

VOTE 11

Co-operative Governance and Traditional Affairs

Operational budget	R 1 583 324 274
MEC remuneration	R 1 901 726
Total amount to be appropriated	R 1 585 226 000
Responsible MEC	MEC for Co-operative Governance and Traditional Affairs
Administering department	Co-operative Governance and Traditional Affairs
Accounting officer	Head: Co-operative Governance and Traditional Affairs

1. Overview

Vision

The vision of the Department of Co-operative Governance and Traditional Affairs (COGTA) is: *People centred sustainable co-operative governance.*

Mission statement

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

Strategic objectives

The department has five main *strategic policy directions*, namely five key priorities of government including the creation of sustainable livelihood, skills development, healthy communities, rural development, and the fight against corruption; KZN provincial government integrated programme of action; national outcome relating to a responsive, accountable, effective and efficient local government system; and the mandate ranging from the co-ordination of organs of state to ensure maximum impact of co-operative governance to clarifying the role of the private sector and of state-owned enterprises in the new dispensation.

The strategic goals of the department are as follows:

- *Improved co-operative governance.* The strategic objective supporting this goal is:
 - Improved functionality of Inter-Governmental Relations (IGRs).
- *Strengthened governance.* The strategic objectives supporting this goal are:
 - Improved administrative management.
 - Strengthened accountability of governance institutions.
 - Improved decision making through citizen participation.
- *Increased economic opportunities.* The strategic objectives supporting this goal are:
 - Strengthened sectoral development.
 - Improved government led job creation programmes.
 - Improved decision making through citizen participation.
- *Strengthened delivery of basic services.* The strategic objective supporting this goal is:
 - Improved co-ordination of service delivery.
- *Improved spatial equity.* The strategic objective supporting this goal is:
 - Improved spatial hierarchy of services.
- *Enhanced response to climate change.* The strategic objectives supporting this goal are:

- o Increased adaptation to climate change impacts.
- o Improved disaster management.

Core functions

The mandate of the department is as follows:

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

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

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

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

Legislative mandate

The legislative mandate of COGTA is presented below.

Constitutional mandate

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

- Section 139 provides for provincial intervention in local government. This intervention in municipalities includes the issuing of directives and managing interventions by the Provincial Executive Council, in accordance with the provisions of section 139(1)(b) and (c).
- Section 154 determines that provincial governments must provide support and capacity-building to municipalities by legislative and other means, to assist municipalities to manage their own affairs, to exercise their powers and to perform their functions.
- Section 155(5) and (6) determines the types of municipalities in KZN, and establishes municipalities in KZN, whereafter the municipalities, by legislative and other measures, must be monitored and supported, in addition to which the department must promote the development of local government capacity, to enable municipalities to perform their functions and manage their own affairs.
- Section 155(7) stipulates that provincial governments have legislative and executive authority to see to the effective performance by municipalities of their functions in respect of matters listed in Schedules 4 and 5, by regulating the exercise by municipalities of their executive authority referred to in section 156(1).

Specific legislation for the department

- Municipal Systems Act (Act No. 32 of 2000)
- Municipal Structures Act (Act No. 117 of 1998)
- Municipal Finance Management Act (Act No. 53 of 2003)
- Municipal Property Rates Act (Act No. 6 of 2004)
- Local Government Demarcation Act (Act No. 6 of 2004)
- Local Government Municipal Electoral Act (Act No. 27 of 2000)
- Traditional Leadership and Governance Framework Act (Act No. 41 of 2003)
- Disaster Management Act (Act No. 57 of 2002)
- Spatial Planning and Land Use Management Act (Act No. 16 of 2013)
- Infrastructure Development Act (Act No. 23 of 2014)
- Municipal Fiscal Powers and Functions Act (Act No. 12 of 2007)
- Remuneration of Public Office Bearers Act (Act No. 20 of 1998)
- KwaZulu-Natal Planning and Development Act (Act No. 6 of 2008)
- KwaZulu-Natal Pounds Act (Act No. 3 of 2006)
- KwaZulu-Natal Cemeteries and Crematoria Act (Act No. 32 of 2000)
- KwaZulu-Natal Determination of Types of Municipalities Act (Act No. 7 of 2000)
- KwaZulu-Natal Traditional Leadership and Governance Act (Act No. 5 of 2005)
- Fire Brigade Services Act (Act No. 99 of 1987)
- Public Service Act (Proclamation No. 103 of 1994)
- Employment Equity Act (Act No. 55 of 1998)
- Labour Relations Act (Act No. 66 of 1995)

General legislation for departments dealing with local government and traditional affairs

- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- KZN Provincial Supply Chain Management (SCM) Policy Framework (2006)
- Public Service Regulations
- Annual Division of Revenue Act (DORA)

Specific legislation applicable to municipalities

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

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

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 providing a brief discussion on challenges and new developments.

Local governance

The department provided effective support to local government institutions to strengthen governance, promote sound financial management, enhance public participation and improve capacity of municipalities to accelerate service delivery, through:

- A uniform Code of Conduct for councillors was drafted and circulated to all municipalities to provide support in respect of compliance with local government legislation. Councillors were also assessed on the Code of Conduct and a support plan was developed and implemented, accordingly.
- Operation Clean Audit – all municipalities were assessed on financial management and targeted support was provided. An analysis of the implementation of the 2014/15 audit response plans was conducted and municipalities were provided with support. An assessment was conducted on the Audit Committees and Internal Audit for all municipalities. Based on the results of the assessment and analysis of audit response plans, support plans to improve the functionality of Audit Committees and Internal Audit were developed.
- A database on planned capacity building initiatives was developed based on inputs from different stakeholders and nominations for interventions were co-ordinated. Officials were trained on Project Management and an Integrated Councillor Induction Programme was rolled out.
- Municipal Support Plans were implemented in line with the key aspects identified in the five pillars of the Back to Basics approach and the 10 point plan of all municipalities was supported to institutionalise a performance management system.
- The 2016 local government elections were supported as per the election support plan, as follows:
 - All municipalities were supported and guided before, during and after the elections. Pre-election plans were implemented. All municipalities were assisted with their first council meetings.
 - Awareness campaigns, such as voter education prior to the elections, were undertaken.
 - Broadband, a departmental local government election operation centre, water and sanitation, among others, were provided in various voting stations.
 - Training of municipal workers was undertaken including post-election training, orientation, analysis and survey, and accredited councillor training.
 - A venue was provided for the election results, legislation packs were prepared for the new councils after the elections, support was given in terms of change management committees, among others.
 - Post local government election activities, including publishing of municipal by-laws, etc., were undertaken.

Development and planning

Accelerated sustainable development can be achieved through effective integrated planning, Local Economic Development (LED) and implementation of schemes and provision of basic services. As such, the department achieved the following:

- Municipalities were supported with Land Use Management Schemes and Systems. Support plans defining Land Use Management Schemes per municipality were completed.
- 100 per cent of disaster incidents and municipal schemes received were mapped and a geo-spatial analysis report was compiled.
- Engagement sessions were held with prioritised nodes/small towns on the development of nodal plans/strategies to promote growth of new/small towns. Support plans were developed and implemented.
- Municipalities were supported with project scoping with regard to service delivery programmes. The DORA framework was communicated to municipalities and support was provided to them with improving expenditure.
- The framework for the establishment of fire and rescue services was reviewed in line with the functional structure. Accredited training was implemented for fire and rescue training and disaster risk management training was conducted.
- With regard to the drought relief interventions, the following intervention measures were put in place:
 - Implementation of water restrictions across the province.

- o Mass mobilisation on drought interventions was undertaken in iLembe, uMzinyathi, Ugu and uThukela District Municipalities.
- o Nine water tankers were purchased for the delivery of water to communities that are severely affected by the drought across the province, particularly in the uMgungundlovu, uThukela, uMzinyathi, Zululand, King Cetshwayo and Harry Gwala District Municipalities.
- o The department is in the process of appointing contractors for the drilling and equipping of 69 boreholes in 10 district municipalities. This will allow for the provision of potable water to rural communities.
- o Four district municipalities, namely Ugu, uMgungundlovu, uThukela and Harry Gwala, were allocated funds to undertake the refurbishment, drilling and equipping of new boreholes.
- o Jojo tanks were purchased for the uMgungundlovu, uThukela, uMzinyathi, Zululand, King Cetshwayo and Harry Gwala District Municipalities.

Traditional institutional management

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

- Installed one and recognised 18 *Amakhosi* by December 2016. The department plans to install the remaining four *Amakhosi* before the end of 2016/17.
- Finalised all dispute claims lodged for mediation.
- Implemented *Amakhosi* initiatives to ensure improved household livelihood, while creating employment opportunities with the overall objective of reducing poverty in rural areas.
- Supported all municipalities in terms of traditional leaders participating in municipal councils.
- With regard to the remuneration of *Izinduna*, the department continued to pay stipends to 3 100 *Izinduna* from April to November 2016. However, as determined by the Executive Council on 2 November 2016, the province commenced the process of the remuneration of *Izinduna* in compliance with the previously issued Presidential proclamations. As such, during the 2016/17 Adjustments Estimate, the department was allocated 50 per cent of the total costs for the remuneration of *Izinduna* at the higher rate from the provincial fiscus, and the balance of 50 per cent was reprioritised from within the department's baseline. Also, the *Izinduna*'s remuneration budget for the 2017/18 MTEF is partly funded (50 per cent) through internal reprioritisation by COGTA and the balance of 50 per cent is funded through a proportional budget cut against all the remaining Votes. The department is in the process of verifying all *Izinduna* and will only effect payment once the *Induna* has been verified.

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.

In 2017/18, the department will continue to co-ordinate support, promote good governance and enhance financial management in municipalities, as well as provide support and build the capacity of traditional institutions. The department will also support the installation and recognition of *Amakhosi*. Also, 2017 marks the year of holding Traditional Council (TC) elections, and the focus of the department will be to assist with the smooth running of the process, by providing the following support:

Local governance

Local government will continue to co-ordinate support, promote good governance and enhance financial management in municipalities. The main focus for 2017/18 will be on:

- IGR structures, oversight structures, rapid response teams and audit committees to be functional for improving the functionality of IGR.
- Compliance of municipalities with local government legislation and policies to strengthen the institutional capacity of municipalities.

- Monitoring of municipalities' expenditure, revenue management and debt collection for improving financial viability and management in local government.
- Operation Clean Audit in addressing all issues highlighted in the audit outcomes for strengthening accountability of local government.
- The fight against fraud, corruption and mal-administration to eradicate incidences of fraud within the municipalities, through strengthening disciplinary action and creating awareness in municipalities.

Development and planning

The NDP stipulates that, for the country to support the long term economic objectives and development goals, South Africa needs to focus on investing in basic services, such as electricity, water, sanitation, telecommunications and public transport. The main focus of this programme for 2017/18 will be on:

- Mapping of climate related incidents data and municipal schemes to enhance the province's response to climate change.
- Creating job opportunities through the Community Work Programme (CWP), Expanded Public Works Programme (EPWP), Food for Waste and Community Service Centre (CSC) programmes to improve job creation.
- Continuing to roll-out the Small Town Rehabilitation and Corridor Development programmes to improve economic opportunities.
- Implement service delivery programmes on electricity, water and sanitation, indigent policies and assessing municipalities against service delivery benchmarks.
- Drought relief interventions – The department will continue to engage various role-players that can make a meaningful contribution in ensuring that the plight of the people in KZN is attended to. Funds will be used for drilling boreholes, the purchase of mobile packaged plants, water tankers for fire fighting and off-channel raw water storage.

Traditional institutional management

Traditional institutional governance remains central in supporting and building the capacity of traditional institutions. The main focus of this programme for 2017/18 will be on:

- Installation and recognition of seven *Amakhosi* to enhance traditional institutional governance.
- Resolving emerging disputes and profiling of *Izizwe* (tribes) on customary law as a way of promoting a cultural and customary way of life.
- Monitoring the participation of traditional leaders in municipal councils to support municipalities in implementing Section 81 of the MSA, 1998 (which provides for the participation of traditional leaders in municipal council).
- Supporting Local Houses on the establishment of partnerships in traditional communities to enable development.
- The department will remunerate the *Izinduna* in line with the Presidential proclamations, and the *Izinduna* will only be remunerated once they have been verified, as explained.

4. Reprioritisation

The department undertook extensive reprioritisation over the 2017/18 MTEF to fund various spending pressures such as the 50 per cent required for the remuneration of *Izinduna*, the budget cuts resulting from the PES and Own Revenue reductions of R5.728 million, R6.548 million and R11.614 million, the carry-through of the above-budget 2016 wage adjustment and the post-election support to municipalities, among others. The budget cuts in respect of the PES and Own Revenue reductions were effected under Programme 3: Development and Planning, and against *Goods and services (Consultants and professional services: Business and advisory services)*. Projects under the Corridor Development, Massification and the Small Town Rehabilitation programmes will be scaled down in this regard. The reprioritisation undertaken was effected against all programmes, as follows:

- In Programme 1: Administration, funds of R15.899 million and R15.666 million were reprioritised from 2017/18 and 2018/19, respectively. The funds were mainly moved from *Goods and services* due to cost-cutting and *Machinery and equipment* as a result of office furniture, computer equipment and departmental fleet that will be reduced.
- In Programme 2: Local Governance, funds of R11.113 million and R14.580 million were reprioritised from 2017/18 and 2018/19, respectively. The funds were mainly moved from *Goods and services* by reducing community outreach programmes, the anti-corruption framework in municipalities project, among others, as well as *Compensation of employees* as a result of the moratorium on the filling of non-critical vacant posts.
- In Programme 3, amounts of R221.058 million and R201.930 million were reprioritised from 2017/18 and 2018/19, respectively. The funds were mainly moved from:
 - *Goods and services* by scaling down various projects, including the LED capacity building projects, Small Town Rehabilitation and Corridor Development programmes, among others.
 - *Buildings and other fixed structures* by scaling down the construction and rehabilitation of various CSCs and *Imizi Yesizwe* (projects where houses are built for *Amakhosi*).
 - *Transfers and subsidies to: Provinces and municipalities* by reducing transfers to municipalities in respect of the Massification programme.
 - *Compensation of employees* due to the moratorium on the filling of non-critical vacant posts.
- In Programme 4: Traditional Institutional Management, funds of R77.477 million and R78.605 million were reprioritised from 2017/18 and 2018/19, respectively, as follows:
 - *Goods and services* by reducing various capacity building programmes for *Amakhosi* and TCs.
 - *Buildings and other fixed structures* in respect of funds for the construction and rehabilitation of houses for *Amakhosi* that were moved to Programme 3, as all construction and rehabilitation programmes are now undertaken in Programme 3.
 - *Compensation of employees* due to the moratorium on the filling of non-critical vacant posts.

The funds were moved as follows:

- R35.578 million and R29.549 million were moved to Programme 1 in 2017/18 and 2018/19, respectively. These funds were mainly moved to *Goods and services* for operating costs, such as the improvement of the department's ICT systems, communications, legal costs, and *Compensation of employees* for the above-budget 2016 wage adjustment.
- R28.534 million and R23.328 million were moved to Programme 2 in 2017/18 and 2018/19, respectively. These funds were mainly moved to *Compensation of employees* for the above-budget 2016 wage adjustment, and *Goods and services* for various projects, such as the training of municipal workers (post-election training, orientation, analysis and survey, accredited councillor training), review of municipal organograms, establishment of municipalities for those that were split and merged, and functional IGR structures to be reconstituted after the 2016 local government elections.
- R46.565 million and R32.340 million were moved to Programme 3 in 2017/18 and 2018/19, respectively. These funds were mainly moved to:
 - *Transfers and subsidies to: Provinces and municipalities* in respect of Development Planning and Shared Services, Schemes Support programme (housing schemes in support of home-ownership), Spatial Development Framework Support and the construction of Traditional Service Centres (TSCs) and CSCs.
 - *Goods and services* for various projects such as the review of municipal organograms, post 2016 local government elections programmes (IGR structures), and Code of Conduct and power of ethics training programmes, among others.
 - *Compensation of employees* in respect of the higher than budgeted 2016 wage adjustment.

- R214.870 million and R225.564 million were moved to Programme 4 in 2017/18 and 2018/19, respectively. These funds were mainly moved to *Compensation of employees* in respect of:
 - o Remuneration of *Izinduna*. As explained previously, the Executive Council determined that the province should remunerate *Izinduna* in compliance with the Presidential Proclamations. The *Izinduna*'s remuneration budget for 2017/18 MTEF is partly funded (50 per cent) through internal reprioritisation by the department from *Goods and services* and *Buildings and other fixed structures*, as explained above. The balance of 50 per cent is funded through a proportional budget cut against all the remaining Votes. As a result, the department's budget increased by R126.164 million, R133.103 million and R140.424 million over the MTEF. The department will verify the *Izinduna* before effecting payments, as explained.
 - o Filling of critical vacant posts, as well as for the above-budget 2016 wage adjustment.

