collection measures are expected to improve this category.

For the 2026 MTRF, the revenue target increases from R37.5 million in 2026/27 to R41 million in 2028/29. The growth is based on improved rental management, continued disposal of non-core assets, and stronger debt recovery efforts.

7. PAYMENT SUMMARY

7.1 Key assumptions

The department will keep on providing for the infrastructure needs of the province as mandated by the provincial administration. The following elements have been considered when determining budgets for the 2026/27 MTEF.

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

7.2 Programme summary

TABLE 15.3: SUMMARY OF PAYMENTS AND ESTIMATES: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
1. Administration	448 389	530 334	513 317	668 589	607 765	525 741	453 367	368 085	384 647
2. Public Works Infrastructure	2 734 268	3 028 430	2 674 337	2 783 195	2 887 608	3 451 234	3 027 637	2 999 312	3 014 764
3. Expanded Public Works Programme	123 530	272 421	285 726	196 300	181 235	160 660	175 554	232 653	233 842
Total payments and estimates	3 306 187	3 831 185	3 473 380	3 648 084	3 676 608	4 137 635	3 656 558	3 600 050	3 633 253

7.3 Summary by economic classification

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Current payments	2 162 226	2 390 772	2 582 812	2 380 055	2 409 926	2 434 715	2 159 943	2 246 961	2 280 049
Compensation of employees	1 151 970	1 244 054	1 311 699	1 281 636	1 307 612	1 308 082	1 362 569	1 390 009	1 432 092
Goods and services	1 007 596	1 135 417	1 261 562	1 098 419	1 095 643	1 119 962	797 374	856 952	847 957
Interest and rent on land	2 660	11 301	9 551		6 671	6 671			
Transfers and subsidies to:	1 103 465	1 042 386	835 688	1 200 943	1 199 072	1 640 946	1 442 847	1 341 671	1 341 795
Provinces and municipalities	1 033 435	962 284	761 193	1 130 884	1 130 884	1 569 240	1 270 626	1 270 626	1 270 626
Departmental agencies and accounts	63 706	74 868	68 768	65 808	65 808	65 808	168 221	68 293	68 293
Households	6 324	5 234	5 727	4 251	2 380	5 898	4 000	2 752	2 876
Payments for capital assets	38 477	397 542	54 839	67 086	67 610	61 896	53 768	11 418	11 409
Buildings and other fixed structures	13 887	359 321	43 310	34 086	29 610	29 610	24 768	500	
Machinery and equipment	24 590	37 454	7 609	33 000	38 000	32 286	29 000	10 918	11 409
Software and other intangible assets		767	3 920						
Payments for financial assets	2 019	485	41			78			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Total economic classification	3 306 187	3 831 185	3 473 380	3 648 084	3 676 608	4 137 635	3 656 558	3 600 050	3 633 253

The payments summary covers compensation of employees, goods and services including prior year accruals, rates and taxes including accruals, capital expenditure, and payments for movable assets.

Expenditure increased from R3.3 billion in 2022/23 to R3.8 billion in 2023/24. This growth was driven by salary adjustments following wage agreements, higher payments under goods and services for office accommodation and security services, and infrastructure-related costs, including alternative energy projects implemented during load shedding.

A total additional allocation of R132.6 million is allocated to the department in the 2026/27 financial year including R13 million for compensation of employees, R19.6 million for office accommodation and R100 million for bulk infrastructure to be implemented by the Gauteng Infrastructure Financing Agency. In the outer two years of the MTEF R13.5 million and R14 million is added to the baselines in 2027/28 and 2028/29 respectively to appropriate the carry-through effect of the additions made to compensation of employees.

In 2024/25, expenditure decreased to R3.5 billion due to budget cuts implemented. However, the 2025/26 main appropriation of R3.6 billion was adjusted upward to R3.7 billion. The adjustment was mainly to cover operating lease commitments, compensation of employees' pressures. Over the MTEF period, the budget allocation decreases from R3.7 billion in 2026/27 to R3.6 billion in each of the two outer years, reflecting the impact of implemented budget cuts.

The function shift of the Gauteng Infrastructure Financing Agency continues to affect allocations. Transfers over the MTEF amounts to R168.2 million in 2026/27, due to an additional budget of R100 million for bulk infrastructure to be funded by existing Project Preparation Facility and will be replenished once the department has demonstrated tangible deliverables of work done. The allocation decreases to R68.3 million in 2027/28 and 2028/29.

Programme 1: Administration

Expenditure increased from R448.4 million in 2022/23 to R530.3 million in 2023/24 due to higher corporate costs and litigation settlements. In 2024/25, spending decreased to R513.3 million. In 2025/26, the allocation increased to R668.6 million and further decreased to R607.7 million during adjustments to address infrastructure pressures and cost drivers such as leases, security services, maintenance, Rates and Taxes, and utilities in programme 2. Over the MTEF, the budget decreases to R453.4 million in 2026/27 and further decreases to R384.7 million in 2028/29. The programme continues to provide strategic leadership and support services.

Programme 2: Public Works Infrastructure

The purpose of this programme is to deliver essential services mandated to the department. The programme expenditure increased from R2.7 billion in 2022/23 to R3 billion in 2023/24. The increase was due to additional funding for alternative energy projects and office accommodation. The programme spent 99.5 per cent of its allocation in 2023/24, with minor underspending due to delays in invoice submissions.

In 2024/25, the allocation decreased to R2.7 billion before increasing to R2.9 billion in 2025/26 to address infrastructure pressures and cost drivers such as leases, maintenance, Rates and Taxes. Over the MTEF, the budget increases to R3 billion in 2026/27, decreasing to R2.9 billion in 2027/28 before increasing to R3 billion in 2028/29. The cost drivers being leases for office accommodation, security services, infrastructure maintenance, Rates & Taxes and Utilities.

Programme 3: Expanded Public Works Programme

This programme contributes to the province's priority of job creation by focusing on community development and empowerment. The programme aims to improve the skills of beneficiaries and enable them to become self-sufficient upon exiting the programme.

Expenditure increased from R123.5 million in 2022/23 to R272.4 million in 2023/24, mainly due to the expansion of job creation initiatives and the introduction of additional focus areas such as vacant sites and health maintenance. In 2024/25, expenditure further increased to R285.7 million, with R1.2 million remaining unspent due to an EPWP training invoice that was received one day before the financial year cut-off date and could not be processed in time due to procedural requirements. In 2025/26, the programme was initially allocated R196.3 million, which was later adjusted to R181.2 million. Over the 2026/27 to 2028/29 MTEF period, the allocation decreases to R175.6 million in 2026/27 before increasing to R233.8 million in 2028/29.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the 2026 Estimates of Capital Expenditure (ECE).

7.4.2 Departmental Public-Private-Partnership (PPP) projects

The Kopanong PPP project is still in the planning stage.

7.5 Transfers

7.5.1 Transfers to public entities

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Gauteng Infrastructure Finance Agency	63 706	74 868	68 768	65 808	65 808	65 808	168 221	68 293	68 293
Total departmental transfers	63 706	74 868	68 768	65 808	65 808	65 808	168 221	68 293	68 293

In the 2025/26 financial year, a function shift took place, where the Gauteng Infrastructure Financing Agency was transferred from the Gauteng Provincial Treasury to the Department of Infrastructure Development. As part of this shift, the associated budget was transferred to the department. In 2025/26, the Agency was allocated R65.8 million. There were no adjustments or additional allocations during the year, and the transfer remained unchanged.

Following the shift, the allocation increases in 2026/27 to R168.2 million. This includes an additional R100 million allocated for bulk infrastructure which will be funded by existing Project Preparation Facility and will be replenished once the department has demonstrated tangible deliverables of work done. However, over the MTEF, the transfer decreases to R68.3million in both 2027/28 and 2028/29 due to an inflation adjustment.

