

# VOTE 1

## Office of the Premier

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Operational budget	R 739 951 530
Remuneration of the Premier	R 2 173 470
Total amount to be appropriated	R 742 125 000

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Responsible Executive Authority	The Premier
Administering department	Office of the Premier
Accounting officer	Director-General: Office of the Premier

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### 1. Overview

#### Vision

The vision of the Office of the Premier (OTP) is: *To be the centre of governance, providing leadership towards achieving KZN Vision 2035.*

#### Mission statement

The mission of the department is to support the Premier in carrying out his constitutional and statutory duties. The department fulfils this mission primarily by:

- Promoting an integrated service delivery model.
- Enhancing co-operative governance within the province.
- Effective stakeholder management and communication.
- Enhancing performance management and accountability through monitoring and evaluation.

#### Strategic objectives

The *strategic policy direction* of the OTP is directly linked to national government's 14 outcomes and also informs the department's strategic objectives, as listed below:

- Integrate, co-ordinate and facilitate transversal policies, programmes, strategies, plans and systems of the province.
- Lead in macro planning and policy management to achieve the electoral mandate.
- Monitoring and evaluation of provincial government's programmes.
- Provide strategic leadership and direction for provincial government.
- Oversee the development and implementation of legislation.
- Promote inter and intra-governmental relations and good governance.

Based on the mission and mandates, the department identified the following strategic objectives:

- To realise the existence of functional public policy and strategic planning management systems and processes for the provincial government.
- To achieve co-ordinated provincial policies, strategies and programmes.
- To ensure the existence of governance conditions conducive to respect for human rights, promotion of science and technology, and conservation and management of cultural heritage resources.
- To realise enhanced government communication and governance, human resources development, state law advisory services and service delivery in and by the provincial administration.

- To have in place co-ordinated and aligned policies and plans of the three spheres of government and foreign governments and agencies.
- To achieve effectively monitored and evaluated government policies and programmes.
- To enhance and promote the status of the Zulu Monarch and to establish the necessary institutional arrangements in support of the Zulu Monarchy and members of the Royal family.

### **Core functions**

In order to ensure alignment with national and provincial priorities and address the weaknesses identified in service delivery, the roles of the OTP have been defined as follows:

- To support the Premier as the head of the provincial government and the Executive Council and its sub-structures, and ensure constitutional and legal compliance.
- To co-ordinate provincial policy and planning processes.
- To provide provincial leadership and inter-departmental co-ordination.
- To promote co-operative and good governance.
- To provide transversal support services for human resource management, information technology, communications, legal and macro policy advisory services.
- To promote a culture of human rights consciousness and gender sensitivity across the province.
- Control and regulation of the gaming and betting function.
- To facilitate the smooth functioning of the Royal Household Trust (hereafter referred to as the RHT).
- To enable His Majesty, the King to participate in government initiatives as an ambassador to KZN.
- Control and regulation of the gaming and betting function.

### **Legislative mandate**

The OTP has a pivotal position in the KZN provincial government. The department's key legislative mandates are derived mainly from the following legislation:

- The Constitution of the Republic of South Africa, 1996
- Public Service Act, 1994, as amended
- Public Finance Management Act, 1999, as amended and Treasury Regulations
- Preferential Procurement Policy Framework Act, 2000
- KwaZulu-Natal Provincial Supply Chain Management Policy Framework, 2006
- KwaZulu-Natal Youth Commission Act, 2005
- KwaZulu-Natal Heritage Act, 1997
- Annual Division of Revenue Act (DORA)
- Public Service Regulations, 2001
- Labour Relations Act, 1995
- Employment Equity Act, 1998
- Basic Conditions of Employment Act, 1997
- Promotion of Access to Information Act, 2000
- Electronic Communications and Transactions Act, 2002
- State Information Technology Agency Act, 1999
- Promotion of Administrative Justice Act, 2000
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000

- Skills Development Act, 1998
- KwaZulu-Natal Gaming and Betting Act (Act No. 8 of 2010)
- KwaZulu-Natal Gaming and Betting Tax Act (Act No. 9 of 2010)
- KwaZulu-Natal Royal Household Trust Bill, 2015
- Traditional Leadership and Governance Framework Act, 2003
- KwaZulu-Natal Traditional Leadership and Governance Act, 2005

## **2. Review of the 2016/17 financial year**

Section 2 provides a review of 2016/17, outlining the main achievements and progress made by the department during the year, as well as giving a brief discussion on challenges and new developments.

### ***Provincial Planning Commission (PPC)***

The functions of the PPC are similar to those of the National Planning Commission, and are to advise and make recommendations to the Premier and the Provincial Executive on a long-term strategic development perspective and vision of the province. The aim is to ensure coherence in policy development and planning across the provincial government, and strengthen performance monitoring and evaluation to enable assessment of the pace required to deliver on the desired outcomes. A refined version of the PGDP and the fourth implementation report was presented to the Executive Council and approved. Substantial progress was made with strengthening the institutional framework to drive the implementation of the PGDP with the establishment of 18 Action Work Groups (AWGs) reporting to the four Executive Council clusters on a monthly basis. Support was rendered to the eThekweni Metro and all 10 district municipalities in the drafting of their District Growth and Development Plans, as well as to the Poverty and Makhathini Laboratories, which aim to fast-track the identification, planning and implementation of projects of all spheres of government in the Makhathini area, in line with the nation-wide Operation Phakisa programme of action.

### ***International relations***

The OTP was involved in strengthening international relations by promoting KZN as a preferred destination for trade, investment and tourism with the intention of portraying the province as the gateway to Africa and the world. Extensive liaison was carried out in collaboration with provincial and national departments, the diplomatic corps and global stakeholders to promote KZN in the international arena.

### ***Monitoring and evaluation***

The OTP worked closely with Provincial Treasury in building capacity in order to take over the co-ordination of the Quarterly Performance Reporting (QPR) of all provincial departments in line with this function moving from National Treasury to the Department of Planning, Monitoring and Evaluation (DPME) at a national level. The OTP's QPR was automated in the Provincial Nerve Centre, which now has a fully functional geographic information system, and many reports and maps were compiled. It is envisaged that this process will strengthen responsibility and accountability by the line managers in the reliability of data and evidence provided. The unit prepared quarterly monitoring reports in respect of the PGDP. The OTP was also successful in co-ordinating the implementation of the Management Performance Assessment Tool (MPAT) in the province, as well as within OTP.

### ***Protection of human rights***

The OTP co-ordinated the Gender, Disability, Senior Citizens, Children and Ombudsperson's forums which served as platforms to promote and monitor the implementation of human rights related policies by all government departments and municipalities. The unit successfully co-ordinated capacity building sessions at both government and community levels. National Human Rights Day and 16 Days of Activism Campaign were both hosted successfully. The awareness campaigns included active ageing, inter-generational dialogues and the child ambassador programme. The unit also rolled-out the Anti-Rape Campaign, which was cascaded in all districts through the provincial gender structures. In addition, the OTP also made interventions on issues of human rights violations through the Office of the Ombudsperson and the Office on Protection of Human Rights.

***Public service transformation***

The OTP convened various strategic Human Resource Forums from all Human Resource Management and Development directorates in provincial departments. These forums were effective learning platforms utilised to share best practices and knowledge among peers. In the main, such forums were held to focus on new developments in the following areas: integrated human resource management, PERSAL management for all PERSAL users in the province, labour relations, organisational development, advisory services and employee health and wellness.

***Identity and heritage of the province***

Several heritage events were organised to profile the previously marginalised heritage resources, such as the unveiling of the monuments of Dorothy Nyembe, Indlamu at uMsinga and Weenen, as well as the memorial lecture of Johannes Nkosi. Significant events were also held, such as Deepavali/Diwali celebrations, as well as the Heritage Day celebration held together with the King Shaka commemoration at the Moses Mabhida Stadium. The eThekweni Metro has not yet completed the construction and unveiling of the monument in respect of the 150-year commemoration relating to the arrival of Indian indentured labourers in South Africa, however, the process is at an advanced stage and anticipated to be completed during the first quarter of 2017/18. The District Heritage Forum structures were fully functional in all 11 districts. The public entity, Amafa aKwaZulu-Natali (hereafter referred to as Amafa) also continued to play a pivotal regulatory role in the heritage of KZN.

The merger of Amafa and OTP's Heritage unit to form a new Heritage Institute is at an advanced stage, and is anticipated to be formalised and in operation during 2017/18.

***Operation Sukuma Sakhe (OSS)***

OSS is an integrated service delivery model adopted by KZN to enhance service delivery to households and communities. Since launching OSS, the province has placed great emphasis on its strengthening to ensure it meets the service delivery obligations of households and communities within the province. The OTP hosted several provinces on a benchmarking study tour on OSS. The OSS-related Inkululeko projects in Ndumo, uMkhanyakude are 95 per cent complete and are anticipated to be completed during 2017/18. Provincial government has already started a similar development in uMsinga.

***His Majesty, the King's activities***

His Majesty, the King undertook the following activities, among others:

- Participated in government events and ceremonies, such as the opening of the KZN Provincial Legislature, opening of the Traditional House, as well as the State of the Province Address.
- Hosted various traditional events, such as the Reed Dance, First Fruits ceremony (*Umkhosi Woselwa*), *Amaganu* ceremonies, *Umkhosi woMama*, etc.
- Installed five *Amakhosi* statutorily and in terms of custom.

***The Royal Household Trust (RHT)***

The RHT was moved to the OTP with effect from 1 April 2015 from the former Department of Royal Household (DRH) that was abolished. The RHT is responsible for providing administrative support for the benefit of the Monarch and the Royal Household. The RHT is also responsible for the maintenance and the upkeep of Royal palaces and grazing lands.

An amendment Bill to the Royal Household Trust Act is in the process of being passed by the Legislature. This Bill seeks to ensure that identified shortcomings in the RHT's operations are adequately addressed and is envisaged to facilitate fund-raising efforts by the RHT. The RHT is in the process of developing a business model which will identify various businesses and/or revenue generating opportunities.

***Amafa aKwaZulu-Natali (Amafa)***

Amafa continued with its legislative mandate of assessing and issuing permit applications for alterations, repairs and demolition of qualifying built environment structures and archaeological-related work. Maintenance and project work at sites of historic significance were undertaken so as to preserve and/or conserve the existing heritage fabric of the province. Due to a significant reduction in the operational

budget because of fiscal consolidation cuts, such work had to be drastically reduced. With the limited resources at Amafa's disposal, the entity was able to undertake the following work and/or projects:

- The survey of public memorials in the Msunduzi Municipality.
- Upgrades and renewal of interpretation at Spioenkop.
- Minor renovations to heritage structures at Isandlwana.
- Replacement of traditional fencing at Nodwengu, Ulundi.
- Various built-environment, archaeology and rock art surveys, site recordings and site assessments.

#### ***KwaZulu-Natal Gaming and Betting Board (KZNGBB)***

The KwaZulu-Natal Gaming and Betting Board (KZNGBB) is responsible for the collection of gambling taxes for KZN, regulating the gambling industry, ensuring the roll-out of gaming and betting initiatives and protecting the interests of patrons and the public at large. The gaming and betting budget was suspended from Vote 6: Provincial Treasury and allocated to Vote 1: Office of the Premier relating to the movement of both the KZNGBB and the administration unit dealing with gaming and betting with effect from 28 September 2016, as determined by Premier's Minute No. 2 of 2016. Therefore, while only part of the budget was moved in 2016/17, the full amount is moved in the 2017/18 MTEF. Similarly, the full revenue budget moves to Vote 1 as well.

During 2016/17, the entity continued to regulate the industry in line with the Act and regulations. The entity continued to grow the industry in a responsible manner, while protecting the interests of the public and ensuring no over-saturation of gambling activities. The entity actively sought to promote transformation of the industry through the roll-out of new opportunities for previously disadvantaged individuals. The National Gambling Policy was gazetted in April 2016, and the KZNGBB published betting rules to regulate the industry and provide processes for licensees in order for them to comply with the regulations once approved.

### **3. Outlook for the 2017/18 financial year**

Section 3 looks at the key focus areas of 2017/18, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

The bulk of the department's budget allocation is for cross-cutting and transversal activities, such as OSS, Integrity Management, youth, Nerve Centre, support to His Majesty, the King, as well as transfers to its three public entities, Amafa, KZNGBB and the RHT. The department's 2017/18 MTEF budget includes funds for capacitating the Integrity Management unit, Poverty Eradication Master Plan (PEMP) operations centre, youth, heritage, OSS and other Premier's priority programmes, etc. In 2017/18 and over the medium-term, the OTP will focus on the priorities listed below.

#### ***Provincial Planning Commission (PPC)***

Key focus areas of the PPC will still be the implementation of the PGDP and supporting the AWGs to report effectively on progress with implementation. The PPC will continue to support the relevant line function departments in pursuing key interventions, such as the formalisation of rural settlements, the establishment of community service centres, the implementation of the draft provincial Human Resource Development Strategy, renewable energy opportunities, etc. The refinements of the PGDS, as well as the refinements of the PGDP, will be key focus areas.

#### ***Policy and research co-ordination***

The department will continue to co-ordinate and update the development of a register of public policies and policy instruments and facilitate the co-ordination of policies, research and planning through the relevant forums.

#### ***Monitoring and evaluation***

The OTP will continue to strengthen the development of the Nerve Centre as the central information and knowledge repository in KZN. The automation of the PGDP Monitoring and Evaluation Framework has increased accessibility of information, accountability and efficiency of AWGs and various other

stakeholders. It is envisaged that the monitoring and evaluation unit will develop a comprehensive front line service delivery monitoring plan in which departments will play a pivotal role in the monitoring and development of improvement plans of their facilities. The functioning and effectiveness of the Provincial Monitoring and Evaluation Forum and Batho Pele Forum are key priorities of the OTP.

#### ***International relations***

For 2017/18, the inter-provincial collaborations will be a strategic tool for enhancing service delivery across KZN. Friendly relations and support will be fostered among various relevant stakeholders, consulting on matters of common interest and co-ordinating action plans and legislation with various municipalities and other provinces to identify opportunities for political co-operation, climate change initiatives, as well as promoting KZN's socio-economic development. KZN will focus on strengthening economic diplomacy for the promotion of its trade, investment and tourism potential. The main focus of KZN's bilateral diplomacy will be to maintain and enhance sound bilateral political relations, promote trade and investment, intensify co-operation and capacity building in various fields, implement infrastructure development and promote peace and development. The years ahead will therefore see the international strategy oriented towards not only ensuring KZN's domestic success but also internationally, as a geo-political and economic player at the global level. In this regard, Mpumalanga, Free State and the Eastern Cape have been identified as strategic partners. Provincial protocol will be engaging in public education and promoting patriotism through awareness and respect for national symbols and, in doing so, more partnerships with radio stations will be fostered as a medium for this public education.

#### ***Identity and heritage of the province***

The Heritage Research Institute, which will amalgamate the Heritage unit in the OTP and Amafa, is currently being established and is at an advanced stage and is anticipated to be fully operational as a new entity during 2017/18. The process of amalgamation is anticipated to be completed during 2017/18. A new schedule 3 public entity will be formed in this regard. In his 2015 State of the Province Address, the Premier announced that this entity, once formed, would move to its rightful place at the Department of Arts and Culture with this likely to occur in 2018/19. The funds for this function over the MTEF cater for the construction and unveiling of monuments for struggle stalwarts such as Shaka Zulu, Moses Mabhida, Griffith and Victoria Mxenge, Harry Gwala, Josiah Gumede, Monty Naiker, as well as Pixley ka Seme.

#### ***Protection of human rights***

The OTP will continue to co-ordinate the Gender, Disability, Senior Citizens, Children and Ombudsperson's Forums to promote and monitor the implementation of human rights related policies by all government departments and municipalities. This is to roll-out human rights awareness campaigns such as National Human Rights Day and 16 Days of Activism Campaign, conduct active ageing, inter-generational dialogues, child ambassador programmes, co-ordinate Anti-Rape Campaigns, the widowhood programme, women empowerment programmes, etc. All these programmes are aimed at achieving one of government's main goals, namely ensuring that the quality of life of the vulnerable is improved.

#### ***Public service transformation***

The department will continue to facilitate, integrate and monitor the implementation of HRD strategies, policies, programmes and projects through the hosting of four meetings of the Provincial Human Resource Development Forum, Provincial Skills Development Forum and AWG 7, responsible for human resources development goals.

#### ***Operation Sukuma Sakhe (OSS)***

The main focus of OSS is to strengthen war-rooms and to reach 169 wards in 2017/18 as identified by the PEMP by providing equipment and human resources, capacity building, computers, furniture and stationery. The OTP will also ensure that a review and impact assessment of OSS is conducted in 2017/18.

#### ***His Majesty, the King's activities***

His Majesty, the King will partake in various important ceremonies and traditional functions of the province, such as the opening of the KZN Provincial Legislature, opening of the Traditional House, and hosting various traditional events, such as the Reed Dance, First Fruits ceremony (*Umkhosi Woselwa*), *Amaganu* ceremonies, *Umkhosi woMama*, etc. His Majesty, the King will also continue to install *Amakhosi* statutorily and in terms of custom.

***The Royal Household Trust (RHT)***

The OTP as the parent department will continue to give financial support to the RHT to fulfil its mandate. The transferred funds to the RHT cater for the remuneration of staff, seven Board members, as well as the Queens' expenses, including travel and accommodation. The maintenance of the Royal palaces is the responsibility of the RHT. In addition, the RHT provides for other costs such as tuition fees, transportation and medical expenses for the Royal Family, as well as the Royal farming activities. The RHT is fundamentally also responsible for fundraising and commercialisation of the King's grazing land.

In 2017/18, the RHT will focus mainly on activities that relate to business development and fundraising as it is vital that the entity develops strong commercial activities in order to ensure the future financial sustainability of the Monarchy. The RHT will identify further revenue generating opportunities, which will include management of day-to-day communications, a public relations function and marketing/branding of the Royal Household.

***Amafa aKwaZulu-Natali (Amafa)***

In an effort to address the difficulties facing Amafa, most notably the history of resource constraints, the Premier announced during 2015/16 that the intention is to co-ordinate heritage in the province through the amalgamation of Amafa and the Heritage unit within OTP to form the Research and Heritage Institute. This amalgamation seeks to address possible duplication of functions, as well as the issues relating to the resource constraints that Amafa faces.

The processes for the amalgamation will continue in 2017/18. The legislative processes in respect of the new Heritage Bill are close to finalisation and a staffing structure has been proposed. The full cost and staff implications are in the process of being compiled and the amalgamation is expected to be finalised in 2017/18.

***KwaZulu-Natal Gaming and Betting Board (KZNGBB)***

The KZNGBB will pursue its mandate by ensuring that all gambling authorised under the Act is conducted in a manner which promotes the integrity of the gambling industry and does not cause harm to the public. In addition, the KZNGBB will ensure that gambling promotes employment, economic and social development to give effect to the PGDS/P. It will continue to invite, consider and process new applications and/or renewals for any gaming or betting licences, amend, specify, substitute or rescind any licence conditions, and undertake investigations or inspections into illegal gambling operations in KZN.

The entity will strive to bring balance between protection of the public and growth to the industry. Transformation, to create opportunities for previously disadvantaged individuals to gain access to the gambling industry, will continue to be a key focal point. The National Gaming Amendment Bill, 2016 will have an impact on the operations of the entity with regard to matters relating to concurrent jurisdictions and other legislative matters, and the entity will amend the KZN Gaming and Betting Act accordingly. The securing of office accommodation for all staff will continue to be a key focus area in 2017/18, as well as the development and implementation of the Gaming Regulators On-Line Portal, which will significantly enhance the licensing and registration process. The entity will also conduct a socio-economic impact study to determine the impact of gambling in the province. The business re-engineering process is envisaged to be completed in 2017/18.

#### **4. Reprioritisation**

Reprioritisation of R8.745 million was done from Programme 3 to increase Programme 2 by the same amount. These funds were moved from the Heritage (R5 million) and Strategic Planning (R3.745 million) units mainly from savings from budgeted events that will no longer take place. An amount of R3.745 million was moved to Provincial Information Communication Technology in Programme 2 for the implementation of the Provincial ICT/SITA Government Strategy, as well as the Broad Band Steering Committee Indaba, which were not budgeted for. The balance of R5 million was moved to Office Support and Auxiliary Services for additional maintenance and refurbishment to the Royal palaces through Provincial Treasury's Infrastructure Crack Team, vehicle maintenance, sixth floor refurbishment at the Moses Mabhida Building, etc.

The department reprioritised R14 million within Programme 3: Policy and Governance in 2016/17 and each year of the 2017/18 MTEF from *Goods and services to Transfers and subsidies to: Households* under the sub-programme: Premier's Priority Programmes to provide for external bursaries. This reprioritisation was required due to the decision by the department to empower the youth through bursaries in response to the "fees must fall" campaign.

As a result of the fiscal consolidation cuts in 2016/17 and over the 2017/18 MTEF, the department deducted funds proportionately from each programme and across most economic classifications. Public entities were exempted from the 2017/18 MTEF cuts and no projects or programmes will be completely halted due to the cuts, but the costs will be scaled down.

## 5. Procurement

The department will continue to develop and implement a procurement plan for procurement exceeding R500 000 and a demand management plan for procurement below R500 000 for 2017/18, to ensure that the needs of the organisation are in line with the pillars underpinning the department's strategy, as well as the budget allocated to the department. The department aims to reduce the turn-around time for procuring goods and services. Internal controls, contract management and inventory management will be strengthened.