5. Procurement

A review of the manual SCM processes has been completed and the department implemented an electronic requisition and ordering system, which commenced on 1 February 2017. The integration of the changes to the SCM environment as per the instruction notes and communication by the Office of the Chief Procurement Officer are being attended to. These include the use of the centralised database of suppliers, the implementation of the standard on infrastructure procurement and the encouraged participation in the transversal contracts that are currently being negotiated through the Office of the Chief Procurement Officer.

The use of an electronic system will ensure the transference of skills, the modernisation of the SCM practices that will recognise trends and will reduce the time taken for approvals to be obtained in line with the financial and SCM delegations of the department. The SCM transformation project commenced in 2016/17 and aims to address the issues that were raised in the Procurement Indaba. The key focus areas for the project include strategic partnering and collaboration, supplier development, value for money and cost saving, among others.

The recently gazetted regulation on the review of the Preferential Procurement Policy Framework Act, 2017 permits the advancement of targeted procurement effective from 1 April 2017. The changes contained in the regulation provide tangible legislative support and can be used to advance change in the beneficiaries of future government spend. Historic government initiatives, such as co-operatives, people living in rural areas or townships and veterans, can now be targeted. The buying power of government will now support the objectives contained in the NDP and PDGP.

6. Receipts and financing

6.1 Summary of receipts

Table 11.1 indicates the sources of funding for Vote 11 for the period 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, and a national conditional grant allocation in respect of the EPWP Integrated Grant for Provinces. The grant was allocated for the first time in 2014/15, and has continued to 2017/18. The department uses the grant allocation for its Food for Waste programme in communities, where the most needy community members collect domestic waste from households and in public places, and are compensated.

Table 11.1 shows that there is generally steady growth in the department's budget. This is particularly high over the 2017/18 MTEF due to the remuneration of *Izinduna*. The growth was mitigated to a small extent by the PES and Own Revenue reductions of R5.728 million, R6.548 million and R11.614 million over the 2017/18 MTEF.

Table 11.1 : 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	1 228 982	1 457 802	1 361 524	1 542 256	1 542 256	1 542 256	1 581 888	1 673 030	1 777 022
Conditional grants	-	3 471	4 119	3 667	3 667	3 667	3 338	-	-
EPWP Integrated Grant for Provinces	-	3 471	4 119	3 667	3 667	3 667	3 338	-	-
Total receipts	1 228 982	1 461 273	1 365 643	1 545 923	1 545 923	1 545 923	1 585 226	1 673 030	1 777 022
Total payments	1 242 496	1 482 587	1 518 088	1 545 923	1 616 068	1 616 068	1 585 226	1 673 030	1 777 022
Surplus/(Deficit) before financing	(13 514)	(21 314)	(152 445)	-	(70 145)	(70 145)	-	-	-
Financing									
of which									
Provincial roll-overs	-	3 472	-	-	27 637	27 637	-	-	-
Provincial cash resources	17 360	40 650	215 520	-	42 508	42 508	-	-	-
Surplus/(Deficit) after financing	3 846	22 808	63 075	-	-	-	-	-	-

In 2013/14, the department was allocated provincial cash resources of R17.360 million for various projects including the Mandela Day Marathon event, the second BRICS Urbanisation Forum and the third Friendship Cities and Local Government Co-operation Forum, among others.

The additional funding was offset by the suspension of funds in 2013/14 and allocated back to the department in 2014/15, for transfer to the Agri-business Development Agency (ADA) public entity to implement the uThukela *Amakhosi* programme and the Msinga Asisukume Co-operative due to capacity constraints in municipalities. In addition, funds were suspended in respect of the centralisation of parts of the communications budget under the Office of the Premier (OTP), and carried through over the MTEF.

The department ended 2013/14 with under-expenditure of R3.846 million largely relating to non-completion of the PDMC at Mkondeni because the structural integrity of the existing structure was not in accordance with the drawings that were provided by the department. An amount of R3.472 million was rolled over to 2014/15 for the completion of the centre.

In 2014/15, the department was allocated funds relating to the EPWP Integrated Grant for Provinces for the first time. Also in 2014/15, the department received the above-mentioned roll-over of R3.472 million from 2013/14 for the completion of the PDMC. In addition, the department was allocated additional funds in respect of the Mandela Day Marathon event, the implementation of electrification projects in various municipalities and the development of rural areas.

The amount in 2014/15 against provincial cash resources includes additional funds for the construction and rehabilitation of various CSCs, and the re-allocation of funds to be transferred to ADA for the implementation of the uThukela *Amakhosi* programme and the Msinga Asisukume Co-operative, as mentioned.

The 2014/15 budget was under-spent by R22.808 million, and mainly relates to a project implemented by COEGA (R19.561 million) for the purchase and installation of solar panels and generators. In 2014/15, the department purchased generators and solar panels for 20 Traditional Administration Centres (TACs). As these generators were not installed at the end of 2014/15, the A-G instructed the department to reflect it as under-expenditure. The balance of the under-expenditure of R3.247 million was due to delays in the purchase of park homes for office accommodation in Ixopo for the Traditional Affairs unit. In addition, delays with the construction of *Imizi Yesizwe* contributed to the under-expenditure.

In 2015/16, the department was allocated funds relating to the decentralisation of the external bursaries budget that were previously centralised under OTP. The carry-through (R2.400 million) of the uMsekeli Municipal Support Services pensioners' medical aid obligation continued in 2015/16. However, the funding is added to the equitable share allocation in 2016/17 and, hence, it does not appear against provincial cash resources from 2016/17 onward. Also in 2015/16, the department was allocated once-off provincial cash resources in respect of:

- Electrification projects in various municipalities.
- Water provision for the uMkhanyakude District Municipality.
- Various campaigns (voter education, demarcation roadshows and voter registration) in respect of the 2016 local government elections.

- Payment of stipends (at R1 300 per month) to the additional 954 *Izinduna* that were previously not paid as they were not serving as TC members.
- Implementation of the Mtubatuba Urban Regeneration Plan to address various infrastructure and urban regeneration challenges affecting the Central Business District (CBD).
- Campaigns against xenophobia attacks in the province.
- Sponsorship toward the Women in Leadership Dialogue.
- Above-budget 2015 wage agreement from the provincial fiscus.
- Rehabilitation of CSCs.

The department substantially under-spent their budget at the end of 2015/16 by R63.075 million. This was as a result of slow spending in respect of the 2016 local government elections as the date was announced late, the non-filling of vacant posts, as well as delays with the completion of the PDMC. The department requested a roll-over from 2015/16 to 2016/17 in this regard.

In 2016/17, the department was allocated additional funds for the carry-through costs of the above-budget 2015 wage agreement and an additional R150 million in 2016/17 only for drought relief interventions. However, this increase was substantially mitigated by the budget cuts implemented over the 2016/17 MTEF against *Compensation of employees* and *Goods and services*.

The department was allocated once-off additional funds of R70.145 million during the 2016/17 Adjusted Appropriation, as explained below:

- R27.637 million was rolled over from 2015/16 to 2016/17 for the 2016 local government elections, the completion of the PDMC at Mkondeni, as well as the Mandela Day Marathon event.
- R2.053 million was allocated for the above-budget 2016 wage adjustment determined at 7.6 per cent as opposed to the 7.2 per cent provided for in the budget, leaving a shortfall of 0.4 per cent. These funds were provided from the provincial fiscus, and were allocated in 2016/17 (without carry-through). This additional funding fully compensated the department for the above-budget 2016 wage adjustment pressures in 2016/17.
- R1.500 million was allocated to be transferred to the uMgungundlovu District Municipality for the Mandela Day Marathon event.
- R38.955 million was allocated for the remuneration of *Izinduna*.

The department is projecting a balanced budget at the end of 2016/17.

Over the 2017/18 MTEF, the department was allocated additional funds amounting to R126.164 million in 2017/18, R133.103 million in 2018/19 and R140.424 million in 2019/20 for the remuneration of *Izinduna*, which is reflected under the equitable share allocation. This was as a result of the budget cuts effected against all other Votes, as explained. Also, the department receives an allocation for the EPWP Integrated Grant for Provinces in 2017/18. In addition, National Treasury allocated additional funding to provinces in the outer year of the 2017/18 MTEF. This amount is proportionately allocated to all 15 Votes to ensure that the budget cuts previously mentioned are offset in the outer year. The increase in the budget was mitigated by the PES and Own Revenue reductions over the MTEF.

6.2 Departmental receipts collection

Table 11.2 reflects departmental receipts for the period 2013/14 to 2019/20.

Details of these receipts are presented in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Table 11.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	1 338	1 663	1 512	1 617	1 617	1 773	1 733	1 852	1 974
Transfers received	-	-	1 125	-	-	3	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	27	32	43	45	45	45	48	51	54
Sale of capital assets	2 863	2 643	2 267	1 200	1 200	2 327	1 600	1 800	1 900
Transactions in financial assets and liabilities	3 242	19 133	8 763	967	967	967	1 037	1 109	1 182
Total	7 470	23 471	13 710	3 829	3 829	5 115	4 418	4 812	5 110

The department collects revenue against *Sale of goods and services other than capital assets*, which comprises commission received from monthly PERSAL deductions, such as insurance and garnishees, the sale of maps and publications, parking fees and rental for officials occupying state houses. A steady increase is reflected from 2013/14 to 2014/15. The drop in revenue in 2015/16 can be attributed to the lower collection in respect of the sale of tender documents. In the 2016/17 Revised Estimate, the over-collection is expected mainly from the sale of tender documents. A steady increase is anticipated over the MTEF due to inflationary increments.

Transfers received reflects an amount of R1.125 million in 2015/16, which was due to donations received from various companies in respect of the Woman in Leadership Dialogue. These funds were allocated back to the department for spending in 2015/16.

Revenue collection against *Interest, dividends and rent on land* relates to interest received on staff debts. The increasing trend reflected over the MTEF is due to inflationary increments.

Sale of capital assets relates to the sale of redundant assets such as motor vehicles and old office equipment. It is difficult to accurately project revenue from this source, considering the factors involved in the auction process, such as, *inter alia*, the residual value, remaining useful life, condition and demand for an asset, as well as a number of assets declared to be auctioned, hence the fluctuating trend from 2013/14. This also explains the conservative budget over the 2017/18 MTEF.

Transactions in financial assets and liabilities includes recoveries from staff debts and refunds relating to previous years' expenditure. In 2013/14, the significant amount of revenue collected was due to refunds from the uMdoni Municipality, as a result of breached provisions of the MOA and the business plan entered into with the department. Revenue collected in 2014/15 was largely a result of funds being recalled from the uMgungundlovu District Municipality due to challenges faced by the municipality with the implementation of the Material Recovery and Composting facility project. A steady increase in revenue collection is expected over the MTEF.

6.3 Donor funding and agency receipts

Table 11.3 reflects payments with respect to donor funding and agency receipts for the period 2013/14 to 2019/20.

Table 11.3 : Details of payments and estimates of donor funding and 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
Donor funding	827	1 353	763	-	-	-	-	-	-
Development Bank of SA	452	-	-	-	-	-	-	-	-
Dept. of Prov. and Local Govt	375	1 353	763	-	-	-	-	-	-
Agency receipt	-	-	990	-	-	-	-	-	-
LGSETA	-	-	990	-	-	-	-	-	-
Total	827	1 353	1 753	-	-	-	-	-	-

The amount in 2013/14 against the Development Bank of Southern Africa (DBSA) was the final expenditure in respect of the funding received in 2008/09 for building municipal capacity. This was used

for capacity building initiatives for ward committees' training in community development, management, project management and other appropriate disciplines in respect of the CDWs.

The amount against the Department of Provincial and Local Government (DPLG) was originally received in 2004 for various projects (such as audits, municipal infrastructure, etc.) within municipalities. As the projects were completed, the balance of R2.491 million remained, and a decision was taken at the end of 2012/13 to consolidate all the balances into one account and to use the funding for councillors' training in municipalities.

The department also received and spent agency receipts of R990 000 from the Local Government Sector Education and Training Authority (LGSETA) for fire fighting training, in respect of the fire and rescue operational learnership and the disaster risk management skill programme.

In addition, the department received a donation in kind including fire engineering magazines, fire instructional books, traffic safety cones, hoses, oxygen carrying bags, among others, from the USA for its fire fighting services. These were received in kind and are thus not included in Table 11.3.

No donor funding or agency receipts were received in 2016/17, nor is the department anticipating any such receipts over the 2017/18 MTEF, hence there are no allocations indicated, at this stage.

7. Payment summary

Section 7 reflects payments and budgeted estimates in terms of programmes and economic classification.

Further details are given in Section 8, as well as in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

7.1 Key assumptions

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

- All inflation related increases are based on CPI projections.
- In terms of the National Treasury's guidelines, the cost of living adjustment is 8.7 per cent in 2017/18, 8.4 per cent in 2018/19 and 8.1 per cent in 2019/20, including the 1.5 per cent pay progression. However, the department's *Compensation of employees* shows tremendous growth of 68 per cent from 2016/17 to 2017/18 due to the reprioritisation and additional funding allocated for the remuneration of *Izinduna*, the filling of 78 critical vacant posts, and for the above-budget 2016 wage adjustment. The growth stabilises in the outer years of the 2017/18 MTEF and grows by 7.8 per cent in 2018/19 and 6.9 per cent in 2019/20. The outer years' growth is below National Treasury's guidelines in respect of the cost of living adjustments. However, not all personnel qualify for a pay progression in any given year. Also, due to lengthy recruitment processes, the department will not be able to fill all the 78 critical posts in a year, but this will be undertaken over the 2017/18 MTEF. As such, the department's *Compensation of employees* budget will be reviewed in-year.
- It should be noted that the department will remunerate the *Izinduna* at a rate of R8 600 per month, under *Compensation of employees*. This has resulted in the substantial growth of 68 per cent from 2016/17 to 2017/18 against *Compensation of employees*, as mentioned. The department had previously paid stipends to the *Izinduna* under *Goods and services* from 2015/16 to 2016/17, at a rate of R1 300 per month.
- 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 11.4 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 11.4 : 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
2015/16 MTEF period	1 255	1 313	1 379	1 459	1 541
Decentralisation of bursaries budget	1 255	1 313	1 379	1 459	1 541
2016/17 MTEF period		105 336	(47 314)	(49 799)	(52 588)
Above-budget 2015 wage agreement		15 718	16 842	18 103	19 117
Drought relief interventions - boreholes, mobile packaged plants, water tankers, etc		150 000	-	-	-
Freezing all vacant non-OSD posts		(48 650)	(51 959)	(55 492)	(58 600)
2% Goods and services cut		(11 732)	(12 197)	(12 410)	(13 105)
2017/18 MTEF period			120 436	126 555	143 944
PES and Provincial Own Revenue reductions			(5 728)	(6 548)	(11 614)
Budget cuts to fund remuneration of <i>Izinduna</i>			126 164	133 103	140 424
Additional funding from National Treasury			-	-	15 134
Total	1 255	106 649	74 501	78 215	92 897

In the 2015/16 MTEF, the department received additional funding relating to the decentralisation of the bursaries budget from OTP, as explained previously.

In the 2016/17 MTEF, due to data updates of the PES formula, a declining Provincial Own Revenue, as well as budget 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. 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. These cuts were offset slightly by additional funds allocated over the 2016/17 MTEF for the carry-through costs of the above-budget 2015 wage agreement. In addition, the department received a once-off allocation of R150 million in 2016/17 in respect of drought relief interventions, and the funding provides for:

- The drilling and equipping of 100 boreholes across the province.
- Procuring and installing mobile packaged plants to support critical areas for each of the 14 Water Service Authorities (WSAs).
- Procuring water tankers to support fire fighting in the province.
- Procuring and installing raw water mass storage facilities to augment the water source for each of the 14 WSAs.

With regard to the 2017/18 MTEF, the department received substantial additional funds for the remuneration of *Izinduna*, as well as additional funding from National Treasury allocated to provinces in the outer year of the 2017/18 MTEF. This amount is proportionately allocated to all 15 Votes to ensure that the budget cuts referred to above are offset in the outer year. This increase in budget was offset to some extent by the PES and Own Revenue reductions, as explained.

7.3 Summary by programme and economic classification

The services rendered by the department are categorised under four programmes, which are aligned to the uniform budget and programme structure of the Co-operative Governance and Traditional Affairs sector.