7.5.2 Transfers to other entities

N/A

7.5.3 Transfers to local government

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Category A	847 450	810 984	692 639	982 381	982 381	1 410 169	1 082 381	1 082 381	1 082 381
Category B	185 985	132 540	53 289	129 765	129 765	151 595	164 507	164 507	164 507
Category C		18 760	15 265	18 738	18 738	7 476	23 738	23 738	23 738
Unallocated	1	1							
Total departmental transfers	1 033 436	962 285	761 193	1 130 884	1 130 884	1 569 240	1 270 626	1 270 626	1 270 626

These are intergovernmental debts between the provincial government and municipalities. Each year, municipalities charge the province rates and taxes based on the market value of departmental properties and the number of properties registered under the Gauteng Provincial Government (GPG). Once the municipalities send their annual bills, the department verifies the amounts by confirming the registered properties and then makes payments.

The table above shows the allocations made to metro municipalities and other categories. Due to outstanding rates and taxes and the need to identify additional state properties for the Assets Register, allocations for rates and taxes are expected to increase over time.

For 2022/23 financial year, the expenditure amounted to R1 billion because of credits applied against the current bills. These credits resulted from adjustments in municipal tariffs and their impact on billing. The expenditure in 2023/24 amounted to R962 million and R761.2 million in 2024/25. The decrease was due to funds being redirected towards the payment of operating leases and other overspending items under goods & services including security services and utilities. In 2025/26, an amount of R1.1 billion was allocated and over the MTEF the budget increases to R1.3 billion each year.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The purpose of this programme is to provide strategic leadership to the Department and to support the core programmes in their efforts to implement the mandate of the Department. This includes provision of strategic and operational support services for the Member of the Executive Council (MEC) and the Head of Department (HOD), provision of Financial Management and Supply Chain Management (SCM) services, corporate support services and organisational risk management services.

Programme objectives

The following are the programme specific objectives that will be the focus of the department over the next three years.

- Leveraging procurement to benefit historically disadvantaged entities and individuals;
- Improving human resource capacity and capability;
- Sound financial management and compliance to good governance principles
- Effective and sustainable management of departmental resources;
- Operationalisation of IDMS;
- Utilizing Information Technology, Innovation and Benchmarking to stay ahead of the Infrastructure Delivery Curve;
- Reducing the contingent liability of the department;
- Informing the review of norm and standards, and definition of policies for infrastructure delivery and property management; and
- Building the image and reputation of the department

TABLE 15.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
1. Office Of The MEC	11 864	13 726	7 246	11 265	3 727	5 558	5 089	6 483	6 775
2. Corporate Support	426 762	510 397	499 717	634 991	592 653	510 694	425 902	340 639	355 965
3. Management Of The Department	9 763	6 211	6 354	22 333	11 385	9 489	22 376	20 963	21 907
Total payments and estimates	448 389	530 334	513 317	668 589	607 765	525 741	453 367	368 085	384 647

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Current payments	421 269	491 852	501 321	631 589	568 765	490 350	420 367	368 085	384 647
Compensation of employees	237 188	245 362	254 024	298 372	282 348	236 568	312 292	303 489	317 147
Goods and services	181 421	235 242	237 746	333 217	279 746	247 111	108 075	64 596	67 500
Interest and rent on land	2 660	11 248	9 551		6 671	6 671			
Transfers and subsidies to:	1 328	785	1 027	4 000	1 000	3 027	4 000		
Provinces and municipalities									
Households	1 328	785	1 027	4 000	1 000	3 027	4 000		
Payments for capital assets	23 773	37 212	10 928	33 000	38 000	32 286	29 000		
Machinery and equipment	23 773	36 445	7 008	33 000	38 000	32 286	29 000		
Software and other intangible assets		767	3 920						
Payments for financial assets	2 019	485	41			78			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Total economic classification	448 389	530 334	513 317	668 589	607 765	525 741	453 367	368 085	384 647

This programme is administrative and serves as a support to the core functions of the department. Overall, expenditure amounted to R448 million in 2022/23 and included the payment of court orders. In the year 2023/24, the department continued to pay court orders plus interest and implemented the cost-of-living adjustment which resulted in an overall increase to R530 million before decreasing to R513.3 million in 2024/25.

In 2025/26, the allocation then increased to R668 million and decreased to R607.7 million during adjustments to address infrastructure pressures and cost drivers such as leases, security services, maintenance, Rates and Taxes, and utilities. Over the MTEF, the budget decreases to R453.4 million in 2026/27 and further decreases to R384.7 million in 2028/29.

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

Sub-Programmes

The office of the MEC has seen a consistent decline in budget allocation. Starting at R11.9 million in 2022/23 and decreasing to R3.7 million in the adjustment budget of 2025/26. The decrease is informed by a reallocation of funds from DID to COGTA to establish the office of the MEC in 2024/25. Over the MTEF the allocation increases from R5.1 million in 2026/27 to R6.8 million in 2028/29.

Corporate Support is the largest cost driver in the programme, accounting for over 90% of the Programme 1 budget in some years. Expenditure increased from R426.8 million in 2022/23 to R510.4 million in 2023/24, due to ICT upgrades, centralised administrative services, and increased corporate governance requirements. The allocation increased to R635 million in 2025/26 due to additional funding of R217 million allocated for the reimbursement of legal costs for court orders. The increased allocation aligns with anticipated increases in operational demands and strategic initiatives. However, the department continues to experience financial constraints due to an escalation in litigation. Over MTEF, allocations show a notable downward adjustment from R425.9 million in 2026/27 to R340.6 million in 2027/28, before increasing to R356 million in 2028/29. This reduction aligns with ongoing departmental reprioritisation and the implementation of cost-containment measures.

Management of the department, though smaller in scale, displays a gradual increase over time. The spending was R9.7 million in 2022/23, decreased to R6.4 million in 2024/25. The budget of R22.3 million is allocated in 2025/26, driven by intensified oversight functions, strategic planning activities, and compliance-related initiatives. However, it is adjusted to R11 million due to funds reprioritised to fund items experiencing budget pressure in programme 2. Over the MTEF, funding stabilises at R22.3 million in 2026/27, declining slightly to R21.9 million by 2028/29, supporting ongoing governance, monitoring, and executive management responsibilities.

Economic Classification Trends

a) Compensation of Employees (COE)

COE shows moderate growth over the historical period, increasing from R237.2 million in 2022/23 to R254 million in 2024/25. The allocation amounts to R298.4 million in 2025/26, driven by notch adjustments, salary and COLA obligations, and the filling of critical posts. The revised estimate decreases to R236.5 million, due to budget cuts that resulted in slow recruitment and delays in filling funded vacancies.

Over the MTEF, CoE allocations increase steadily to R312.3 million in 2026/27, because of R13 million additional funding received. In 2028/29 the allocation continues to increase to R317.1 million, aligning with plans to gradually stabilise personnel capacity while maintaining fiscal discipline and demonstrating a commitment to sustaining workforce-related costs amidst inflationary pressures and compliance with wage agreements.

b) Goods and Services

Goods and services expenditure increase from R181.4 million in 2022/23 to R237.7 million in 2024/25. The expenditure increases to R333.2 million in 2025/26, driven by administrative support costs such as, ICT services, legal services, fleet services, and governance activities and due to earmarked funding allocated to legal costs emanating from court orders on projects done on behalf of client departments. However, allocations decrease drastically over the MTEF to R108 million in 2026/27 and R67.5 million in 2028/29.

c) Interest and Rent on Land

Expenditure on interest and rent on land fluctuates between R2.7 million in 2022/23, R11.2 million in 2023/24, and R9.6 million in 2024/25 and is in relation to the late payments on projects implemented on behalf of client departments. An allocation of R6.7 million is reflected in the revised estimate for 2025/26 with no allocations are over the MTEF.

d) Transfers and Subsidies

Transfers and subsidies remain minimal within Programme 1, covering household payments for leave gratuities, injury-on-duty claims. These fluctuate from R1.3 million in 2022/23 to R4 million from 2025/26 and 2026/27 due to the ad-hoc nature of these obligations.

e) Payments for Capital Assets

Capital expenditure shows variability over the period, reflective of recurring investment in office equipment, ICT hardware and tools of trade. During the mid-year budget adjustment in 2025/26 the allocation was revised from R33 million to R38 million, increase signals a strategic focus on enhancing operational tools to support departmental functions with the need to upgrade systems and replace aging equipment mainly the laptops. Over the MTEF, funding decreases to R29 million in 2026/27, with no allocations reflected for the outer years.