The department will also intensify its efforts to ensure that suppliers and service providers are paid within 30 days, in line with Treasury Regulations 8.2.3. All quotations and bids will be awarded in a manner which is fair, equitable, transparent, competitive and cost effective. To achieve this, the department is already rolling-out its own e-Procurement system in conjunction with Provincial Treasury. The implementation of the system will eliminate the manual procurement system that is currently being used and will assist the department to achieve its objective of operating a procurement system that upholds the provisions of Section 217 of the Constitution.

## 6. Receipts and financing

### 6.1 Summary of receipts and financing

Table 1.1 gives the sources of funding of Vote 1 from 2013/14 to 2019/20. The table also compares actual and budgeted receipts against actual and budgeted payments. The department receives a provincial allocation in the form of an equitable share.

The prior years have been adjusted for comparative purposes in respect of the movement of the gaming and betting function from Vote 6 to Vote 1.

**Table 1.1 : Summary of receipts and financing**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Equitable share	715 072	719 160	728 495	646 869	678 543	678 543	729 140	773 397	821 689
Conditional grants	-	-	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>715 072</b>	<b>719 160</b>	<b>728 495</b>	<b>646 869</b>	<b>678 543</b>	<b>678 543</b>	<b>729 140</b>	<b>773 397</b>	<b>821 689</b>
<b>Total payments</b>	<b>766 981</b>	<b>765 252</b>	<b>728 464</b>	<b>658 644</b>	<b>690 318</b>	<b>690 318</b>	<b>742 125</b>	<b>787 137</b>	<b>822 568</b>
Surplus/(Deficit) before financing	(51 909)	(46 092)	31	(11 775)	(11 775)	(11 775)	(12 985)	(13 740)	(879)
Financing									
of which									
Provincial roll-overs	8 774	12 994	-	-	-	-	-	-	-
Provincial cash resources	97 477	57 090	44 270	11 775	11 775	11 775	12 985	13 740	879
<b>Surplus/(Deficit) after financing</b>	<b>54 342</b>	<b>23 992</b>	<b>44 301</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

In 2013/14, the OTP received additional funds which are included in both the equitable share and provincial cash resources in Table 1.1, as follows:

- R7.555 million in respect of Zimele Developing Community Self-Reliance.
- R5 million for the African Renaissance project.



- R31.603 million as a result of the decision by Executive Council to centralise parts of the communications budget under the OTP, with carry-through over the MTEF.
- R6.015 million for the centralisation of external bursaries (Departments of Health and Education were excluded from this process). This is attributed to an Executive Council decision to centralise external bursaries under the OTP, with carry-through over the MTEF.
- R14.234 million for the RTI Commission, being the fee for sittings to finalise the commissioners' report in respect of the people that died while doing physical tests for road traffic officer posts conducted by the Department of Transport.
- R5 million for the OSS Diakonia Council of Churches.
- R3 million for spending on OSS initiatives, as identified by the Premier.
- R3.520 million for the launch and roll-out of the Inkululeko Development programme as part of OSS.
- R10 million for the African Economic Expansion Summit that was hosted in KZN in March 2014.
- R31.112 million for the running and staffing costs of the Integrity Management unit. Of this, R5.700 million was suspended from the department and allocated back in 2014/15.
- R1.900 million for commemorating the St Helena prisoners of war to celebrate the link between the people of KZN and St Helena, as part of our heritage.
- R1.500 million for the procurement of once-off capital requirements associated with Amafa's turnaround strategy.
- R4.450 million for a new IT system for the KZNGBB.
- R15.906 million in relation to Madiba's provincial memorial service.
- In line with the Executive Council resolutions, the department was allocated funds from the Strategic Cabinet Initiatives Fund held under Vote 6: Provincial Treasury for the following:
  - R5 million for the National Choral Music Awards ceremony.
  - R5 million for the Crown Gospel Awards.
  - R500 000 for the BUNDUMIX Festival.
  - R500 000 for the fourth Annual uThungulu Last Dance Music Festival.

In 2013/14, there were roll-overs totalling R8.774 million, of which R4.865 million was in respect of the commemoration of 150 years of the arrival of Indian indentured labourers in KZN, as well as R3.909 million, of which R3.466 million was under-spending of Royal Household funds which were specifically and exclusively appropriated for the rehabilitation, renovation and refurbishment of palaces and R443 000 to cater for commitments for services such as consultants, accommodation, etc.

The 2013/14 under-spending of R54.342 million was in respect of Integrity Management, the Youth Ambassadors' programme, Heritage, African Economic Expansion Summit, RTI Commission, etc.

In 2014/15, the department received additional funding of R62.090 million. This increase was offset by a reduction of R5 million, resulting in a net increase of R57.090 million. This is explained as follows:

- R46.928 million was received for the following:
  - R33.169 million for the Integrity Management unit. In addition, R5.700 million was suspended from 2013/14, also for the Integrity Management unit, as mentioned.
  - An additional R5 million for the OSS Diakonia Council of Churches.
  - Amafa was given R3.059 million to apply for World Heritage status for the Emakhosini Valley.
- R3.136 million was allocated for transfer to Amafa. This amount relates to surplus funds from 2012/13, which Amafa surrendered to the Provincial Revenue Fund, with the understanding that these funds would be allocated back to them in 2014/15 to roll-out new projects.

- R4.226 million was allocated to the department, being the province's contribution to the construction of the Denis Hurley Centre, in Durban.
- R7.800 million in respect of the 20 years of democracy celebrations held on 27 April 2014.
- Offsetting this was a reduction of R5 million, which was specifically and exclusively appropriated funding for security strengthening during the 2014 general elections. These funds were not required by the OTP and were removed from its baseline and returned to the Provincial Revenue Fund.

The department also received roll-overs amounting to R12.994 million in 2014/15 as follows:

- R2.994 million was rolled over from 2013/14 in respect of the RTI Commission due to an extension of the sittings into 2014/15 that impacted on the finalisation of the commissioners' report, and the payment of commission fees was due only upon finalisation.
- R10 million was rolled over from 2013/14 for the African Economic Expansion Summit. Funds were received during the 2013/14 Adjustments Estimate and could not be spent due to the limited time to plan and host an event of that magnitude during 2013/14.

The 2014/15 budget was under-spent by R21.492 million partly due to the unspent *Compensation of employees* and *Goods and services* funds of the former DRH. When the proclamation was signed, the budget remained at the DRH, but the expenditure was moved to the OTP, which then utilised its savings to offset the DRH expenses. The amount also includes under-expenditure for the construction of the Training Academy that was transferred to DOPW but not spent, and hence was reflected as an under-spending in line with a recommendation from the A-G.

The budget increased by R44.270 million in 2015/16 due to the following:

- R15 million for the construction of the pipeline at the Luwamba Wellness Centre could not be utilised in 2014/15 due to challenges experienced with various stakeholders, farmers and wards in terms of the appointment of the local community to assist with the project. As such, these funds were suspended from 2014/15 and re-allocated to the department in 2015/16.
- R14 million was specifically and exclusively appropriated for the equipping of war-rooms but was not utilised in 2014/15 due to a review of the war-rooms' software requirements by the Information Technology unit. The funds were therefore suspended from 2014/15 and were re-allocated back to the department in 2015/16.
- R5 million for the OSS Diakonia Council of Churches. These funds were allocated over a three-year period using cash resources that became available in the 2013/14 Adjustments Estimate.
- The department received R10.270 million for the establishment of an operations centre for the implementation of the PEMP, in line with Executive Council Resolution 109 taken on 1 April 2015.

Offsetting the above increase, was a suspension of R15.690 million in respect of the equitable share to 2016/17 with regard to the construction of the new Training Academy in Westville. However, the construction of this facility will no longer take place at this stage due to the fiscal consolidation imposed by National Treasury.

The 2015/16 budget was under-spent by R44.301 million due to the following:

- Under-expenditure of R6.369 million was mainly attributed to the moratorium on the filling of non-critical vacant posts.
- Under-spending of R3.631 million was as a result of fewer Integrity Management "I do right, even when nobody is watching" roadshows taking place than anticipated, due to clashes with the Premier's diary.
- The balance R35.727 million was a result of the following:
  - Budgeted projects, such as the Citizen Satisfaction Survey, were not finalised with Statistics South Africa (Stats SA) as a result of administrative challenges that were experienced by Stats SA, resulting in the project not being implemented. In addition, the PGDS situational review was

finalised later than originally anticipated due to the unsatisfactory work that was done by the service provider.

- o The Monitoring and Evaluation unit experienced delays with appointing a suitable service provider for the preparation of a Provincial Evaluation Plan, which is an initiative of the DPME to measure impact assessments.
- o An amount of R1.200 million in respect of the Provincial Bursary Programme was not utilised due to delays in the receipt of entity forms from landlords in respect of student accommodation.
- o The PEMP funding was under-spent by R7.856 million. The bulk of the funds were allocated for *Compensation of employees*, but all 12 posts were filled later than originally anticipated.
- o The Royal Household sub-programme was under-spent. An amount of R3.413 million was not transferred to the RHT due to the fact that the RHT seemed to have sufficient budget to carry it through the fourth quarter at the time, in line with its cashflow projections.

In 2016/17, the OTP received further additional funding for the PEMP operations centre, as well as funds for the carry-through of the above-budget 2015 wage agreement. However, the budget showed low growth in 2016/17 mainly ascribed to the fiscal consolidation budget cuts implemented by National Treasury. In addition, and as a result of the cuts, the amount of R15.690 million suspended from the 2015/16 budget was not allocated to the OTP in 2016/17 as the construction of the Training Academy was halted for now to partially fund the fiscal consolidation budget cuts.

Also, the gaming and betting budget was suspended from Vote 6: Provincial Treasury in the 2016/17 Adjusted Appropriation and allocated to Vote 1: Office of the Premier relating to the movement of both the KZNGBB and the administration unit dealing with gaming and betting with effect from 28 September 2016, as determined by Premier's Minute No. 2 of 2016. It must also be noted that only the budget from 28 September 2016 onward was suspended, whereas the balance remained with Vote 6 in 2016/17, as this Vote had already incurred the related expenditure in the first half of 2016/17. Therefore, the full amount is moved over 2017/18 MTEF. Similarly the revenue budget moves to Vote 1 as well. The prior year figures were adjusted for comparative purposes.

In 2017/18, the following adjustments are noted:

- The allocation previously made to the OTP with regard to PEMP operational costs was for a finite period only (2015/16 to 2018/19), and the carry-through costs are therefore removed from the baseline in 2019/20.
- In terms of Premier's Minute No. 2 of 2016/17, the Gaming and Betting function was moved from Vote 6: Provincial Treasury to Vote 1: Office of the Premier with the first budget shift in this regard having taken place during the 2016/17 Adjustments Estimate. As such, R48.393 million, R48.447 million and R51.172 million was moved to the department's budget over the 2017/18 MTEF using the principle that funds follow function. Similarly, the Revenue budget relating to the Gaming and Betting function is moved to OTP's budget.
- The department's budget was increased by R767 000 with carry-through in respect of the KZNGBB's office accommodation at the Marine Building.
- The department's budget is affected by budget cuts as a result of the PES and Provincial Own Revenue reductions and in respect of the remuneration of *Izinduna*.

## 6.2 Departmental receipts

Table 1.2 reflects details of departmental receipts per main category over the seven-year period: 2013/14 to 2019/20. Details of the department's revenue are reflected in *Annexure – Vote 1: Office of the Premier*.

It must be noted that the Revised Estimate does not align to the December IYM due to an error in the December IYM. Table 1.2 has been corrected to reflect the correct Revised Estimate.

**Table 1.2 : Summary of departmental receipts collection**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Tax receipts	488 254	538 524	565 890	-	270 760	279 352	586 724	622 946	641 634
Casino taxes	421 355	467 319	487 788	-	231 677	238 818	510 227	545 111	561 464
Horse racing taxes	66 899	71 205	78 102	-	39 083	40 534	76 497	77 835	80 170
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	191	174	149	245	245	216	258	273	288
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	4	5	23	1	1	7	1	1	1
Sale of capital assets	554	1 143	535	287	287	287	311	328	380
Transactions in financial assets and liabilities	157	402	423	40	40	261	42	44	47
<b>Total</b>	<b>489 160</b>	<b>540 248</b>	<b>567 020</b>	<b>573</b>	<b>271 333</b>	<b>280 123</b>	<b>587 336</b>	<b>623 593</b>	<b>642 350</b>

*Tax receipts* are derived from taxes collected by KZNGBB in accordance with the KZN Gaming and Betting Tax Act, 2010. It must be noted that this entity previously reported to Vote 6 before the function was shifted to Vote 1 in September 2016, as determined by Premier's Minute No. 2 of 2016. The main sources of revenue are *Casino taxes* and *Horse racing taxes*. The total budget in 2016/17 is R557.338 million with an amount of R270.760 million reflected in the 2016/17 Adjusted Appropriation, in this Vote, while the balance of R286.579 million is recorded in Vote 6, being the revenue collected prior to 28 September 2016.

*Casino taxes*, which includes Limited Payout Machines (LPMs) and Bingo gaming revenue, accelerated from 2013/14 onward following the increase in tax rates that came into effect in November 2012. The department is very conservative in terms of budgeting for the MTEF due to its unpredictable nature.

*Horse racing taxes* includes sports betting revenue and is volatile over the seven-year period. This is due to the constrained global economic circumstances. The department is very conservative in terms of budgeting for this category over the MTEF, due to its unpredictable nature.

*Sale of goods and services other than capital assets* mainly comprises revenue from commission on PERSAL deductions such as insurance premiums and garnishee orders, tender document fees, etc. The high collection in 2013/14 and 2015/16 relates to the commission on PERSAL deductions being higher than anticipated. The conservative growth over the MTEF is based on the slow growth in the prior years.

*Interest, dividends and rent on land* relates to interest on staff debts. It is difficult to project revenue from this source accurately due to its uncertain nature.

*Sale of capital assets* consists of revenue from the sale of redundant assets, such as motor vehicles and equipment. The revenue collected from 2013/14 to 2015/16 was in relation to the sale of redundant assets. It is difficult to forecast revenue from the sale of redundant assets, as this depends on certain factors such as age of the assets and the price attained at the auction, hence the conservative budgeting over the MTEF.

*Transactions in financial assets and liabilities* is in respect of recoveries of staff debts and expenditure from previous financial years. The collection in 2014/15, 2015/16 and the 2016/17 Revised Estimate resulted from higher than anticipated recovery of staff debts relating to previous years' overpayment of salaries. The revenue gradually grows over the MTEF.

### 6.3 Agency receipts

Tables 1.3 and 1.4 reflect the details of agency receipts for the period 2013/14 to 2019/20.

**Table 1.3 : Details of agency receipts**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Agency receipts</b>	<b>24 079</b>	<b>38 020</b>	<b>21 700</b>	<b>26 798</b>	<b>26 798</b>	<b>26 798</b>	<b>6 800</b>	<b>6 600</b>	<b>-</b>
NSF	16 079	28 583	3 900	11 398	11 398	11 398	-	-	-
MERSETA (1st addendum)	8 000	9 437	6 700	6 800	6 800	6 800	-	-	-
MERSETA (2nd addendum)	-	-	4 500	6 800	6 800	6 800	6 800	6 600	-
Work Integrated Learning (SSETA)	-	-	5 800	-	-	-	-	-	-
Work Integrated Learning (PSETA)	-	-	800	1 800	1 800	1 800	-	-	-
<b>Total</b>	<b>24 079</b>	<b>38 020</b>	<b>21 700</b>	<b>26 798</b>	<b>26 798</b>	<b>26 798</b>	<b>6 800</b>	<b>6 600</b>	<b>-</b>

Table 1.4 : Details of payments and estimates of agency receipts

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
<b>Agency receipts</b>	<b>24 079</b>	<b>-</b>	<b>21 620</b>	<b>26 918</b>	<b>26 918</b>	<b>26 798</b>	<b>6 800</b>	<b>6 600</b>	<b>-</b>
NSF	16 079	-	3 900	11 398	11 398	11 398	-	-	-
MERSETA (1st addendum)	8 000	-	6 700	6 800	6 800	6 800	-	-	-
MERSETA (2nd addendum)	-	-	4 500	6 800	6 800	6 800	6 800	6 600	-
Work Integrated Learning (SSETA)	-	-	5 800	-	-	-	-	-	-
Work Integrated Learning (PSETA)	-	-	720	1 920	1 920	1 800	-	-	-
<b>Total</b>	<b>24 079</b>	<b>-</b>	<b>21 620</b>	<b>26 918</b>	<b>26 918</b>	<b>26 798</b>	<b>6 800</b>	<b>6 600</b>	<b>-</b>

The OTP, through the Training Academy, submitted a funding proposal to the National Skills Fund (NSF) in 2010/11. An amount of R97.149 million was allocated from 2010/11 (not visible in the table) to 2016/17 to fund the following learning programmes:

- Learnerships in the construction sector.
- Automotive apprenticeships.
- Manufacturing and engineering apprenticeships and learnerships.
- National Youth Service (NYS) skills programmes implemented by the DOPW.

Out of the 800 learners targeted by this project, 755 have been recruited to date and learners are at various stages of institutional and workplace training.

The department was allocated R30.937 million from 2013/14 to 2016/17 from the MERSETA (first addendum) for an artisan development project that targets the training of 200 artisans in occupations in the manufacturing and engineering sector, as well as for the KZN short skills training project. The MERSETA (second addendum) allocated an additional R24.700 million from 2015/16 to 2018/19 to train a further 200 apprentices in various trades such as fitting and turning, electricians, spray painting, petrol and diesel mechanics, etc. The total funding received to date is R11.300 million. The project ends in 2018/19, when all apprentices will have written their trade tests.

The aim of the Work Integrated Learning (SSETA and PSETA funded projects) is to support 215 students from TVET colleges with a stipend of R1 500 per student per month for 12 to 18 months. These projects, aimed at supporting the development of a policy on accreditation, started in April 2015 and will finish in 2016/17. The 2016/17 allocation continued to fund learning programmes, artisan development projects, training apprentices in various trades, as well as supporting the development of policies on accreditation.

## 7. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including payments and budgeted estimates by programme and economic classification.

Further details are given in Section 8, as well as in the *Annexure – Vote 1: Office of the Premier*.

### 7.1 Key assumptions

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

- All inflation related increases are based on CPI projections.
- Provision has not been adequately made for the carry-through costs of the above-budget 2016 wage agreement and an inflationary wage adjustment of 7.2, 6.9 and 6.6 per cent over the 2017/18 MTEF, as well as the 1.5 per cent pay progression. This will be reviewed in-year, as this category is currently growing by 10.6 per cent, 5.5 per cent and 3.1 per cent over the MTEF.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2016/17, will continue to be adhered to over the 2017/18 MTEF, in conjunction with National Treasury Instructions 02 and 03 of 2016/17: Cost-containment measures.

## 7.2 Additional allocations for the 2015/16 to 2017/18 MTEF

Table 1.5 shows additional funding received by the department over the three MTEF periods: 2015/16, 2016/17 and 2017/18.

Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants. The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2015/16 and 2016/17 MTEF periods (i.e. for the financial year 2019/20) are based on the incremental percentage used in the 2017/18 MTEF.

**Table 1.5 : Summary of additional provincial allocations for the 2015/16 to 2017/18 MTEF**

R thousand	2015/16	2016/17	2017/18	2018/19	2019/20
<b>2015/16 MTEF period</b>	<b>65 071</b>	<b>38 094</b>	<b>39 999</b>	<b>42 319</b>	<b>44 689</b>
Suspension of Luwamba Wellness Centre funds from 14/15	15 000	-	-	-	-
Suspension of OSS equipping of war-rooms funds from 14/15	14 000	-	-	-	-
Correction of DARD communications budget	(6 729)	(7 065)	(7 418)	(7 848)	(8 288)
Correction of DARD bursaries budget	(1 889)	(1 957)	(2 055)	(2 174)	(2 296)
Vote 10: Royal Household budget moved to Vote 1	56 536	59 549	62 526	66 153	69 857
Decentralisation of bursaries budget	(11 847)	(12 433)	(13 054)	(13 811)	(14 585)
<b>2016/17 MTEF period</b>		<b>(88 290)</b>	<b>(86 782)</b>	<b>(86 865)</b>	<b>(105 372)</b>
Above-budget 2015 wage agreement		4 597	4 923	5 272	5 567
PEMP operations centre		11 775	12 218	12 919	-
Freezing all vacant non-OSD posts		(25 138)	(26 847)	(28 673)	(30 279)
Cutting events' budget		(39 723)	(39 722)	(39 722)	(41 946)
Cutting Training Academy budget		(16 522)	(17 348)	(18 354)	(19 382)
General baseline cut		(15 866)	(12 125)	(9 968)	(10 526)
2% Goods and services cut		(7 413)	(7 881)	(8 339)	(8 806)
<b>2016/17 MTEF period</b>			<b>44 626</b>	<b>44 233</b>	<b>38 061</b>
Removal of Poverty Eradication Master Plan operations centre			-	-	(13 642)
Susp. of KZN Gaming and Betting expenditure from Vote 6			43 490	43 490	45 925
Susp. of KZN Gaming and Betting expenditure from Vote 6			4 136	4 136	4 368
Allocation of parts of surrendered surplus for office accommodation for KZNGBB			767	821	879
PES and Provincial Own Revenue reductions			(2 734)	(3 125)	(5 543)
Budget cuts to fund remuneration of <i>Izinduna</i>			(1 033)	(1 089)	(1 149)
Additional funding from National Treasury			-	-	7 223
<b>Total</b>	<b>65 071</b>	<b>(50 196)</b>	<b>(2 157)</b>	<b>(313)</b>	<b>(22 622)</b>

The department received additional funding in the 2015/16 MTEF for the following:

- R15 million, which was suspended from 2014/15, was re-allocated back to the department for the construction of the pipeline at the Luwamba Wellness Centre as this could not be utilised due to the challenges experienced with the various stakeholders, farmers and wards in terms of the appointment of the local community to assist with the project.
- R14 million, which was suspended from 2014/15, was re-allocated back to the department, and was specifically and exclusively appropriated for the equipping of war-rooms in the wards.
- The OTP's budget was reduced by R8.618 million with carry-through for re-allocation back to the Department of Agriculture and Rural Development (DARD) as DARD inadvertently submitted inflated figures in respect of both the centralisation of communications budget (R6.729 million) and external bursaries budgets (R1.889 million), as they had incorrectly shown that their full communications budget should be centralised under the OTP, as well as surrendered more than required in respect of external bursaries.
- As mentioned, following the signing of the proclamation, the budget of the Royal Household was added to Vote 1's budget with effect from 1 April 2015. Note that a portion of the Royal Household budget was not available for spending, though, as the Royal Household still bore a first charge, which had to be honoured in 2015/16 and 2016/17.
- Following an Executive Council decision, the bursaries budget, which was previously centralised under the OTP, was decentralised back to all the departments from which the budget was previously moved.