Tables 11.5 and 11.6 provide a summary of the Vote's payments and budgeted estimates over the seven-year period, by programme and economic classification, respectively.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Administration	318 880	331 891	382 559	367 321	390 139	390 139	393 839	404 671	422 595
2. Local Governance	222 739	217 377	228 491	249 953	267 280	267 280	291 385	317 595	339 363
3. Development and Planning	430 891	699 251	641 708	643 650	600 961	600 961	338 735	358 431	386 009
4. Traditional Institutional Management	269 986	234 068	265 330	284 999	357 688	357 688	561 267	592 333	629 055
Total	1 242 496	1 482 587	1 518 088	1 545 923	1 616 068	1 616 068	1 585 226	1 673 030	1 777 022

Table 11.6 : Summary of payments and estimates by economic classification: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	835 562	910 219	995 720	1 403 000	1 431 296	1 390 466	1 519 975	1 606 272	1 707 789
Compensation of employees	523 274	557 676	607 298	674 446	645 665	645 125	1 086 644	1 172 252	1 253 113
Goods and services	312 288	352 543	388 422	728 554	785 631	745 341	433 331	434 020	454 676
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	342 632	504 959	453 017	47 497	111 150	160 589	34 214	32 380	35 865
Provinces and municipalities	232 228	353 291	273 134	33 021	71 439	118 075	21 115	17 027	20 039
Departmental agencies and accounts	1 278	20 231	6 150	-	14 550	14 550	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	33 254	45 100	-	7 526	10 110	-	-	-
Non-profit institutions	95 759	83 121	114 811	-	-	-	-	-	-
Households	13 367	15 062	13 822	14 476	17 635	17 854	13 099	15 353	15 826
Payments for capital assets	64 276	67 364	69 351	95 426	73 622	65 013	31 037	34 378	33 368
Buildings and other fixed structures	39 069	41 689	43 086	76 596	42 395	33 695	20 674	24 558	24 672
Machinery and equipment	21 104	24 244	25 847	16 518	29 571	29 597	10 213	9 670	8 471
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	4 103	1 431	418	2 312	1 656	1 721	150	150	225
Payments for financial assets	26	45	-	-	-	-	-	-	-
Total	1 242 496	1 482 587	1 518 088	1 545 923	1 616 068	1 616 068	1 585 226	1 673 030	1 777 022

The amounts against *Transfers and subsidies to: Non-profit institutions* are due to the fact that the department was instructed by the A-G to reclassify and move all expenditure relating to the traditional levies and trust account from the various economic categories (*Goods and services, Households and Machinery and equipment*) to *Transfers and subsidies to: Non-profit institutions* within Programme 4. The amounts from 2016/17 and over the MTEF cannot be determined at this stage and, therefore, have not yet been moved to this category. The amount is only determined at the end of the year, when the expenditure has occurred. National Treasury (supported by Provincial Treasury), requested the department not to move the expenditure with regard to *Compensation of employees* due to the financial implications this will have on the provincial fiscus, as well as the department's budget in future. National Treasury bases its calculations on the actual spending incurred by provinces on *Compensation of employees* when determining the amount to be allocated to provinces for the above-budget wage adjustment. As such, if the *Compensation of employees* expenditure is moved to *Transfers and subsidies to: Non-profit institutions*, this will not be included in National Treasury's calculations, which means that the province will not receive adequate funding for the above-budget wage adjustment.

The high amount in the 2016/17 Adjusted Appropriation can be attributed to various once-off allocations, as explained below. This explains the low 2017/18 budget. The growth over the MTEF includes additional funds allocated for the remuneration of *Izinduna*, as mentioned.

Programme 1 reflects steady growth, which relates to the improvement of the department's ICT systems, and the maintenance and upgrading of various departmental buildings. This explains the growth in the 2016/17 Adjusted Appropriation as funds were reprioritised from Programme 3 in this regard. These, as well as inflationary increments, explain the growth over the MTEF.

Under Programme 2, the increase in 2015/16 mainly relates to once-off additional funding allocated for various campaigns for the 2016 local government elections, and the above-budget 2015 wage agreement. The approved roll-over for the 2016 local government elections, and the additional allocation to cater for the above-budget 2016 wage adjustment explains the increase in the 2016/17 Adjusted Appropriation. The department made provision for the training of municipal councillors, community outreach programmes,

and inflationary increments, among others, resulting in the growth over the MTEF, which was mitigated by the budget cuts relating to the PES and Own Revenue reductions.

With regard to Programme 3, the low 2013/14 amount relates to funds reprioritised to Programmes 1, 2 and 4 for various projects. The reprioritisation resulted from the fact that the department budgeted for various projects under the Corridor Development, Massification, Small Town Rehabilitation and LED programmes in *Goods and services* during the budget process, to be shifted to *Transfers and subsidies to: Provinces and municipalities* in-year, after an annual departmental exercise indicated that the municipalities have the necessary capacity to deliver on the particular projects themselves. However, as a result of slow spending by these municipalities in 2013/14, the department did not transfer the funds as anticipated. The implementation of various electrification projects and the development of rural areas resulted in the substantial growth in 2014/15. These were once-off projects, accounting for the decrease in 2015/16. However, additional funds were allocated in 2015/16 for further electrification projects, as directed by the Executive Council, the provision of water for the uMkhanyakude District Municipality, and the implementation of the Mtubatuba Urban Regeneration Plan, among others, and these were carried through to 2016/17. The reduction in 2016/17 relates to the internal reprioritisation undertaken where funds were moved from this programme to Programme 4. Various projects in respect of Small Town Rehabilitation and Corridor Development are not going to be undertaken in 2016/17. The decrease in the 2016/17 Adjusted Appropriation resulted from funds reprioritised to Programmes 1, 2 and 4 for various projects due to the moratorium on the filling of non-critical vacant posts, slow progress with various projects including the Spatial Development Framework Support, Schemes Support programme, and delays with the construction and rehabilitation of various CSCs. This category houses the budget for the EPWP Integrated Grant for Provinces, which is used for the Food for Waste programme. This grant is allocated annually and is based on the previous year's performance, and there is no allocation in the outer years of the MTEF, at this stage. The substantial reduction over the MTEF is due to further internal reprioritisation to Programme 4 for the remuneration of *Izinduna*. Again, the department will reduce the number of projects undertaken under the Small Town Rehabilitation and Corridor Development programmes.

Programme 4 caters for the recognition and installation of *Amakhosi*, capacity building programmes for *Amakhosi* and the remuneration of *Izinduna*, among others. The low 2014/15 and 2015/16 amounts compared to 2013/14 were due to funds reprioritised from this programme to Programmes 1, 2 and 3 to cater for spending pressures such as improvement of ICT, improvement of disaster management centres' capabilities, the purchase of replacement computer equipment, and furniture for new appointees, among others. The increase in 2015/16 catered for the stipends (at R1 300 per month) paid to the additional 954 *Izinduna* that were previously not paid as they were not serving as TC members. The substantial growth in the 2016/17 Adjusted Appropriation and over the MTEF is mainly to cater for the remuneration of *Izinduna*. The bulk of the funds reprioritised for the remuneration of *Izinduna* were from *Goods and services* under Programme 3. The department previously paid stipends to the *Izinduna* under *Goods and services*. However, from 2017/18 onward, the *Izinduna* will be paid from *Compensation of employees* as they are no longer being paid stipends but salaries.

Compensation of employees reflects a steady growth, with the exception for the 2017/18 MTEF, which shows significant growth. The growth prior to 2017/18 is mainly in respect of above-budget wage agreements, the filling of vacant posts, as well as the appointment of CDWs. The decrease in the 2016/17 Adjusted Appropriation and the Revised Estimate was due to slower than anticipated filling of vacant posts, and the moratorium on the filling of vacant posts. These funds were moved to other categories to cater for spending pressures. This category shows substantial growth over the MTEF mainly due to the additional funding, as well as internal reprioritisation to remunerate the *Izinduna*, as explained. Also, the department made provision for the filling of 78 critical vacant posts over the MTEF, including Chief Directors: Municipal Planning and Finance, Directors: Auxiliary Services and Urban Development, Deputy Directors: Performance Management Systems, Strategic Relations, Office of the Deputy Director-General, Strategic Planning and Service Delivery, Rapid Response Specialists, Project Manager, Transport Clerks, among others. The department also made provision for the above-budget 2016 wage adjustment. As indicated earlier, the remuneration of *Izinduna*, filling of critical vacant posts, and catering for the above-budget 2016 wage adjustment resulted in a substantial growth of 68 per cent from 2016/17 to

2017/18. However, the growth of 7.8 per cent in 2018/19 and 6.9 per cent in 2019/20 is below National Treasury's guidelines and the department will review the personnel budget in-year, as explained.

Goods and services reflects steady growth from 2013/14 to 2015/16. The once-off allocation for the drought relief interventions explains the substantial growth in 2016/17. The approval of the roll-over for the 2016 local government elections, and the reprioritisation for the improvement of the department's ICT systems, account for the increase in the 2016/17 Adjusted Appropriation. The department requested to undertake post Adjustments Estimate shifts and virements, which resulted in the decrease in the Revised Estimate. The funds were moved to *Transfers and subsidies to: Provinces and municipalities* to be transferred to municipalities for the implementation of drought relief programmes, and the Okhahlamba infill electricity project, and *Transfers and subsidies to: Public corporations and private enterprises* to the uMhlathuze water board for the implementation of the KwaSani Bucket Eradication project. Offsetting these shifts and virements, were funds shifted from *Buildings and other fixed structures* to this category for the purchase of portable houses for the PDMC. The department had budgeted to purchase the portable houses as capital expenditure, however, the cost was below the capitalisation threshold and was reclassified to *Goods and services* as minor assets. Treasury approval was granted in this regard. As explained, the substantial reduction over the MTEF is attributed to reprioritisation to *Compensation of employees* for the remuneration of *Izinduna*. The department reprioritised funds from various projects under the Small Town Rehabilitation and Corridor Development programmes, the Community Development programme, Development Agencies, Support to CSCs, among others.

Transfers and subsidies to: Provinces and municipalities fluctuates over the period, and is mainly attributed to the spending patterns of municipalities. As mentioned earlier, the department budgets for various projects under *Goods and services* during the budget process and then shifts the funds to *Transfers and subsidies to: Provinces and municipalities* during the Adjustments Estimate. This explains the low 2016/17 Main Appropriation and the high Adjusted Appropriation. These shifts were in respect of Small Town Rehabilitation projects including taxi rank upgrades, pothole repairs, market stalls and small traders' facilities at taxi ranks, etc., as well as the drought relief intervention programmes in municipalities. The high Revised Estimate was as a result of a post Adjustments Estimate shift from *Goods and services*, as explained. In addition, funds were moved from *Transfers and subsidies to: Public corporations and private enterprises* relating to funds to be transferred to the municipal entity, uMhlosinga Development Agency in the uMkhanyakude District Municipality for the upgrade of the Mkuze Airport. However, it was later discovered that the entity is not wholly owned by the municipality and, thus, the department is not able to transfer the funds to the entity. The funds were moved to this category to be transferred to the Msunduzi Municipality for the upgrade of the Manaye Hall Precinct and the Youth Enterprise Park roll-out. As previously explained, the budget for the various projects is budgeted for under *Goods and services* over the MTEF, hence the low amounts, and these amounts are mainly for the Development Planning and Shared Services and the Schemes Support programmes, etc.

The amounts reflected against *Transfers and subsidies to: Departmental agencies and accounts* in 2013/14 and 2014/15 relate to the Public Service Sector Education and Training Authority (PSETA) levies. In line with National Treasury Circular of 10 July 2014, national departments applied for the creation of a single transfer to PSETA through the DPSA. This resulted in departments not having to transfer funds to PSETA from 2015/16 onward, unless such transfers are meant for a different purpose, hence there is no budget in this regard from 2015/16 onward. The bulk of the 2014/15 amount relates to once-off funding transferred to ADA for the implementation of the uThukela *Amakhosi* programme and the Msinga Asisukume Co-operative. Further funding was allocated in 2015/16 for the implementation of the *Amakhosi* Rural Economic Development programme. Also, an additional once-off amount was allocated in the 2016/17 Adjusted Appropriation for the implementation of the Okhahlamba community vineyard, the Empangisweni community citrus fruit and vegetable production, and the Chiliza piggery projects. The department is not anticipating any further transfers to the entity over the MTEF, at this stage.

With regard to *Transfers and subsidies to: Public corporations and private enterprises*, the once-off amounts in 2014/15 and 2015/16 relate to the transfer to the uMhlathuze water board for expenditure relating to the 2014 general elections, relating to the provision of infrastructure, such as sanitation and water in voting stations, and the provision of portable water delivery services to district municipalities,

respectively. Also, the amount in 2015/16 was a once-off allocation for water provision for the uMkhanyakude District Municipality, as explained previously. A once-off amount of R5.526 million in the 2016/17 Adjusted Appropriation was to be transferred to the uMhlosinga Development Agency but this was moved to *Transfers and subsidies to: Provinces and municipalities*, as explained. Also, the amount in the 2016/17 Adjusted Appropriation included a donation to the South African Council of Planners (SACPLAN) toward financing the 2016 International Society of City and Regional Planners (ISOCARP) conference. The amount in the Revised Estimate included a post Adjustments Estimate virement of R8.110 million to the uMhlathuze water board for the implementation of the KwaSani Bucket Eradication project, as explained.

The amounts against *Transfers and subsidies to: Non-profit institutions* from 2013/14 to 2015/16 relate to expenditure for the traditional levies and trust account that were moved from the various economic categories within Programme 4, as explained. The amount in 2016/17 and over the MTEF cannot be determined at this stage and these have, therefore, not yet been moved to this category. Also, the once-off amount of R11.536 million in 2015/16 relates to expenditure from 2014/15 in respect of COEGA for the purchase and installation of solar panels and generators.

Transfers and subsidies to: Households fluctuates over the period due to the payment of voluntary severance packages, staff exit costs, which are not predictable, as well as bursaries to students. The high 2014/15 amount was in respect of the higher than anticipated costs relating to the external bursaries. The increase in the 2016/17 Adjusted Appropriation was a once-off staff exit costs due to resignations, hence the low amounts over the MTEF.

Buildings and other fixed structures relates to the construction and rehabilitation of TSCs, TACs and *Imizi Yesizwe*. The high 2016/17 Main Appropriation was for the construction and rehabilitation of various CSCs and houses for *Amakhosi*, however, due to delays these projects were not undertaken as anticipated and the funds were reprioritised to other areas experiencing spending pressures. The further decrease in the 2016/17 Revised Estimate was due to funds budgeted for the purchase of portable houses that were shifted to *Goods and services*, as discussed. The decrease over the MTEF can be attributed to the reprioritisation undertaken in order to fund the remuneration of *Izinduna*, as discussed. The MTEF budget provides for the construction and rehabilitation of CSCs and houses for *Amakhosi*, but at a reduced level.

Machinery and equipment fluctuates due to the filling of vacant posts and the related costs of the purchase and replacement of office furniture, computer equipment and vehicles. The substantial increase in the 2016/17 Adjusted Appropriation relates to the once-off purchase of water tankers as part of the drought relief interventions in uMgungundlovu, uThukela, uMzinyathi, Zululand, King Cetshwayo and Harry Gwala District Municipalities. The decreasing amounts over the MTEF can be ascribed to the fact that no major purchases, such as vehicles and computer servers, are being anticipated at this stage. This will be reviewed in future MTEFs. The MTEF budget provides for the purchase and replacement of office furniture, computer equipment and vehicles, but at a reduced level.

The amounts against *Software and other intangible assets* are in respect of the purchase of the Pastel Evolution software for the traditional levies and trust account in TCs. The fluctuating trend is due to the nature of the project in the various TCs. This project is anticipated to be completed in 2016/17, hence the decreased allocations over the 2017/18 MTEF, with the budget over the MTEF only providing for the purchase of Oracle, as well as the upgrade of MS Access Desktop Publisher (DTP).

The amounts in 2013/14 and 2014/15 against *Payments for financial assets* relate to the write-off of irrecoverable staff debts.

7.4 Summary of conditional grant payments and estimates

Table 11.7 provides a summary of the conditional grant payments and budgeted estimates over the seven-year period, by grant name.

Detailed information on the conditional grant is given in the *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Table 11.7 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
EPWP Integrated Grant for Provinces	-	3 471	4 119	3 667	3 667	3 667	3 338	-	-
Total	-	3 471	4 119	3 667	3 667	3 667	3 338	-	-

The department received the EPWP Integrated Grant for Provinces for the first time in 2014/15. This grant is allocated annually and is based on the previous year's performance, and hence no funds are allocated in the two outer years of the 2017/18 MTEF, at this stage. The entire amount is allocated to *Goods and services against Consultants and professional services: Business and advisory services* and is utilised for the creation of EPWP job opportunities through the Food for Waste programme, which involves the most needy community members, who collect domestic waste from households and in public areas, and are compensated, accordingly. The decrease in the grant allocation in 2016/17 and 2017/18 in comparison to 2015/16 can be ascribed to National Treasury's fiscal consolidation budget cuts.