Software and other intangible assets item show a once-off spending of R767 thousand in 2023/24 and R3.9 million in 2024/25, related to software licences and ICT system upgrades.

e) Payments for Financial Assets

Payments for financial assets are declining from R2 million in 2022/23 to R485 thousand in 2023/24 and R41 thousand in 2024/25. There is a revised estimate of R78 thousand in the 2025/26 financial year. These typically relate to write-offs, irrecoverable debts, or loss adjustments and are treated as once-off events.

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Programme performance measures	Estimated performance	Medium-term estimates		
	2025/26	2026/27	2027/28	2028/29
Amount of Revenue collected	24 million	24 million	24 million	24 million
Percentage of DID service provider invoices settled within 30 days	100%	100%	100%	100%
Percentage of client department service provider invoices settled within 30 days	80%	80%	80%	80%
Percentage of management posts filled by women	50%	50%	50%	50%
Departmental vacancy rate in percentage	10%	10%	10%	10%
Percentage of procurement allocated to black owned enterprises	82%	82%	82%	82%
Percentage of procurement allocated to black women owned enterprises	40%	40%	40%	40%
Percentage of procurement allocated to people with disabilities owned enterprises	5%	5%	5%	5%
Percentage of procurement allocated to youth owned enterprises	30%	30%	30%	30%
Percentage of procurement allocated to MV owned enterprises	2%	2%	2%	2%
Percentage of procurement allocated to Small-medium-micro enterprises	50%	50%	50%	50%
Percentage of procurement allocated to TER	30%	30%	30%	30%
Number of emerging black firms empowered through sub-contractors per annum, of which 40% are women owned and 30% are youth owned	20 Women:8 Youth:6	20 Women:8 Youth:6	20 Women:8 Youth:6	20 Women:8 Youth:6
AGSA opinion on the audit of financial statements	Unqualified with the reduction in recurring funding	Unqualified with the reduction in recurring funding	Unqualified with the reduction in recurring funding	Unqualified with the reduction in recurring funding
Percentage reduction in prior year fruitless and wasteful expenditure	30% reduction on prior year	30% reduction on prior year	30% reduction on prior year	30% reduction on prior year
Percentage reduction in prior year accruals (excluding rates and taxes)	40% reduction on prior year	40% reduction on prior year	40% reduction on prior year	40% reduction on prior year
Percentage reduction in prior year irregular expenditure	30% reduction	30% reduction	30% reduction	30% reduction
Percentage year on year reduction in the number of materials finding on performance objectives	30% reduction	30% reduction	30% reduction	30% reduction
Percentage implementation of the milestones of the ICT strategy	100%	100%	100%	100%

PROGRAMME 2 : PUBLIC WORKS INFRASTRUCTURE

Programme Description

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

Within GPG, the DID has been delegated by Exco as the sole implementer of infrastructure and maintenance projects on behalf of all GPG departments. Maintenance projects include renovations, refurbishments and upgrades. In the case of the provincial Department of Health, it also includes implementation of day-to-day, routine/preventative and emergency maintenance at all health facilities in the province except for Jubilee Hospital and Odi Hospital that are maintained by the provincial Department of Health.

The GDID manages the construction procurement projects for provincial departments and issues the framework/term contracts for day-to-day, routine/preventative maintenance, when required, for all provincial departments. This includes the maintenance and estate management services provided for shared offices.

The programme is also responsible for managing life cycle of immovable assets of the GPG as the provincial custodian. It manages and plans for the effective and efficient utilisation of immovable assets, management of leases, estates and payment of creditors for allocated areas, management of acquisition and disposal of immovable properties and facilitation of property development.

Programme Objectives

The following are the programme specific objectives that will be the focus of the department over the next three years.

- Establishment of Kopanong Precinct.
- Implementation of Education, Health and STARS Infrastructure Projects.
- Adherence to the IDMS Delivery Process.
- Provide Research that informs leading practice and strategic thinking for the delivery of impactful and sustainable infrastructure.
- Value Optimisation of the Infrastructure Delivery Management System.
- Continuous Improvement and Monitoring of IDMS Business Processes and Systems.
- Provide Support for the Implementation of IDMS Process and Systems.
- Updating and maintaining a compliant immovable asset register.
- Property Management Optimisation Plan;
- Disposal of Non-core and Non-Strategic Assets;
- Acquisition and Disposal of Land;
- High-impact Precinct Development;
- Development of User-Asset Management Plans and Custodian-Asset Management Plan;
- Accelerated delivery of client projects through Lutsinga Infrastructure House; and
- Implementation of green technology solutions at GPG facilities.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
1. Construction	291 282	675 775	364 770	292 898	309 917	337 414	459 422	386 591	399 152
2. Maintenance	692 190	743 692	804 592	739 031	761 541	851 277	754 318	737 133	742 641
3. Immovable Asset Management	1 750 796	1 608 963	1 504 975	1 751 266	1 816 150	2 262 543	1 813 897	1 875 588	1 872 971
Total payments and estimates	2 734 268	3 028 430	2 674 337	2 783 195	2 887 608	3 451 234	3 027 637	2 999 312	3 014 764

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Current payments	1 617 435	1 626 573	1 795 945	1 552 417	1 659 941	1 783 930	1 564 022	1 646 410	1 661 755
Compensation of employees	824 872	871 025	904 643	854 280	896 280	955 758	917 327	960 792	992 839
Goods and services	792 563	755 495	891 302	698 137	763 661	828 172	646 695	685 618	668 916
Interest and rent on land		53							
Transfers and subsidies to:	1 102 129	1 041 527	834 481	1 196 692	1 198 057	1 637 694	1 438 847	1 341 484	1 341 609
Provinces and municipalities	1 033 435	962 284	761 193	1 130 884	1 130 884	1 569 240	1 270 626	1 270 626	1 270 626
Departmental agencies and accounts	63 706	74 868	68 768	65 808	65 808	65 808	168 221	68 293	68 293
Households	4 988	4 375	4 520		1 365	2 646		2 565	2 681
Payments for capital assets	14 704	360 330	43 911	34 086	29 610	29 610	24 768	11 418	11 409
Buildings and other fixed structures	13 887	359 321	43 310	34 086	29 610	29 610	24 768	500	
Machinery and equipment	817	1 009	601					10 918	11 409
Payments for financial assets									
Total economic classification	2 734 268	3 028 430	2 674 337	2 783 195	2 887 608	3 451 234	3 027 637	2 999 312	3 014 764

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

In the 2025/26, allocation of R2.7 billion was adjusted to R2.9 billion to address commitments in office accommodation and compensation of employees. Over MTEF, the budget remains at R3 billion for the respective years of the MTEF.

The overall programme showed improvement in the allocation, although some of the items within the goods and service are not adequately funded.