With regard to the 2016/17 MTEF, due to data updates of the PES formula, a declining Provincial Own Revenue, as well as cuts implemented by National Treasury as a result of the need to lower the expenditure ceiling across the country and to reprioritise to fund various national priorities that had arisen, the funding available to the province was reduced or cut. Provinces were also instructed that the baselines of provincial Departments of Health be protected in view of the impact that the exchange rate has had on the affordability of medicines, which are largely imported. In order to effect these cuts in the province, expenditure on *Compensation of employees* was lowered by freezing all vacant non-OSD posts, and departments' equitable share funded *Goods and services* budgets were cut by 2 per cent over the MTEF.

Accordingly, in 2016/17, the department's budget was reduced by R88.290 million due to the following:

- As a result of freezing all vacant non-OSD posts, R25.138 million was removed from the budget in 2016/17, with carry-through over the MTEF.
- The OTP's hosting of events budget was cut (R39.723 million with carry-through over the MTEF).
- The budget for the construction of a new Training Academy was removed (R16.522 million with carry-through).
- A general baseline cut amounting to R15.866 million with carry-through, specifically relating to the OTP, was effected against *Compensation of employees*, as well as *Goods and services*.
- The equitable share funded *Goods and services* budget was cut by 2 per cent (R7.413 million with carry-through).
- In order to assist with funding these budget cuts, the department reduced the transfers to its public entities. Amafa's budget was cut by R4.888 million and RHT's budget was cut by R9.489 million, both with carry-through.

However, offsetting these reductions was additional funding of R16.372 million for the following:

- The above-budget 2015 wage agreement.
- The PEMP operations centre amounting to R11.775 million, R12.218 million and R12.919 million from 2016/17 to 2018/19, linked to contract posts which align to the Premier's term of office. The operations centre is responsible for co-ordinating the programme directed towards eradicating poverty in the province.

With regard to the 2017/18 MTEF, the department's budget was further increased by a net amount of R39.723 million with carry-through due to the following:

- As mentioned, the gaming and betting budget was suspended from Vote 6: Provincial Treasury and allocated to Vote 1: Office of the Premier relating to the movement of both the KZNGBB and the administration unit dealing with gaming and betting with effect from 28 September 2016, as determined by Premier's Minute No. 2 of 2016. Therefore, the full amount is moved over the 2017/18 MTEF. Similarly, the revenue budget moves to Vote 1.
- In 2017/18, there is a reduction of the PES allocation due to data updates of the PES formula, as well as Fiscal Framework reductions. In addition, the budget databases submitted by departments in preparation for the September 2016 MTECS indicated a downward revision of the Provincial Own Revenue numbers, as such, the department's budget cut amounted to R2.734 million, R3.125 million and R5.543 million over the 2017/18 MTEF.
- As determined by the Executive Council on 2 November 2016, the remuneration of *Izinduna* was to commence in KZN and was calculated at R252.328 million, R266.206 million and R280.847 million over the 2017/18 MTEF. In this regard, it was agreed that the remuneration for 2016/17 be 50 per cent funded by an additional allocation from the Net Financial Position (i.e. Provincial Cash Resources) and the balance of 50 per cent be funded through internal reprioritisation by the Department of Co-operative Governance and Traditional Affairs (COGTA). It was also agreed that the remuneration of *Izinduna* be funded in a similar manner over the 2017/18 MTEF in that COGTA funds 50 per cent of the amount needed for the remuneration of the *Izinduna* from within their baseline through reprioritisation, while the balance of 50 per cent be cut proportionately from all remaining Votes. As such, R1.033 million with carry-through is deducted from the OTP.

- Offsetting these cuts to some extent, is additional funding of R7.223 million provided by National Treasury in the outer year, as well as additional funding of R767 000 in 2017/18 with carry-through in respect of the KZNGBB's office accommodation at the Marine Building.

### 7.3 Summary by programme and economic classification

Tables 1.6 and 1.7 summarise payments and estimates by programme and economic classification. It must be noted that the Revised Estimate does not align to the December IYM due to an error in the December IYM. Tables 1.6 and 1.7 have been corrected to reflect the correct Revised Estimate.

**Table 1.6 : Summary of payments and estimates by programme: Office of the Premier**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Administration	184 940	201 447	93 060	92 507	89 917	89 917	87 281	94 334	99 796
2. Institutional Development	271 760	268 914	335 875	273 866	297 876	297 876	354 275	366 133	382 005
3. Policy and Governance	310 281	294 891	299 529	292 271	302 525	302 090	300 570	326 670	340 767
<b>Total</b>	<b>766 981</b>	<b>765 252</b>	<b>728 464</b>	<b>658 644</b>	<b>690 318</b>	<b>689 883</b>	<b>742 125</b>	<b>787 137</b>	<b>822 568</b>
Unauth. Exp. (1st charge) not available for spending	(2 500)	(2 500)	(2 500)	(2 194)	(2 194)	(2 194)	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>764 481</b>	<b>762 752</b>	<b>725 964</b>	<b>656 450</b>	<b>688 124</b>	<b>687 689</b>	<b>742 125</b>	<b>787 137</b>	<b>822 568</b>

**Table 1.7 : Summary of payments and estimates by economic classification: Office of the Premier**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>609 452</b>	<b>599 802</b>	<b>578 430</b>	<b>583 282</b>	<b>554 845</b>	<b>554 148</b>	<b>609 239</b>	<b>650 215</b>	<b>677 740</b>
Compensation of employees	216 824	209 438	233 392	275 611	264 438	263 831	291 999	308 007	317 828
Goods and services	392 628	390 364	345 038	307 671	290 407	290 317	317 240	342 208	359 912
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>113 504</b>	<b>130 985</b>	<b>113 969</b>	<b>56 488</b>	<b>102 630</b>	<b>102 892</b>	<b>117 893</b>	<b>121 923</b>	<b>129 226</b>
Provinces and municipalities	16	4 924	76	54	80	80	57	60	63
Departmental agencies and accounts	86 276	92 587	91 377	45 195	75 260	75 260	91 635	94 954	100 696
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	4 226	-	-	27	27	-	-	-
Households	27 212	29 248	22 516	11 239	27 263	27 525	26 201	26 909	28 467
<b>Payments for capital assets</b>	<b>41 494</b>	<b>34 369</b>	<b>33 298</b>	<b>16 680</b>	<b>30 603</b>	<b>30 603</b>	<b>14 993</b>	<b>14 999</b>	<b>15 602</b>
Buildings and other fixed structures	24 272	10 049	2 271	1 937	9 937	11 233	2 034	2 152	2 276
Machinery and equipment	12 875	21 895	27 194	10 178	16 093	14 797	8 297	7 956	8 151
Heritage assets	4 347	2 425	3 682	4 500	4 508	4 508	4 594	4 819	5 099
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	151	65	65	65	68	72	76
<b>Payments for financial assets</b>	<b>2 531</b>	<b>96</b>	<b>2 767</b>	<b>2 194</b>	<b>2 240</b>	<b>2 240</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>766 981</b>	<b>765 252</b>	<b>728 464</b>	<b>658 644</b>	<b>690 318</b>	<b>689 883</b>	<b>742 125</b>	<b>787 137</b>	<b>822 568</b>
Unauth. Exp. (1st charge) not available for spending	(2 500)	(2 500)	(2 500)	(2 194)	(2 194)	(2 194)	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>764 481</b>	<b>762 752</b>	<b>725 964</b>	<b>656 450</b>	<b>688 124</b>	<b>687 689</b>	<b>742 125</b>	<b>787 137</b>	<b>822 568</b>

The structure of the department consists of three programmes, and does not conform fully to the generic programme structure of the sector at this stage, and this is in the process of being reviewed by the department. In addition to not fully conforming, in KZN, the Heritage sub-programme is included under Vote 1: Office of the Premier in this province, although Heritage forms part of the uniform programme and budget structure for the Sport, Arts and Culture sector. Also, unique to KZN, following the signing of the proclamation to combine Vote 10 with Vote 1, the budget of the Royal Household was added to Vote 1's budget as a sub-programme under Programme 3: Policy and Governance, effective from 1 April 2015. Historic figures were adjusted accordingly in respect of this amalgamation. The KZNGBB was added as a sub-programme within Programme 2 in line with Premier's Minute No. 2 of 2016 and this is also not in line with the uniform programme structure, as Gaming and Betting forms part of Economic Development in terms of the uniform programme structure.

Overall, the budget fluctuates over the period, with a significant reduction in 2016/17 due to the above-mentioned budget cuts. However, there was an increase in the 2016/17 Adjusted Appropriation as a result



of the function shift of Gaming and Betting from Vote 6 to Vote 1, as mentioned earlier. It is noted that the department effected the cuts over the 2017/18 MTEF proportionately across all programmes, as well as most economic classifications. The department's public entities were exempted from these cuts.

The department received additional funding in 2014/15 for the Integrity Management unit, as well as OSS and the centralisation of the external bursaries and parts of the communications budgets under the OTP. However, most of the funding received in 2013/14 and even 2014/15 (Integrity Management unit), was largely once-off, which accounts for the low growth in 2014/15. The 2014/15 financial year was further reduced mainly by suspensions in respect of the Luwamba Wellness Centre, as well as OSS equipping of war-rooms, with the understanding that it would be re-allocated back to the department in 2015/16. In 2015/16, the bursaries budget was once again decentralised back to those departments from which the funds were originally moved. Fiscal consolidation cuts were implemented in 2016/17 and over the 2017/18 MTEF.

The spending against Programme 1: Administration in 2013/14 is largely ascribed to the establishment of a unit to manage the Premier's special projects, the RTI Commission, etc. The increase in 2014/15 is a result of additional funding for the capacitation of the Integrity Management unit, as well as the Luwamba Wellness Centre. However, it must be noted that, during 2014/15, there was a deduction of R2.781 million relating to previous years' irregular expenditure. From 2015/16, the OTP agreed to redirect the funds allocated for the development of the Luwamba Wellness Centre towards the running of the Integrity Management unit, which is now in Programme 2. The expenditure in 2015/16 is higher than 2016/17 and the 2017/18 MTEF allocations as it includes the suspension of funds for the Luwamba Wellness Centre from 2014/15. The allocation for 2017/18 is reduced significantly due to budget cuts, and increases moderately thereafter.

The amount against Programme 2: Institutional Development, shows a marginal decrease in 2014/15 as a result of the centralisation of parts of the communications and the external bursaries budgets under the OTP. In 2014/15, there was also a shift from *Compensation of employees* in Programme 3 to this programme against *Transfers and subsidies to: Households* to cater for the Provincial Bursary Programme for external bursaries. However, the bursaries budget was decentralised from 2015/16 back to the departments from which the funds were originally moved, as previously mentioned. The significant increase from 2015/16 is as a result of the centralisation of OTP's own communications budget from Programmes 1 and 3 to this programme, as well as, among other things, the OSS funds that were surrendered in 2014/15 with an understanding that the funding would be re-allocated to the department in 2015/16. The 2017/18 MTEF includes funds for the Gaming and Betting function, the continued operation of the Training Academy in its current premises, the Provincial Bursary Programme, LAN and IT upgrades within OTP, capacitation of Integrity Management, communication campaigns, etc.

Programme 3: Policy and Governance fluctuates over the period. It must be noted that there was a movement of funds originally earmarked for the Youth Ambassadors' programme from Programme 2 to Programme 3 to fund the Youth chief directorate, and comparatives were not restated. This programme was affected by the fiscal consolidation cuts in 2016/17. However, additional funding was received for the PEMP in this programme, with carry-through from 2015/16 to 2018/19. It must also be noted that, from 2015/16, the Royal Household sub-programme and the RHT public entity were added to this programme, as a result of the amalgamation of Votes 1 and 10, as mentioned. The 2017/18 MTEF includes funds for the PGDS review, Citizen Satisfaction Survey, the PPC, OSS, HIV and AIDS programmes, His Majesty, the King's support, human rights campaigns, as well as erection of heritage monuments and unveiling of tombstones of struggle icons identified by the Premier.

*Compensation of employees* decreased in 2014/15 and this relates to the reprioritisation of youth ambassadors' stipends to offset other pressures in respect of the youth. The department will not be in a position to implement the new organisational structure as anticipated due to the freezing of all vacant non-OSD posts. Provision has not been adequately made for the carry-through costs of the above-budget 2016 wage agreement and an inflationary wage adjustment of 7.2, 6.9 and 6.6 per cent for the two outer years of the 2017/18 MTEF, as well as the 1.5 per cent pay progression. This will be reviewed in-year, as this category is currently growing by 10.6 per cent, 5.5 per cent and 3.1 per cent over the MTEF, which is not sufficient.

*Goods and services* decreases from 2014/15 to the 2016/17 Revised Estimate mainly due to the deduction of R2.781 million relating to previous years' irregular expenditure, as well as the shifting of funds in respect of the Training Academy to *Buildings and other fixed structures*, because a new building was planned to be constructed prior to the 2016/17 MTEF cuts. This decrease is despite the fact that, in 2015/16, there was a re-allocation of funds for the Luwamba Wellness Centre and OSS projects, which were suspended in 2014/15, as well as additional funding for OSS Diakonia Council of Churches. As mentioned, additional funding of R10.270 million was received for the PEMP operations centre, with carry-through from 2015/16 to 2018/19. The bulk of this funding is included under *Compensation of employees*, as well as *Goods and services*. The decrease in 2016/17, as well as the below inflationary growth in 2017/18, are mainly ascribed to the budget cuts. The minimal growth in this category can be ascribed to the service delivery events and campaigns, such as Human Rights Day, Heritage Day, Youth Day, as well as Anti-Xenophobia, Anti-Rape, Anti-Racism, Anti-killing of Albinos campaigns, which will still be held, but at a lower cost.

The category *Transfers and subsidies* is analysed as follows:

- *Provinces and municipalities* generally caters for the payment of motor vehicle licences. The high expenditure in 2014/15 was due to once-off additional funding for the implementation of the commemoration monument in respect of the arrival of the Indian indentured labourers in South Africa. Unfortunately, this monument has not been completed and unveiled to date but the Metro has undertaken to finalise the project in 2017/18, as the funds are already with the Metro. There is steady growth over the 2017/18 MTEF in respect of motor vehicle licences.
- *Departmental agencies and accounts* caters for transfers to Amafa, RHT, as well as KZNGBB. Amafa received once-off additional funding of R3.059 million in 2013/14 for its application for World Heritage status for the Emakhosini Valley, contributing to the amount in 2013/14. The amount in 2015/16 includes the amalgamation of DRH and the OTP, as well as the transfer to the RHT. Funds were also reprioritised within the department's baseline to increase transfers to Amafa for the purchase of vehicles and salary related costs. The OTP reprioritised a further R4 million for the RHT during 2015/16 to cater for urgent outstanding invoices that required payment, accounting for the dip in 2016/17. The 2017/18 MTEF provides for the transfers to the department's three public entities.
- With regard to *Non-profit institutions*, an amount of R4.226 million was spent in 2014/15, as the province's contribution to the construction of the Denis Hurley Centre in Durban. In 2016/17, a sponsorship of R27 000 was given to the KZN Law Society for a function to honour the appointment of members of the judiciary.
- *Households* consists of staff exit costs, medical aid contributions for ex-parliamentarians (PARMED), the Provincial Bursary Programme, etc. The fluctuations relate to staff exit costs, which are difficult to accurately predict. In 2014/15, the department undertook a once-off shift from *Compensation of employees* to this category, as a result of the discontinuation of the Youth Ambassadors' programme stipends to cater for the in-year spending pressure in respect of bursaries. This discontinuation accounts for the significant dip in 2015/16. Also during 2015/16, a decision was taken to decentralise the external bursaries budget back to the departments from which the funds were originally moved. The amount remaining over the 2017/18 MTEF provides for staff exit costs and bursaries. The decrease over the 2017/18 MTEF is mainly ascribed to the previously mentioned budget cuts. It must be noted, though, that there was a reprioritisation to this category of R14 million in 2016/17 with carry-through for bursaries in response to the recent "fees must fall" movement by students countrywide.

With regard to *Buildings and other fixed structures*, during 2013/14, the department received a roll-over of R5.701 million for the balance of the roof renovations to the Premier's Parkside residence, as well as a roll-over of R3.466 million relating to 2012/13 unspent funds, which were ring-fenced for infrastructure projects, such as the Ingwavuma palace upgrade due to the fact that the contractor abandoned the project in the same period. This accounts for the significant decrease in 2014/15. The Training Academy building was claimed back by DOE in 2012/13 to assist educators with continuous professional development. The Training Academy continued to function from its current location, but the department, together with DOPW, identified a site in Westville to build a new Training Academy. The reduction in 2015/16 was a

correction of the budget. The significant decrease in 2016/17 and over the 2017/18 MTEF is mainly ascribed to the previously mentioned budget cuts relating to the Training Academy where the funding to construct a new facility was cut from the department's baseline. As a result of the cuts, the OTP is still in talks with DOE for the Training Academy to continue operating from the current premises, in an effort to make sure that operations continue unaffected. Otherwise, the budget over the MTEF provides for various projects including the renovations to the roof and pool in respect of the Premier's Parkside residence, as well as renovations to Royal palaces and the sixth floor at the Moses Mabhida Building, which is in a dilapidated state. This floor currently has unoccupied offices due to malfunction of the drainage system.

*Machinery and equipment* relates to the purchase of essential office furniture and equipment for new appointments and the purchase of official vehicles. The increase in 2014/15 was attributed to the purchase of replacement motor vehicles and for office furniture and equipment for new appointments. The increase in 2015/16 was due to the upgrades to the Executive Council offices. The increase in 2015/16 was due to funds reprioritised from within the department for the installation of security systems, asset tracking devices, as well as departmental vehicles. The increase in the 2016/17 Adjusted Appropriation is due to the purchase of vehicles for the OTP and funds for the server relating to the PERSAL and leave systems. The further drop in 2017/18 relates to the fact that the department has not budgeted for furniture beyond 2017/18. Included in the 2017/18 MTEF is the provision for the replacement of departmental vehicles, including the Queens' vehicles, which are replaced as and when the need arises.

The amount reflected under *Heritage assets* includes an amount of R4.865 million in 2014/15 for the Isandlwana and Heroes' Acre projects from 2013/14 for which no roll-over was received, and this was therefore funded through internal reprioritisation. The 2017/18 MTEF amounts cater for various tombstones, unveilings of struggle icons and walls of remembrances, as identified by the Premier.

The amounts over the 2017/18 MTEF against *Software and other intangible assets* cater for software upgrades for the department in general, and the Nerve Centre in particular.

*Payments for financial assets* is attributed to the first charge for the Royal Household and debts written off. The final instalment of the first charge was paid in 2016/17.

## 7.4 Summary of conditional grant payments and estimates – Nil

## 7.5 Summary of infrastructure payments and estimates

Table 1.8 summarises the infrastructure payments and estimates relating to the department.

Table 1.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Existing infrastructure assets</b>	<b>24 272</b>	<b>8 553</b>	<b>2 271</b>	<b>3 108</b>	<b>11 108</b>	<b>12 404</b>	<b>5 034</b>	<b>6 152</b>	<b>6 508</b>
Maintenance and repair: Current	-	-	-	1 171	1 171	1 171	3 000	4 000	4 232
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	24 272	8 553	2 271	1 937	9 937	11 233	2 034	2 152	2 276
<b>New infrastructure assets: Capital</b>	<b>-</b>	<b>1 496</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Infrastructure transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
<b>Infrastructure: Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
<b>Non infrastructure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>24 272</b>	<b>10 049</b>	<b>2 271</b>	<b>3 108</b>	<b>11 108</b>	<b>12 404</b>	<b>5 034</b>	<b>6 152</b>	<b>6 508</b>
Capital infrastructure	24 272	10 049	2 271	1 937	9 937	11 233	2 034	2 152	2 276
Current infrastructure	-	-	-	1 171	1 171	1 171	3 000	4 000	4 232

The maintenance and repair work that is undertaken at the royal residences is recorded as *Maintenance and repair: Current*. Capital additions are reflected against *Refurbishment and rehabilitation: Capital*.