7.5 Summary of infrastructure payments and estimates

Table 11.8 summarises the infrastructure expenditure and estimates relating to the department. Further details of the department's infrastructure payments and estimates are presented in the *2017/18 Estimates of Capital Expenditure*. The infrastructure expenditure and budget reflect a fluctuating trend over the period.

Table 11.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
Existing infrastructure assets	13 560	4 683	16 202	21 596	7 962	7 962	10 674	10 450	10 450
Maintenance and repair: Current	-	-	-	-	-	-	-	-	-
Upgrades and additions: Capital	-	18	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	13 560	4 665	16 202	21 596	7 962	7 962	10 674	10 450	10 450
New infrastructure assets: Capital	25 509	37 006	26 884	55 000	34 433	25 733	10 000	14 108	14 222
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Non infrastructure	-	-	-	-	-	-	-	-	-
Total	39 069	41 689	43 086	76 596	42 395	33 695	20 674	24 558	24 672
Capital infrastructure	39 069	41 689	43 086	76 596	42 395	33 695	20 674	24 558	24 672
Current infrastructure	-	-	-	-	-	-	-	-	-

The once-off amount of R18 000 in 2014/15 against *Upgrades and additions: Capital* relates to a payment to the Independent Development Trust (IDT) for an outstanding management fee.

Refurbishment and rehabilitation: Capital reflects the refurbishment and renovation of existing TACs, TSCs and CSCs. The fluctuation can be attributed to slow progress in renovating various CSCs. The substantial increase in the 2016/17 Main Appropriation was to cater for the rehabilitation of these centres. However, as a result of the need to remunerate *Izinduna*, the rehabilitation of CSCs was halted and the funds were reprioritised to *Goods and services* for the payment of *Izinduna* in the 2016/17 Adjusted Appropriation. This also explains the decrease over the MTEF. The MTEF budget provides for the rehabilitation of CSCs and houses for *Amakhosi*, but at a reduced level.

New infrastructure assets: Capital reflects the provision for the construction of TACs, TSCs, CSCs and houses for *Amakhosi*. The category fluctuates due to the nature of the construction activities. The construction over the years included the construction of the PDMC at Mkondeni. As explained, the decrease in the 2016/17 Adjusted Appropriation was due to reprioritisation to remunerate *Izinduna*, and funds moved to *Transfers and subsidies to: Provinces and municipalities* for the construction of the Bergville CSCs. The further reduction in the Revised Estimate relates to funds shifted to *Goods and services* for the purchase of portable houses. The decrease over the MTEF is due to funds reprioritised for the remuneration of *Izinduna*. The MTEF budget provides for the construction of CSCs and houses for *Amakhosi* but at a reduced level.

7.6 Summary of Public Private Partnerships – Nil

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

Table 11.9 summarises the transfer payments to public entities that are listed in terms of Schedule 3 of the PFMA. The public entity does not fall under the auspices of the department, but is merely used as an implementing agent.

Table 11.9 : 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
Agri-business Development Agency (ADA)	-	18 850	6 150	-	14 550	14 550	-	-	-
Total	-	18 850	6 150	-	14 550	14 550	-	-	-

The transfer to ADA in 2014/15 was for the implementation of the uThukela *Amakhosi* programme and the Msinga Asisukume Co-operative, as previously discussed. The department indicated that, due to capacity constraints in the municipalities, it appointed ADA to implement these projects. According to the department, this project was successfully implemented by the entity and, as such, undertook further transfer in 2015/16 for the entity to pilot the *Amakhosi* Rural Economic Development programme in other districts. The amount in the 2016/17 Adjusted Appropriation was for the implementation of the Okhahlamba community vineyard, the Empangisweni community citrus fruit and vegetable production and the Chiliza piggery projects. The department is not anticipating to transfer any funds to ADA over the MTEF, at this stage.

7.8 Transfers to other entities

Table 11.10 reflects a summary of transfers to other entities.

Table 11.10 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
SAPI	3.1: Spatial Planning	-	254	-	-	-	-	-	-	-
SACPLAN	3.3: LED	-	-	-	-	2 000	2 000	-	-	-
Umgeni water board	3.4: Municipal Infra.	-	-	33 000	-	-	-	-	-	-
uMhlathuze water board	3.4: Municipal Infra.	-	33 000	12 100	-	-	8 110	-	-	-
uMhlosinga Dev. Agency	3.4: Municipal Infra.	-	-	-	-	5 526	-	-	-	-
Total		-	33 254	45 100	-	7 526	10 110	-	-	-

The once-off amount in 2014/15 against the South African Planning Institute (SAPI) relates to a donation for the Planning Africa Conference which promotes information sharing and/or continuous professional development in the planning arena. The amount against SACPLAN in the 2016/17 Adjusted Appropriation was for the 2016 ISOCARP conference, as discussed.

The once-off amount in 2015/16 against the Umgeni water board was for water provision for the uMkhanyakude District Municipality for vehicle repairs, pump repairs, repairs to broken borehole shafts, borehole connections, relocation of bulk water, among others. The department is using Umgeni water board as the implementing agent because of the skills, expertise and equipment that the institution possesses.

The amounts in 2014/15 and 2015/16 against uMhlathuze water board were for the 2014 general elections, where the water board was tasked to assist the department with providing voting stations with infrastructure such as sanitation and water, and the provision of portable water delivery in the KwaSani area, respectively. In addition, the department made a further transfer in 2016/17 for the implementation of the KwaSani Bucket Eradication project. This was a post Adjustments Estimate virement and approval was granted by the COGTA Portfolio Committee in terms of the Finance Portfolio Committee Resolution No. 106 of 2016, and Treasury Circular No. PT (26) of 2016/17 – Compliance with Section 43(3) of the PFMA. The transfer was to complete the project which started in 2014/15 but, due to cost escalations, additional funding is required for the continuation of the project.

The amount allocated to the uMhlosinga Development Agency in the uMkhanyakude District Municipality in the 2016/17 Adjusted Appropriation was for the upgrade of the Mkuze Airport, but was moved to *Transfers and subsidies to: Provinces and municipalities* to be transferred to the Msunduzi Municipality for the upgrade of the Manaye Hall Precinct and the Youth Enterprise Park roll-out, as discussed. A post 2016/17 Adjustments Estimate virement was undertaken, and all the necessary approvals were received.

7.9 Transfers to local government

Table 11.11 details the transfers to local government, summarised according to categories A, B and C. Table 11.12 provides the departmental transfers to local government by grant name. Detailed information on the departmental transfers to local government by transfer/grant type, category and municipality is given in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*. Transfers to local government include funds in respect of motor vehicle licences. These funds will not be transferred to any municipality and, hence, the amounts are not reflected in Tables 11.11 and 11.12.

Table 11.11 : 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	2019/20
Category A	4 000	1 000	-	-	-	-	-	-	2 000
Category B	154 997	304 916	255 056	28 016	61 584	73 220	18 600	11 000	10 000
Category C	73 077	47 145	17 850	4 800	9 650	44 650	2 300	5 800	7 800
Unallocated	-	-	-	-	-	-	-	-	-
Total	232 074	353 061	272 906	32 816	71 234	117 870	20 900	16 800	19 800

Table 11.12 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Con. and migration of records mgt system	2.1: Mun. Admin.	-	-	-	-	1 000	1 000	-	-	-
Work study at merged municipalities	2.1: Mun. Admin.	-	-	-	-	3 500	3 500	-	-	-
Promulgation of municipal by-laws	2.1: Mun. Admin.	-	-	-	-	1 000	1 000	-	-	-
Pounds Act	2.1: Mun. Admin.	-	1 000	-	-	-	-	-	-	-
Public Participation Satisfaction Survey	2.3: Public Participation	1 500	-	-	-	-	-	-	-	-
Municipal Excellence awards	2.5: Mun. Perf. Mon., Rep. & Eval.	2 000	5 000	-	-	-	-	-	-	-
Schemes Support programme	3.1: Spatial Planning	-	2 705	-	-	-	-	7 000	11 000	12 000
Spatial Development Framework Support	3.1: Spatial Planning	-	-	-	-	-	-	1 200	-	-
Manaye Hall Precinct and Youth Ent. Park	3.3: LED	-	-	-	-	-	5 526	-	-	-
Corridor Development programme	3.3: LED	82 843	92 101	-	-	-	-	-	-	-
Small Town Rehabilitation programme	3.3: LED	77 654	109 800	50 000	-	40 500	40 500	-	-	-
Construction of TSCs and CSCs	3.3: LED	-	5 000	-	-	7 500	7 500	7 500	-	-
Operational Support for TSCs	3.3: LED	250	5 250	15 000	-	-	-	-	-	-
Mandela Day Marathon event	3.3: LED	-	-	-	-	6 500	6 500	-	-	-
Massification prog (incl. elec. projects)	3.4: Mun. Infra.	54 827	119 455	180 956	28 016	6 434	12 544	-	-	-
Drought relief interventions	3.5: Disaster Mgt.	-	-	-	-	-	35 000	-	-	-
Disaster Management	3.5: Disaster Mgt.	8 000	7 000	24 100	-	-	-	-	-	-
Community participation in IDPs	3.6: IDP Co-ordination	2 000	-	-	-	-	-	-	-	-
Dev. Planning and Shared Serv	3.6: IDP Co-ordination	2 000	4 750	2 850	4 800	4 800	4 800	5 200	5 800	7 800
Sustainable Living Exhibition	3.6: IDP Co-ordination	1 000	1 000	-	-	-	-	-	-	-
Total		232 074	353 061	272 906	32 816	71 234	117 870	20 900	16 800	19 800

The amounts against transfers to local government fluctuate, and cater mainly for projects under the Corridor Development, Massification and the Small Town Rehabilitation programmes. The fluctuations can be attributed to the spending patterns of municipalities. The expenditure also included once-off funding for electrification projects and the development of rural areas. The department budgets for these projects against *Goods and services* and then shifts them to *Transfers and subsidies to: Provinces and municipalities* in the Adjustments Estimate, as mentioned. This explains the low amounts in the 2016/17 Main Appropriation and over the MTEF, and the high amounts in the Adjusted Appropriation and Revised Estimate. The increase in the 2016/17 Revised Estimate relates to a post Adjustments Estimate shift and virement for drought relief interventions, the Okhahlamba infill electricity project and the upgrade of the Manaye Hall Precinct and the Youth Enterprise Park roll-out. The amounts over the MTEF are for the Spatial Development Framework Support, construction of TSCs and CSCs, Development Planning and Shared Services and the Schemes Support programmes. As explained, the department reprioritised in order to fund the remuneration of *Izinduna* over the MTEF.

7.10 Transfers and subsidies

Table 11.13 gives a summary of transfers and subsidies expenditure and estimates at an item level for each programme of the department. Details are provided in the paragraphs after the table.

Table 11.13 : 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
1. Administration	11 853	13 796	11 778	12 916	14 231	14 231	12 464	14 030	14 653
Provinces and municipalities	154	230	228	205	205	205	215	227	239
Motor vehicle licences	154	230	228	205	205	205	215	227	239
Departmental agencies and accounts	1 278	1 381	-	-	-	-	-	-	-
PSETA	1 278	1 381	-	-	-	-	-	-	-
Households	10 421	12 185	11 550	12 711	14 026	14 026	12 249	13 803	14 414
Staff exit costs	3 212	4 061	3 707	2 668	3 983	3 983	2 704	2 731	2 700
Bursaries and claims against the State	7 209	8 124	7 843	10 043	10 043	10 043	9 545	11 072	11 714
2. Local Governance	4 307	6 698	431	479	6 662	6 839	150	150	150
Provinces and municipalities	3 500	6 000	-	-	5 500	5 500	-	-	-
Pounds Act	-	1 000	-	-	-	-	-	-	-
Public Participation Citizen Satisfaction survey	1 500	-	-	-	-	-	-	-	-
Municipal Excellence awards	2 000	5 000	-	-	-	-	-	-	-
Con. and migration of records mgt system	-	-	-	-	1 000	1 000	-	-	-
Work study exercise at merged municipalities	-	-	-	-	3 500	3 500	-	-	-
Promulgation of municipal by-laws	-	-	-	-	1 000	1 000	-	-	-
Households	807	698	431	479	1 162	1 339	150	150	150
Staff exit costs	807	698	431	479	1 162	1 339	150	150	150
3. Development and Planning	229 425	399 286	336 300	33 302	88 276	137 496	21 000	17 000	19 800
Provinces and municipalities	228 574	347 061	272 906	32 816	65 734	112 370	20 900	16 800	19 800
Small Town Rehabilitation programme	77 654	109 800	50 000	-	40 500	40 500	-	-	-
Corridor Development programme	82 843	92 101	-	-	-	-	-	-	-
Manaye Hall Precinct and Youth Ent. Park	-	-	-	-	-	5 526	-	-	-
Massification prog (incl. elec. projects)	54 827	119 455	180 956	28 016	6 434	12 544	-	-	-
Operational Support for TSCs	250	5 250	15 000	-	-	-	-	-	-
Construction of TSCs and CSCs	-	5 000	-	-	7 500	7 500	7 500	-	-
Development Planning and Shared Services	2 000	4 750	2 850	4 800	4 800	4 800	5 200	5 800	7 800
Disaster Management	8 000	7 000	24 100	-	-	-	-	-	-
Community participation in IDPs	2 000	-	-	-	-	-	-	-	-
Schemes Support programme	-	2 705	-	-	-	-	7 000	11 000	12 000
Drought relief interventions	-	-	-	-	-	35 000	-	-	-
Spatial Dev. Framework Support	-	-	-	-	-	-	1 200	-	-
Sustainable Living Exhibition	1 000	1 000	-	-	-	-	-	-	-
Mandela Day Marathon event	-	-	-	-	6 500	6 500	-	-	-
Departmental agencies and accounts	-	18 850	6 150	-	14 550	14 550	-	-	-
ADA	-	18 850	6 150	-	14 550	14 550	-	-	-
Public corporations and private enterprises	-	33 254	45 100	-	7 526	10 110	-	-	-
SAPI	-	254	-	-	-	-	-	-	-
SACPLAN	-	-	-	-	2 000	2 000	-	-	-
uMhlozinga Dev. Agency	-	-	-	-	5 526	-	-	-	-
uMhlathuze water board	-	33 000	12 100	-	-	8 110	-	-	-
Umgeni water board	-	-	33 000	-	-	-	-	-	-
Non-profit institutions	-	-	11 536	-	-	-	-	-	-
COEGA	-	-	11 536	-	-	-	-	-	-
Households	851	121	608	486	466	466	100	200	-
Staff exit costs	851	121	608	486	466	466	100	200	-
4. Traditional Institutional Management	97 047	85 179	104 508	800	1 981	2 023	600	1 200	1 262
Non-profit institutions	95 759	83 121	103 275	-	-	-	-	-	-
Traditional levies and trust account	95 759	83 121	103 275	-	-	-	-	-	-
Households	1 288	2 058	1 233	800	1 981	2 023	600	1 200	1 262
Staff exit costs	1 288	1 819	1 211	800	1 981	2 023	600	1 200	1 262
Other transfers to households	-	239	22	-	-	-	-	-	-
Total	342 632	504 959	453 017	47 497	111 150	160 589	34 214	32 380	35 865

Transfers and subsidies fluctuates over the period due to various projects undertaken at different times. The paragraphs below provide more detail per category:

- *Transfers and subsidies* under Programme 1 fluctuates over the seven-year period due to the following:
 - *Provinces and municipalities* relates to the payment of motor vehicle licences.
 - *Departmental agencies and accounts* caters for the payment to PSETA. As previously explained, in line with the National Treasury Circular of 10 July 2014, departments do not have to transfer funds to PSETA, unless such transfers are meant for a different purpose, hence there is no budget in this regard from 2015/16 onward.