Sub-programme

The Construction sub-programme saw an increase from R291.3 million in 2022/23 to R675.8 million in 2023/24 due to accelerated capital projects and backlog clearance, focusing on large-scale infrastructure projects during this period specifically R329 million that was allocated for Solar project. The allocation decreased to R364.7 million in 2024/25 due to delays, reprioritisation, or project completion. For 2025/26, the allocation increases from R292.9 million to R309.9 million, with MTEF allocations steadily increasing to R459.4 million in 2026/27, R386.6 million in 2027/28 and R399.2 million in 2028/29 reflecting planned scaling-up and stabilisation of project pipelines.

The function shift of the Gauteng Infrastructure Financing Agency continues to affect allocations. Transfers over the MTEF amounts to R168.2 million in 2026/27, due to an additional budget of R100 million for bulk infrastructure to be funded by existing Project Preparation Facility and will be replenished once the department has demonstrated tangible deliverables of work done. The allocation decreases to R68.3 million in 2027/28 and 2028/29.

The Maintenance sub-programme shows consistent growth, increasing from R692.2 million in 2022/23 to R804.6 million in 2024/25, driven by prioritised building maintenance. The 2025/26 main and adjusted budgets of R739 million and R761 million rise to a revised estimate of R851 million, indicating responsiveness to urgent maintenance needs. Over the MTEF, the budget is allocated R754.3 million in 2026/27, R737.1 million in 2027/28 and R742.6 million in 2028/29, signalling the Department's commitment to preventative maintenance, compliance with GIAMA requirements, and improved asset lifecycle management.

This trend reflects a commitment to preserving and extending the life of existing infrastructure, emphasising proactive asset management to reduce future capital pressures.

The Immovable Asset Management sub-programme, expenditure decreases from R1.8 billion in 2022/23 to R1.5 billion in 2024/25. This decline shows the temporary reprioritisation of funds from Municipal Rates & Taxes in 2023/24 toward more immediate needs in Goods & Services. The budget increases significantly to R1.8 billion in the 2025/26 adjusted

appropriations. However, the revised estimate escalates sharply to R2.2 billion, reflecting confirmed bills on rates and taxes, 2024/25 accrual payments that overlapped in the current year.

The recovery in the outer years indicates the standing obligation to sustain investments in managing immovable assets. In addition, the Department received R19.6 million for existing office accommodation leases.

Economic Classification Trends

a) Compensation of Employees

Compensation of employees includes the personnel who service health institutions, the Gauteng Department of Education and STARS. Over the years, this budget has been increasing significantly due to critical vacant posts that need to be occupied to ensure improved service delivery and to align with the Technical Requirements as per the IDMS. However, the National Treasury has implemented compulsory budget cuts on compensation of employees which will affect the Department's recruitment plan and filling of vacant posts.

Spending increases from R824.9 million in 2022/23 to R904.6 million in 2024/25, driven by the filling of critical infrastructure and technical posts, notch adjustments, and OSD-related obligations.

However, the 2025/26 main appropriation decreases to R854.3 million before being adjusted upward to R896.3 million to address budget pressures. Over the MTEF period, the Compensation of Employees allocation grows from R917.3 million to R992.8 million, reflecting the department's strategic effort to strengthen technical capacity required to support infrastructure planning, delivery and maintenance.

b) Goods and Services

Goods and services expenditure fluctuated over the period, increasing from R792.6 million in 2022/23 to R891.3 million in 2024/25, reflecting operational requirements related to office accommodation, utilities and property maintenance. Additional funding of R128 million was allocated during the 2024/25 mid-year budget adjustments, and a further R162 million was allocated in the 2025/26 financial year for office accommodation.

The reduction in allocation from R891 million in 2024/25 to R698 million in 2025/26 is due to reprioritisation as a result of budget pressures. However, the allocation was adjusted to R763.7 million during the 2025/26 mid-year budget adjustments to provide for security services across government buildings, office accommodation and lease-related costs, municipal services including water and electricity, cleaning and hygiene services, and day-to-day infrastructure and facilities maintenance.

The increase from the adjusted appropriation reflects reprioritisation within the programme to address cost pressures related to utilities, lease escalations, and contractual obligations.

Over the MTEF period, allocations for Goods and Services are projected to rise to R646.7 million in 2026/27, increase further to R685.6 million in 2027/28, and then slightly decrease to R668.9 million in 2028/29.

c) Transfers and Subsidies

Transfers and subsidies constitute a major component of Programme 2 due to payments to municipalities for rates and taxes, as well as transfers to infrastructure-related entities. Rates and taxes allocation have been increasing over the last three financial years due to an increase in devolved properties and the increase in billing rates by municipalities. The Department has been fully utilising the allocated budget owed to municipalities to avoid any distractions on the government buildings. Expenditure on rates and taxes remain relatively constant at R1 million over the financial years.

The budget decreased from R1 billion in 2022/23 to R962 million in 2023/24 and to R761 million in 2024/25. In 2024/25, expenditure on Municipal Rates and Taxes declined significantly due to severe budget pressures experienced by the Department. To sustain core service delivery functions, the Department was compelled to undertake internal reprioritisation within the programme. This included the temporary suspension and deferral of payments for Municipal Rates and Taxes, with funds redirected to address more immediate operational and contractual obligations. While this intervention enabled the Department to manage short-term financial constraints, it resulted in a substantial accumulation of accruals carried forward into 2025/26. Consequently, the 2025/26 allocation is largely absorbed by prior-year obligations, placing strain on the current-year budget. The existing baseline is insufficient to fully settle outstanding municipal accounts while simultaneously meeting current billing requirements.

In 2025/26 the budget increases to R1.1 billion is due to increase in accruals, market value and some of the properties being transferred from National to Provincial Departments. Over the MTEF period, the allocation R1.3 billion and the pressures continues to pose a significant fiscal risk.

To mitigate these risks, the Department is engaging in verification and reconciliation of municipal accounts to ensure billing accuracy; engagements with municipalities on payment arrangements; strengthening immovable asset register accuracy to avoid overbilling; and exploring baseline reprioritisation options within fiscal constraints.

In 2025/26 GIFA was transferred from GPT to DID and the function will be in Programme 2 under departmental Agencies. The allocations remain stable between R65 million and R68 million each year, and it is consistent with mandatory contributions to sector agencies. An additional budget of R100 million is allocated for bulk infrastructure and will be funded by existing Project Preparation Facility and will be replenished once the department has demonstrated tangible deliverables of work done. The allocation decreases to R68.3 million in 2027/28 and 2028/29.

Payments to households remain low, with no allocation in the 2026/27 as the function is centralised to programme 1; mainly relating to employee exit packages and injury-on-duty claims.

d) Payments for Capital Assets

Capital spending fluctuates significantly, reflecting project cycles and infrastructure renewal requirements. Expenditure rises sharply from R14.7 million in 2022/23 for the implementation of infrastructure upgrades, refurbishment programmes, and major capital works to R360.3 million in 2023/24, due to the Solar projects.

However, capital spending declines steeply to R43.9 million in 2024/25 and R34.1 million in 2025/26, suggesting delays in capital execution.

Buildings and Other Fixed Structures, this item makes up the bulk of capital spending, peaking at R359.3 million in 2023/24 due to major infrastructure interventions driven by investments in buildings and other fixed structures i.e., Solar Project.

Over the MTEF, however, allocations decline significantly, to R24.8 million in 2026/27 and R11.4 million in the middle and outer year.

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

Spending on machinery and equipment remains minimal, except for an increase to R10.9 million in 2027/28 and R11.4 million in 2028/29, linked to ICT and operational equipment replacement and upgrades.