With regard to *Maintenance and repair: Current*, the Training Academy continued to function from its current location, while all planned construction work in respect of the new Training Academy was put on

hold for the time being. The 2017/18 MTEF allocations provide for the maintenance work of the administrative offices, as well as the Royal palaces.

*Refurbishment and rehabilitation: Capital* reflects expenditure related to renovations to the roof and pool in respect of the Premier’s Parkside residence. The department received a roll-over of R5.701 million during 2013/14 for the balance of the roof renovations to the Premier’s Parkside residence. The high amount in 2013/14 can be ascribed to unspent funds from 2012/13, which were rolled over to 2013/14 to cater for commitments with regard to Ingwavuma palace infrastructure projects, accounting for the decrease in 2014/15. The significant increase in the 2016/17 Adjusted Appropriation and Revised Estimate is attributed to the roll-over of R8 million towards the renovations of the Royal palaces. During 2015/16, the Infrastructure unit of Provincial Treasury conducted an infrastructure condition assessment at four of the Royal palaces, while simultaneously contracting the Provincial Infrastructure Crack Team to assess the potable water supply for four palaces. The Crack Team scoped the work to be done at the KwaKhangela and eNyokeni Palaces, and drafted the Bill of Quantities for DOPW to process the appointment of a service provider for the maintenance, upgrade and water reticulation at these palaces. The 2017/18 MTEF allocations provide for the completion of existing projects, such as the Ingwavuma palace projects and the Royal Household office renovations in Nongoma, the sixth floor renovations at the Moses Mabhida Building, as well as roof and pool renovations at the Premier’s Parkside residence.

The amount of R1.496 million reflected in 2014/15 against *New infrastructure assets: Capital* relates to the feasibility study in respect of the construction of the Training Academy at the time. As mentioned, funds for the construction of the Training Academy were deducted from the department’s budget due to the fiscal consolidation cuts in 2016/17.

## 7.6 Summary of Public Private Partnerships – Nil

## 7.7 Transfers to public entities listed in terms of Schedule 3 of the PFMA

The OTP exercises oversight over three public entities, namely Amafa , RHT and KZNGBB. Table 1.9 illustrates transfers made to the public entities over the seven years under review. Financial summaries received from Amafa, RHT and KZNGBB are given in *Annexure – Vote 1: Office of the Premier*. It must be noted that the Revised Estimate does not align to the December IYM due to an error in the December IYM. Table 1.9 has been corrected to reflect the correct Revised Estimate.

**Table 1.9 : Summary of departmental transfers to public entities**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Amafa aKwaZulu-Natali	29 095	35 149	34 977	30 028	33 028	33 028	32 263	33 989	35 960
KwaZulu-Natal Gaming and Betting Board	41 881	39 276	32 398	-	19 255	19 255	42 871	42 925	45 650
Royal Household Trust	15 300	18 162	24 002	15 167	22 977	22 977	16 501	18 040	19 086
<b>Total</b>	<b>86 276</b>	<b>92 587</b>	<b>91 377</b>	<b>45 195</b>	<b>75 260</b>	<b>75 260</b>	<b>91 635</b>	<b>94 954</b>	<b>100 696</b>

Amafa is responsible for administering heritage conservation on behalf of the provincial government. The entity’s main objective is to promote awareness of the significance and value of cultural heritage resources, while ensuring that cultural heritage management is integrated into economic, social and environmental activities in KZN. In 2013/14, a once-off additional amount of R1.500 million was allocated for the procurement of capital requirements associated with the entity’s turnaround strategy. An amount of R3.059 million was allocated in 2014/15 to enable Amafa to apply for World Heritage status in respect of the Emakhosini Valley, to upgrade its research and education facilities, as well as various heritage sites and to also purchase support equipment. From 2015/16, funds were reprioritised from within the department to increase transfers to Amafa for the purchase of vehicles and salary related costs. The decrease in 2015/16 and 2016/17 is ascribed to the fact that the additional funding received in 2014/15 was largely once-off. Also, the decrease from 2016/17 is mainly ascribed to the fiscal consolidation cuts of R4.888 million with carry-through, which the department also implemented against its entities. As mentioned, it is envisaged a new Schedule 3 public entity will be formed, amalgamating Amafa and the

Heritage unit. The KZN Heritage Institute is anticipated to be established in 2017/18, once the necessary legislative processes have taken place.

The main objective of the KZNGBB is to ensure that all gambling authorised in terms of the KZN Gaming and Betting Act is conducted in a manner that promotes the integrity of the horse racing, betting and gaming industry. In addition, the Board promotes KZN's objective to develop the industry as a vehicle for the promotion of tourism, employment creation and economic development. This entity was moved under the auspices of OTP in the 2016/17 Adjusted Appropriation in line with Premier's Minute No. 2 to shift the function of gaming and betting from Vote 6 to Vote 1 and comparatives were restated. In 2013/14, there was once-off additional funding of R4.450 million for a new IT system. The reduction in 2015/16 was in line with cost-cutting. KZNGBB's transfer over the 2017/18 MTEF grows steadily in anticipation of the new KZN Gaming and Betting Act, and the KZN Gaming and Betting Amendment Bill is currently being debated at the KZN Legislature. The entity's budget was also increased by R767 000 in 2017/18 with carry-through in respect of the office accommodation at the Marine Building.

The RHT was established in 2009/10 as an entity in terms of the KZN Royal Household Trust Act, 2007 (but will be governed by the KZN Royal Household Trust Bill, 2015 once enacted) and registered as a Schedule 3C provincial public entity during 2012/13. In 2011/12, 2012/13 (both not visible in the table) and 2013/14, funds were transferred to the RHT to cater for the set-up costs of the Trust, remuneration of the Trustees, as well as various costs of the RHT, which were administered by the Trust. This includes municipal costs, fuel, food supplies, etc., relating to Queens and other members of the Royal family. The increase in 2014/15 was due to the increase in transfers, as the RHT began to take over more functions from the department. During 2015/16, an additional amount of R4 million was reprioritised from within Vote 1 to the RHT to cater for outstanding invoices from 2014/15. The significant decrease in the 2016/17 Main Appropriation is mainly ascribed to the previously mentioned fiscal consolidation cuts of R9.489 million with carry-through. The increase in the 2016/17 Adjusted Appropriation was a reprioritisation from Programme 2 to RHT to cater for operational expenses of the RHT. The 2017/18 MTEF provides for the various operational costs of the RHT.

## 7.8 Transfers to other entities

Table 1.10 reflects departmental transfers to other entities. In 2014/15, an amount of R4.226 million was allocated as the province's contribution to the construction of the Denis Hurley Centre in Durban. In 2016/17, a sponsorship of R27 000 was given to the KZN Law Society for a function to honour the appointment of members of the judiciary.

Table 1.10 : Summary of departmental transfers to other entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Denis Hurley Centre	-	4 226	-	-	-	-	-	-	-
KZN Law Society	-	-	-	-	27	27	-	-	-
<b>Total</b>	-	<b>4 226</b>	-	-	<b>27</b>	<b>27</b>	-	-	-

## 7.9 Transfers to local government

Table 1.11 provides a summary of transfers to local government by category. It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence these are excluded from Table 1.11.

Table 1.11 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Category A	-	4 865	-	-	-	-	-	-	-
Category B	-	-	-	-	-	-	-	-	-
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>4 865</b>	-	-	-	-	-	-	-

The R4.865 million in 2014/15 is in respect of the transfer to the eThekweni Metro for the 150-year commemoration of the Indian indentured labourers. Unfortunately, this monument has not been built and unveiled yet, but the Metro has undertaken to finalise the construction in the first quarter of 2017/18.

## 7.10 Transfers and subsidies

Table 1.12 summarises transfers by programme and main category over the seven-year period.

**Table 1.12 : Summary of transfers and subsidies by programme and main category**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>1. Administration</b>	<b>1 063</b>	<b>1 784</b>	<b>1 099</b>	<b>1 064</b>	<b>2 574</b>	<b>2 574</b>	<b>1 117</b>	<b>1 182</b>	<b>1 248</b>
Provinces and municipalities	16	59	-	-	-	-	-	-	-
Motor vehicle licences	16	59	-	-	-	-	-	-	-
Households	1 047	1 725	1 099	1 064	2 574	2 574	1 117	1 182	1 248
PARMED	1 047	1 725	1 099	1 064	2 574	2 574	1 117	1 182	1 248
<b>2. Institutional Development</b>	<b>67 172</b>	<b>66 430</b>	<b>33 066</b>	<b>57</b>	<b>19 786</b>	<b>19 917</b>	<b>42 931</b>	<b>42 988</b>	<b>45 716</b>
Provinces and municipalities - MVL	-	-	76	54	69	69	57	60	63
Departmental agencies and accounts	41 881	39 276	32 398	-	19 255	19 255	42 871	42 925	45 650
KZNGBB	41 881	39 276	32 398	-	19 255	19 255	42 871	42 925	45 650
Non-profit institutions	-	-	-	-	27	27	-	-	-
KZN Law Society	-	-	-	-	27	27	-	-	-
Households	25 291	27 154	592	3	435	566	3	3	3
Staff exit costs	150	673	373	3	317	362	3	3	3
Provincial Bursary Programme	25 141	26 481	219	-	118	204	-	-	-
<b>3. Policy and Governance</b>	<b>45 269</b>	<b>62 771</b>	<b>79 804</b>	<b>55 367</b>	<b>80 270</b>	<b>80 401</b>	<b>73 845</b>	<b>77 753</b>	<b>82 262</b>
Provinces and municipalities	-	4 865	-	-	11	11	-	-	-
Motor vehicle licences	-	-	-	-	11	11	-	-	-
Indian indentured labourers (eThekweni)	-	4 865	-	-	-	-	-	-	-
Departmental agencies and accounts	44 395	53 311	58 979	45 195	56 005	56 005	48 764	52 029	55 046
Amafa	29 095	35 149	34 977	30 028	33 028	33 028	32 263	33 989	35 960
RHT	15 300	18 162	24 002	15 167	22 977	22 977	16 501	18 040	19 086
Non-profit institutions	-	4 226	-	-	-	-	-	-	-
Denis Hurley Centre	-	4 226	-	-	-	-	-	-	-
Households	874	369	20 825	10 172	24 254	24 385	25 081	25 724	27 216
Staff exit costs	874	369	177	2 000	2 082	2 209	9	-	-
Bursaries	-	-	20 648	8 172	22 172	22 176	25 072	25 724	27 216
<b>Total</b>	<b>113 504</b>	<b>130 985</b>	<b>113 969</b>	<b>56 488</b>	<b>102 630</b>	<b>102 892</b>	<b>117 893</b>	<b>121 923</b>	<b>129 226</b>

It is noted that the motor vehicle licence budget is reflected in two programmes (Programmes 1 and 2) due to the movement of the Auxiliary Services unit from Programme 1 to Programme 2 in 2015/16. Prior-year figures were not adjusted. However, during the 2016/17 Adjustments Estimate, R11 000 was moved to *Provinces and municipalities* under Programme 3 relating to the Royal Household motor vehicle licences.

Programme 1 reflects transfers against *Households* for social benefits relating to medical aid contributions for ex-parliamentarians (PARMED).

Programme 2 reflects transfers in respect of social benefits and the Provincial Bursary Programme. The bursaries were paid directly to the students who receive a monthly stipend and transport funds. It must be noted that, during 2013/14, the Executive Council approved the centralisation of the bursaries budget under the OTP and this explains the high amount in 2013/14 and 2014/15. In 2015/16, the Provincial Bursary Programme was decentralised back to the departments from which the funds were originally moved. The amount reflected against *Non-profit institutions* relates to a donation to the KZN Law Society.

Programme 2 and 3 houses the bulk of the *Transfers and subsidies* budget:

- *Departmental agencies and accounts* relates to transfers made to Amafa, RHT and KZNGBB. The increase in 2014/15 is due to additional funding for Amafa for the turnaround strategy's once-off capital requirements, funds to apply for World Heritage status for the Emakhosini Valley, as well as the additional funding to the RHT to meet its financial obligations. The OTP reprioritised an amount of R4 million for transfer to the RHT in 2015/16 to cater for urgent outstanding invoices that required payment. The 2017/18 MTEF budget provides for the transfers to the department's three entities.
- The amounts reflected against *Non-profit institutions* relate to funding transferred for the construction of the Denis Hurley Centre (R4.226 million) in 2014/15, as well as a sponsorship to the KZN Law

Society (R27 000) for a function to honour the appointment of members of the judiciary in 2016/17, as previously explained.

- The category *Households* caters for bursaries and staff exit costs. It must be noted that, although the Provincial Bursary Programme was decentralised back to the departments from which the funds were originally moved, a portion of the budget remains for the external bursaries administered by the OTP, but now administered under Programme 3. During 2015/16, the department undertook a once-off shift from *Compensation of employees* to this category, as a result of the discontinuation of the Youth Ambassadors' programme stipends, to cater for the in-year spending pressure in respect of bursaries. It must also be noted that the bursaries function was moved to the Youth Chief Directorate in Programme 3 from 2016/17 onward. The 2017/18 MTEF reflects steady growth and includes reprioritisation of R14 million each year over the MTEF towards bursaries to mitigate the "fees must fall" challenge.

## 8. Programme description

The services rendered by this department are, as per the generic sector structure, categorised under three programmes, the details of which are discussed below.

The amounts for each programme are summarised in terms of economic classification, with details given in *Annexure – Vote 1: Office of the Premier*.

### 8.1 Programme 1: Administration

The purpose of this programme is to provide administrative support to the Premier, Executive Council and the Director-General in fulfilling their legislative and oversight functions and in promoting good corporate governance. There are four sub-programmes supporting this programme, namely Premier Support, Executive Council Support, Director-General Support and Financial Management. The department does not fully conform to the generic programme structure of the sector at this stage partly due to the elimination of the Programme Support sub-programme.

It is noted that, in 2015/16, there were several functions that moved out of Programme 1 to Programme 2, such as Integrity Management, Auxiliary Services, Security Services and Ombudsman. This was done to enhance operational efficiency. The department was unable to adjust prior year comparatives for these adjustments across sub-programmes due to financial records not being kept at this level.

The objectives of this programme are as follows:

- To provide logistical, administrative and advisory support to the Premier in executing the constitutional mandate and statutory duties.
- To render secretariat support services to the Executive Council, clusters, and key provincial committees.
- To provide operational support to the Director-General in strategically managing the province.
- To provide financial management support and advisory services.

Tables 1.13 and 1.14 reflect a summary of payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2013/14 to 2019/20.

**Table 1.13 : Summary of payments and estimates by sub-programme: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Premier Support	50 032	44 535	38 124	29 874	38 284	38 284	24 071	26 001	27 507
2. Executive Council Support	8 500	8 280	7 961	7 537	9 637	9 637	9 843	10 651	11 269
3. Director-General Support	20 569	17 235	13 424	12 954	10 054	10 054	14 142	15 194	16 076
4. Financial Management	105 839	131 397	33 551	42 142	31 942	31 942	39 225	42 488	44 944
<b>Total</b>	<b>184 940</b>	<b>201 447</b>	<b>93 060</b>	<b>92 507</b>	<b>89 917</b>	<b>89 917</b>	<b>87 281</b>	<b>94 334</b>	<b>99 796</b>

**Table 1.14 : Summary of payments and estimates by economic classification: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Current payments</b>	170 409	187 121	90 574	90 306	86 121	86 121	84 993	91 887	97 210
Compensation of employees	63 500	74 941	54 836	58 414	57 814	57 814	52 663	57 137	60 451
Goods and services	106 909	112 180	35 738	31 892	28 307	28 307	32 330	34 750	36 759
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>1 063</b>	<b>1 784</b>	<b>1 099</b>	<b>1 064</b>	<b>2 574</b>	<b>2 574</b>	<b>1 117</b>	<b>1 182</b>	<b>1 248</b>
Provinces and municipalities	16	59	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 047	1 725	1 099	1 064	2 574	2 574	1 117	1 182	1 248
<b>Payments for capital assets</b>	<b>13 468</b>	<b>12 518</b>	<b>1 361</b>	<b>1 137</b>	<b>1 222</b>	<b>1 222</b>	<b>1 171</b>	<b>1 265</b>	<b>1 338</b>
Buildings and other fixed structures	6 881	1 200	-	-	-	-	-	-	-
Machinery and equipment	6 587	11 318	1 214	1 137	1 222	1 222	1 171	1 265	1 338
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	147	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>24</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>184 940</b>	<b>201 447</b>	<b>93 060</b>	<b>92 507</b>	<b>89 917</b>	<b>89 917</b>	<b>87 281</b>	<b>94 334</b>	<b>99 796</b>

The sub-programme: Premier Support provides technical, administrative and advisory support to the Premier in executing his constitutional mandate. The increase in the 2016/17 Adjusted Appropriation was mainly as a result of the internal reprioritisation of R7 million for the Commission of Inquiry into Political killings in KZN. The below inflationary growth over the 2017/18 MTEF is mainly ascribed to the previously mentioned fiscal consolidation budget cuts.

The sub-programme: Executive Council Support renders secretariat support services to the Executive Council in terms of the weekly Executive Council meetings, the Executive Council clusters, as well as the bi-annual Executive Council Lekgotla. The inflationary growth over the 2017/18 MTEF is mainly ascribed to the weekly Executive Council meetings, the Executive Council clusters, as well as the bi-annual Executive Council Lekgotla.

The Director-General Support sub-programme provides operational support to the Director-General in strategically managing the province. The internal control and organisational risk management directorates are part of this sub-programme. The 2017/18 MTEF amounts are significantly lower than 2014/15 due to the structure changes, such as the movement of the Security Services responsibility to the Strategic Human Resources sub-programme in Programme 2 for which prior year comparatives could not be adjusted, as the department's records are not kept at that level. Also, the below inflationary growth over the 2017/18 MTEF is mainly ascribed to the previously mentioned fiscal consolidation budget cuts.

The Financial Management sub-programme provides financial management support and advisory services to the Premier and Director-General in fulfilling their legislative and oversight functions and in promoting good corporate governance. This sub-programme also houses the Office of the CFO. The 2017/18 MTEF amounts include the movement of the Integrity Management unit to Programme 2 in 2015/16, for which prior year comparatives could not be adjusted, as mentioned earlier.

The below inflationary growth over the 2017/18 MTEF against *Compensation of employees* is mainly ascribed to the previously mentioned fiscal consolidation cuts relating to the freezing of all non-OSD posts. Provision has not been adequately made for the carry-through costs of the above-budget 2016 wage agreement and an inflationary wage adjustment of 7.2, 6.9 and 6.6 per cent over the 2017/18 MTEF, as well as the 1.5 per cent pay progression. This will be reviewed in-year.

The below inflationary growth over the MTEF against *Goods and services* is mainly ascribed to the previously mentioned fiscal consolidation budget cuts. This category's budget in this programme mainly relates to office rental, catering for the Executive Council meetings, audit fees, operational costs, etc.



*Transfers and subsidies to: Provinces and municipalities* mainly relates to motor vehicle licences. It must be noted that motor vehicle licences do not continue throughout the MTEF due to the fact that Auxiliary Services relocated to Programme 2 and the motor vehicle licences are therefore budgeted for under Programme 2.

*Transfers and subsidies to: Households* caters for payments in respect of medical aid contributions for ex-parliamentarians (PARMED). The below inflationary growth over the 2017/18 MTEF is mainly attributed to the fact that PARMED decreases from year to year due to natural attrition.

The amounts against *Buildings and other fixed structures* in 2013/14 and 2014/15 are attributed to the renovations of the department before the infrastructure budget was centralised under Programme 2. There is no allocation over the 2017/18 MTEF.

The amounts against *Machinery and equipment* can be ascribed to provision for additional vehicles, as well as furniture and equipment purchased for this programme. The reduction over the 2017/18 MTEF is a result of the completion of the hardware upgrades of the Executive Council office, as well as internal reprioritisation to the same category in Programmes 2 and 3, to cater for the replacement of computer equipment and departmental vehicles.

The amount reflected against *Software and other intangible assets* in 2015/16 relates to the purchase of software for the Executive Council office.

*Payments for financial assets* mainly relates to the write-off of debts.

## Service delivery measures – Programme 1: Administration

Table 1.15 illustrates service delivery measures pertaining to Programme 1. The service delivery outputs were revised in terms of the re-alignment and re-focus in respect of the PGDP. It is noted that the OTP sector has not yet agreed on standardised service delivery measures. Also note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP.

**Table 1.15 : Service delivery measures - Programme 1: Administration**

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2016/17	2017/18	2018/19	2019/20
<b>1. Premier Support</b>					
1.1 Administrative support services to the Premier	• Performance score attained on Premier Support, admin support services performance assessment matrix	3	3	3	3
<b>2. Executive Council Support</b>					
2.1 Effective and efficient Provincial Executive Council and key committees administrative support service	• No. of Executive Council meeting decision matrices circulated within 10 working days of meeting	15	20	20	20
<b>3. Director-General</b>					
3.1 Strategic management meeting resolutions	• No. of EXCO meetings supported	24	12	12	12
<b>4. Financial Management</b>					
4.1 Financial management reports	• No. of financial management reports, monthly IYM submitted to Treasury by the 15th of each month	12	12	12	12
4.2 AFS	• No. of AFS submitted in terms of prescripts	1 final, 3 interim	1 final, 3 interim	1 final, 3 interim	1 final, 3 interim
4.3 Procurement plan	• No. of procurement plans submitted in terms of prescripts	1	1	1	1

## 8.2 Programme 2: Institutional Development

The purpose of this programme is to improve service delivery through institutional capacity building and transformation management in the province, and the objectives are:

- Providing transversal legal advisory and support services.
- Providing transversal human resource management and systems.
- Co-ordinating the holistic development of public servants as well as the citizenry of KZN in general.
- Providing strategic information communication technology, science and technology management, leadership and support.
- Providing strategic communication leadership and support.
- To promote and co-ordinate human rights programmes in KZN.
- To promote and co-ordinate the mainstreaming of human rights in public policy and planning processes in the provincial administration.
- To co-ordinate the implementation of gender equality programmes.
- To ensure a regulated gambling, gaming and betting industry.