- *Households* caters for the payment of staff exit costs. The category also reflects the uMsekeli Municipal Support Services pensioners' medical aid obligation, as well as 179 external bursaries in respect of National Diploma in Civil Engineering, Public Management, Cost and Management Accounting, Accounting, Surveying, Electrical Engineering, Bachelors of Commerce (Accounting) and Law, among others.
- *Transfers and subsidies* under Programme 2 fluctuates over the seven-year period due to the following:
 - *Provinces and municipalities* is in respect of various municipal projects, such as the consolidation and migration of the record management systems for the newly merged municipalities, work study exercises undertaken and the promulgation of by-laws, among others, which were once-off. No allocations have been made over the MTEF, at this stage.
 - *Households* caters for the payment of staff exit costs.
- *Transfers and subsidies* under Programme 3 shows significant fluctuations due to the following:
 - *Provinces and municipalities* represents municipal projects such as the Corridor Development, Massification and the Small Town Rehabilitation programmes, etc. The category fluctuates in line with spending patterns of municipalities with regard to various projects. The category included once-off funding for electrification projects and the development of rural areas, as previously explained. The low amount in the 2016/17 Main Appropriation and the reduction over the MTEF is due to the department budgeting for these projects against *Goods and services* and then shifting the funds to *Transfers and subsidies to: Provinces and municipalities* in the Adjustments Estimate, accounting for the high amount in the 2016/17 Adjusted Appropriation. The further increase in the Revised Estimate was due to a post Adjustments Estimate virement and shift undertaken in respect of drought relief interventions, the upgrade of the Manaye Hall Precinct and the Youth Enterprise Park roll-out and the Okhahlamba infill electricity project. The amounts over the MTEF are in respect of the Construction of TSCs and CSCs, Spatial Development Framework Support, Development Planning and Shared Services and the Schemes Support programmes.
 - *Departmental agencies and accounts* relates to a transfer to ADA in 2014/15 for the implementation of the uThukela *Amakhosi* programme and the Msinga Asisukume Co-operative, in 2015/16 for the implementation of the *Amakhosi* Rural Economic Development programme, and in the 2016/17 Adjusted Appropriation for the implementation of the Okhahlamba community vineyard, Empangisweni community citrus fruit and vegetable production and Chiliza piggery projects.
 - *Public corporations and private enterprises* relates to a once-off donation to SAPI in 2014/15 for the Planning Africa Conference. The amount of R5.526 million against the uMhlosinga Development Agency in the 2016/17 Adjusted Appropriation was for the upgrade of the Mkuze Airport. However, these funds were moved to *Transfers and subsidies to: Provinces and municipalities* to be transferred to the Msunduzi Municipality for the upgrade of the Manaye Hall Precinct and the Youth Enterprise Park roll-out, as discussed. The funds against uMhlathuze in 2014/15 and 2015/16 were in respect of the KwaSani Bucket Eradication project, as well as the provision of water tankers in the uMhlathuze area. The further amount in the 2016/17 Revised Estimate was for the implementation of the KwaSani Bucket Eradication project. The 2015/16 amount against Umgeni water board was a once-off allocation for water provision in the uMkhanyakude District Municipality.
 - The once-off amount in 2015/16 against *Non-profit institutions* relates to expenditure in respect of COEGA for the purchase and installation of solar panels and generators.
 - *Households* caters for the payment of staff exit costs.
- *Transfers and subsidies* under Programme 4 are as follows:
 - *Non-profit institutions* relates to the expenditure relating to the traditional levies and trust account from the various economic categories within Programme 4, as previously explained. The amounts in 2016/17 and over the MTEF cannot be determined at this stage and have, therefore, not yet been moved to this category.
 - *Households* caters for the payment of staff exit costs.

8. Programme description

The services rendered by the department are categorised under four programmes. As mentioned earlier, the department's budget and programme structures for the 2017/18 MTEF comply with the uniform budget and programme structure for the sector. The payments and estimates for each programme are summarised in terms of economic classification. Details are given in the *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

8.1 Programme 1: Administration

This programme comprises all support services within the department, the Office of the Ministry and all special projects. The programme consists of two sub-programmes, namely: Office of the MEC and Corporate Services. Tables 11.14 and 11.15 illustrate a summary of payments and estimates for the financial years 2013/14 to 2019/20 relating to Programme 1.

Table 11.14 : 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
1. Office of the MEC	19 888	20 090	21 302	23 534	20 805	20 805	27 320	29 238	31 420
2. Corporate Services	298 992	311 801	361 257	343 787	369 334	369 334	366 519	375 433	391 175
Total	318 880	331 891	382 559	367 321	390 139	390 139	393 839	404 671	422 595

Table 11.15 : 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
Current payments	291 652	300 157	358 677	342 399	363 648	363 648	379 639	389 852	407 404
Compensation of employees	141 556	151 237	160 671	181 992	171 748	171 748	205 148	216 929	230 099
Goods and services	150 096	148 920	198 006	160 407	191 900	191 900	174 491	172 923	177 305
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	11 853	13 796	11 778	12 916	14 231	14 231	12 464	14 030	14 653
Provinces and municipalities	154	230	228	205	205	205	215	227	239
Departmental agencies and accounts	1 278	1 381	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	10 421	12 185	11 550	12 711	14 026	14 026	12 249	13 803	14 414
Payments for capital assets	15 365	17 914	12 104	12 006	12 260	12 260	1 736	789	538
Buildings and other fixed structures	-	-	936	4 000	4 000	4 000	-	-	-
Machinery and equipment	11 415	16 483	10 842	6 006	6 916	6 916	1 736	789	538
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	3 950	1 431	326	2 000	1 344	1 344	-	-	-
Payments for financial assets	10	24	-	-	-	-	-	-	-
Total	318 880	331 891	382 559	367 321	390 139	390 139	393 839	404 671	422 595

The sub-programme: Office of the MEC reflects an increasing trend. The slight decrease in the 2016/17 Adjusted Appropriation can be attributed to funds reprioritised to the sub-programme: Corporate Services due to the slower than anticipated filling of critical vacant posts. The growth over the MTEF is attributed to inflationary increments, and provides for the printing of the departmental APP and Budget Speech, Section 131 of the MFMA report, Annual Report, OSS initiatives, among others.

The sub-programme: Corporate Services provides for the department's ICT system, maintenance of departmental buildings, financial management, and auxiliary services, among others. The increase in the 2016/17 Adjusted Appropriation was due to funds reprioritised from Programme 3, for the improvement of the department's ICT systems, as well as communication, legal and operating costs, as explained previously. These were once-off, accounting for the decrease in 2017/18. The growth over the MTEF is mainly attributed to inflationary increments, and provides for the Operation Clean Audit initiative, auxiliary services, update of the department's movable asset registers, implementation of anti-fraud and corruption strategies and service delivery improvement plans, among others.

Compensation of employees shows a decrease in the 2016/17 Adjusted Appropriation, and this was due to the slower than anticipated filling of critical vacant posts, as well as the moratorium on the filling of non-critical vacant posts. The increase over the MTEF is to cater for annual salary increases, as well as the provision for the filling of 36 critical vacant posts, such as Chief Director: Finance and Director: Auxiliary Services. The substantial growth of 19.5 per cent in 2017/18 suggests that the department plans to fill more posts in 2017/18. However, the growth of 5.7 per cent in 2018/19 and 6 per cent in 2019/20 is below what has been prescribed by National Treasury, and this will be reviewed by the department in-year.

Goods and services relates mainly to various projects undertaken, such as the improvement in the department's ICT system, as well as the maintenance and repairs of departmental buildings. The increase in the 2016/17 Adjusted Appropriation was to cater for communication, legal and operating costs, marketing costs such as SABC airtime and departmental events including communication and awareness campaigns for by-elections, road shows, community radio broadcasts and promotions, adverts and pamphlets, etc. Some of these projects are once-off, hence the decrease over the MTEF. The growth over the MTEF is ascribed to the improvement in the department's ICT system, property payments, vehicle maintenance, as well as inflationary increases.

Transfers and subsidies to: Provinces and municipalities relates to the payment of motor vehicle licences.

Transfers and subsidies to: Departmental agencies and accounts caters for the payment to PSETA, and is not provided for from 2015/16, as explained.

Transfers and subsidies to: Households provides for staff exit costs, external bursaries, and the uMsekeli Municipal Support Services pensioners' medical aid obligation, as explained.

The once-off amounts against *Buildings and other fixed structures* in 2015/16 and 2016/17 were for the purchase of park homes for office accommodation in the Ixopo area to accommodate the additional staff appointed for the department's Traditional Affairs unit, and the additional CDWs appointed.

Machinery and equipment provides for new and replacement of obsolete vehicles and computer equipment.

Software and other intangible assets relates to the purchase of computer software packages (system hosting servers, Blackberry Enterprise Services software, etc.). There are no allocations from 2017/18 onward, as the department is not anticipating any software purchases.

Payments for financial assets relates to the write-off of irrecoverable staff debts.

8.2 Programme 2: Local Governance

The purpose of the programme is to co-ordinate, support, promote and enhance governance, administration and public participation in local government. This programme conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector. The programme consists of five sub-programmes in line with the sector specific budget format, namely: Municipal Administration, Municipal Finance, Public Participation, Capacity Development and Municipal Performance Monitoring, Reporting and Evaluation.

Tables 11.16 and 11.17 illustrate a summary of payments and estimates for 2013/14 to 2019/20 relating to Programme 2.

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

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2016/17		2017/18
1. Municipal Administration	30 823	35 522	47 303	43 281	53 540	53 540	55 704	59 661	62 856
2. Municipal Finance	36 444	32 772	25 824	32 017	25 890	25 890	32 264	35 890	37 899
3. Public Participation	139 870	127 668	139 888	144 868	162 001	162 001	168 206	183 039	197 121
4. Capacity Development	4 544	5 525	6 053	12 950	12 796	12 796	18 380	21 657	22 846
5. Municipal Perf. Monitoring, Reporting and Evaluation	11 058	15 890	9 423	16 837	13 053	13 053	16 831	17 348	18 641
Total	222 739	217 377	228 491	249 953	267 280	267 280	291 385	317 595	339 363

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	217 138	210 231	226 960	248 091	259 131	258 946	290 090	316 613	338 928
Compensation of employees	148 830	161 148	180 463	201 802	201 485	200 945	242 275	268 350	289 349
Goods and services	68 308	49 083	46 497	46 289	57 646	58 001	47 815	48 263	49 579
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	4 307	6 698	431	479	6 662	6 839	150	150	150
Provinces and municipalities	3 500	6 000	-	-	5 500	5 500	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	807	698	431	479	1 162	1 339	150	150	150
Payments for capital assets	1 282	448	1 100	1 383	1 487	1 495	1 145	832	285
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 282	448	1 100	1 383	1 487	1 495	1 145	832	285
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	12	-	-	-	-	-	-	-	-
Total	222 739	217 377	228 491	249 953	267 280	267 280	291 385	317 595	339 363

The sub-programme: Municipal Administration provides oversight and functionality of IGR structures (such as MINMEC, MUNIMEC, Municipal IGR fora, etc.), enforcement of legislation and policy in local government, stabilisation and strengthening of Traditional Leadership, as well as the implementation of integrity management programmes in municipalities. The growth over the MTEF is in this regard, as well as inflationary increments.

The sub-programme: Municipal Finance includes Operation Clean Audit and special intervention projects, such as financial interventions in affected municipalities, etc. The decrease in the 2016/17 Adjusted Appropriation relates to reprioritisation as a result of slower than anticipated filling of critical vacant posts, and was moved to the Public Participation sub-programme. The growth over the MTEF caters for municipal projects (such as Operation Clean Audit and financial interventions in affected municipalities) that will be undertaken, the carry-through of the above-budget 2016 wage adjustment, as well as inflationary increments.

The sub-programme: Public Participation provides for cell phone contracts, laptops, travel and subsistence and furniture for CDWs, in order to improve their work and reporting. The sub-programme also provides for the deployment of skilled professionals and administrators in municipalities, the provision for support to OSS in addressing service delivery needs of the communities, particularly communities in remote and rural areas, among others. The high 2016/17 Adjusted Appropriation was for the printing of the election toolkits, the rental of the ICC in Durban for the counting and processing of election results, the municipal by-elections, the implementation of a communication strategy for ward committees, the consolidation and migration of record management systems for the newly merged municipalities, work study exercises undertaken at the newly merged municipalities and the promulgation of municipal by-laws, among others. These account for the growth over the MTEF.

The functions of the sub-programme: Capacity Development are to ensure the development and implementation of a comprehensive capacity building strategy for councillors and municipalities. The substantial growth from 2016/17 onward can be attributed to capacitation of new council members and municipal officials in order to bring them in line with the requirements of their posts and functions, after the 2016 local government elections. Also, the amounts over the MTEF cater for the capacity building skills audit project in municipalities, aimed at providing training where there is a need in areas such as financial and project management.

The sub-programme: Municipal Performance Monitoring, Reporting and Evaluation relates to strategic planning support to municipalities, with a focus on development planning, capacity building and the review and development of IDPs in various municipalities. The allocations over the MTEF are to support municipalities to improve standards of service delivery and governance through the improvement of the performance management system in municipalities, as well as inflationary increments.

Compensation of employees reflects an increasing trend over the period under review due to annual salary adjustments, as well as the employment of CDWs to undertake community development work in all districts from 2012/13 onward. The increase from 2016/17 onward caters for annual salary increases, as well as provision to fill 19 critical vacant posts, such as Chief Director: Municipal Planning and the Rapid Response Specialists. The department plans to maintain the number of 438 CDWs over the MTEF, as in 2016/17. The substantial growth of 20.6 per cent in 2017/18 suggests that the department plans to fill more posts in 2017/18. The growth of 10.7 per cent in 2018/19 also caters for the filling of posts but at a lower rate. However, the growth of 7.8 per cent in 2019/20 is below what has been prescribed by National Treasury, and this category will be reviewed by the department in-year.

Goods and services provides for cell phone contracts, laptops, travel and subsistence and furniture, etc., for the CDWs, and for the deployment of additional skilled professionals and administrators in municipalities. The substantial increase in the 2016/17 Adjusted Appropriation was due to roll-over approval to cater for campaigns in respect of the 2016 local government elections, as detailed previously. This accounts for the decrease over the MTEF. The MTEF provides for projects such as MINMEC, MUNIMEC, Municipal IGR fora, etc., improving standards of service delivery and governance in municipalities, the capacity building skills audit project in municipalities, among others.

Transfers and subsidies to: Provinces and municipalities in 2016/17 was for the consolidation and migration of record management systems for the newly merged municipalities, work study exercises undertaken at the newly merged municipalities and the promulgation of municipal by-laws, as explained. There is no provision for this category over the MTEF, as most projects are based on requests from municipalities and are mostly once-off projects.

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

Machinery and equipment over the MTEF is for equipment requirements for the filling of critical posts, as well as the replacement of vehicles and computer equipment.

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

Service delivery measures – Programme 2: Local Governance

Table 11.18 illustrates the main service delivery measures pertaining to Programme 2. The performance indicators provided do not comply fully with the customised measures for the COGTA sector, and are currently being reviewed by the department. The performance targets “New” in the 2016/17 Estimated performance illustrates that the indicator did not exist in 2016/17 and that it is a new indicator from 2017/18 onward.

The table includes both sector and non-sector measures, and the outputs have been updated to align with the department’s APP.