SERVICE DELIVERY MEASURES

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

Programme performance measures	Estimated performance	Medium-term estimates		
	2025/26	2026/27	2027/28	2028/29
Number of infrastructure designs ready for tender (IDMS Gate 4)	TBC	TBC	TBC	TBC
Number of new facilities completed	11	11	11	11
Number of facilities renovated	TBC	TBC	TBC	TBC
Green Agenda project delivered in accordance with the PPP process	Commissioning and Installation of Roof-Top Solar Pvin 11 Health facilities	Commissioning and Installation of Roof-Top Solar Pvin 11 Health facilities	Commissioning and Installation of Roof-Top Solar Pvin 11 Health facilities	Commissioning and Installation of Roof-Top Solar Pvin 11 Health facilities
Number of planned maintenance projects completed	159	159	159	159
Number of immovable assets verified in the Immovable Asset Register (IAR) in accordance with the mandatory requirements of National Treasury	8 279	8 279	8 279	8 279
Number of immovable assets removed from immovable Asset Register (IAR)				
Number of condition assessments conducted on state owned buildings	TBC	TBC	TBC	TBC
Approved concept document on the establishment of fully functional GPG Public Infrastructure Nerve Centre	Implementation design concept	Implementation design concept	Implementation design concept	Implementation design concept
Number of planned maintenances awarded	119	119	119	119
Number of facilities condition-based assessment rating improved to a rating of 3 and above per annum	3	3	3	3
Annual project milestone achieved for the implementation of Kopanong Precinct	Commencement of Phase A construction (11 Buildings)	Commencement of Phase A construction (11 Buildings)	Commencement of Phase A construction (11 Buildings)	Commencement of Phase A construction (11 Buildings)
Number of planned non-core (residential) properties disposed of per annum	20	20	20	20
Number of properties released for socio-economic development	5	5	5	5
Number of properties GPG properties commercialised per annum	1	1	1	1
Rand value of revenue generated from GPG properties portfolio	32m	32m	32m	32m
Number of facilities/buildings provided to users (fit for purpose)	6	6	6	6
Number of utilisation inspections conducted for office accommodation	4	4	4	4
Rand value of Municipal rates and taxes paid	1,188b	1,188b	1,188b	1,188b

PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME**Programme Description**

The purpose of Expanded Public Works Programme (EPWP) is to manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors. This includes the provincial management and co-ordination of the EPWP. The EPWP is a nationwide programme aimed at the reorientation of public-sector spending in favour of projects that create more work opportunities.

Programme Objectives

The following are the programme specific objectives that will be the focus of the Department over the next three years.

- Increasing Labour Intensive Construction Content in Projects;
- Coordination of provincial implementation of EPWP Phase 3;
- Implementation of the NYS, Matsoho a hlatswana and Heath maintenance programme;
- Development of a Cooperative Model of Development Framework.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
1. Programme Support CBP	29 103	43 497	60 379	53 063	60 086	46 486	45 492	36 305	37 938
2. Community Development	94 427	228 924	225 347	143 237	121 149	114 174	130 062	196 348	195 904
Total payments and estimates	123 530	272 421	285 726	196 300	181 235	160 660	175 554	232 653	233 842

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Current payments	123 522	272 347	285 546	196 049	181 220	160 435	175 554	232 466	233 647
Compensation of employees	89 910	127 667	153 032	128 984	128 984	115 756	132 950	125 728	122 106
Goods and services	33 612	144 680	132 514	67 065	52 236	44 679	42 604	106 738	111 541
Transfers and subsidies to:	8	74	180	251	15	225		187	195
Households	8	74	180	251	15	225		187	195
Payments for capital assets									
Payments for financial assets									
Total economic classification	123 530	272 421	285 726	196 300	181 235	160 660	175 554	232 653	233 842

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

For the 2021/22 financial year, the programme was heavily hampered by COVID-19 restrictions, and participants were negatively impacted by the pandemic. This required that the training of these beneficiaries be implemented in a staggered approach due to social distancing restrictions.

In year 2023/24 and 2024/25 respectively the department allocated more funding to training and introduced the two new programmes within EPWP responsible for creating job opportunities. A decrease in the year 2025/26 is due to compulsory budget cut across all the departments which necessitates the department to defer implementation of the two programmes to the years 2026/27 and 2027/28.

Sub-programme

Sub-programme Support: Community Based Programmes (CBP) spending increases gradually from R29.1 million in 2022/23 to R60.4 million in 2024/25, driven by strengthened programme management capacity, administrative support for EPWP initiatives.

The allocation in 2025/26 decreases to R53.1 million, with the revised estimate further declining to R46 million, reflecting cost-containment measures and reductions in operational spending. Over the MTEF, the sub-programme is allocated R45.5

million in 2026/27, before decreasing to R36.3 million in 2027/28 and increasing marginally to R37.9 million in 2028/29 as administrative activities are reprioritised due to experienced budget cuts.

Overall, Programme Support reflects a shift towards tighter budget control and prioritisation of direct service delivery within the programme.

Community development sub-programme is the main cost driver in Programme 3, supporting job creation initiatives, EPWP coordination, and community empowerment programmes. Expenditure grows substantially from R94.4 million in 2022/23 to R228.9 million in 2023/24, driven by scaling up of EPWP projects and expansion of community development initiatives.

Spending moderates to R225.3 million in 2024/25, followed by a significant reduction to R143.2 million in 2025/26, reflecting the completion of EPWP cycles, reprioritisation of projects, and adjustments to grant-funded programmes. The revised estimate of R114 million suggests further in-year constraints and slower implementation of some community programmes.

Over the MTEF, funding increases to R130.1 million in 2026/27, and then to R196.3 million and R195.9 million in 2027/28 and 2028/29 respectively.

Economic Classification Trends

a) Compensation of Employees

Spending on compensation increases from R89.9 million in 2022/23 to R153 million in 2024/25 due to the expanded programmes.

In 2025/26, the budget drops to R129 million in line with compensation containment measures. Over the MTEF, compensation moderates, increasing marginally to R133 million in 2026/27 before decreasing to R122.1 million in 2028/29.

EPWP Conditional Grant - The department was allocated a budget of R9 million in the 2024/25 and R14 million in 2025/26 financial year, which has been fully spent, resulting in a 100% spending rate. The grant is received in tranches, and all funds disbursed to the department have been utilised in full as received.

Although the Department fully utilised the allocated grant amount, the allocation has been reduced to R12.6 million for the 2026/27 financial year.

b) Goods and Services

Goods and services expenditure increased substantially from R33.6 million in 2022/23 to R144.7 million in 2023/24, driven by community development activities and project-based costs.

In the 2024/25 financial year the expenditure decreased to R132.5 million due to the implementation of the Vacant land and Health Maintenance programme. In the same year, the department trained most of the EPWP beneficiaries.

The budget declines to R67.1 million in 2025/26, reflecting reprioritisation and alignment with available funding. Over the MTEF, goods and services allocation mainly for EPWP training continue for supporting improved programme support, training, and community interventions, including Personal Protective Equipment, and project-specific expenditures. The allocations for the MTEF fluctuates from R42.6 million in 2026/27 to R111.5 million in 2028/29.

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

c) Transfers and Subsidies

Transfers and subsidies remain minimal, ranging between R8 thousand and R251 thousand across the period, mainly for household-related payments. MTEF allocations are fluctuating between R187 thousand in 2027/28 and R195 thousand in 2028/29, indicating limited transfer-driven programme activities.