Tables 1.16 and 1.17 summarise payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2013/14 to 2019/20.

**Table 1.16 : Summary of payments and estimates by sub-programme: Institutional Development**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Strategic Human Resources	98 858	93 946	88 531	89 556	88 167	88 167	101 471	98 673	101 756
2. Information Communication Technology (ICT)	21 215	25 391	63 100	63 764	74 439	74 439	79 657	84 793	89 710
3. Legal Services	10 642	10 895	10 464	11 562	10 569	10 569	11 728	12 694	13 431
4. Communication Services	54 682	47 006	66 672	52 153	49 853	49 853	52 167	56 095	56 709
5. Special Programmes	32 187	32 542	58 407	41 025	39 268	39 268	46 137	49 921	52 818
6. Intergovernmental Relations	8 269	16 121	12 303	15 806	13 106	13 106	14 722	15 510	16 409
7. Gaming and Betting	45 907	43 013	36 398	-	22 474	22 474	48 393	48 447	51 172
<b>Total</b>	<b>271 760</b>	<b>268 914</b>	<b>335 875</b>	<b>273 866</b>	<b>297 876</b>	<b>297 876</b>	<b>354 275</b>	<b>366 133</b>	<b>382 005</b>

**Table 1.17 : Summary of payments and estimates by economic classification: Institutional Development**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>197 212</b>	<b>193 258</b>	<b>283 175</b>	<b>267 852</b>	<b>268 217</b>	<b>268 086</b>	<b>306 846</b>	<b>318 388</b>	<b>331 256</b>
Compensation of employees	80 548	82 317	109 082	123 042	116 824	116 779	142 641	145 957	154 397
Goods and services	116 664	110 941	174 093	144 810	151 393	151 307	164 205	172 431	176 859
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>67 172</b>	<b>66 430</b>	<b>33 066</b>	<b>57</b>	<b>19 786</b>	<b>19 917</b>	<b>42 931</b>	<b>42 988</b>	<b>45 716</b>
Provinces and municipalities	-	-	76	54	69	69	57	60	63
Departmental agencies and accounts	41 881	39 276	32 398	-	19 255	19 255	42 871	42 925	45 650
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	27	27	-	-	-
Households	25 291	27 154	592	3	435	566	3	3	3
<b>Payments for capital assets</b>	<b>7 364</b>	<b>9 188</b>	<b>19 614</b>	<b>5 957</b>	<b>9 872</b>	<b>9 872</b>	<b>4 498</b>	<b>4 757</b>	<b>5 033</b>
Buildings and other fixed structures	2 000	62	-	766	766	2 062	804	851	900
Machinery and equipment	5 364	9 126	19 614	5 126	9 041	7 745	3 626	3 834	4 057
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	65	65	65	68	72	76
<b>Payments for financial assets</b>	<b>12</b>	<b>38</b>	<b>20</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>271 760</b>	<b>268 914</b>	<b>335 875</b>	<b>273 866</b>	<b>297 876</b>	<b>297 876</b>	<b>354 275</b>	<b>366 133</b>	<b>382 005</b>

The Gaming and Betting function was moved from Vote 6 to Vote 1 in the 2016/17 Adjusted Appropriation in line with Premier's Minute No. 2 of 2016, and comparatives were restated. There were also several functions that moved internally out of Programmes 1 and 3 to Programme 2 during 2015/16. As mentioned, from Programme 1 to this programme are movements of responsibilities such as Integrity Management, Auxiliary Services, Security Services and Ombudsperson. The movements from Programme 3 to this programme include the Special Programmes and the Intergovernmental Relations sub-

programmes. This was done to enhance operational efficiency. The department was unable to adjust prior year comparatives across sub-programmes due to financial records not being kept at this level.

Therefore, there are seven sub-programmes supporting Programme 2, namely Strategic Human Resources, Information Communication Technology (ICT), Legal Services, Communication Services, Special Programmes, Intergovernmental Relations and Gaming and Betting. The department does not fully conform to the generic programme structure of the sector at this stage partly due to the addition of Gaming and Betting in line with Premier's Minute No. 2 Of 2016, as well as the Intergovernmental Relations and Special Programmes sub-programmes, which fall under Programme 3 in terms of the sector.

The Strategic Human Resources sub-programme facilitates, co-ordinates, monitors and promotes Strategic Human Resources and Development Services within provincial government, as well as internally within the OTP. This sub-programme includes the Training Academy. The increase in 2017/18 provides for the training programmes at the Training Academy, while the decrease in 2018/19 is mainly attributed to the previously mentioned fiscal consolidation cuts.

Information Communication Technology (ICT) co-ordinates provincial government ICT and renders internal ICT support and auxiliary services to OTP and increases steadily from 2013/14 to the 2017/18 MTEF despite the restructuring process, which saw the Nerve Centre funds being moved from this sub-programme to the Provincial Policy Management sub-programme under Programme 3. Also, as from 2015/16, the Auxiliary Services unit was moved to this sub-programme, accounting for the significant increase in the 2016/17 Adjusted Appropriation due to the provision for LAN and IT upgrades. The below inflationary growth over the 2017/18 MTEF is mainly due to the fiscal consolidation budget cuts effected on *Machinery and equipment*. However, it provides for provision for LAN and IT upgrades and all the administration and auxiliary services centralised under this sub-programme.

The Legal Services sub-programme provides a comprehensive and professional internal legal support service to OTP and provides an inter-departmental, transversal state law advisory service to departments protecting the interests of the province. The below inflationary growth over the 2017/18 MTEF is mainly attributed to the previously mentioned budget cuts effected on *Goods and services*.

The Communication Services sub-programme provides an integrated and co-ordinated government communication service in the province, as well as internally within OTP, responsible for the creation of a vibrant dialogue between OTP and the community by promoting a citizenship with positive moral values and enhancing synergy with other departments in service delivery. As mentioned, during 2013/14, the Executive Council approved the centralisation of parts of the communications budget under the OTP, explaining the increase from that year. The decrease in 2014/15 can be ascribed to the re-imburement of funds to DARD, as it erred in determining the figures when parts of the communications budgets were centralised. Although the growth is below inflation over the 2017/18 MTEF, this sub-programme will continue to co-ordinate various communication publications, campaigns and strategies, such as Simama, Anti-Rape, Anti-Xenophobia, Human Rights Day, Youth Day, Heritage Day, etc. This sub-programme also administers the Communication Forum which meets bi-annually and includes all departments.

The Special Programmes sub-programme includes Integrity Management, including the Office of the Ombudsperson and Democracy Support Services. Integrity Management aims to mitigate and eliminate incidences of unethical conduct by government officials with a view of improving good governance. Democracy Support Services ensures that government translates its constitutional, political and global commitments into measurable and meaningful programmes on gender, disability, children, as well as senior citizens vulnerable groups. The below inflationary growth over the 2017/18 MTEF is mainly due to the previously mentioned budget cuts effected on *Goods and services* and *Machinery and equipment*. The funds over the 2017/18 MTEF cater for the democracy support activities, integrity management and human right campaigns, such as the "I do right, even when nobody is watching" campaign, Anti-rape, Anti-women and children abuse, Anti-killing of Albinos, Anti-Xenophobia, etc.

The Intergovernmental Relations sub-programme promotes effective co-operative governance through implementation of the Intergovernmental Relations Act. The below inflationary growth over the 2017/18 MTEF is mainly attributed to the previously mentioned budget cuts effected on *Goods and services*. The 2017/18 MTEF will see the international strategy oriented towards not only ensuring KZN's domestic

success but also internationally, as a geo-political and economic player at the global level. Also, provincial protocol will be engaging in public education and promoting patriotism through awareness and respect for national symbols. In doing so, more partnerships with radio stations will be fostered as a medium for this public education.

The sub-programme: Gaming and Betting provides for collection of gambling taxes for the province, regulating the gambling industry, ensuring the roll-out of gaming and betting initiatives and protecting the interests of patrons and the public at large. In 2016/17, an amount of R22.474 million was suspended from Vote 6: Provincial Treasury and allocated to Vote 1: Office of the Premier relating to the movement of both the KZNGBB and the administration unit dealing with gaming and betting with effect from 28 September 2016, as determined by Premier's Minute No. 2 of 2016. Similarly, the gaming and betting revenue budget calculated at R270.760 million was also moved between the two Votes. It must be noted that only the budget from 28 September 2016 onward was suspended, whereas the balance remained with Vote 6, as this Vote had incurred the related expenditure in the first half of 2016/17. The full amount is moved over the 2017/18 MTEF, which will see a new KZN Gaming and Betting Amendment Act, as the KZN Gaming and Betting Amendment Bill is currently being debated in the Legislature. The budget was increased by R767 000 with carry-through in respect of the KZNGBB's office accommodation at the Marine Building. As such, the total budget of the sub-programme is R48.393 million, R48.447 million and R51.172 million over the 2017/18 MTEF of which the transfer to the KZNGBB is R42.871 million, R42.925 million and R45.650 million, and the administration unit has R5.522 million, R5.522 million and R5.522 million over the 2017/18 MTEF. Prior years were restated for comparative purposes.

*Compensation of employees* over the 2017/18 MTEF relates to the staggered filling of 63 prioritised critical posts such Director-General, Chief Director and Director: Monitoring and Evaluation, Director: Service Delivery Improvement and Director: Service Delivery Complaints Management. Provision has not been adequately made for the carry-through costs of the above-budget 2016 wage agreement and an inflationary wage adjustment of 7.2, 6.9 and 6.6 per cent over the 2017/18 MTEF, as well as the 1.5 per cent pay progression. This will be reviewed in-year, as this category is currently growing by 22 per cent, 2.3 per cent and 5.7 per cent over the MTEF.

*Goods and services* reflects an increase in the 2016/17 Adjusted Appropriation as a result of the movement of the Gaming and Betting unit to the OTP, as mentioned above. The below inflationary growth over the 2017/18 MTEF is mainly attributed to the previously mentioned budget cuts. *Goods and services* in this programme provides for costs such as communication and hosting of service delivery events and campaigns, such as Simama, Anti-Rape and Anti-Xenophobia campaigns, Human Rights Day, Youth Day, Heritage Day, etc.

*Transfers and subsidies to: Departmental agencies and accounts* comprises transfers to KZNGBB. The budget over the 2017/18 MTEF caters for the transfers to KZNGBB, which was increased by R767 000 in 2017/18 with carry-through in respect of office accommodation at the Marine Building.

*Transfers and subsidies to: Provinces and municipalities* over the 2017/18 MTEF caters for motor vehicle licence fees. It must be noted that prior year figures (ie. 2013/14 and 2014/15) relating to motor vehicle licences are not reflected in this programme, but in Programme 1, where Auxiliary Services was moved from, as mentioned.

*Transfers and subsidies to: Non-profit institutions* in the 2016/17 Adjusted Appropriation caters for a sponsorship to the KZN Law Society for a function to honour the appointment of members of the judiciary.

The amounts against *Transfers and subsidies to: Households* from 2013/14 cater for the high demand of the Provincial Bursary Programme, but this was decentralised during 2015/16. The low amount over the 2017/18 MTEF provides for staff exit costs. It is noted that the external bursary budget of the OTP resides in Programme 3 against the sub-programme: Premier's Priority Programmes from 2015/16 onward. The department did not adjust for prior year comparatives as information is not kept at that level.

*Buildings and other fixed structures* pertains to the renovations at OTP's administrative buildings. As previously explained, the Training Academy will continue to function from its current location for the

time being, since the funds for building a new Training Academy are no longer available as a result of the fiscal consolidation cuts effected from 2016/17 onward. The 2017/18 MTEF provides for the renovations to the dilapidated sixth floor of the Moses Mabhida Building, as well as the Premier's Parkside residence.

*Machinery and equipment* shows a significant decrease in 2017/18 and 2018/19 and this is mainly attributed to the previously mentioned fiscal consolidation cuts. The funds over the 2017/18 MTEF will provide for furniture, laptops and departmental vehicles.

The spending reflected against *Software and other intangible assets* is for software licence fees.

The department wrote off various losses against *Payments for financial assets* from 2013/14 to 2014/15.

## Service delivery measures – Programme 2: Institutional Development

Table 1.18 illustrates service delivery measures pertaining to Programme 2. The service delivery outputs were revised and streamlined in terms of the re-alignment and re-focus to fall in line with the PGDP. Two new measures have been introduced, indicated by “New” in the table.

**Table 1.18 : Service delivery measures – Programme 2: Institutional Development**

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	
<b>1. Strategic Human Resources</b>						
1.1	Technical human resource management support services	• No. of quarterly reports on technical support services provided to all HR units in the provincial govt. of KZN on policy matters	4	4	4	4
1.2	Public Service training	• No. of training sessions	136	200	200	220
<b>2. Information Communication Technology</b>						
2.1	IT governance assessment reports	• No. of 6 monthly provincial depts' IT governance assessment co-ordination reports submitted to G and A Cluster	2 quarterly IT projects progress reports	2	2	2
<b>3. Legal Services</b>						
3.1	Appropriate and constitutionally compliant provincial legislation	• No. of quarterly reports on Provincial Legislative programme submitted within 10 days of end of each quarter	4	4	4	4
<b>4. Communication Services</b>						
4.1	Effective and efficient communication engagement	• No. of articles on the PGDP published in the print media targeting external audiences	13	8	8	8
<b>5. Special Programmes</b>						
5.1	Integrity conferences	• No. of Integrity leadership conferences	1	-	1	-
5.2	Annual performance plans for each human rights target group	• No. of annual performance business plans for human rights target groups: 1 x gender, 1 x disability, 1 x children, and 1 x senior citizens	1 per group, 4 total	1 per group, 4 total	1 per group, 4 total	1 per group, 4 total
5.3	Ombudsperson co-ordination	• No. of OTP Ombudsperson reports	1	2	4	4
<b>6. Intergovernmental Relations (IGR)</b>						
6.1	Technical Premier's forum meetings	• No. of IGR Technical Premier's forum decision matrices	5	4	4	4
<b>7. Gaming and Betting</b>						
7.1	Enhance the gaming and Betting regulatory environment in KZN	• Amended KZN Gaming and Betting legislation	KZN Gaming and Betting Amendment Bill, 2017 to be presented to the Executive Council and Legislature	Implementation of the 2017 Act and review of Regulations	Review of legislation	Review of legislation
		• No. of quarterly regulatory reports on Board activities	4 quarterly reports	4 quarterly reports	4 quarterly reports	4 quarterly reports
		• 4 reconciled tax returns	New	4 reconciled tax returns	4 reconciled tax returns	4 reconciled tax returns
		• Functionality of the KZNGBB	New	4 sets of minutes of Board meetings	4 sets of minutes of Board meetings	4 sets of minutes of Board meetings

### 8.3 Programme 3: Policy and Governance

The purpose of this programme is to initiate province-wide development and implementation of policies and strategies to achieve a co-ordinated approach toward sustainable provincial growth and development, and the objectives are as follows:

- To capacitate the provincial government and administration on governance and public policy management.
- To manage and co-ordinate strategic projects as mandated by the Premier and the Executive Council.
- To conserve, manage and promote awareness of the cultural heritage resources of KZN.
- To ensure a co-ordinated approach with respect to provincial policy management.
- To co-ordinate and implement a comprehensive response to the socio-economic impact of HIV and AIDS.
- To ensure successful implementation of priority socio-economic programmes and projects in KZN.
- To ensure the effectiveness of policy, planning and programme interventions through evaluation of strategic policy outcomes.
- To design and utilise a functional monitoring and evaluation system for the provincial government and administration and local government.
- To provide support services to His Majesty, the King.
- To facilitate the smooth functioning of the Royal Household Trust.

There are four sub-programmes supporting this programme over the 2017/18 MTEF, namely Provincial Policy Management, Premier's Priority Programmes, Royal Household and Heritage. This programme does not fully conform to the generic programme structure of the sector at this stage, due to the fact that it includes Royal Household, Heritage, as well as the Intergovernmental Relations and Special Programmes sub-programmes, which fall under Programme 2 but, according to the sector, they should fall under Programme 3.

It must be noted that there were several functions that moved out of Programmes 3 to Programme 2 to enhance operational efficiency during 2015/16. As mentioned, these include the Special Programmes and the Intergovernmental Relations sub-programmes. This was done to align the financial and organisational structures. The department was unable to provide prior year comparatives for these adjustments across sub-programmes due to financial records not being kept at this level. However, historical figures were adjusted for the Royal Household sub-programme for comparative purposes.

Tables 1.19 and 1.20 provide a summary of payments and estimates for these four sub-programmes for the period 2013/14 to 2019/20.

As mentioned, it must be noted that, following the signing of the proclamation to amalgamate Vote 1 and Vote 10, the baseline available for Programme 3 is reduced by the first charge (shown below the total line) that was imposed on the former Vote 10 and must therefore be honoured in line with a SCOPA resolution. The final instalment of the first charge was in 2016/17.

**Table 1.19 : Summary of payments and estimates by sub-programme: Policy and Governance**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Provincial Policy Management	47 060	27 382	34 153	64 160	43 814	43 814	50 579	58 221	68 817
2. Premier's Priority Programmes	139 504	116 667	141 382	119 798	128 280	128 280	132 428	142 087	138 255
3. Royal Household	67 896	54 496	59 717	48 863	74 473	74 038	58 884	63 795	67 499
4. Heritage	55 821	96 346	64 277	59 450	55 958	55 958	58 679	62 567	66 196
<b>Total</b>	<b>310 281</b>	<b>294 891</b>	<b>299 529</b>	<b>292 271</b>	<b>302 525</b>	<b>302 090</b>	<b>300 570</b>	<b>326 670</b>	<b>340 767</b>
Unauth. Exp. (1st charge) not available for spending	(2 500)	(2 500)	(2 500)	(2 194)	(2 194)	(2 194)	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>307 781</b>	<b>292 391</b>	<b>297 029</b>	<b>290 077</b>	<b>300 331</b>	<b>299 896</b>	<b>300 570</b>	<b>326 670</b>	<b>340 767</b>

Table 1.20 : Summary of payments and estimates by economic classification: Policy and Governance

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
<b>Current payments</b>	<b>241 831</b>	<b>219 423</b>	<b>204 681</b>	<b>225 124</b>	<b>200 507</b>	<b>199 941</b>	<b>217 401</b>	<b>239 940</b>	<b>249 274</b>
Compensation of employees	72 776	52 180	69 474	94 155	89 800	89 238	96 695	104 913	102 980
Goods and services	169 055	167 243	135 207	130 969	110 707	110 703	120 706	135 027	146 294
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>45 269</b>	<b>62 771</b>	<b>79 804</b>	<b>55 367</b>	<b>80 270</b>	<b>80 401</b>	<b>73 845</b>	<b>77 753</b>	<b>82 262</b>
Provinces and municipalities	-	4 865	-	-	11	11	-	-	-
Departmental agencies and accounts	44 395	53 311	58 979	45 195	56 005	56 005	48 764	52 029	55 046
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	4 226	-	-	-	-	-	-	-
Households	874	369	20 825	10 172	24 254	24 385	25 081	25 724	27 216
<b>Payments for capital assets</b>	<b>20 662</b>	<b>12 663</b>	<b>12 323</b>	<b>9 586</b>	<b>19 509</b>	<b>19 509</b>	<b>9 324</b>	<b>8 977</b>	<b>9 231</b>
Buildings and other fixed structures	15 391	8 787	2 271	1 171	9 171	9 171	1 230	1 301	1 376
Machinery and equipment	924	1 451	6 366	3 915	5 830	5 830	3 500	2 857	2 766
Heritage assets	4 347	2 425	3 682	4 500	4 508	4 508	4 594	4 819	5 099
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	4	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>2 519</b>	<b>34</b>	<b>2 721</b>	<b>2 194</b>	<b>2 239</b>	<b>2 239</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>310 281</b>	<b>294 891</b>	<b>299 529</b>	<b>292 271</b>	<b>302 525</b>	<b>302 090</b>	<b>300 570</b>	<b>326 670</b>	<b>340 767</b>
Unauth. Exp. (1st charge) not available for spending	(2 500)	(2 500)	(2 500)	(2 194)	(2 194)	(2 194)	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>307 781</b>	<b>292 391</b>	<b>297 029</b>	<b>290 077</b>	<b>300 331</b>	<b>299 896</b>	<b>300 570</b>	<b>326 670</b>	<b>340 767</b>

The Provincial Policy Management sub-programme inculcates strategic planning, research co-ordination, and monitoring and evaluation. The Provincial Planning Commission also resides in this sub-programme. The MTEF caters for the Citizen Satisfaction survey, PGDS and PGDP reviews undertaken every two years, support to AWG 17, provincial and internal QPR and APP reviews, etc. and shows good growth.