Table 11.18 : Service delivery measures – Programme 2: Local Governance

Outputs	Performance indicators	Estimated performance				
		2016/17	2017/18	2018/19	2019/20	
2.1	Municipal Governance and Administration					
2.1.1	Support municipalities to enhance the functionality of oversight structures	• No. of municipalities with functional oversight structures	54	54	54	54
2.1.2	Strengthen the institutional capacity of municipalities by monitoring compliance with local govt legislation and policies	• No. of municipalities complying with local govt legislation	54	54	54	54
		• No. of municipalities complying with local govt policies	54	54	54	54
		• No. of draft standard by-laws developed to support the municipalities with their legislative competency	5	5	5	5
		• No. of municipalities supported to complying with MSA regulations	54	54	54	54
2.1.3	Implementation of Back to Basics (B2B) progs through a functional Nerve Centre	• % of Municipal Governance and Administration COGTA B2B issues resolved	100%	100%	100%	100%

Table 11.18 : Service delivery measures – Programme 2: Local Governance

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2016/17	2017/18	2018/19	2019/20	
2.2	Municipal Finance					
2.2.1	Capacitate municipalities with expenditure on capital infrastructure	<ul style="list-style-type: none"> No. of municipal expenditure on capital infrastructure spent (new constructions, maintenance and operation) 	54 with 26% exp. on capital infrastructure monitored	54	54	54
		<ul style="list-style-type: none"> No. of municipalities assessed on expenditure allocated to capital infrastructure spent (new constructions, maintenance and operation) 	54	54	54	54
2.2.2	Assist municipalities to implement revenue raising strategy	<ul style="list-style-type: none"> No. of municipalities supported to improve revenue management and debt collection No. of municipalities guided to comply with MPRA by target date 	11 on revenue mgt and 18 on debt mgt 51	17 44	19 44	54 44
2.2.3	Section 81 and 131 (corrective actions based on the reports)	<ul style="list-style-type: none"> No. of reports submitted on state of Municipal Finance in terms of section 131 of the MFMA 	1	1	1	1
2.2.4	Ensure municipalities address all issues highlighted in the audit outcomes	<ul style="list-style-type: none"> No. of municipalities supported toward achievement of clean audits No. of municipalities with functional audit committees No. of municipalities monitored on implementation of Audit Response Plan based on 2015/16 audit outcomes monitored 	54 54 54	54 54 54	54 54 54	54 54 54
2.2.5	Implementation of B2B progs through a functional Nerve Centre	<ul style="list-style-type: none"> % of Municipal Finance COGTA B2B issues resolved 	100%	100%	100%	100%
2.3	Public Participation					
2.3.1	Support municipalities in improving the functionality of ward committees as per municipal structures/systems act	<ul style="list-style-type: none"> No. of municipalities with functional ward committees as per Municipal Structures/Systems Acts No. of ward committees supported on implementation of ward operational plans 	44 870	44 870	44 870	44 870
2.3.2	Assist municipalities align budget with community needs	<ul style="list-style-type: none"> No. of municipalities with ward-based plans aligned to IDP 	44	44	44	44
2.3.3	Capacitate municipalities in accordance to the capacity building strategy (B2B approach)	<ul style="list-style-type: none"> No. of municipalities supported to roll-out gender policy framework 	54	54	54	54
2.3.4	Assist municipalities to enhance engagement of stakeholders and constant feedback in order to reduce service delivery protests	<ul style="list-style-type: none"> No. of municipalities supported on the development of ward level database with community concerns and remedial actions produced No. of municipalities with functional rapid response teams in line with the strategy 	44 54	44 54	44 54	44 54
2.3.5	Implementation of B2B progs through a functional Nerve Centre	<ul style="list-style-type: none"> % of Public Participation COGTA B2B issues resolved 	100%	100%	100%	100%
2.4	Capacity Building					
2.4.1	Capacitate municipalities in accordance to the capacity building strategy (in context of B2B approach)	<ul style="list-style-type: none"> No. of provincial capacity building strategies co-ordinated No. of capacity building interventions conducted in municipalities No. of strategic partnerships facilitated No. of learnership progs implemented in accordance to the provincial capacity building strategy 	New 2 2 1	1 3 2 1	1 3 2 1	1 3 2 1
2.4.2	Implementation of B2B progs through a functional Nerve Centre	<ul style="list-style-type: none"> % of Capacity Building COGTA B2B issues resolved 	100%	100%	100%	100%
2.5	Municipal Performance Monitoring, Reporting and Evaluation					
2.5.1	Support municipalities to establish an effective performance management to ensure value for money	<ul style="list-style-type: none"> No. of municipalities supported to institutionalise performance management system 	54	54	54	54
2.5.2	Report on progress of performance made by municipalities	<ul style="list-style-type: none"> No. of municipal performance reports compiled as per the requirements of Section 47 of the MSA 	1	1	1	1
2.5.3	Support municipalities enhance the oversight role of councillors in assessing the performance of administration	<ul style="list-style-type: none"> No. of evaluations conducted No. of municipalities complying with single reporting mechanism 	New 54	1 54	1 54	1 54

Table 11.18 : Service delivery measures – Programme 2: Local Governance

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2016/17	2017/18	2018/19	2019/20
2.5.4 Support municipalities to enhance the oversight role of councillors in assessing the performance of administration	• No. of electronic dashboards implemented	10	10	10	10
	• No. of municipal support plans implemented in line with 10 point plan	54	54	54	54
	• % of COGTA issues resolved	100%	100%	100%	100%
	• % of sector issues facilitated	100%	100%	100%	100%

8.3 Programme 3: Development and Planning

The purpose of this programme is to promote informed integrated planning and development in the province. This programme conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector. This programme consists of six sub-programmes in the 2017/18 MTEF, in line with the sector specific budget format, namely: Spatial Planning, Land Use Management, Local Economic Development, Municipal Infrastructure, Disaster Management and IDP Co-ordination.

Tables 11.19 and 11.20 illustrate a summary of payments and estimates for 2013/14 to 2019/20 relating to Programme 3.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
1. Spatial Planning	33 519	38 163	34 175	48 250	35 516	35 516	42 220	49 764	54 103
2. Land Use Management	17 353	17 697	18 596	19 271	22 538	22 538	24 694	23 702	25 153
3. Local Economic Development	221 473	337 806	174 748	230 033	224 541	224 541	120 205	115 650	128 112
4. Municipal Infrastructure	76 071	196 151	295 101	85 884	102 007	102 007	76 268	85 431	87 745
5. Disaster Management	64 530	88 860	105 033	241 044	200 804	200 804	56 207	61 674	65 418
6. IDP Co-ordination	17 945	20 574	14 055	19 168	15 555	15 555	19 141	22 210	25 478
Total	430 891	699 251	641 708	643 650	600 961	600 961	338 735	358 431	386 009

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

R thousand	Audit Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	183 689	254 237	251 149	538 491	453 746	413 157	289 629	309 763	333 664
Compensation of employees	94 545	101 964	109 684	114 595	99 856	99 856	122 072	135 671	146 260
Goods and services	89 144	152 273	141 465	423 896	353 890	313 301	167 557	174 092	187 404
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	229 425	399 286	336 300	33 302	88 276	137 496	21 000	17 000	19 800
Provinces and municipalities	228 574	347 061	272 906	32 816	65 734	112 370	20 900	16 800	19 800
Departmental agencies and accounts	-	18 850	6 150	-	14 550	14 550	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	33 254	45 100	-	7 526	10 110	-	-	-
Non-profit institutions	-	-	11 536	-	-	-	-	-	-
Households	851	121	608	486	466	466	100	200	-
Payments for capital assets	17 774	45 728	54 259	71 857	58 939	50 308	28 106	31 668	32 545
Buildings and other fixed structures	12 899	39 342	42 150	64 596	38 395	29 695	20 674	24 558	24 672
Machinery and equipment	4 722	6 386	12 109	7 061	20 344	20 348	7 282	6 960	7 648
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	153	-	-	200	200	265	150	150	225
Payments for financial assets	3	-	-	-	-	-	-	-	-
Total	430 891	699 251	641 708	643 650	600 961	600 961	338 735	358 431	386 009

The sub-programme: Spatial Planning caters for the Schemes Support (housing schemes in support of home-ownership) and Spatial Development Framework Support in municipalities. The amounts over the MTEF are in line with spending on various municipal projects, such as the Municipal Property Register updates and Web-based Cadastral Data Viewer maintenance and the deployment of professionals skilled in financial management to assist municipalities with their recovery plans.

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

The sub-programme: Local Economic Development includes portion of the once-off amount for the drought relief interventions in 2016/17, hence the substantial increase in that year, accounting for the substantial drop in 2017/18. The 2017/18 MTEF reduction can be ascribed to reprioritisation for the remuneration of *Izinduna*. The remaining amounts provide for the development of Corridor Development plans, capacity building workshops, support to TCs with development initiatives, support to CSCs for effective functionality, provision of infrastructure for *Imizi Yezizwe* and CSC programmes.

The sub-programme: Municipal Infrastructure includes the Small Town Rehabilitation programme in 2016/17 for projects such as taxi rank upgrades, pothole repairs and area cleaning programmes, market stalls and small traders facilities at taxi ranks, among others, and the construction of the Bergville CSC in order to accommodate the lack of conducive rental space for government and non-governmental services. These were once-off, and account for the decrease over the MTEF. The 2017/18 MTEF budget is lower due to reprioritisation from this sub-programme for the remuneration of *Izinduna*. The MTEF budget provides for support to municipalities to implement indigent policies and operational and maintenance plans, increasing water connections to low income housing communities, etc.

The sub-programme: Disaster Management shows a high amount in 2016/17, as it includes a portion of the once-off additional allocation for drought relief interventions. The decrease in the Adjusted Appropriation was due to reprioritisation for the remuneration of *Izinduna*, accounting for the substantial drop in 2017/18. The MTEF provides support to districts with regard to Disaster Risk Management Planning, holding Provincial and Municipal Disaster Management Advisory Forums, and conducting Disaster Risk Management public awareness campaigns, among others.

The sub-programme: IDP Co-ordination caters for shared services projects (such as IDP assessment support) in municipalities, and this is dependent on the number of municipalities needing the services at a particular time. In addition, this sub-programme is responsible for guiding spatial development within municipalities to assist with the various programmes (community participation in IDPs, Development Planning and Shared Services and Schemes Support programmes). The decrease in the 2016/17 Adjusted Appropriation was attributed to reprioritisation for the remuneration of *Izinduna*. The MTEF budget caters for the implementation of district shared services, support to municipalities with the development of legally compliant IDPs, etc.

Compensation of employees over the MTEF provides for the carry-through costs of the above-budget 2016 wage adjustment, with provision made for the filling of nine critical vacant posts, such as Deputy Director: Special Initiatives, Town and Regional Planners and Administrative Officers. The substantial growth of 22 per cent in 2017/18 suggests that the department plans to fill more posts in 2017/18. The growth of 11 per cent in 2018/19 also caters for the filling of posts but at a lower rate. However, the growth of 7.8 per cent in 2019/20 is below what has been prescribed by National Treasury, and this category will be reviewed by the department in-year.

Goods and services relates to various projects undertaken. As mentioned, the department budgets for projects such as the Corridor Development, Massification and the Small Town Rehabilitation programmes against this category. The funds are then shifted to *Transfers and subsidies to: Provinces and municipalities* in-year after an annual exercise indicated that the municipalities have the necessary capacity to deliver on the particular projects themselves. Hence, the shifts undertaken in the 2016/17 Adjustments Estimate, explain the decrease in this category and the increase against *Transfers and subsidies to: Provinces and municipalities*. A similar stance is being undertaken over the MTEF. The low amounts over the MTEF resulted from the reprioritisation to fund the remuneration of *Izinduna*. After the budget cuts, the department has budgeted R30 million for Small Town Rehabilitation, R21.159 million for Corridor Development and R42.199 million for Massification (Executive Council priority projects) programmes over the 2017/18 MTEF.

With regard to *Transfers and subsidies to: Provinces and municipalities*, the MTEF allocations include the Spatial Development Framework Support, construction of TSCs and CSCs, Development Planning and Shared Services and the Schemes Support programmes.

Transfers and subsidies to: Departmental agencies and accounts relates to transfers to ADA for the implementation of various projects. There is no transfer anticipated to ADA over the MTEF, at this stage.

Transfers and subsidies to: Public corporations and private enterprises relates to a donation to SAPI, transfers to the uMhlathuze water board for the provision of portable water delivery services to district municipalities, expenditure incurred relating to the 2014 general elections, transfer to Umgeni water board for water provision in the uMkhanyakude District Municipality, among others. These projects are once-off, hence there is no further allocation over the 2017/18 MTEF.

Transfers and subsidies to: Non-profit institutions relates to a transfer to COEGA for the purchase and installation of solar panels and generators, as discussed.

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

Buildings and other fixed structures makes provision for the construction and rehabilitation of TACs, TSCs and CSCs. The department has reprioritised substantially from this category toward the remuneration of *Izinduna*, as explained. The MTEF allocations provide for the construction of Bulwer, Amatimatolo, Amahlubi, Ngwenya and Biyela CSCs, while also providing for the rehabilitation of Xulu-Msiyane, Silutshane, Shabalala-Thekwane, Ntantzi Imizi Alternate Energy CSCs, among others.

Machinery and equipment caters for office and computer equipment, new and replacement vehicles.

Software and other intangible assets relates to the Adobe Creative Suite 6 Design and Web Premium software to create and maintain a comprehensive, accessible and user-friendly GIS database and website.

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

Service delivery measures – Programme 3: Development and Planning

Table 11.21 gives the main service delivery measures pertaining to Programme 3. The performance indicators provided do not comply fully with the customised measures for the COGTA sector, and are currently being reviewed by the department. The table includes both sector and non-sector measures, and the outputs have been updated to align with the department’s APP. The performance targets “New” in the 2016/17 Estimated performance illustrates that the indicator did not exist in 2016/17 and that it is a new indicator from 2017/18 onward.

Table 11.21 : Service delivery measures – Programme 3: Development and Planning

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	
3.1	Spatial Planning					
3.1.1	Align SDFs of municipalities with Provincial Spatial Planning guidelines and Integrated Urban Dev. Framework (IUDF)	<ul style="list-style-type: none"> No. of municipal SDFs aligned with provincial spatial planning guidelines No. of municipalities supported with the development of densification strategies 	61 5	54 10	54 10	54 10
3.1.2	Assist municipalities in implementing Land Use Management Schemes and systems	<ul style="list-style-type: none"> No. of municipalities supported to implement Land Use Schemes 	New	44	44	44
3.1.3	Development of a suite of plans	<ul style="list-style-type: none"> No. of municipalities supported to produce precinct plans No. of Traditional Master Settlement Plans developed No. of nodal development plans developed to promote growth of small towns 	New 5 4	5 8 4	5 8 5	5 8 6
3.1.4	Development and implementation of key corridor development plans	<ul style="list-style-type: none"> No. of Corridor Development Plans developed 	1	1	1	1

Table 11.21 : Service delivery measures – Programme 3: Development and Planning

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	
3.2	Development Information Services					
3.2.1	Disaster Monitoring (GIS to record events and disasters with early warning and effectiveness thereof, response, impact, frequency of disasters)	<ul style="list-style-type: none"> % of incidents data mapped % of incidents, where early warning messages were disseminated mapped 	100%	100%	100%	100%
3.2.2	Assist municipalities in implementing Land Use Management Schemes and systems	<ul style="list-style-type: none"> % of adopted municipal schemes in the province mapped % of PGDP projects mapped 	100%	100%	100%	100%
3.2.3	Source, produce and disseminate updated municipal property registers (i.e. cadastral layer with ownership information), and analysis municipal rate data for revenue gaps (where applicable)	<ul style="list-style-type: none"> No. of municipalities supported with MPRA implementation 	38	38	38	38
3.3	Land Use Management					
3.3.1	Support municipalities to meet the time norms for processing of development applications	<ul style="list-style-type: none"> No. of municipalities supported to achieve 76% dev. applications that meet time norms for processing 	New	44	44	44
3.3.2	Assist municipalities in implementing Land Use Management Schemes	<ul style="list-style-type: none"> No. of municipalities supported with implementation of SPLUMA No. of municipalities supported with formalisation of towns 	44	44	44	44
3.3.3	Align SDFs of municipalities with Provincial Spatial Planning Guidelines and IUDF	<ul style="list-style-type: none"> No. of Provincial Development Norms and Standards developed 	New	2	1	1
3.3.4	Undertake cadastral survey work for the provision and maintenance of property descriptions of the areas of jurisdiction of Traditional Institutions	<ul style="list-style-type: none"> % of received boundary description requests attended to No. of <i>Izigodi</i> mapped 	100%	100%	100%	100%
			228	232	240	-
3.4.1	Local Economic Development (Special initiatives)					
3.4.1.1	Establish District Agencies to drive LED and Investment	<ul style="list-style-type: none"> No. of district agencies supported to effectively drive LED 	10	10	10	10
3.4.1.2	Provide Support to informal economy	<ul style="list-style-type: none"> No. of districts/metro supported with informal economy initiatives 	11	11	11	11
3.4.1.3	Establish agri-hubs/fresh produce market facilities aligned to institutional markets (schools, prisons, hospitals)	<ul style="list-style-type: none"> No. of municipalities with agri-hubs/fresh produce market facilities aligned to the institutional markets 	3	2	3	4
3.4.1.4	Implementation of LED projects in line with municipal LED strategies	<ul style="list-style-type: none"> No. of municipalities supported to implement LED projects in line with updated municipal LED strategies No. of municipalities supported to implement the Red Tape intervention prog No. of TCs supported with development Initiatives No. of dialogues held to support social cohesion and nation building 	10	10	10	10
			11	11	11	11
			6	2	4	5
			4	6	8	8
3.4.2	Local Economic Development (CSCs)					
3.4.2.1	Establishment of CSCs in Key Nodes aligned to Provincial Framework	<ul style="list-style-type: none"> No. of CSC construction progs implemented No. of CSC rehabilitation progs implemented No. of municipalities supported with Grade 1 CSCs functionality No. of Grade 2 CSCs supported for functionality 	1	1	1	1
			New	1	1	1
			25	20	21	21
			20	30	35	35
3.4.2.2	Maintain EPWP and CWP employment opportunities	<ul style="list-style-type: none"> No. of work opportunities created through the CWP in municipalities 	34 500	40 500	40 500	40 500
3.4.3	Local Economic Development (EPWP)					
3.4.3.1	Maintain EPWP and CWP employment opportunities	<ul style="list-style-type: none"> No. of employment opportunities created through EPWP inclusive of all sectors (FFW, Corridor, Small town, CSC Construction) No. of municipalities supported to comply with EPWP principles 	2 000	1 500	2 000	2 500
			New	54	54	54