SERVICE DELIVERY MEASURES

PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

Programme performance measures	Estimated performance	Medium-term estimates		
	2025/26	2026/27	2027/28	2028/29
Number of EPWP work opportunities created by DID	7 000	7 000	7 000	7 000
Number of Full Time Equivalents (FTE's) created by DID	7 000	7 000	7 000	7 000
Number of interventions implemented to support public bodies in the creation of targeted number of work opportunities in the province (4 sectors Infrastructure, Social, Environment & Non-State)	7	7	7	7
Number of Beneficiary Empowerment Intervention	3	3	3	3
Number of Work Opportunities reported by Infrastructure Sector in Gauteng (GPG Departments)	21 865	21 865	21 865	21 865
Number of Work Opportunities reported by the Social Sector in Gauteng (GPG Departments)	22 590	22 590	22 590	22 590
Number of Work Opportunities reported by the Environment Sector in Gauteng (GPG Departments)	1 582	1 582	1 582	1 582
Number of Work Opportunities reported by Provincial Works	2 500	2 500	2 500	2 500
Number of EPWP created by Gauteng municipalities	55 268	55 268	55 268	55 268
Number of EPWP participants successfully completed skills development programme	2 500	2 500	2 500	2 500
Number of Public Bodies reporting on EPWP targets in the province the value of the indicator to the province	TBC	TBC	TBC	TBC

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 15.13: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT

R thousands	Actual				Revised estimate			Medium-term expenditure estimate						Average annual growth over MTEF						
	2022/23		2023/24		2024/25		2025/26		2026/27		2027/28		2028/29		2025/26 - 2028/29		% Costs of Total			
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs		Personnel growth rate	Costs growth rate	
Salary level																				
1 – 6	1 342	404 136	1 389	345 255	1 389	403 354	1 288	101	1 389	373 384	1 389	427 670	1 389	423 853	1 389	442 926	0%	0%	6%	30%
7 – 10	271	198 339	279	158 685	279	166 708	274	5	279	144 379	279	176 912	279	155 025	279	162 002	0%	0%	4%	11%
11 – 12	99	102 402	95	77 049	95	85 341	92	3	95	94 070	95	101 707	95	97 100	95	103 761	0%	0%	3%	7%
13 – 16	65	98 339	63	81 814	63	88 928	62	1	63	110 597	63	131 610	63	103 899	63	108 574	0%	0%	(1)%	8%
Other	710	348 754	744	523 675	744	518 455	700	44	744	585 652	744	524 670	744	610 132	744	614 829	0%	0%	2%	44%
Total	2 487	1 151 970	2 570	1 186 478	2 570	1 262 786	2 416	154	2 570	1 308 082	2 570	1 362 569	2 570	1 390 009	2 570	1 432 092	0%	0%	3%	100%
Programme																				
1. Administration	344	237 188	373	245 362	373	254 024	359	14	373	236 568	373	371 726	373	267 009	373	281 318	0%	0%	6%	6%
2. Public Works Infrastructure	2 093	824 672	2 143	871 025	2 143	904 643	2 003	140	2 143	955 758	2 143	854 327	2 143	997 272	2 143	1 028 668	0%	0%	2%	72%
3. Expanded Public Works Programme Direct charges	50	89 910	54	127 667	54	153 032	54		54	115 756	54	136 516	54	125 728	54	122 106	0%	0%	2%	9%
Total	2 487	1 151 970	2 570	1 244 054	2 570	1 311 699	2 416	154	2 570	1 308 082	2 570	1 362 569	2 570	1 390 009	2 570	1 432 092	0%	0%	3%	100%

COE strategies include the provision of adequate capacity on an ongoing basis to ensure continued service delivery and sustainability, staff retention of scarce skills within stringent cost controls on overtime and acting allowances. In addition, the department seeks to improve employee productivity by ensuring Performance agreements with Personal Development Plans and assessments are concluded within the set time frame as well as maintaining employee relations and well-being.

The department provides critical maintenance and repairs to the client Departments which include scheduled maintenance, emergencies and other projects in respect of health institutions such as hospitals, primary health care facilities, ambulance stations, mortuaries and other health care and ancillary facilities.

The current financial constraints have required cuts to some of the planned training interventions, leading to the inability to implement other priority training programmes.

9.2 Training

TABLE 15.14: INFORMATION ON TRAINING: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Number of staff	2 487	2 570	2 570	2 570	2 570	2 570	2 570	2 570	2 570
Number of personnel trained	1 510	1 490	1 540	1 550	1 550	1 550	1 550	1 550	1 550
of which									
Male	810	820	820	820	820	820	820	820	820
Female	700	670	720	730	730	730	730	730	730
Number of training opportunities	1 140	1 190	1 170	1 170	1 170	1 170	1 170	1 170	1 170
of which									
Tertiary	60	70	70	70	70	70	70	70	70
Workshops	140	150	150	150	150	150	150	150	150
Seminars	130	140	140	140	140	140	140	140	140
Other	810	830	810	810	810	810	810	810	810
Number of bursaries offered	150	100	150	150	150	150	150	150	150
Number of interns appointed	160	170	170	170	170	170	170	170	170
Number of learnerships appointed	40	60	70	80	80	80	80	80	80
Payments on training by programme									
1. Administration	5 813	5 871	5 930	6 196	6 196	6 196	6 481	6 773	7 078
2. Public Works Infrastructure	13 055	13 135	13 266	13 860	13 860	13 860	14 498	15 150	15 832
3. Expanded Public Works Programme	1 796	1 814	1 832	1 914	1 914	1 914	2 002	2 092	2 186
Total payments on training	20 664	20 820	21 028	21 970	21 970	21 970	22 981	24 015	25 096

The existing financial constraints have necessitated reductions to several planned training interventions, resulting in the inability to implement other priority training programmes. As a result, the department recognises the importance of fostering partnerships to augment the limited training budget to ensure continued access to critical development opportunities.

9.3 Reconciliation of structural changes

N/A

10. Gender Responsive Budgeting

TABLE 15.15: INFORMATION ON GENDER RESPONSIVE BUDGETING: INFRASTRUCTURE DEVELOPMENT

R'000	Main	Adjusted	Revised	MTEF		
	appropriation	appropriation	estimate	2026/27	2027/28	2028/29
	2025/26					
Percentage of women employed in SMS positions in the department	102 970	104 112	104 112	106 677	110 197	113 613
Percentage of women employed at Salary Level 1-12 within the department	482 285	487 641	487 641	499 647	516 136	532 136
Percentage of procurement for women-owned companies	180 671	180 671	180 671	187 175	193 352	199 346
Total	765 926	772 424	772 424	793 499	819 685	845 095

The total allocation to the department amounts to R765.9 million in 2025/26, increasing to R772.4 million in the 2025/26 adjusted appropriation, with the revised estimate remaining at R772.4 million.

Over the 2026 MTEF period, the allocation increases progressively to R793.5 million in 2026/27, R819.7 million in 2027/28, and R845.1 million in 2028/29. The steady growth over the medium term reflects sustained institutional commitment to gender-responsive budgeting and transformation within the infrastructure delivery environment.

The allocation associated with women employed in Senior Management Service positions amounts to R102.9 million in 2025/26 under the Main Appropriation and increases to R104.1 million in both the adjusted appropriation and revised estimate. Over the MTEF, funding rises to R106.7 million in 2026/27, R110.2 million in 2027/28, and R113.6 million in 2028/29, demonstrating continued efforts to strengthen women's representation in leadership positions.

The allocation for women employed at Salary Levels 1–12 amounts to R482.3 million in 2025/26 under the main appropriation and increases to R487.6 million in the adjusted budget. Over the medium term, allocations grow to R499.6 million in 2026/27, R516.1 million in 2027/28, and R532.1 million in 2028/29. This increase supports inclusive workforce planning and sustained employment equity across occupational categories.

Procurement directed toward women-owned companies amounts to R180.7 million in 2025/26, remaining unchanged in the adjustment and revised estimates. Over the MTEF period, the allocation increases steadily to R187.2 million in 2026/27, R193.4 million in 2027/28, and R199.3 million in 2028/29. The gradual increase reflects deliberate measures to expand economic participation of women-owned enterprises within the infrastructure procurement value chain.