The sub-programme: Premier's Priority Programmes promotes the culture of engagement by co-ordinating stakeholder participation, youth development and priority programmes incorporating Veterans' Support, HIV and AIDS, OSS, Inkululeko 2 projects, as well as PEMP co-ordination. The increase in the 2016/17 Adjusted Appropriation was to cater for youth projects, which were funded by savings identified. The budget for the 2017/18 MTEF caters for youth development initiatives, such as bursaries, as well as OSS whereby the executive committee and officials monitor coalface service delivery. Also budgeted for are Inkululeko projects in uMzinga and Ndumo, as well as PEMP co-ordination, which funds come to an end in 2018/19. It must be noted that the department plans to reprioritise funds from within its budget as the additional funding comes to an end, as PEMP is still a key focus of the department over the MTEF.

The sub-programme: Royal Household promotes inclusive and synergistic governance by providing support services to His Majesty, the King and the Royal Household. DRH and the RHT fall under the auspices of the OTP. As previously mentioned, DRH has a first charge that must be honoured up to 2016/17, as shown in the table. The 2017/18 MTEF provides for transfer to the RHT, His Majesty, the King's ceremonies such as *Umkhosi Womhlanga* (Reed dance), *Umkhosi Wamaganu*, *Umkhosi Woselwa*, various operational costs of the unit, as well as renovations to the Royal palaces.

The sub-programme: Heritage co-ordinates the profiling of previously marginalised heritage resources in the province, erects monuments of struggle stalwarts, conducts heritage-related research, develops heritage policies and regulations, monitors the implementation of heritage prescripts, as well as provides effective oversight to the operations of the provincial heritage authority. The 2017/18 MTEF includes funds for the the construction and unveiling of tombstones for past struggle icons such as Shaka Zulu, Moses Mabhida, Griffith and Victoria Mxenge, Harry Gwala, Josiah Gumede, Monty Naicker and Pixley ka Seme. The 2017/18 MTEF also provides for the transfer to Amafa. It must be noted that the planned amalgamation of the Heritage unit and Amafa to the new KZN Heritage Institute is at an advanced stage and the institute is anticipated to be operational sometime during 2017/18.

*Compensation of employees* decreases from 2018/19 to 2019/20 mainly due to the previously mentioned budget cuts in respect of the freezing of all vacant posts. Provision has not been adequately made for the carry-through costs of the above-budget 2016 wage agreement and an inflationary wage adjustment of 7.2,

6.9 and 6.6 per cent over the 2017/18 MTEF, as well as the 1.5 per cent pay progression. This will be reviewed in-year, as this category's growth is 8.3 per cent, 8.5 per cent and negative 1.8 per cent over the MTEF which is not sufficient.

*Goods and services* included funding for the PPC, OSS, OSS Diakonia Council of Churches, roll-over in respect of Zimele, as well as events such as National Choral Music Awards, Crown Gospel Awards, African Economic Expansion Summit in previous years. This accounts for the reduction from 2015/16 onward. Although the 2017/18 MTEF starts from a low base, it increases gradually to accommodate various service delivery events and campaigns such as OSS, heritage and human rights events, etc.

*Transfers and subsidies to: Provinces and municipalities* reflects a high amount in 2014/15 due to a once-off transfer to the eThekweni Metro for the implementation of the commemoration monument in respect of the arrival of the Indian indentured labourers in South Africa. Unfortunately, this monument has not yet been built and unveiled by the Metro, as a result of unforeseen delays with stakeholders. There is no allocation over the 2017/18 MTEF.

The transfers to Amafa and the RHT are reflected against *Transfers and subsidies to: Departmental agencies and accounts*. The increase in the 2016/17 Adjusted Appropriation is the reprioritisation of funds for the RHT. The below inflationary growth over the 2017/18 MTEF is mainly attributed to the previously mentioned fiscal consolidation cuts from 2016/17, which also affected the department's public entities. It is noted that the public entities were exempted from the 2017/18 budget cuts.

An amount of R4.226 million against *Transfers and subsidies to: Non-profit institutions* in 2014/15 related to the province's contribution to the construction of the Denis Hurley Centre in Durban.

*Transfers and subsidies to: Households* increases significantly from 2015/16 and over the 2017/18 MTEF due to the fact that OTP's external bursaries now reside in the Youth chief directorate against this programme. The significant increase in 2015/16 and over the 2017/18 MTEF is mainly a result of reprioritisation of R14 million towards bursaries to mitigate the "fees must fall" challenge, as well as youth programmes such as the In- and Out-of school youth camps.

*Buildings and other fixed structures* caters for the rehabilitation of the Royal palaces. The increases in the 2016/17 Adjusted Appropriation and over the 2017/18 MTEF cater for the refurbishments and renovations of Royal palaces.

The amounts against *Machinery and equipment* mainly relate to the purchase of departmental vehicles, office furniture and computer equipment for newly appointed staff. The increase over the 2017/18 MTEF provides for office furniture, computers, as well as vehicles.

The amount against *Heritage assets* was high in 2013/14 and catered for the erection of 18 historical graves and the building of six memorials or monuments. The amounts over the 2017/18 MTEF include the budget for the construction of walls of remembrance and erection of tombstones of struggle stalwarts, as identified by the Premier. The below inflationary growth over the 2017/18 MTEF is mainly ascribed to the previously mentioned budget cuts.

The amount against *Software and other intangible assets* provided for the purchasing of software licences.

*Payments for financial assets* relates to losses written-off, as well as the first charge against the Royal Household, as mentioned earlier, with the final instalment being due in 2016/17.

### **Service delivery measures – Programme 3: Policy and Governance**

Table 1.21 provides information on the service delivery measures pertaining to Programme 3. It is noted that the OTP sector has not yet agreed on standardised service delivery measures.

Note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP. It is further noted that the OTP has streamlined Programme 3's service delivery measures compared to prior years, and has introduced a new measure, indicated by "New" in the table.



Table 1.21 : Service delivery measures – Programme 3: Policy and Governance

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2016/17	2017/18	2018/19	2019/20
<b>1. Provincial Policy Management</b>					
1.1 Macro Policy Development and Co-ordination					
1.1.1 Policy audit reports	• No. of policy audit reports	2	2	2	2
<b>2. Premier's Priority Programmes</b>					
2.1 PGDP capacity workshops with strategic partnership	• No. of workshops of stakeholders on PGDP Vision 2035	4	4	4	4
2.2 Youth Projects coordination	• No. of co-ordination reports on projects for youth	1	1	1	1
2.3 Youth forum co-ordination reports	• No. of quarterly monitoring reports on youth forums established and supported	4	4	4	4
2.4 Strategic partnership forums	• No. of forum meetings with each sector 1 x NGO, 1 x Labour and Academics 1x Traditional Leadership, 1 x Religious sector	4	4	4	4
<b>3. King's Support and Royal Household</b>					
3.1 Service Reports	• Quarterly reports on supports services provided to His Majesty and Royal Household	New	4	4	4
<b>4. Heritage</b>					
4.1 Awareness	• No. of community Heritage awareness campaigns	9	11	8	8
4.2 Heritage memory infrastructure developed	• No. of monuments or memorials erected	9	8	8	8
4.3 Monitoring reports on Amafa Council performance	• No. of Amafa monitoring reports	4	4	4	4

## 9. Other programme information

### 9.1 Personnel numbers and costs

Table 1.22 reflects personnel estimates for the OTP, per programme, as well as a further breakdown of categories of personnel.

Table 1.22 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2016/17 - 2019/20		
	2013/14		2014/15		2015/16		2016/17				2017/18		2018/19		2019/20		Pers growth rate	Costs growth rate	% costs of total
	Pers no. <sup>1</sup>	Costs	Pers no. <sup>1</sup>	Costs	Pers no. <sup>1</sup>	Costs	Filled posts	Addit. Posts	Pers no. <sup>1</sup>	Costs	Pers no. <sup>1</sup>	Costs	Pers no. <sup>1</sup>	Costs	Pers no. <sup>1</sup>	Costs			
<b>R thousands</b>																			
<b>Salary level</b>																			
1 – 6	2 085	61 343	148	22 337	172	34 353	258	-	258	34 152	258	38 280	258	43 357	272	45 785	1.8%	10.3%	13.9%
7 – 10	183	50 350	187	54 436	203	59 484	297	-	297	89 526	297	101 000	297	106 936	313	112 038	1.8%	7.8%	34.7%
11 – 12	77	39 272	92	59 518	81	68 105	129	-	129	69 748	129	71 835	154	72 911	163	72 494	8.1%	1.3%	24.2%
13 – 16	56	65 859	61	73 147	55	71 450	79	-	79	70 405	79	80 884	79	84 803	82	87 511	1.3%	7.5%	27.3%
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%
<b>Total</b>	<b>2 401</b>	<b>216 824</b>	<b>488</b>	<b>209 438</b>	<b>511</b>	<b>233 392</b>	<b>763</b>	<b>-</b>	<b>763</b>	<b>263 831</b>	<b>763</b>	<b>291 999</b>	<b>788</b>	<b>308 007</b>	<b>830</b>	<b>317 828</b>	<b>2.8%</b>	<b>6.4%</b>	<b>100.0%</b>
<b>Programme</b>																			
1. Administration	167	63 500	182	74 941	92	54 836	135	-	135	57 814	135	52 663	135	57 137	141	60 451	1.5%	1.5%	19.7%
2. Institutional Development	157	80 548	197	82 317	234	109 082	341	-	341	116 779	341	142 641	341	145 957	360	154 397	1.8%	9.8%	46.9%
3. Policy and Development	2 077	72 776	109	52 180	185	69 474	287	-	287	89 238	287	96 695	312	104 913	329	102 980	4.7%	4.9%	33.4%
<b>Total</b>	<b>2 401</b>	<b>216 824</b>	<b>488</b>	<b>209 438</b>	<b>511</b>	<b>233 392</b>	<b>763</b>	<b>-</b>	<b>763</b>	<b>263 831</b>	<b>763</b>	<b>291 999</b>	<b>788</b>	<b>308 007</b>	<b>830</b>	<b>317 828</b>	<b>2.8%</b>	<b>6.4%</b>	<b>100.0%</b>
<b>Employee dispensation classification</b>																			
PSA appointees not covered by OSDs	422	172 108	475	204 802	498	228 533	750	-	750	254 336	750	281 389	775	296 495	817	305 648	2.9%	6.3%	96.3%
Legal professionals	13	4 263	13	4 636	13	4 859	13	-	13	9 495	13	10 610	13	11 512	13	12 180	0.0%	8.7%	3.7%
Others (interns, EPWP, learnerships)	1 966	40 453	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%
<b>Total</b>	<b>2 401</b>	<b>216 824</b>	<b>488</b>	<b>209 438</b>	<b>511</b>	<b>233 392</b>	<b>763</b>	<b>-</b>	<b>763</b>	<b>263 831</b>	<b>763</b>	<b>291 999</b>	<b>788</b>	<b>308 007</b>	<b>830</b>	<b>317 828</b>	<b>2.8%</b>	<b>6.4%</b>	<b>100.0%</b>

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

It is noted that the personnel numbers seem to be decreasing, and this is because the department has decided not to continue with the Youth Ambassadors programme, hence no youth ambassadors were appointed from 2014/15. However, the actual permanent personnel increased as a result of the above mentioned proclamation that amalgamated Votes 1 and 10. As a result, 106 employees were transferred from Vote 10 after all negotiations with stakeholders including labour unions. Also, Gaming and Betting unit staff were transferred from Vote 6 to Vote 1 in line with the Premier's Minute No. 2 of 2016.

The department plans to fill the critical posts it intended to on the approved organisational structure in a phased in approach. However, at this stage, the budget does not provide for this increase. This will be reviewed in-year.

It must be noted that the decrease in personnel in Programme 1 is offset by the increase in Programme 2, as the department has undertaken structure changes in an effort to align the financial and organisational structures, as previously mentioned. Also, the staff in Programme 3 have increased because of new sub-programmes such as the Youth chief directorate, as well as the Royal Household. Further to this, the Integrity Management unit will be capacitated, to strengthen service delivery complaints management, as well as combat fraud and corruption.

Provision has not been adequately made for the carry-through costs of the above-budget 2016 wage agreement and an inflationary wage adjustment of 7.2, 6.9 and 6.6 per cent for the two outer years of the 2017/18 MTEF, as well as the 1.5 per cent pay progression. This will be reviewed in-year, as this category is currently growing by 10.6 per cent, 5.5 per cent and 3.1 per cent over the MTEF.

## 9.2 Training

Table 1.23 reflects payments and estimates on training per programme, providing actual and estimated expenditure on training for the period 2013/14 to 2016/17 and budgeted expenditure for the period 2017/18 to 2019/20. The department is required by the Skills Development Act to budget at least one per cent of its salary expense for staff training. The department has set aside one per cent of the total personnel costs in this regard. The training needs will be reviewed on an ongoing basis. This requirement gives credence to government policy on human resource development.

**Table 1.23 : Information on training: Office of the Premier**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Number of staff	2 401	488	511	763	763	763	763	788	830
Number of personnel trained	136	254	300	300	214	214	384	384	384
of which									
Male	44	86	120	120	73	73	144	144	144
Female	92	168	180	180	141	141	240	240	240
Number of training opportunities	106	18	-	-	18	18	23	23	23
of which									
Tertiary	-	-	-	-	-	-	-	-	-
Workshops	-	12	-	-	13	13	18	18	18
Seminars	-	6	-	-	5	5	5	5	5
Other	106	-	-	-	-	-	-	-	-
Number of bursaries offered	45	-	32	35	14	14	20	20	20
Number of interns appointed	38	48	39	29	43	43	53	53	53
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	-	-	-	-	-	-	-	-	-
<b>Payments on training by programme</b>									
1. Administration	351	220	-	475	218	123	440	484	512
2. Institutional Development	2 756	2 410	5 355	3 191	4 830	4 587	5 366	6 001	5 033
3. Policy and Governance	18	-	25	850	800	759	4 180	4 201	4 286
<b>Total</b>	<b>3 125</b>	<b>2 630</b>	<b>5 380</b>	<b>4 516</b>	<b>5 848</b>	<b>5 469</b>	<b>9 986</b>	<b>10 686</b>	<b>9 831</b>

The budget shows an erratic trend over the 2017/18 MTEF due to budget cuts. The available funds will be utilised to develop and re-skill existing staff in line with the revised strategies of the department, where appropriate. The increase in the number of training opportunities reflected from 2013/14 onwards is due to the appointment of a skills development facilitator who ensured that training gaps identified in the Personal Development Plans were dealt with, resulting in increased training opportunities.

## ANNEXURE – VOTE 1: OFFICE OF THE PREMIER

Table 1.A : Details of departmental receipts: Office of the Premier

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
<b>Tax receipts</b>	<b>488 254</b>	<b>538 524</b>	<b>565 890</b>	-	<b>270 760</b>	<b>279 352</b>	<b>586 724</b>	<b>622 946</b>	<b>641 634</b>
Casino taxes	421 355	467 319	487 788	-	231 677	238 818	510 227	545 111	561 464
Horse racing taxes	66 899	71 205	78 102	-	39 083	40 534	76 497	77 835	80 170
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
<b>Sale of goods and services other than capital assets</b>	<b>191</b>	<b>174</b>	<b>149</b>	<b>245</b>	<b>245</b>	<b>216</b>	<b>258</b>	<b>273</b>	<b>288</b>
Sale of goods and services produced by department (excluding capital assets)	191	174	149	245	245	216	258	273	288
Sale by market establishments	2	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	189	174	149	245	245	216	258	273	288
<i>Of which</i>									
<i>Serv rend Commission Insurance</i>	160	174	142	200	200	200	210	222	235
<i>Sales: Dept publications</i>	-	-	7	45	45	16	48	50	53
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
<b>Transfers received from:</b>	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
<b>Fines, penalties and forfeits</b>	-	-	-	-	-	-	-	-	-
<b>Interest, dividends and rent on land</b>	<b>4</b>	<b>5</b>	<b>23</b>	<b>1</b>	<b>1</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>1</b>
Interest	4	5	23	1	1	7	1	1	1
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Sale of capital assets</b>	<b>554</b>	<b>1 143</b>	<b>535</b>	<b>287</b>	<b>287</b>	<b>287</b>	<b>311</b>	<b>328</b>	<b>380</b>
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	554	1 143	535	287	287	287	311	328	380
<b>Transactions in financial assets and liabilities</b>	<b>157</b>	<b>402</b>	<b>423</b>	<b>40</b>	<b>40</b>	<b>261</b>	<b>42</b>	<b>44</b>	<b>47</b>
<b>Total</b>	<b>489 160</b>	<b>540 248</b>	<b>567 020</b>	<b>573</b>	<b>271 333</b>	<b>280 123</b>	<b>587 336</b>	<b>623 593</b>	<b>642 350</b>

Estimates of Provincial Revenue and Expenditure

Table 1.B : Payments and estimates by economic classification: Office of the Premier

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>609 452</b>	<b>599 802</b>	<b>578 430</b>	<b>583 282</b>	<b>554 845</b>	<b>554 148</b>	<b>609 239</b>	<b>650 215</b>	<b>677 740</b>
Compensation of employees	216 824	209 438	233 392	275 611	264 438	263 831	291 999	308 007	317 828
Salaries and wages	196 243	189 434	207 906	250 467	237 042	235 765	267 900	283 416	291 808
Social contributions	20 581	20 004	25 486	25 144	27 396	28 066	24 099	24 591	26 020
Goods and services	392 628	390 364	345 038	307 671	290 407	290 317	317 240	342 208	359 912
Administrative fees	1 166	312	2 689	6 483	2 551	2 788	5 860	6 417	6 741
Advertising	60 668	44 917	64 266	39 751	40 512	40 228	45 904	49 246	49 135
Minor assets	1 140	1 183	1 461	7 370	9 726	11 005	7 151	7 682	8 122
Audit cost: External	5 197	5 940	6 184	4 338	4 278	4 278	4 668	5 030	5 322
Bursaries: Employees	77	264	224	1 444	1 154	1 158	1 011	1 094	1 158
Catering: Departmental activities	18 275	26 469	24 810	16 225	11 862	13 339	13 568	13 930	14 682
Communication (G&S)	10 634	9 985	10 292	13 513	15 654	15 654	12 170	12 292	12 954
Computer services	30 511	35 417	29 133	32 727	34 010	32 133	41 639	44 004	53 739
Cons and prof serv: Business and advisory services	70 517	44 893	27 536	36 922	24 300	22 992	30 180	33 209	34 904
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	333	1 746	1 933	265	2 294	2 294	499	526	557
Contractors	76 289	105 473	61 927	24 845	22 572	28 745	26 139	29 567	30 794
Agency and support / outsourced services	1 661	2 553	2 010	5 216	5 945	5 809	2 212	2 460	2 602
Entertainment	1 273	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	4 362	4 916	6 728	5 876	6 692	7 061	8 339	9 138	9 280
Housing	10	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	20	-	-	10	10	4	15	15	16
Inventory: Farming supplies	59	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	63	-	-	-	-	13	-	-	-
Inventory: Fuel, oil and gas	2	-	-	-	-	-	-	1	2
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	34	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	433	-	-	-	-	-	-	-
Consumable supplies	2 197	1 401	4 311	4 436	4 129	4 515	3 941	4 310	4 501
Consumable: Stationery, printing and office supplies	8 318	5 205	7 736	10 298	9 736	9 187	9 059	9 913	10 265
Operating leases	11 951	9 673	8 573	10 622	10 942	11 394	21 715	22 438	23 632
Property payments	10 726	15 203	12 059	12 496	15 224	15 372	11 113	11 779	11 142
Transport provided: Departmental activity	16 728	18 769	21 294	11 206	9 306	8 343	10 340	11 248	11 900
Travel and subsistence	36 068	32 969	28 168	44 023	38 940	32 514	38 785	42 448	43 211
Training and development	3 125	2 630	5 380	4 516	5 848	5 469	9 986	10 686	9 831
Operating payments	273	1 511	213	678	875	1 392	275	81	86
Venues and facilities	20 932	18 502	18 111	14 411	13 847	14 630	12 671	14 694	15 336
Rental and hiring	19	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>113 504</b>	<b>130 985</b>	<b>113 969</b>	<b>56 488</b>	<b>102 630</b>	<b>102 892</b>	<b>117 893</b>	<b>121 923</b>	<b>129 226</b>
Provinces and municipalities	16	4 924	76	54	80	80	57	60	63
Provinces	16	59	76	54	80	80	57	60	63
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	16	59	76	54	80	80	57	60	63
Municipalities	-	4 865	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	4 865	-	-	-	-	-	-	-
Departmental agencies and accounts	86 276	92 587	91 377	45 195	75 260	75 260	91 635	94 954	100 696
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	86 276	92 587	91 377	45 195	75 260	75 260	91 635	94 954	100 696
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	4 226	-	-	27	27	-	-	-
Households	27 212	29 248	22 516	11 239	27 263	27 525	26 201	26 909	28 467
Social benefits	1 024	1 042	550	2 003	2 399	2 571	25 075	25 727	27 219
Other transfers to households	26 188	28 206	21 966	9 236	24 864	24 954	1 126	1 182	1 248
<b>Payments for capital assets</b>	<b>41 494</b>	<b>34 369</b>	<b>33 298</b>	<b>16 680</b>	<b>30 603</b>	<b>30 603</b>	<b>14 993</b>	<b>14 999</b>	<b>15 602</b>
Buildings and other fixed structures	24 272	10 049	2 271	1 937	9 937	11 233	2 034	2 152	2 276
Buildings	8 881	1 262	2 271	-	-	-	-	-	-
Other fixed structures	15 391	8 787	-	1 937	9 937	11 233	2 034	2 152	2 276
Machinery and equipment	12 875	21 895	27 194	10 178	16 093	14 797	8 297	7 956	8 151
Transport equipment	5 129	376	14 775	2 972	4 775	4 289	2 833	3 106	3 019
Other machinery and equipment	7 746	21 519	12 419	7 206	11 318	10 508	5 464	4 850	5 132
Heritage assets	4 347	2 425	3 682	4 500	4 508	4 508	4 594	4 819	5 099
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	151	65	65	65	68	72	76
<b>Payments for financial assets</b>	<b>2 531</b>	<b>96</b>	<b>2 767</b>	<b>2 194</b>	<b>2 240</b>	<b>2 240</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>766 981</b>	<b>765 252</b>	<b>728 464</b>	<b>658 644</b>	<b>690 318</b>	<b>689 883</b>	<b>742 125</b>	<b>787 137</b>	<b>822 568</b>
Unauth. Exp. (1st charge) not available for spending	(2 500)	(2 500)	(2 500)	(2 194)	(2 194)	(2 194)	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>764 481</b>	<b>762 752</b>	<b>725 964</b>	<b>656 450</b>	<b>688 124</b>	<b>687 689</b>	<b>742 125</b>	<b>787 137</b>	<b>822 568</b>