Table 11.21 : Service delivery measures – Programme 3: Development and Planning

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	
3.5	Municipal Infrastructure					
3.5.1	Functionality of IGR forums to promote the coordination of service delivery	<ul style="list-style-type: none"> No. of functional co-ordinating structures for infrastructure development and service delivery No. of municipalities supported with service delivery progs No. of municipalities supported to implement indigent policies 	11 31 31	11 31 53	11 31 53	11 31 53
3.5.2	Support municipalities on the delivery of basic services	<ul style="list-style-type: none"> No. of municipalities supported with increasing yard water connections No. of municipalities supported in provision of basic level of sanitation services 	13 13	13 13	13 13	13 13
3.5.3	Municipalities with the supply of energy	<ul style="list-style-type: none"> No. of municipalities supported with increasing households with a source of electrical supply 	9	9	9	9
3.5.4	Support municipalities in implementing operations and maintenance plans	<ul style="list-style-type: none"> No. of municipalities implementing operation and maintenance plans No. of municipalities monitored on the delivery of infrastructure as per required standards 	54 54	53 53	53 53	53 53
3.6	Disaster Management					
3.6.1	Internalise Disaster Management planning in relevant structures (mainstream disaster management function within relevant stakeholders)	<ul style="list-style-type: none"> No. of districts and metro supported with Disaster Risk Management Planning No. of sector depts and stakeholders supported with Disaster Risk Management Planning 	10 districts & metro New	10 districts & metro 4 depts & 2 stakeholders	10 districts & metro 4 depts & 2 stakeholders	10 districts & metro 4 depts & 2 stakeholders
3.6.2	Disseminate early warning systems, impact, frequency and response plan	<ul style="list-style-type: none"> % of disaster incidents where prior warning was disseminated % of disaster events responded to within 6 hours 	100% 6 hours	100% 100%	100% 100%	100% 100%
3.6.3	Provincial and District Disaster Management IGR Structures operational	<ul style="list-style-type: none"> No. of Provincial Disaster Management Advisory Forums held No. of Municipal Disaster Management Advisory Forums supported 	New New	4 11	4 11	4 11
3.6.4	Capacitate municipalities on Disaster Risk Management	<ul style="list-style-type: none"> Provincial fire brigade services established by target date (2018) 	1	1	n/a	n/a
3.6.5	Implement seasonal awareness progs (incl. risk reduction measures for climate change) - communities made aware of potential risks, hazards and vulnerability	<ul style="list-style-type: none"> No. of Disaster Risk Management public awareness campaigns conducted No. of municipalities supported with Disaster Risk Management 	2 10 districts & metro	2 10 districts & metro	2 10 districts & metro	2 10 districts & metro
3.6.6	Monitor the implementation of Disaster Risk Reduction Legislation by municipalities, sector depts and stakeholders	<ul style="list-style-type: none"> No. of Districts and Metro monitored on the implementation of Disaster Risk Management Legislation No. of sector depts and stakeholders monitored on the implementation of Disaster Risk Management Legislation No. of functional Municipal Disaster Management Centres 	10 districts & metro New Province, 10 districts & metro	10 districts & metro 7 depts & 3 stakeholders Province, 10 districts & metro	10 districts & metro 7 depts & 3 stakeholders Province, 10 districts & metro	10 districts & metro 7 depts & 3 stakeholders Province, 10 districts & metro

8.4 Programme 4: Traditional Institutional Management

The purpose of this programme is to support and enhance the capacity of traditional councils.

This programme conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector.

The programme consists of four sub-programmes in the 2017/18 MTEF, in line with the sector specific budget format namely Traditional Institutional Administration, Traditional Resource Administration, Rural Development Facilitation and Traditional Land Administration.

Tables 11.22 and 11.23 illustrate a summary of payments and estimates for 2013/14 to 2019/20 relating to Programme 4.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
1. Traditional Institutional Administration	128 985	118 297	152 811	160 676	250 367	250 367	440 852	464 836	494 225
2. Traditional Resource Administration	106 600	80 558	76 391	83 386	72 076	72 076	82 207	83 207	87 783
3. Rural Development Facilitation	15 880	18 195	17 594	19 426	17 862	17 862	20 410	24 722	26 101
4. Traditional Land Administration	18 521	17 018	18 534	21 511	17 383	17 383	17 798	19 568	20 946
Total	269 986	234 068	265 330	284 999	357 688	357 688	561 267	592 333	629 055

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

R thousand	Audit Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	143 083	145 594	158 934	274 019	354 771	354 715	560 617	590 044	627 793
Compensation of employees	138 343	143 327	156 480	176 057	172 576	172 576	517 149	551 302	587 405
Goods and services	4 740	2 267	2 454	97 962	182 195	182 139	43 468	38 742	40 388
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	97 047	85 179	104 508	800	1 981	2 023	600	1 200	1 262
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	95 759	83 121	103 275	-	-	-	-	-	-
Households	1 288	2 058	1 233	800	1 981	2 023	600	1 200	1 262
Payments for capital assets	29 855	3 274	1 888	10 180	936	950	50	1 089	-
Buildings and other fixed structures	26 170	2 347	-	8 000	-	-	-	-	-
Machinery and equipment	3 685	927	1 796	2 068	824	838	50	1 089	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	92	112	112	112	-	-	-
Payments for financial assets	1	21	-	-	-	-	-	-	-
Total	269 986	234 068	265 330	284 999	357 688	357 688	561 267	592 333	629 055

The sub-programme: Traditional Institutional Administration provides for the remuneration of *Izinduna*, and support to traditional institutions and elections, installation and recognition of *Amakhosi*, dispute resolutions, among others. The increase in the 2016/17 Adjusted Appropriation was for the remuneration of *Izinduna*, as detailed previously. The department received additional funds, as well as reprioritised its own budget in this regard. This also explains the high growth over the MTEF.

The sub-programme: Traditional Resource Administration provides for the implementation of financial controls in municipalities and capacity building programmes for *Amakhosi*. The decrease in the Adjusted Appropriation and over the MTEF, was to fund the remuneration of *Izinduna*. The MTEF budget provides for seminars to be held on the Institutions of Traditional Leadership, capacity building programmes, among others.

The sub-programme: Rural Development Facilitation caters for TC training on Section 81.10 of the MSA, which provides that traditional leaders be appointed to participate in municipal councils, as well as co-operation and partnerships protocol workshops for TCs and ward committees. As explained, the decrease in the Adjusted Appropriation was to fund the remuneration of *Izinduna*. The growth over the MTEF mainly relates to inflationary increments.

The sub-programme: Traditional Land Administration provides for the revival and activation of support of Traditional Institutions to promote socio-economic programmes. Again, the decrease in the Adjusted Appropriation and over the MTEF, was to fund the remuneration of *Izinduna*. The growth over the MTEF can be attributed to inflationary increments.

Compensation of employees includes the remuneration of *Izinduna* over the MTEF, as explained. The 2017/18 MTEF budget provides for the filling of 14 critical vacant posts, such as Director: Urban Development and Assistant Director: Provincial House, among others. The verification of *Izinduna* is not complete as yet, and the department only remunerates an *Induna* upon verification. The substantial growth of 199.7 per cent in 2017/18 is attributed to the internal reprioritisation and additional funds allocated for the remuneration of *Izinduna*, the filling of critical posts, etc. Also, it appears that the department plans to

fill more posts in 2017/18. The growth of 6.2 per cent in 2018/19 and 6.6 per cent in 2019/20 is below what has been prescribed by National Treasury, and will be reviewed by the department in-year.

Spending against *Goods and services* relates to the sitting allowance of TC members, dispute resolutions, capacity building programmes, installation and recognition of *Amakhosi*, among others. The substantial increase in 2016/17 was due to additional funds allocated for stipends paid to *Izinduna* budgeted against this category. The expenditure will be moved to *Compensation of employees* during the Audited AFS process, and this explains the reprioritisation over the MTEF from this category to *Compensation of employees*. The MTEF budget caters for the promotion of socio-economic programmes (such as capacity building programmes of *Amakhosi*, rural housing, functionality of Houses and dispute resolution), installation and recognition of *Amakhosi*, among others.

Transfers and subsidies to: Non-profit institutions relates to expenditure for the traditional levies and trust account moved from the various economic categories within Programme 4, as explained. The amounts in 2016/17 and over the MTEF cannot be determined at this stage, and have, therefore, not yet been moved to this category.

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

Buildings and other fixed structures caters for the construction of houses for *Amakhosi* in the prior years. There was no expenditure incurred in 2015/16 due to the slow start in the construction of houses for *Amakhosi*. The amount in the 2016/17 Main Appropriation was reprioritised toward the remuneration of *Izinduna* during the 2016/17 Adjustments Estimate. Also, the department shifted the budget over the MTEF for the construction of houses of *Amakhosi* to Programme 3, in order to align its functions, hence there is no budget allocation in this regard against this category over the MTEF.

Machinery and equipment caters for the purchase of office and computer equipment, vehicles, etc. There is no allocation in 2019/20, as the department is not anticipating any purchase or upgrade of office and computer equipment, vehicles, etc.

Software and other intangible assets relates to Adobe Acrobat, Survey Markers software and Google Earth for engineers and surveyors.

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

Service delivery measures – Programme 4: Traditional Institutional Management

Table 11.24 illustrates the main service delivery measures pertaining to Programme 4. The table includes non-sector measures only, and the outputs have been updated to align with the department’s APP. The performance target “New” in the 2016/17 Estimated performance illustrates that the indicator did not exist in 2016/17 and that it is a new indicator from 2017/18 onward.

Table 11.24 : Service delivery measures – Programme 4: Traditional Institutional Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2016/17	2017/18	2018/19	2019/20
4.1. Traditional Institutional Administration					
4.1.1 To enhance traditional institutional governance by supporting traditional institutions in the application of appropriate legislation, policies and frameworks	<ul style="list-style-type: none"> No. of progs implemented to support Traditional Institutions 	1	1	1	1
4.1.2 To enhance traditional institutional governance by supporting traditional institutions in the application of appropriate legislation, policies and frameworks	<ul style="list-style-type: none"> No. of <i>Amakhosi</i> installed 	5	7	7	7
	<ul style="list-style-type: none"> No. of <i>Amakhosi</i> recognised 	18	15	15	15
	<ul style="list-style-type: none"> % of dispute claims finalised 	100%	100%	100%	100%
4.1.3 Support platforms for sharing traditional cultures and indigenous knowledge at provincial and district levels	<ul style="list-style-type: none"> % of approved cultural platforms supported 	100%	100%	100%	100%
	<ul style="list-style-type: none"> No. of <i>Izizwe</i> with updated family trees 	100%	15	15	15

Table 11.24 : Service delivery measures – Programme 4: Traditional Institutional Management

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	
4.2. Traditional Resource Administration						
4.2.1	Audit skills levels of traditional leadership institutions	<ul style="list-style-type: none"> No. of capacity building programmes aligned to the Provincial Capacity Building Strategy No. of seminars held on institutions of Traditional Leadership No. of Houses of Traditional Leaders supported with functionality in accordance with the Act 	1 New 12	1 2 12	1 2 12	1 2 12

9. Other programme information

9.1 Personnel numbers and costs

Table 11.25 provides detail of the department's approved establishment and personnel numbers, per level and programme. This category caters for the payment of CDWs, as well as *Izinduna* over the MTEF. The table also gives a breakdown of employees dispensation classification which includes *Public Service Act appointees not covered by OSDs*, *Legal Professionals*, and *Others such as interns, EPWP, learnerships, etc.* Details are provided in the paragraphs after the table.

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

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF		
	2013/14		2014/15		2015/16		2016/17				2017/18		2018/19		2019/20		2016/17 - 2019/20		
	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Filled posts	Addit. posts	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. growth rate	Costs growth rate	% Costs of Total
R thousands																			
Salary level																			
1 – 6	899	176 877	926	183 954	880	193 268	764	70	834	200 930	855	216 197	857	239 901	857	257 196	0.9%	8.6%	22.7%
7 – 10	433	166 338	427	183 767	700	225 881	408	294	702	255 482	769	297 357	771	314 108	771	336 831	3.2%	9.7%	29.5%
11 – 12	180	116 337	156	119 321	157	115 621	115	17	132	101 548	151	131 556	151	144 848	152	154 562	4.8%	15.0%	13.1%
13 – 16	64	58 776	57	65 573	62	62 108	67	2	69	70 217	74	96 795	74	105 432	74	112 960	2.4%	17.2%	9.4%
Other	83	4 946	84	5 061	93	10 420	10	125	135	16 948	3 313	344 739	3 313	367 963	3 313	391 564	190.6%	184.8%	25.3%
Total	1 659	523 274	1 650	557 676	1 892	607 298	1 364	508	1 872	645 125	5 162	1 086 644	5 166	1 172 252	5 167	1 253 113	40.3%	24.8%	100.0%
Programme																			
1. Administration	533	141 556	519	151 237	524	160 671	397	132	529	171 748	565	205 148	565	216 929	566	230 099	2.3%	10.2%	20.2%
2. Local Governance	565	148 830	598	161 148	602	180 463	619	2	621	200 945	659	242 275	659	268 350	659	289 349	2.0%	12.9%	24.7%
3. Development and Planning	240	94 545	226	101 964	212	109 684	141	35	176	99 856	185	122 072	189	135 671	189	146 260	2.4%	13.6%	12.4%
4. Traditional Institutional Man.	321	138 343	307	143 327	554	156 480	207	339	546	172 576	3 753	517 149	3 753	551 302	3 753	587 405	90.1%	50.4%	42.7%
Total	1 659	523 274	1 650	557 676	1 892	607 298	1 364	508	1 872	645 125	5 162	1 086 644	5 166	1 172 252	5 167	1 253 113	40.3%	24.8%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	1 540	495 731	1 543	528 093	1 759	569 439	1 177	508	1 685	602 495	1 832	709 902	1 835	769 760	1 836	823 636	2.9%	11.0%	71.5%
Prof. nurses, staff nurses, nursing ass.	1	225	1	390	1	440	1	-	1	450	1	504	1	545	1	590	0.0%	9.4%	0.1%
Legal professionals	4	2 294	4	2 526	4	2 758	4	-	4	2 769	4	2 872	4	3 070	4	3 273	0.0%	5.7%	0.3%
Engineering professions and related	28	20 029	33	23 606	42	30 045	42	-	42	32 456	45	35 776	46	38 016	46	40 993	3.1%	8.1%	3.6%
Others (interns, EPWP, learnerships)	86	4 995	69	3 061	86	4 616	140	-	140	6 955	3 280	337 590	3 280	360 861	3 280	384 621	186.1%	281.0%	24.5%
Total	1 659	523 274	1 650	557 676	1 892	607 298	1 364	508	1 872	645 125	5 162	1 086 644	5 166	1 172 252	5 167	1 253 113	40.3%	24.8%	100.0%

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

The number of personnel reflects a steady increase from 2013/14 to 2016/17 and, thereafter, reflects a substantial increase due to the number of *Izinduna* included in this category. This resulted in the substantial growth for *Compensation of employees* from 2016/17 to 2019/20. The growth in the personnel budget is below National Treasury's guidelines. However, the department will review its personnel budget in-year. As a result of lengthy recruitment processes, the department will not be able to fill all the 78 critical posts in a year, and this will therefore be undertaken over the MTEF.

The number of personnel dropped in 2014/15 due to slower than anticipated filling of critical posts as a result of the difficulty in finding suitable candidates, as well as resignations. The department has made provision for the filling of 78 critical vacant posts over the MTEF such as Chief Director: Finance and Director: Auxiliary Services in Programme 1, Chief Director: Municipal Planning and the Rapid Response Specialists in Programme 2, Deputy Director: Special Initiatives, Town and Regional Planners and Administrative Officers in Programme 3 and Director: Urban Development and Assistant Director: Provincial House in Programme 4, as discussed.

Others such as interns, EPWP, learnerships, etc., includes the number of CDWs appointed to bridge the gap between government and the community, and strengthen integration and co-ordination of services provided by government and access to these services by communities. These officials are included against the respective salary levels (mainly level 6). Also, the department now remunerates *Izinduna* under this category, and the number of *Izinduna* is included over the MTEF. As explained, the *Izinduna* were previously paid stipends and were budgeted for under *Goods and services*, hence the number is not being restated in the previous years.