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 15.16: SPECIFICATION OF RECEIPTS: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Sales of goods and services other than capital assets	16 537	13 744	13 477	14 949	14 949	14 949	19 707	20 852	24 321
Sale of goods and services produced by department (excluding capital assets)	16 537	13 744	13 477	14 949	14 949	14 949	19 707	20 852	24 321
Sales by market establishments	16 537	13 744	13 477	14 949	14 949	14 949	19 707	20 852	24 321
Interest, dividends and rent on land	271	74	1						
Interest	271	74	1						
Sales of capital assets	11 378	9 401	20 421	20 000	20 000	20 000	16 850	17 350	15 600
Transactions in financial assets and liabilities	7 534	853	724	920	920	920	962	1 005	1 050
Total departmental receipts	35 720	24 072	34 623	35 869	35 869	35 869	37 519	39 207	40 971

TABLE 15.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Current payments	2 162 226	2 390 772	2 582 812	2 380 055	2 409 926	2 434 715	2 159 943	2 246 961	2 280 049
Compensation of employees	1 151 970	1 244 054	1 311 699	1 281 636	1 307 612	1 308 082	1 362 569	1 390 009	1 432 092
Salaries and wages	1 001 049	1 073 294	1 128 834	1 096 698	1 122 099	1 118 053	1 169 123	1 187 858	1 220 844
Social contributions	150 921	170 760	182 865	184 938	185 513	190 029	193 446	202 151	211 248
Goods and services	1 007 596	1 135 417	1 261 562	1 098 419	1 095 643	1 119 962	797 374	856 952	847 957
Administrative fees	13	6	23	50	103	103	50		
Advertising	3 356	3 850	945	7 000	1 000	585	600		
Minor assets	454	1 836	187	3 006	506	506	3 000	875	915
Audit costs: External	38 056	10 794	15 891	21 000	17 000	17 000	17 000	12 530	13 094
Bursaries: Employees	103	6 084	6 646	4 500	4 500	4 500	3 000		
Catering: Departmental activities	603	2 365	339	200	346	432	410		
Communication (G&S)	1 089	2 241	501	4 552	4 577	4 614	3 000	1 252	1 308
Computer services	28 537	15 140	8 493	26 000	15 700	22 246	16 000	22 850	23 876
Consultants: Business and advisory services	6 794	43 574	38 411	41 000	25 500	29 728	15 000		
Legal services (G&S)	62 038	109 836	108 930	149 909	149 909	103 704	20 000	11 421	11 935
Contractors	2 433	319		2 000	1 000	1 000	2 000		
Agency and support/outsource d services	41 991	144 373	136 352	78 600	58 600	51 109	38 860	99 055	103 513
Entertainment									
Inventory: Clothing material and accessories	3 280	6 454	8 010	22 757	20 341	19 359	10 000	4 583	4 789

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Inventory: Materials and supplies	45	17							
Consumable supplies	3 673	7 008	4 722	1 055	1 636	2 669	1 000	1 193	1 247
Consumables: Stationery, printing and office supplies	4 096	3 905	2 185	2 648	2 148	3 425	1 000	1 255	1 311
Operating leases	470 541	396 265	520 661	331 570	412 189	457 272	309 830	270 207	252 525
Property payments	263 011	298 144	339 600	314 341	293 461	315 028	287 294	376 871	386 565
Travel and subsistence	20 231	22 447	15 766	16 161	14 686	17 435	9 000	4 047	4 229
Training and development	11 455	12 629	2 530	11 930	9 930	9 930	6 000	13 041	13 628
Operating payments		124	239	140	224	408	200		
Venues and facilities	1 916	1 146	4 003	6 000	1 542	1 542	3 000		
Interest and rent on land	2 660	11 301	9 551		6 671	6 671			
Interest	2 660	11 301	9 551		6 671	6 671			
Transfers and subsidies	1 103 465	1 042 386	835 688	1 200 943	1 199 072	1 640 946	1 442 847	1 341 671	1 341 795
Provinces and municipalities	1 033 435	962 284	761 193	1 130 884	1 130 884	1 569 240	1 270 626	1 270 626	1 270 626
Municipalities	1 033 435	962 284	761 193	1 130 884	1 130 884	1 569 240	1 270 626	1 270 626	1 270 626
Municipalities	1 033 435	962 284	761 193	1 130 884	1 130 884	1 569 240	1 270 626	1 270 626	1 270 626
Departmental agencies and accounts	63 706	74 868	68 768	65 808	65 808	65 808	168 221	68 293	68 293
Provide list of entities receiving transfers	63 706	74 868	68 768	65 808	65 808	65 808	168 221	68 293	68 293
Households	6 324	5 234	5 727	4 251	2 380	5 898	4 000	2 752	2 876
Social benefits	6 315	5 234	5 727	4 251	2 380	5 898	4 000	1 843	1 926
Other transfers to households	9							909	950
Payments for capital assets	38 477	397 542	54 839	67 086	67 610	61 896	53 768	11 418	11 409
Buildings and other fixed structures	13 887	359 321	43 310	34 086	29 610	29 610	24 768	500	
Buildings	13 887	359 321	43 310	34 086	29 610	29 610	24 768	500	
Machinery and equipment	24 590	37 454	7 609	33 000	38 000	32 286	29 000	10 918	11 409
Other machinery and equipment	24 590	37 454	7 609	33 000	38 000	32 286	29 000	10 918	11 409
Software and other intangible assets		767	3 920						
Payments for financial assets	2 019	485	41			78			
Total economic classification	3 306 187	3 831 185	3 473 380	3 648 084	3 676 608	4 137 635	3 656 558	3 600 050	3 633 253

TABLE 15.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Current payments	421 269	491 852	501 321	631 589	568 765	490 350	420 367	368 085	384 647
Compensation of employees	237 188	245 362	254 024	298 372	282 348	236 568	312 292	303 489	317 147
Salaries and wages	208 255	213 754	220 792	259 316	245 717	216 632	271 439	260 798	272 535
Social contributions	28 933	31 608	33 232	39 056	36 631	19 936	40 853	42 691	44 612
Goods and services	181 421	235 242	237 746	333 217	279 746	247 111	108 075	64 596	67 500
Administrative fees	13	6	22	50	103	103	50		

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Advertising	3 356	3 850	945	7 000	1 000	585	600		
Minor assets	194	1 204	149	506	506	506	3 000		
Audit costs: External	38 056	10 794	15 891	21 000	17 000	17 000	17 000	12 530	13 094
Bursaries: Employees	103	6 084	6 646	4 500	4 500	4 500	3 000		
Catering: Departmental activities	410	732	239	200	346	388	410		
Communication (G&S)	672	1 674	112	4 552	4 552	4 589	3 000	1 252	1 308
Computer services	28 515	15 061	8 475	26 000	15 700	22 200	16 000	21 857	22 838
Consultants: Business and advisory services	6 794	42 521	36 639	38 500	18 000	29 113	2 300		
Legal services (G&S)	62 038	109 836	108 930	149 909	149 909	102 774	20 000	11 421	11 935
Contractors	2 433	319		2 000	1 000	1 000	2 000		
Agency and support/outsource d services	4 777	7 914	20 144	13 600	8 600	10 473	100		
Fleet services (including government motor transport)	9 419	9 306	12 345	14 369	21 114	15 474	15 781	2 327	2 432
Inventory: Clothing material and accessories	502	34	67	22 757	17 757	14 968	10 000		
Inventory: Materials and supplies		2							
Consumable supplies	1 806	2 954	1 059	1 020	973	1 572	960		
Consumables: Stationery, printing and office supplies	3 961	3 903	2 183	2 648	2 148	3 424	1 000	1 255	1 311
Operating leases	2 402	2 467	15 575	3 600	3 600	3 600	2 200		
Property payments			82						
Travel and subsistence	2 899	2 682	1 471	2 936	1 242	2 962	1 474	913	954
Training and development	11 155	12 629	2 530	11 930	9 930	9 930	6 000	13 041	13 628
Operating payments		124	239	140	224	408	200		
Venues and facilities	1 916	1 146	4 003	6 000	1 542	1 542	3 000		
Interest and rent on land	2 660	11 248	9 551		6 671	6 671			
Interest	2 660	11 248	9 551		6 671	6 671			
Transfers and subsidies	1 328	785	1 027	4 000	1 000	3 027	4 000		
Households	1 328	785	1 027	4 000	1 000	3 027	4 000		
Social benefits	1 328	785	1 027	4 000	1 000	3 027	4 000		
Payments for capital assets	23 773	37 212	10 928	33 000	38 000	32 286	29 000		
Machinery and equipment	23 773	36 445	7 008	33 000	38 000	32 286	29 000		
Other machinery and equipment	23 773	36 445	7 008	33 000	38 000	32 286	29 000		
Software and other intangible assets		767	3 920						