Table 1.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
				2016/17					
<b>Current payments</b>	<b>170 409</b>	<b>187 121</b>	<b>90 574</b>	<b>90 306</b>	<b>86 121</b>	<b>86 121</b>	<b>84 993</b>	<b>91 887</b>	<b>97 210</b>
Compensation of employees	63 500	74 941	54 836	58 414	57 814	57 814	52 663	57 137	60 451
Salaries and wages	57 210	71 862	49 693	53 394	51 699	52 150	48 558	52 920	55 990
Social contributions	6 290	3 079	5 143	5 020	6 115	5 664	4 105	4 217	4 461
Goods and services	106 909	112 180	35 738	31 892	28 307	28 307	32 330	34 750	36 759
Administrative fees	277	96	637	2 412	412	558	185	190	200
Advertising	140	253	130	125	75	75	362	383	405
Minor assets	376	547	295	817	614	782	1 849	1 875	1 984
Audit cost: External	2 868	3 565	5 538	4 238	4 238	4 238	4 668	5 030	5 322
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	3 461	4 523	2 351	1 282	1 446	1 613	1 527	1 584	1 675
Communication (G&S)	4 325	4 047	102	162	142	142	213	228	241
Computer services	7 263	10 738	5 124	488	864	1 001	4 029	4 401	4 656
Cons and prof serv: Business and advisory services	22 416	9 725	7 501	5 412	6 012	5 729	780	820	868
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	1 660	2	-	-	-	-	-	-
Contractors	24 748	36 807	1 281	1 367	1 311	1 143	1 725	1 781	1 884
Agency and support / outsourced services	27	957	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	2 962	4 014	-	2	2	2	-	-	3
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	1	2
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	32	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	394	236	243	667	637	637	726	796	839
Consumable: Stationery, printing and office supplies	1 470	1 488	1 740	2 559	1 811	1 811	2 549	2 816	2 978
Operating leases	10 136	7 702	963	1 610	1 791	1 624	1 859	2 002	2 117
Property payments	7 137	13 617	306	877	977	977	930	981	1 037
Transport provided: Departmental activity	527	2 167	451	160	160	150	170	180	190
Travel and subsistence	16 005	8 326	8 922	8 766	7 242	7 309	10 097	10 916	11 546
Training and development	351	220	-	475	218	123	440	484	512
Operating payments	34	80	-	8	8	36	11	22	24
Venues and facilities	1 960	1 412	152	465	347	357	210	260	276
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 063</b>	<b>1 784</b>	<b>1 099</b>	<b>1 064</b>	<b>2 574</b>	<b>2 574</b>	<b>1 117</b>	<b>1 182</b>	<b>1 248</b>
Provinces and municipalities	16	59	-	-	-	-	-	-	-
Provinces	16	59	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	16	59	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 047	1 725	1 099	1 064	2 574	2 574	1 117	1 182	1 248
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	1 047	1 725	1 099	1 064	2 574	2 574	1 117	1 182	1 248
<b>Payments for capital assets</b>	<b>13 468</b>	<b>12 518</b>	<b>1 361</b>	<b>1 137</b>	<b>1 222</b>	<b>1 222</b>	<b>1 171</b>	<b>1 265</b>	<b>1 338</b>
Buildings and other fixed structures	6 881	1 200	-	-	-	-	-	-	-
Buildings	6 881	1 200	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 587	11 318	1 214	1 137	1 222	1 222	1 171	1 265	1 338
Transport equipment	4 428	-	-	-	-	-	-	-	-
Other machinery and equipment	2 159	11 318	1 214	1 137	1 222	1 222	1 171	1 265	1 338
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	147	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>24</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>184 940</b>	<b>201 447</b>	<b>93 060</b>	<b>92 507</b>	<b>89 917</b>	<b>89 917</b>	<b>87 281</b>	<b>94 334</b>	<b>99 796</b>

Table 1.D : Payments and estimates by economic classification: Institutional Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>197 212</b>	<b>193 258</b>	<b>283 175</b>	<b>267 852</b>	<b>268 217</b>	<b>268 086</b>	<b>306 846</b>	<b>318 388</b>	<b>331 256</b>
Compensation of employees	80 548	82 317	109 082	123 042	116 824	116 779	142 641	145 957	154 397
Salaries and wages	71 402	73 002	95 621	110 891	104 066	102 607	128 722	131 534	139 136
Social contributions	9 146	9 315	13 461	12 151	12 758	14 172	13 919	14 423	15 261
Goods and services	116 664	110 941	174 093	144 810	151 393	151 307	164 205	172 431	176 859
Administrative fees	317	183	599	3 088	793	798	735	843	896
Advertising	48 611	38 339	60 503	37 316	37 077	36 793	41 310	43 770	43 659
Minor assets	648	582	629	3 554	3 285	4 396	3 377	3 818	4 044
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	77	264	224	744	804	805	764	804	851
Catering: Departmental activities	6 558	6 782	6 136	3 578	3 821	4 063	3 304	3 023	3 197
Communication (G&S)	5 638	5 735	9 838	12 963	14 964	14 959	10 415	10 484	11 094
Computer services	9 926	9 948	11 973	19 404	23 381	22 176	24 180	21 496	22 704
Cons and prof serv: Business and advisory services	2 103	12 539	7 444	5 996	4 536	3 853	5 415	7 145	7 327
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	333	86	1 931	185	2 214	2 214	499	526	557
Contractors	5 627	9 592	14 006	7 545	6 213	6 416	9 046	10 152	10 743
Agency and support / outsourced services	1 521	1 006	794	1 430	4 433	4 312	1 640	1 750	1 851
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	6 220	4 174	6 210	6 647	6 169	6 910	7 311
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	10	10	4	15	15	16
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	433	-	-	-	-	-	-	-
Consumable supplies	1 048	128	1 918	782	505	921	748	894	942
Consumable: Stationery, printing and office supplies	4 381	2 671	3 985	3 199	3 700	3 382	3 234	3 573	3 772
Operating leases	1 347	1 401	6 935	7 557	7 236	7 772	18 538	18 957	20 055
Property payments	3 525	1 189	11 217	11 564	11 585	12 509	10 186	10 798	10 105
Transport provided: Departmental activity	4 385	2 081	10 816	2 055	1 945	2 479	3 540	4 200	4 444
Travel and subsistence	11 040	13 137	8 209	14 635	12 521	10 231	13 520	14 983	15 837
Training and development	2 756	2 410	5 355	3 191	4 830	4 587	5 366	6 001	5 033
Operating payments	86	18	145	25	25	89	64	59	62
Venues and facilities	6 718	2 417	5 216	1 815	1 305	1 901	2 140	2 230	2 359
Rental and hiring	19	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>67 172</b>	<b>66 430</b>	<b>33 066</b>	<b>57</b>	<b>19 786</b>	<b>19 917</b>	<b>42 931</b>	<b>42 988</b>	<b>45 716</b>
Provinces and municipalities	-	-	76	54	69	69	57	60	63
Provinces	-	-	76	54	69	69	57	60	63
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	76	54	69	69	57	60	63
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	41 881	39 276	32 398	-	19 255	19 255	42 871	42 925	45 650
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	41 881	39 276	32 398	-	19 255	19 255	42 871	42 925	45 650
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	27	27	-	-	-
Households	25 291	27 154	592	3	435	566	3	3	3
Social benefits	150	673	373	3	317	362	3	3	3
Other transfers to households	25 141	26 481	219	-	118	204	-	-	-
<b>Payments for capital assets</b>	<b>7 364</b>	<b>9 188</b>	<b>19 614</b>	<b>5 957</b>	<b>9 872</b>	<b>9 872</b>	<b>4 498</b>	<b>4 757</b>	<b>5 033</b>
Buildings and other fixed structures	2 000	62	-	766	766	2 062	804	851	900
Buildings	2 000	62	-	-	-	-	-	-	-
Other fixed structures	-	-	-	766	766	2 062	804	851	900
Machinery and equipment	5 364	9 126	19 614	5 126	9 041	7 745	3 626	3 834	4 057
Transport equipment	-	-	11 368	1 580	2 897	2 411	1 659	1 755	1 857
Other machinery and equipment	5 364	9 126	8 246	3 546	6 144	5 334	1 967	2 079	2 200
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	65	65	65	68	72	76
<b>Payments for financial assets</b>	<b>12</b>	<b>38</b>	<b>20</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>271 760</b>	<b>268 914</b>	<b>335 875</b>	<b>273 866</b>	<b>297 876</b>	<b>297 876</b>	<b>354 275</b>	<b>366 133</b>	<b>382 005</b>

Table 1.E : Payments and estimates by economic classification: Policy and Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>241 831</b>	<b>219 423</b>	<b>204 681</b>	<b>225 124</b>	<b>200 507</b>	<b>199 941</b>	<b>217 401</b>	<b>239 940</b>	<b>249 274</b>
Compensation of employees	72 776	52 180	69 474	94 155	89 800	89 238	96 695	104 913	102 980
Salaries and wages	67 631	44 570	62 592	86 182	81 277	81 008	90 620	98 962	96 682
Social contributions	5 145	7 610	6 882	7 973	8 523	8 230	6 075	5 951	6 298
Goods and services	169 055	167 243	135 207	130 969	110 707	110 703	120 706	135 027	146 294
Administrative fees	572	33	1 453	983	1 346	1 432	4 940	5 384	5 645
Advertising	11 917	6 325	3 633	2 310	3 360	3 360	4 232	5 093	5 071
Minor assets	116	54	537	2 999	5 827	5 827	1 925	1 989	2 094
Audit cost: External	2 329	2 375	646	100	40	40	-	-	-
Bursaries: Employees	-	-	-	700	350	353	247	290	307
Catering: Departmental activities	8 256	15 164	16 323	11 365	6 595	7 663	8 737	9 323	9 810
Communication (G&S)	671	203	352	388	548	553	1 542	1 580	1 619
Computer services	13 322	14 731	12 036	12 835	9 765	8 956	13 430	18 107	26 379
Cons and prof serv: Business and advisory services	45 998	22 629	12 591	25 514	13 752	13 410	23 985	25 244	26 709
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	80	80	80	-	-	-
Contractors	45 914	59 074	46 640	15 933	15 048	21 186	15 368	17 634	18 167
Agency and support / outsourced services	113	590	1 216	3 786	1 512	1 497	572	710	751
Entertainment	1 273	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	1 400	902	508	1 700	480	412	2 170	2 228	1 966
Housing	10	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	20	-	-	-	-	-	-	-	-
Inventory: Farming supplies	59	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	63	-	-	-	-	13	-	-	-
Inventory: Fuel, oil and gas	2	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	2	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	755	1 037	2 150	2 987	2 987	2 957	2 467	2 620	2 720
Consumable: Stationery, printing and office supplies	2 467	1 046	2 011	4 540	4 225	3 994	3 276	3 524	3 515
Operating leases	468	570	675	1 455	1 915	1 998	1 318	1 479	1 460
Property payments	64	397	536	55	2 662	1 886	(3)	-	-
Transport provided: Departmental activity	11 816	14 521	10 027	8 991	7 201	5 714	6 630	6 868	7 266
Travel and subsistence	9 023	11 506	11 037	20 622	19 177	14 974	15 169	16 549	15 828
Training and development	18	-	25	850	800	759	4 180	4 201	4 286
Operating payments	153	1 413	68	645	842	1 267	200	-	-
Venues and facilities	12 254	14 673	12 743	12 131	12 195	12 372	10 321	12 204	12 701
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>45 269</b>	<b>62 771</b>	<b>79 804</b>	<b>55 367</b>	<b>80 270</b>	<b>80 401</b>	<b>73 845</b>	<b>77 753</b>	<b>82 262</b>
Provinces and municipalities	-	4 865	-	-	11	11	-	-	-
Provinces	-	-	-	-	11	11	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	11	11	-	-	-
Municipalities	-	4 865	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	4 865	-	-	-	-	-	-	-
Departmental agencies and accounts	44 395	53 311	58 979	45 195	56 005	56 005	48 764	52 029	55 046
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	44 395	53 311	58 979	45 195	56 005	56 005	48 764	52 029	55 046
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	4 226	-	-	-	-	-	-	-
Households	874	369	20 825	10 172	24 254	24 385	25 081	25 724	27 216
Social benefits	874	369	177	2 000	2 082	2 209	25 072	25 724	27 216
Other transfers to households	-	-	20 648	8 172	22 172	22 176	9	-	-
<b>Payments for capital assets</b>	<b>20 662</b>	<b>12 663</b>	<b>12 323</b>	<b>9 586</b>	<b>19 509</b>	<b>19 509</b>	<b>9 324</b>	<b>8 977</b>	<b>9 231</b>
Buildings and other fixed structures	15 391	8 787	2 271	1 171	9 171	9 171	1 230	1 301	1 376
Buildings	-	-	2 271	-	-	-	-	-	-
Other fixed structures	15 391	8 787	-	1 171	9 171	9 171	1 230	1 301	1 376
Machinery and equipment	924	1 451	6 366	3 915	5 830	5 830	3 500	2 857	2 756
Transport equipment	701	376	3 407	1 392	1 878	1 878	1 174	1 351	1 162
Other machinery and equipment	223	1 075	2 959	2 523	3 952	3 952	2 326	1 506	1 594
Heritage assets	4 347	2 425	3 682	4 500	4 508	4 508	4 594	4 819	5 099
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	4	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>2 519</b>	<b>34</b>	<b>2 721</b>	<b>2 194</b>	<b>2 239</b>	<b>2 239</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>310 281</b>	<b>294 891</b>	<b>299 529</b>	<b>292 271</b>	<b>302 525</b>	<b>302 090</b>	<b>300 570</b>	<b>326 670</b>	<b>340 767</b>
Unauth. Exp. (1st charge) not available for spending	(2 500)	(2 500)	(2 500)	(2 194)	(2 194)	(2 194)	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>307 781</b>	<b>292 391</b>	<b>297 029</b>	<b>290 077</b>	<b>300 331</b>	<b>299 896</b>	<b>300 570</b>	<b>326 670</b>	<b>340 767</b>

Estimates of Provincial Revenue and Expenditure

Table 1.F : Financial summary for Amafa aKwaZulu-Natali (Amafa)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
<b>Revenue</b>									
Tax revenue	-	-	-	-	-	-	-	-	-
Non-tax revenue	31 746	38 112	37 952	32 938	35 938	35 938	35 103	36 764	38 670
Sale of goods and services other than capital assets	1 295	1 377	1 383	1 450	1 450	1 450	1 450	1 450	1 450
Entirety revenue other than sales	1 314	1 557	1 542	1 460	1 460	1 460	1 390	1 325	1 260
Transfers received	29 095	35 149	34 977	30 028	33 028	33 028	32 263	33 989	35 960
Sale of capital assets	42	29	50	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Other non-tax revenue	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>31 746</b>	<b>38 112</b>	<b>37 952</b>	<b>32 938</b>	<b>35 938</b>	<b>35 938</b>	<b>35 103</b>	<b>36 764</b>	<b>38 670</b>
<b>Expenses</b>									
Current expense	30 377	36 032	38 449	32 938	35 938	35 938	35 103	36 764	38 670
Compensation of employees	20 119	23 660	25 761	26 421	26 421	26 421	28 614	30 898	33 561
Goods and services	10 258	12 372	12 688	6 517	9 517	9 517	6 489	5 866	5 109
Interest on rent and land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>30 377</b>	<b>36 032</b>	<b>38 449</b>	<b>32 938</b>	<b>35 938</b>	<b>35 938</b>	<b>35 103</b>	<b>36 764</b>	<b>38 670</b>
<b>Surplus / (Deficit)</b>	<b>1 369</b>	<b>2 080</b>	<b>(497)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow summary</b>									
Surplus/(deficit) after adjustments	1 369	2 080	(497)	-	-	-	-	-	-
Cash flow from investing activities	(3 201)	(2 666)	(2 228)	(100)	(100)	(100)	-	-	-
Acquisition of assets	(3 201)	(2 666)	(2 228)	(100)	(100)	(100)	-	-	-
Land	(422)	(120)	(143)	-	-	-	-	-	-
Computer equipment	(159)	(33)	(29)	-	-	-	-	-	-
Furniture and office equipment	(312)	(278)	(1 012)	(100)	(100)	(100)	-	-	-
Transport assets	(2 308)	(2 235)	(1 044)	-	-	-	-	-	-
Other flows from investing activities	-	-	-	-	-	-	-	-	-
Cash flow from financing activities	172	4 413	1 613	100	100	100	-	-	-
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(3 029)</b>	<b>1 747</b>	<b>(615)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance sheet data</b>									
Carrying value of assets	33 630	48 707	48 931	48 804	48 804	48 804	48 804	48 804	48 804
Land	23 563	23 154	22 763	22 763	22 763	22 763	22 763	22 763	22 763
Heritage assets	-	14 553	14 605	14 605	14 605	14 605	14 605	14 605	14 605
Biological assets	961	799	810	810	810	810	810	810	810
Computer equipment	178	139	99	99	99	99	99	99	99
Furniture and office equipment	5 551	4 987	5 149	5 149	5 149	5 149	5 149	5 149	5 149
Transport assets	3 377	5 075	5 505	5 378	5 378	5 378	5 378	5 378	5 378
Investments	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	17 072	18 818	18 204	18 204	18 204	18 204	18 204	18 204	18 204
Receivables and prepayments	58	34	32	-	-	-	-	-	-
Inventory	219	193	209	150	150	150	150	150	150
<b>Total assets</b>	<b>50 979</b>	<b>67 752</b>	<b>67 376</b>	<b>67 158</b>	<b>67 158</b>	<b>67 158</b>	<b>67 158</b>	<b>67 158</b>	<b>67 158</b>
<b>Capital and reserves</b>	<b>49 622</b>	<b>66 255</b>	<b>65 758</b>	<b>65 758</b>	<b>65 758</b>	<b>65 758</b>	<b>65 758</b>	<b>65 758</b>	<b>65 758</b>
Accumulated reserves	48 253	49 622	66 255	65 758	65 758	65 758	65 758	65 758	65 758
Surplus / (Deficit)	1 369	2 080	(497)	-	-	-	-	-	-
Other	-	14 553	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-
Post retirement benefits	-	-	-	-	-	-	-	-	-
Trade and other payables	167	131	162	-	-	-	-	-	-
Deferred income	-	-	-	-	-	-	-	-	-
Provisions	1 190	1 366	1 456	1 400	1 400	1 400	1 400	1 400	1 400
Leave pay provision	739	872	908	900	900	900	900	900	900
Other	451	494	548	500	500	500	500	500	500
Funds managed (e.g. Poverty alleviation fund)	-	-	-	-	-	-	-	-	-
Contingent liabilities	-	-	-	-	-	-	-	-	-
<b>Total liabilities and equity</b>	<b>50 979</b>	<b>67 752</b>	<b>67 376</b>	<b>67 158</b>	<b>67 158</b>	<b>67 158</b>	<b>67 158</b>	<b>67 158</b>	<b>67 158</b>

\*Note: The Surplus / Deficit relates to the accounting treatment of capital and other non-cash expense items.



Table 1.G : Personnel summary for Amafa

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Board Members</b>									
Personnel cost (R thousand)	563	588	389	-	-	-	-	-	-
Personnel numbers (head count)	12	10	9	-	-	-	-	-	-
Unit cost	47	59	43	-	-	-	-	-	-
<b>Executive Management</b>									
Personnel cost (R thousand)	2 021	3 094	3 334	3 600	3 600	3 600	3 888	4 199	4 535
<i>of which</i>									
Chief Financial Officer	672	758	854	922	922	922	996	1 076	1 161
Chief Executive Officer	-	-	-	-	-	-	-	-	-
Personnel numbers (head count)	3	4	4	4	4	4	4	4	4
Unit cost	674	774	834	900	900	900	972	1 050	1 134
<b>Senior Management</b>									
Personnel cost (R thousand)	-	-	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-	-	-
<b>Middle Management</b>									
Personnel cost (R thousand)	5 229	5 648	6 100	6 588	6 588	6 588	7 115	7 684	8 299
Personnel numbers (head count)	20	20	20	20	20	20	20	20	20
Unit cost	261	282	305	329	329	329	356	384	415
<b>Professionals</b>									
Personnel cost (R thousand)	-	-	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-	-	-
<b>Semi-skilled</b>									
Personnel cost (R thousand)	12 306	14 330	15 938	16 233	16 233	16 233	17 611	19 015	20 727
Personnel numbers (head count)	77	77	77	77	77	77	77	77	77
Unit cost	160	186	207	211	211	211	229	247	269
<b>Very low skilled</b>									
Personnel cost (R thousand)	-	-	-	-	-	-	-	-	-
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Unit cost	-	-	-	-	-	-	-	-	-
<b>Total for entity</b>									
Personnel cost (R thousand)	20 119	23 660	25 761	26 421	26 421	26 421	28 614	30 898	33 561
Personnel numbers (head count)	112	111	110	101	101	101	101	101	101
Unit cost	180	213	234	262	262	262	283	306	332
<b>Details of personnel numbers according to salary level</b>									
Salary level	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Board Members	12	10	9	-	-	-	-	-	-
Executive Management	3	4	4	4	4	4	4	4	4
Senior Management	-	-	-	-	-	-	-	-	-
Middle Management	20	20	20	20	20	20	20	20	20
Professionals	-	-	-	-	-	-	-	-	-
Semi-skilled	77	77	77	77	77	77	77	77	77
Very low skilled	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>112</b>	<b>111</b>	<b>110</b>	<b>101</b>	<b>101</b>	<b>101</b>	<b>101</b>	<b>101</b>	<b>101</b>

Estimates of Provincial Revenue and Expenditure

Table 1.H : Financial summary for Royal Household Trust (RHT)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Tax revenue</b>	-	-	-	-	-	-	-	-	-
<b>Non-tax revenue</b>	<b>15 514</b>	<b>18 338</b>	<b>24 201</b>	<b>15 167</b>	<b>22 977</b>	<b>22 977</b>	<b>16 501</b>	<b>18 040</b>	<b>19 086</b>
Entity revenue other than sales	94	151	199	-	-	-	-	-	-
Transfers received	15 300	18 162	24 002	15 167	22 977	22 977	16 501	18 040	19 086
Other non-tax revenue	120	25	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>15 514</b>	<b>18 338</b>	<b>24 201</b>	<b>15 167</b>	<b>22 977</b>	<b>22 977</b>	<b>16 501</b>	<b>18 040</b>	<b>19 086</b>
<b>Expenses</b>									
<b>Current expense</b>	<b>14 226</b>	<b>17 481</b>	<b>16 890</b>	<b>15 032</b>	<b>22 580</b>	<b>22 580</b>	<b>16 449</b>	<b>17 386</b>	<b>18 336</b>
Compensation of employees	3 310	3 862	3 603	4 138	4 199	4 199	4 439	4 661	4 894
Goods and services	10 916	13 613	13 287	10 894	18 381	18 381	12 010	12 725	13 442
Interest on rent and land	-	5	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>1 471</b>	<b>3 534</b>	<b>380</b>	<b>135</b>	<b>397</b>	<b>397</b>	<b>53</b>	<b>653</b>	<b>750</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenses</b>	<b>15 697</b>	<b>21 014</b>	<b>17 270</b>	<b>15 167</b>	<b>22 977</b>	<b>22 977</b>	<b>16 501</b>	<b>18 040</b>	<b>19 086</b>
<b>Surplus / (Deficit)*</b>	<b>(183)</b>	<b>(2 677)</b>	<b>6 932</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow summary</b>									
<b>Adjustments for Surplus / (Deficit)</b>	<b>251</b>	<b>2 358</b>	<b>(6 127)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Interest	-	(92)	-	-	-	-	-	-	-
(Decrease) / increase in accounts payable	362	2 449	(6 127)	-	-	-	-	-	-
Decrease / (increase) in accounts receivable	97	-	-	-	-	-	-	-	-
(Decrease) / increase in provisions	(208)	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after adjustments</b>	<b>68</b>	<b>(319)</b>	<b>805</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance sheet data</b>									
<b>Carrying value of assets</b>	<b>1 411</b>	<b>2 758</b>	<b>2 830</b>	<b>2 751</b>	<b>2 751</b>	<b>2 751</b>	<b>2 584</b>	<b>2 595</b>	<b>2 666</b>
Other structures (Infrastructure assets)	-	2 037	1 996	1 744	1 744	1 744	1 665	1 274	1 026
Computer equipment	-	-	-	137	137	137	115	67	67
Furniture and office equipment	180	461	43	320	320	320	298	561	157
Other machinery and equipment	189	94	698	217	217	217	260	464	1 320
Transport assets	1 019	83	48	242	242	242	200	158	96
Computer software	23	83	45	91	91	91	46	71	-
<b>Investments</b>	<b>56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
1<5 Years	56	-	-	-	-	-	-	-	-
<b>Cash and cash equivalents</b>	<b>278</b>	<b>(41)</b>	<b>764</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Bank	214	(47)	654	-	-	-	-	-	-
Cash on hand	-	-	1	-	-	-	-	-	-
Other	65	6	108	-	-	-	-	-	-
<b>Receivables and prepayments</b>	<b>177</b>	<b>179</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Trade receivables	-	-	106	-	-	-	-	-	-
Other receivables	177	179	169	-	-	-	-	-	-
Prepaid expenses	-	-	54	-	-	-	-	-	-
Accrued income	-	-	70	-	-	-	-	-	-
<b>Inventory</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>1 922</b>	<b>2 897</b>	<b>3 994</b>	<b>2 751</b>	<b>2 751</b>	<b>2 751</b>	<b>2 584</b>	<b>2 595</b>	<b>2 666</b>
<b>Capital and reserves</b>	<b>(685)</b>	<b>(4 519)</b>	<b>2 413</b>	<b>2 413</b>	<b>2 413</b>	<b>2 413</b>	<b>2 413</b>	<b>2 413</b>	<b>2 413</b>
Accumulated reserves	(595)	(685)	(4 519)	2 413	2 413	2 413	2 413	2 413	2 413
Surplus / (Deficit)	(90)	(2 677)	6 932	-	-	-	-	-	-
Other	-	(1 157)	-	-	-	-	-	-	-
<b>Borrowings</b>	<b>962</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Post retirement benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Trade and other payables</b>	<b>1 645</b>	<b>7 416</b>	<b>1 581</b>	<b>271</b>	<b>271</b>	<b>271</b>	<b>171</b>	<b>182</b>	<b>206</b>
Trade payables	1 325	6 544	1 256	-	-	-	-	-	-
Accrued interest	320	872	-	271	271	271	171	182	206
Other	-	-	325	-	-	-	-	-	-
<b>Deferred income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67</b>	<b>67</b>	<b>67</b>	<b>-</b>	<b>-</b>	<b>47</b>
<b>Funds managed (e.g. Poverty alleviation fund)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contingent liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 922</b>	<b>2 897</b>	<b>3 994</b>	<b>2 751</b>	<b>2 751</b>	<b>2 751</b>	<b>2 584</b>	<b>2 595</b>	<b>2 666</b>

\*Note: The surplus / deficit relates to the accounting treatment of capital and other non-cash expense items.

Table 1.1 : Personnel summary for RHT

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Board Members</b>									
Personnel cost (R thousand)	42	230	138	120	74	74	126	132	143
Personnel numbers (head count)	7	7	7	7	7	7	7	7	7
Unit cost	6	33	20	17	11	11	18	19	20
<b>Executive Management</b>									
Personnel cost (R thousand)	1 184	1 148	849	1 092	1 094	1 094	1 148	1 206	1 266
<i>of which</i>									
Chief Financial Officer	422	970	849	1 092	1 094	1 094	1 148	1 206	1 266
Chief Executive Officer	762	178	-	-	-	-	-	-	-
Personnel numbers (head count)	2	2	1	1	1	1	1	1	1
Unit cost	592	574	849	1 092	1 094	1 094	1 148	1 206	1 266
<b>Senior Management</b>									
Personnel cost (R thousand)	374	812	854	897	897	897	942	989	1 038
Personnel numbers (head count)	1	1	1	1	1	1	1	1	1
Unit cost	374	812	854	897	897	897	942	989	1 038
<b>Middle Management</b>									
Personnel cost (R thousand)	410	686	734	790	790	790	829	870	914
Personnel numbers (head count)	1	1	1	1	1	1	1	1	1
Unit cost	410	686	734	790	790	790	829	870	914
<b>Professionals</b>									
Personnel cost (R thousand)	971	800	776	835	835	835	876	920	966
Personnel numbers (head count)	3	2	2	2	2	2	2	2	2
Unit cost	324	400	388	418	417	417	438	460	483
<b>Semi-skilled</b>									
Personnel cost (R thousand)	338	364	335	464	513	513	556	584	613
Personnel numbers (head count)	3	3	3	3	3	3	3	3	3
Unit cost	113	121	112	155	171	171	185	195	204
<b>Very low skilled</b>									
Personnel cost (R thousand)	33	52	55	60	72	72	88	93	97
Personnel numbers (head count)	1	1	-	1	1	1	1	1	1
Unit cost	33	52	-	60	72	72	88	93	97
<b>Total for entity</b>									
Personnel cost (R thousand)	3 352	4 092	3 741	4 258	4 274	4 274	4 565	4 794	5 037
Personnel numbers (head count)	18	17	16	16	16	16	16	16	16
Unit cost	186	241	234	266	267	267	285	300	315
<b>Details of personnel numbers according to salary level</b>									
Salary level	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Board Members	7	7	7	7	7	7	7	7	7
Executive Management	2	2	1	1	1	1	1	1	1
Senior Management	1	1	1	1	1	1	1	1	1
Middle Management	1	1	1	1	1	1	1	1	1
Professionals	3	2	2	2	2	2	2	2	2
Semi-skilled	3	3	3	3	3	3	3	3	3
Very low skilled	1	1	1	1	1	1	1	1	1
<b>Total</b>	<b>18</b>	<b>17</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>

Estimates of Provincial Revenue and Expenditure

Table 1.J : Financial summary for KwaZulu Natal Gaming and Betting Board (KZNGBB)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Revenue</b>									
Tax revenue	-	-	-	-	-	-	-	-	-
<b>Non-tax revenue</b>	<b>59 700</b>	<b>65 995</b>	<b>59 089</b>	<b>59 710</b>	<b>67 002</b>	<b>67 002</b>	<b>66 161</b>	<b>68 659</b>	<b>72 702</b>
Sale of goods and services other than capital assets	15 324	23 817	23 726	23 235	22 217	22 217	20 414	22 661	23 801
Entirety revenue other than sales	2 086	2 895	2 831	2 220	3 278	3 278	2 876	3 073	3 251
Transfers received*	41 881	39 276	32 532	34 255	41 507	41 507	42 871	42 925	45 650
Sale of capital assets	409	7	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Other non-tax revenue	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>59 700</b>	<b>65 995</b>	<b>59 089</b>	<b>59 710</b>	<b>67 002</b>	<b>67 002</b>	<b>66 161</b>	<b>68 659</b>	<b>72 702</b>
<b>Expenses</b>									
<b>Current expense</b>	<b>49 269</b>	<b>54 310</b>	<b>54 629</b>	<b>63 404</b>	<b>63 266</b>	<b>63 266</b>	<b>66 161</b>	<b>68 659</b>	<b>72 702</b>
Compensation of employees	32 158	36 341	39 140	43 749	44 254	44 254	51 604	55 754	60 240
Goods and services	17 111	17 969	15 489	19 655	19 012	19 012	14 557	12 905	12 462
Interest on rent and land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	<b>600</b>	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>49 269</b>	<b>54 310</b>	<b>54 629</b>	<b>64 004</b>	<b>63 266</b>	<b>63 266</b>	<b>66 161</b>	<b>68 659</b>	<b>72 702</b>
<b>Surplus / (deficit)**</b>	<b>10 431</b>	<b>11 685</b>	<b>4 460</b>	<b>(4 294)</b>	<b>3 736</b>	<b>3 736</b>	-	-	-
<b>Cash flow summary</b>									
<b>Adjustments for Surplus / (Deficit)</b>	<b>5 264</b>	<b>6 460</b>	<b>1 342</b>	<b>5 954</b>	-	-	<b>248</b>	<b>331</b>	<b>988</b>
Depreciation	1 164	1 041	1 611	4 294	-	-	-	-	-
Profit/loss on sales of assets	(409)	(7)	26	-	-	-	-	-	-
Other	(924)	(893)	(295)	-	-	-	-	-	-
Working capital changes	5 433	6 319	-	1 660	-	-	248	331	988
<b>Surplus / (Deficit) after adjustments</b>	<b>15 695</b>	<b>18 145</b>	<b>5 802</b>	<b>1 660</b>	<b>3 736</b>	<b>3 736</b>	<b>248</b>	<b>331</b>	<b>988</b>
<b>Cash flow summary</b>	-	-	-	-	-	-	-	-	-
<b>Cash flow from investing activities</b>	<b>102</b>	<b>(440)</b>	-	<b>(6 300)</b>	<b>(3 736)</b>	<b>(3 736)</b>	<b>(1 436)</b>	-	-
<b>Acquisition of assets</b>	<b>(1 307)</b>	<b>(1 308)</b>	-	<b>(6 300)</b>	<b>(3 736)</b>	<b>(3 736)</b>	<b>(1 436)</b>	-	-
Computer equipment	(1 127)	(369)	-	(600)	-	-	-	-	-
Furniture and office equipment	(115)	(29)	-	-	-	-	-	-	-
Computer software	(65)	(910)	-	(5 700)	(3 736)	(3 736)	(1 436)	-	-
<b>Other flows from investing activities</b>	<b>1 409</b>	<b>868</b>	-	-	-	-	-	-	-
Interest income	888	859	-	-	-	-	-	-	-
Proceeds from claims	521	9	-	-	-	-	-	-	-
<b>Cash flow from financing activities</b>	-	<b>(20 800)</b>	-	-	-	-	-	-	-
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>15 797</b>	<b>(3 095)</b>	<b>5 802</b>	<b>(4 640)</b>	-	-	<b>(1 188)</b>	<b>331</b>	<b>988</b>
<b>Balance Sheet Data</b>									
<b>Carrying value of assets</b>	<b>2 296</b>	<b>2 561</b>	<b>4 315</b>	<b>6 252</b>	<b>8 060</b>	<b>8 051</b>	<b>9 487</b>	<b>9 487</b>	<b>9 487</b>
Computer equipment	1 380	1 177	3 388	2 102	3 388	3 388	3 388	3 388	3 388
Furniture and office equipment	430	336	266	150	266	266	266	266	266
Transport assets	249	148	71	-	71	71	71	71	71
Computer software	237	900	590	4 000	4 335	4 326	5 762	5 762	5 762
<b>Investments</b>	-	-	-	-	-	-	-	-	-
<b>Cash and cash equivalents</b>	<b>57 575</b>	<b>54 287</b>	<b>56 838</b>	<b>55 368</b>	<b>56 839</b>	<b>56 839</b>	<b>55 650</b>	<b>55 981</b>	<b>56 969</b>
Bank	57 573	54 283	56 838	55 364	56 838	56 838	55 650	55 981	56 969
Cash on hand	2	4	-	4	1	1	-	-	-
<b>Receivables and prepayments</b>	<b>2 673</b>	<b>2 388</b>	<b>3 534</b>	<b>650</b>	<b>3 534</b>	<b>3 534</b>	<b>3 175</b>	<b>2 865</b>	<b>1 850</b>
Trade receivables	176	155	92	178	92	92	85	95	100
Other receivables	307	492	231	472	231	231	220	210	200
Prepaid expenses	-	113	115	-	115	115	300	300	300
Accrued Income	2 190	1 628	3 096	-	3 096	3 096	2 570	2 260	1 250
<b>Inventory</b>	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>62 544</b>	<b>59 236</b>	<b>64 687</b>	<b>62 270</b>	<b>68 433</b>	<b>68 424</b>	<b>68 312</b>	<b>68 333</b>	<b>68 306</b>
<b>Capital and reserves</b>	<b>39 485</b>	<b>30 297</b>	<b>34 757</b>	<b>31 836</b>	<b>38 493</b>	<b>38 493</b>	<b>38 493</b>	<b>38 493</b>	<b>38 493</b>
Accumulated reserves	29 092	39 485	30 297	35 530	34 757	34 757	38 493	38 493	38 493
Surplus / (deficit)	10 431	11 685	4 460	(3 694)	3 736	3 736	-	-	-
Other	(38)	(20 873)	-	-	-	-	-	-	-
<b>Borrowings</b>	-	-	-	-	-	-	-	-	-
<b>Post retirement benefits</b>	-	-	-	-	-	-	-	-	-
<b>Trade and other payables</b>	<b>3 545</b>	<b>3 338</b>	<b>3 534</b>	<b>3 553</b>	<b>3 535</b>	<b>3 535</b>	<b>3 069</b>	<b>2 765</b>	<b>2 411</b>
Trade Payables	9	54	707	820	708	708	525	475	350
Other	3 536	3 284	2 827	2 733	2 827	2 827	2 544	2 290	2 061
<b>Deferred income</b>	<b>18 336</b>	<b>24 198</b>	<b>24 995</b>	<b>25 408</b>	<b>24 995</b>	<b>24 995</b>	<b>25 200</b>	<b>25 500</b>	<b>25 800</b>
<b>Provisions</b>	<b>1 178</b>	<b>1 403</b>	<b>1 401</b>	<b>1 473</b>	<b>1 401</b>	<b>1 401</b>	<b>1 550</b>	<b>1 575</b>	<b>1 602</b>
<b>Funds managed (e.g. Poverty Alleviation Fund)</b>	-	-	-	-	-	-	-	-	-
<b>Contingent liabilities</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>62 544</b>	<b>59 236</b>	<b>64 687</b>	<b>62 270</b>	<b>68 424</b>	<b>68 424</b>	<b>68 312</b>	<b>68 333</b>	<b>68 306</b>

\*Note: Some Transfers received do not equal amounts in Table 1.9, as 2015/16 and 2016/17 Adjusted Appropriation and Revised Estimate include unspent funds rolled over. The transfer in 2016/17 incorporates transfers made by both Vote 1 and Vote 6.

\*\*Note: The surplus relates to the accounting treatment of capital expenses relating to the Business Process Re-engineering project.

Table 1.K : Personnel summary for KZNGBB

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Board Members</b>									
Personnel cost (R thousand)	2 732	2 753	3 415	2 890	2 890	2 890	2 890	2 890	2 890
Personnel numbers (head count)	9	9	9	9	9	9	9	9	9
Unit cost	304	306	379	321	321	321	321	321	321
<b>Executive Management</b>									
Personnel cost (R thousand)	-	-	1 558	1 769	1 769	1 769	2 138	2 310	2 495
of which	-	-	-	-	-	-	-	-	-
Chief Financial Officer	-	-	-	-	-	-	-	-	-
Chief Executive Officer	-	-	1 558	1 769	1 769	1 769	2 138	2 310	2 495
Personnel numbers (head count)	1	1	1	1	1	1	1	1	1
Unit cost	-	-	1 558	1 769	1 769	1 769	2 138	2 310	2 495
<b>Senior Management</b>									
Personnel cost (R thousand)			5 738	6 522	6 522	6 522	7 378	7 971	8 612
Personnel numbers (head count)	4	6	6	6	6	6	6	6	6
Unit cost	-	-	956	1 087	1 087	1 087	1 230	1 329	1 435
<b>Middle Management</b>									
Personnel cost (R thousand)			7 338	8 726	8 726	8 726	9 985	10 788	11 657
Personnel numbers (head count)	10	11	11	11	11	11	11	11	11
Unit cost	-	-	667	793	793	793	908	981	1 060
<b>Professionals</b>									
Personnel cost (R thousand)			21 601	24 597	24 597	24 597	28 502	30 807	33 298
Personnel numbers (head count)	43	44	44	49	52	52	52	52	52
Unit cost	-	-	491	502	473	473	548	592	640
<b>Semi-skilled</b>									
Personnel cost (R thousand)			2 267	2 579	2 579	2 579	3 197	3 459	3 741
Personnel numbers (head count)	11	9	9	9	9	9	11	11	11
Unit cost	-	-	252	287	287	287	291	314	340
<b>Very low skilled</b>									
Personnel cost (R thousand)			117	133	133	133	178	193	209
Personnel numbers (head count)	1	1	1	1	1	1	1	1	1
Unit cost	-	-	117	133	133	133	178	193	209
<b>Total for entity</b>									
Personnel cost (R thousand)*	32 158	36 341	42 034	47 216	47 216	47 216	54 268	58 418	62 902
Personnel numbers (head count)	79	81	81	86	89	89	91	91	91
Unit cost	407	449	519	549	531	531	596	642	691
<b>Details of personnel numbers according to salary level</b>									
Salary level	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Board Members	9	9	9	9	9	9	9	9	9
Executive Management	1	1	1	1	1	1	1	1	1
Senior Management	4	6	6	6	6	6	6	6	6
Middle Management	10	11	11	11	11	11	11	11	11
Professionals	43	44	44	49	52	52	52	52	52
Semi-skilled	11	9	9	9	9	9	11	11	11
Very low skilled	1	1	1	1	1	1	1	1	1
<b>Total</b>	<b>79</b>	<b>81</b>	<b>81</b>	<b>86</b>	<b>89</b>	<b>89</b>	<b>91</b>	<b>91</b>	<b>91</b>

\*Note: The difference between the Personnel cost and *Compensation of employees* relates to personnel related payments, e.g. cellphone allowances, etc. The detailed personnel summary for prior years is not available.