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Payments for financial assets	2 019	485	41			78			
Total economic classification	448 389	530 334	513 317	668 589	607 765	525 741	453 367	368 085	384 647

TABLE 15.19: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC WORKS INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Current payments	1 617 435	1 626 573	1 795 945	1 552 417	1 659 941	1 783 930	1 564 022	1 646 410	1 661 755
Compensation of employees	824 872	871 025	904 643	854 280	896 280	955 758	917 327	960 792	992 839
Salaries and wages	704 752	734 057	758 633	710 553	750 553	789 390	766 988	803 687	828 664
Social contributions	120 120	136 968	146 010	143 727	145 727	166 368	150 339	157 105	164 175
Goods and services	792 563	755 495	891 302	698 137	763 661	828 172	646 695	685 618	668 916
Advertising									
Minor assets	260	632	38	2 500				875	915
Catering: Departmental activities	9	151				44			
Communication (G&S)	341	532	367		23	23			
Computer services	22	79	18			46		993	1 038
Consultants: Business and advisory services		1 053	1 772	2 500	7 500	615	12 700		
Agency and support/outsource d services	6 653								
Fleet services (including government motor transport)	32 292	35 129	23 916	37 631	37 631	39 893	32 043	34 080	25 164
Inventory: Clothing material and accessories	2 501	3 221	3 827		2 584	2 584			
Inventory: Materials and supplies	45	15							
Consumable supplies	1 867	4 054	2 655	25	653	1 087	30		
Consumables: Stationery, printing and office supplies	135	2	2			1			
Operating leases	468 139	393 798	505 086	327 970	408 589	453 672	307 630	270 207	252 525
Property payments	263 011	298 144	339 518	314 341	293 461	315 028	287 294	376 871	386 565
Travel and subsistence	17 288	18 685	14 103	13 170	13 220	14 249	6 998	2 592	2 709
Interest and rent on land		53							
Interest		53							
Transfers and subsidies	1 102 129	1 041 527	834 481	1 196 692	1 198 057	1 637 694	1 438 847	1 341 484	1 341 600
Provinces and municipalities	1 033 435	962 284	761 193	1 130 884	1 130 884	1 569 240	1 270 626	1 270 626	1 270 626
Provinces									
Municipalities	1 033 435	962 284	761 193	1 130 884	1 130 884	1 569 240	1 270 626	1 270 626	1 270 626
Municipalities	1 033 435	962 284	761 193	1 130 884	1 130 884	1 569 240	1 270 626	1 270 626	1 270 626
Departmental agencies and accounts	63 706	74 868	68 768	65 808	65 808	65 808	168 221	68 293	68 293
Provide list of entities receiving transfers	63 706	74 868	68 768	65 808	65 808	65 808	168 221	68 293	68 293
Households	4 988	4 375	4 520		1 365	2 646		2 565	2 681

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Social benefits	4 979	4 375	4 520		1 365	2 646		1 656	1 731
Other transfers to households	9							909	950
Payments for capital assets	14 704	360 330	43 911	34 086	29 610	29 610	24 768	11 418	11 409
Buildings and other fixed structures	13 887	359 321	43 310	34 086	29 610	29 610	24 768	500	
Buildings	13 887	359 321	43 310	34 086	29 610	29 610	24 768	500	
Machinery and equipment	817	1 009	601					10 918	11 409
Other machinery and equipment	817	1 009	601					10 918	11 409
Payments for financial assets									
Total economic classification	2 734 268	3 028 430	2 674 337	2 783 195	2 887 608	3 451 234	3 027 637	2 999 312	3 014 764

TABLE 15.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Current payments	123 522	272 347	285 546	196 049	181 220	160 435	175 554	232 466	233 647
Compensation of employees	89 910	127 667	153 032	128 984	128 984	115 756	132 950	125 728	122 106
Salaries and wages	88 042	125 483	149 409	126 829	125 829	112 031	130 696	123 373	119 645
Social contributions	1 868	2 184	3 623	2 155	3 155	3 725	2 254	2 355	2 461
Goods and services	33 612	144 680	132 514	67 065	52 236	44 679	42 604	106 738	111 541
Catering: Departmental activities	184	1 482	100						
Communication (G&S)	76	35	22		2	2			
Agency and support/outsource d services	30 561	136 459	116 208	65 000	50 000	40 636	38 760	99 055	103 513
Fleet services (including government motor transport)	2 170	2 425	10 867	2 000	2 000	2 000	3 306	1 365	1 426
Inventory: Clothing material and accessories	277	3 199	4 116			1 807		4 583	4 789
Consumable supplies			1 008	10	10	10	10	1 193	1 247
Travel and subsistence	44	1 080	192	55	224	224	528	542	566
Training and development	300								
Transfers and subsidies	8	74	180	251	15	225		187	195
Households	8	74	180	251	15	225		187	195
Social benefits	8	74	180	251	15	225		187	195
Payments for capital assets									
Payments for financial assets									
Total economic classification	123 530	272 421	285 726	196 300	181 235	160 660	175 554	232 653	233 842

TABLE 15.21: SUMMARY OF DEPARTMENTAL PAYMENTS AND ESTIMATES BY DISTRICT AND LOCAL MUNICIPALITY

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R thousand	Outcome			Main appropriation	Adjusted appropriation 2025/26	Revised estimate	Medium-term estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Ekurhuleni					354 486	354 486	354 486	699 520	384 486
City of Johannesburg					328 654	328 654	328 654	649 750	368 654
City of Tshwane					287 845	287 845	287 845	642 776	329 241
Sedibeng District Municipality					110 166	110 166	110 166	182 454	130 166
Emfuleni					92 324	92 324	92 324	127 378	102 324
Midvaal					9 961	9 961	9 961	11 058	14 961
Lesedi					7 881	7 881	7 881	10 645	12 881
								22 802	
								10 571	
West Rand District Municipality	265	407			19 599	19 599	19 599	33 373	34 341
Mogale City					8 088	8 088	8 088	22 802	17 830
Merafong City	265	407			11 511	11 511	11 511	10 571	16 511
Rand West City									
District Municipalities					18 738	18 738	18 738	12 460	23 738
West Rand District Municipality					18 738	18 738	18 738	12 460	23 738
Unallocated	578 564	735 790	3 306 187	3 831 185	3 473 380	2 528 596	2 557 120	1 917 302	2 385 932
Total transfers to municipalities	578 829	736 197	3 306 187	3 831 185	3 473 380	3 648 084	3 676 608	4 137 635	3 656 558