The departmental head count shows a steady increase from 2013/14 to 2016/17. The substantial increase in the personnel number over the MTEF relates to the additional 3 100 *Izinduna* being paid under *Compensation of employees*, hence the associated increase in budget. The verification exercise is currently being undertaken, and the payment of *Izinduna* will be made upon their verification.

9.2 Training

Table 11.26 reflects departmental training expenditure pertaining to the department per programme, the number of staff affected by the various training programmes and initiatives, gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Number of staff	1 659	1 650	1 892	1 872	1 872	1 872	5 162	5 166	5 167
Number of personnel trained	901	1 656	1 639	1 800	1 800	1 800	1 620	1 620	1 620
of which									
Male	421	709	681	600	600	600	645	645	645
Female	480	947	958	1 200	1 200	1 200	975	975	975
Number of training opportunities	76	44	81	95	95	95	95	95	101
of which									
Tertiary	6	6	6	10	10	10	10	10	11
Workshops	14	14	20	22	22	22	22	22	23
Seminars	2	4	10	15	15	15	15	15	16
Other	54	20	45	48	48	48	48	48	51
Number of bursaries offered	163	66	67	80	80	80	80	80	84
Number of interns appointed	86	69	120	150	150	150	150	150	158
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	140	140	140	150	150	150	150	150	158
Payments on training by programme									
1. Administration	1 300	1 468	1 112	1 700	2 300	2 300	1 800	1 900	2 006
2. Local Governance	-	-	-	-	-	-	-	-	-
3. Development and Planning	-	60	-	-	-	-	-	-	-
4. Traditional Institutional Management	-	-	-	-	-	-	-	-	-
Total	1 300	1 528	1 112	1 700	2 300	2 300	1 800	1 900	2 006

The training budget is centralised under Programme 1 against the sub-programme: Corporate Services, which aims to facilitate the management of all training undertaken in the department and ensuring that training is obtained from accredited training institutions. Expenditure on training fluctuates, and is based on the training needs of staff during a particular period. The department will review the staff training needs on an annual basis.

The number of personnel trained is higher than the number of staff in 2014/15, as indicated in Table 11.26. According to the department, the number of personnel trained included interns and in-service learners (experiential learners), who come for practical experience in order to complete their qualifications.

Table 11.26 reflects costs as per the *Training and development* item under *Goods and services*, and the associated costs, such as *Travel and subsistence* are excluded.

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

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	1 338	1 663	1 512	1 617	1 617	1 773	1 733	1 852	1 974
Sale of goods and services produced by department (excluding capital assets)	1 330	1 663	1 512	1 617	1 617	1 773	1 733	1 852	1 974
Sales by market establishments	1 330	1 663	1 512	1 617	1 617	1 773	1 733	1 852	1 974
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	8	-	-	-	-	-	-	-	-
Transfers received from:	-	-	1 125	-	-	3	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	1 125	-	-	3	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	27	32	43	45	45	45	48	51	54
Interest	27	32	43	45	45	45	48	51	54
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	2 863	2 643	2 267	1 200	1 200	2 327	1 600	1 800	1 900
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	2 863	2 643	2 267	1 200	1 200	2 327	1 600	1 800	1 900
Transactions in financial assets and liabilities	3 242	19 133	8 763	967	967	967	1 037	1 109	1 182
Total	7 470	23 471	13 710	3 829	3 829	5 115	4 418	4 812	5 110

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
Current payments	835 562	910 219	995 720	1 403 000	1 431 296	1 390 466	1 519 975	1 606 272	1 707 789
Compensation of employees	523 274	557 676	607 298	674 446	645 665	645 125	1 086 644	1 172 252	1 253 113
Salaries and wages	467 289	497 518	538 886	594 403	573 697	573 195	999 566	1 078 023	1 151 462
Social contributions	55 985	60 158	68 412	80 043	71 968	71 930	87 078	94 229	101 651
Goods and services	312 288	352 543	388 422	728 554	785 631	745 341	433 331	434 020	454 676
Administrative fees	299	1 255	1 800	2 067	2 735	2 864	2 428	2 510	2 618
Advertising	12 635	12 906	27 269	14 069	23 955	23 967	12 236	13 810	11 642
Minor assets	12 269	9 489	13 275	8 357	51 065	24 754	6 343	7 053	7 217
Audit cost: External	5 248	7 290	7 772	7 069	7 069	7 069	7 422	7 793	8 245
Bursaries: Employees	701	1 042	1 633	1 500	1 500	1 500	1 520	1 750	1 800
Catering: Departmental activities	3 284	2 071	3 058	7 019	4 217	4 673	7 076	7 390	7 602
Communication (G&S)	12 419	13 942	13 441	11 546	15 931	16 148	12 889	12 971	13 726
Computer services	21 718	23 897	41 156	32 027	41 291	40 916	37 255	35 848	37 215
Cons & prof serv: Business and advisory services	94 319	141 645	114 605	247 234	235 832	215 849	166 973	164 197	170 964
Infrastructure and planning	254	-	-	-	342	342	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	6 104	5 477	7 731	6 154	10 045	11 127	6 084	6 690	7 003
Contractors	21 293	23 093	34 893	192 912	84 421	87 782	22 778	24 085	29 672
Agency and support / outsourced services	3 407	3 691	3 918	4 361	5 299	5 299	3 370	3 483	3 606
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	10 920	11 505	12 263	13 512	11 953	11 947	13 557	14 370	15 203
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	1	-	-	-	5	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	753	-	13 279	13 916	-	-	-
Consumable supplies	1 796	2 629	2 370	5 314	4 517	4 581	5 914	5 750	5 922
Consumable: Stationery, printing and office supplies	7 717	7 445	8 214	8 872	9 590	9 497	8 483	9 072	9 965
Operating leases	22 616	24 431	24 741	27 660	28 171	27 774	22 139	23 314	24 041
Property payments	27 671	23 020	26 572	28 351	29 348	29 249	38 845	33 013	34 754
Transport provided: Departmental activity	36	411	-	-	226	226	-	-	-
Travel and subsistence	40 815	31 756	34 632	48 989	47 719	49 298	43 976	46 672	48 660
Training and development	1 300	1 528	1 112	1 700	2 300	2 300	1 800	1 900	2 006
Operating payments	2 180	1 886	1 995	57 446	152 987	152 419	8 657	8 732	9 068
Venues and facilities	2 999	1 799	3 216	2 115	1 341	1 341	3 100	3 130	3 260
Rental and hiring	288	334	2 003	280	498	498	486	487	487
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	342 632	504 959	453 017	47 497	111 150	160 589	34 214	32 380	35 865
Provinces and municipalities	232 228	353 291	273 134	33 021	71 439	118 075	21 115	17 027	20 039
Provinces	154	230	228	205	205	205	215	227	239
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	154	230	228	205	205	205	215	227	239
Municipalities	232 074	353 061	272 906	32 816	71 234	117 870	20 900	16 800	19 800
Municipalities	232 074	353 061	272 906	32 816	71 234	117 870	20 900	16 800	19 800
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	1 278	20 231	6 150	-	14 550	14 550	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	1 278	20 231	6 150	-	14 550	14 550	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	33 254	45 100	-	7 526	10 110	-	-	-
Public corporations	-	33 000	45 100	-	-	8 110	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	33 000	45 100	-	-	8 110	-	-	-
Private enterprises	-	254	-	-	7 526	2 000	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	254	-	-	7 526	2 000	-	-	-
Non-profit institutions	95 759	83 121	114 811	-	-	-	-	-	-
Households	13 367	15 062	13 822	14 476	17 635	17 854	13 099	15 353	15 826
Social benefits	6 158	6 699	5 957	4 433	7 592	7 811	3 554	4 281	4 112
Other transfers to households	7 209	8 363	7 865	10 043	10 043	10 043	9 545	11 072	11 714
Payments for capital assets	64 276	67 364	69 351	95 426	73 622	65 013	31 037	34 378	33 368
Buildings and other fixed structures	39 069	41 689	43 086	76 596	42 395	33 695	20 674	24 558	24 672
Buildings	39 069	41 689	43 086	76 596	42 395	33 695	20 674	24 558	24 672
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	21 104	24 244	25 847	16 518	29 571	29 597	10 213	9 670	8 471
Transport equipment	8 643	15 044	8 761	4 177	20 591	20 591	-	-	-
Other machinery and equipment	12 461	9 200	17 086	12 341	8 980	9 006	10 213	9 670	8 471
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	4 103	1 431	418	2 312	1 656	1 721	150	150	225
Payments for financial assets	26	45	-	-	-	-	-	-	-
Total	1 242 496	1 482 587	1 518 088	1 545 923	1 616 068	1 616 068	1 585 226	1 673 030	1 777 022

Table 11.C : 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
Current payments	291 652	300 157	358 677	342 399	363 648	363 648	379 639	389 852	407 404
Compensation of employees	141 556	151 237	160 671	181 992	171 748	171 748	205 148	216 929	230 099
Salaries and wages	126 221	135 110	142 879	159 519	153 058	153 058	180 755	190 782	201 704
Social contributions	15 335	16 127	17 792	22 473	18 690	18 690	24 393	26 147	28 395
Goods and services	150 096	148 920	198 006	160 407	191 900	191 900	174 491	172 923	177 305
Administrative fees	121	570	818	425	762	807	810	823	840
Advertising	12 300	7 996	26 084	12 049	22 797	22 797	10 971	12 345	9 977
Minor assets	973	655	741	371	726	685	617	163	171
Audit cost: External	5 248	7 203	7 772	7 069	7 069	7 069	7 422	7 793	8 245
Bursaries: Employees	701	1 042	1 633	1 500	1 500	1 500	1 520	1 750	1 800
Catering: Departmental activities	413	239	248	118	125	103	88	90	93
Communication (G&S)	5 872	6 658	7 670	5 474	7 126	7 376	5 824	5 822	6 205
Computer services	19 161	23 341	38 717	28 927	38 716	38 716	36 251	35 848	37 215
Cons & prof serv: Business and advisory services	6 856	4 105	8 335	5 554	5 199	5 199	5 656	5 195	5 907
Infrastructure and planning	-	-	-	-	342	342	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	6 104	5 477	7 731	5 154	9 647	9 647	5 384	5 690	6 003
Contractors	11 810	14 219	12 947	7 020	12 154	12 251	8 724	9 204	8 216
Agency and support / outsourced services	447	473	112	161	99	99	170	175	184
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	10 916	11 505	12 263	13 512	11 912	11 906	13 557	14 370	15 203
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	1	-	-	-	5	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 291	1 467	1 598	1 650	1 650	1 607	1 739	1 833	1 945
Consumable: Stationery, printing and office supplies	6 520	6 288	7 018	6 837	6 788	6 561	6 471	6 863	7 638
Operating leases	20 422	21 317	22 465	22 773	22 804	22 850	17 068	18 052	18 569
Property payments	27 414	22 723	26 270	27 278	28 305	28 201	37 707	31 614	33 182
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	11 154	10 774	11 805	11 483	10 794	10 794	11 524	12 195	12 708
Training and development	1 300	1 468	1 112	1 700	2 300	2 300	1 800	1 900	2 006
Operating payments	521	960	717	681	640	640	806	815	815
Venues and facilities	264	105	-	395	-	-	100	100	100
Rental and hiring	288	334	1 950	276	445	445	282	283	283
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	11 853	13 796	11 778	12 916	14 231	14 231	12 464	14 030	14 653
Provinces and municipalities	154	230	228	205	205	205	215	227	239
Provinces	154	230	228	205	205	205	215	227	239
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	154	230	228	205	205	205	215	227	239
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	1 278	1 381	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entitles receiving transfers	1 278	1 381	-	-	-	-	-	-	-
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	10 421	12 185	11 550	12 711	14 026	14 026	12 249	13 803	14 414
Social benefits	3 212	4 061	3 707	2 668	3 983	3 983	2 704	2 731	2 700
Other transfers to households	7 209	8 124	7 843	10 043	10 043	10 043	9 545	11 072	11 714
Payments for capital assets	15 365	17 914	12 104	12 006	12 260	12 260	1 736	789	538
Buildings and other fixed structures	-	-	936	4 000	4 000	4 000	-	-	-
Buildings	-	-	936	4 000	4 000	4 000	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 415	16 483	10 842	6 006	6 916	6 916	1 736	789	538
Transport equipment	8 643	15 044	8 761	4 177	4 100	4 100	-	-	-
Other machinery and equipment	2 772	1 439	2 081	1 829	2 816	2 816	1 736	789	538
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	3 950	1 431	326	2 000	1 344	1 344	-	-	-
Payments for financial assets	10	24	-	-	-	-	-	-	-
Total	318 880	331 891	382 559	367 321	390 139	390 139	393 839	404 671	422 595

Estimates of Provincial Revenue and Expenditure

Table 11.D : Payments and estimates by economic classification: Local 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
Current payments	217 138	210 231	226 960	248 091	259 131	258 946	290 090	316 613	338 928
Compensation of employees	148 830	161 148	180 463	201 802	201 485	200 945	242 275	268 350	289 349
Salaries and wages	127 451	137 708	152 890	172 875	172 172	171 670	209 401	232 744	250 885
Social contributions	21 379	23 440	27 573	28 927	29 313	29 275	32 874	35 606	38 464
Goods and services	68 308	49 083	46 497	46 289	57 646	58 001	47 815	48 263	49 579
Administrative fees	12	143	359	337	483	489	341	361	391
Advertising	22	169	1 163	2 000	1 005	1 005	1 165	1 365	1 565
Minor assets	342	460	233	236	311	431	353	209	106
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 641	655	808	720	988	988	855	872	728
Communication (G&S)	6 164	6 392	4 145	3 089	4 912	4 815	3 007	3 262	3 446
Computer services	28	-	2	-	-	-	4	-	-
Cons & prof serv: Business and advisory services	34 504	28 756	12 352	21 288	17 442	17 675	21 689	21 459	21 859
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	505	617	13 735	5 840	13 369	13 541	3 611	3 706	3 801
Agency and support / outsourced services	2 373	2 115	1 386	1 200	2 200	2 200	1 200	1 200	1 200
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	4	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Consumable supplies	260	304	205	5	265	264	540	42	45
Consumable: Stationery, printing and office supplies	573	422	611	796	1 899	2 078	668	760	809
Operating leases	831	1 141	709	1 072	1 447	1 471	1 000	1 096	1 148
Property payments	13	2	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	17 354	7 240	8 337	8 704	10 426	10 066	9 403	9 939	10 492
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	841	447	646	1 002	1 509	1 588	1 279	1 262	1 229
Venues and facilities	2 841	220	1 753	-	1 341	1 341	2 500	2 530	2 560
Rental and hiring	-	-	53	-	49	49	200	200	200
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	4 307	6 698	431	479	6 662	6 839	150	150	150
Provinces and municipalities	3 500	6 000	-	-	5 500	5 500	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	3 500	6 000	-	-	5 500	5 500	-	-	-
Municipalities	3 500	6 000	-	-	5 500	5 500	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	807	698	431	479	1 162	1 339	150	150	150
Social benefits	807	698	431	479	1 162	1 339	150	150	150
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 282	448	1 100	1 383	1 487	1 495	1 145	832	285
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 282	448	1 100	1 383	1 487	1 495	1 145	832	285
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 282	448	1 100	1 383	1 487	1 495	1 145	832	285
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	12	-	-	-	-	-	-	-	-
Total	222 739	217 377	228 491	249 953	267 280	267 280	291 385	317 595	339 363

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	183 689	254 237	251 149	538 491	453 746	413 157	289 629	309 763	333 664
Compensation of employees	94 545	101 964	109 684	114 595	99 856	99 856	122 072	135 671	146 260
Salaries and wages	86 162	92 927	99 655	103 317	90 076	90 076	108 959	121 504	130 841
Social contributions	8 383	9 037	10 029	11 278	9 780	9 780	13 113	14 167	15 419
Goods and services	89 144	152 273	141 465	423 896	353 890	313 301	167 557	174 092	187 404
Administrative fees	166	525	591	531	556	591	593	632	671
Advertising	313	4 741	22	20	153	165	100	100	100
Minor assets	8 568	7 934	12 040	7 134	49 917	23 555	5 015	6 373	6 470
Audit cost: External	-	87	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 230	1 177	2 002	1 721	1 210	1 221	1 754	1 855	1 981
Communication (G&S)	375	807	1 158	544	886	986	1 124	1 183	1 260
Computer services	1 554	556	2 437	2 100	2 200	2 200	-	-	-
Cons & prof serv: Business and advisory services	52 959	108 784	93 918	214 022	210 590	192 670	127 667	130 366	135 585
Infrastructure and planning	233	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	8 960	8 236	8 204	170 880	54 478	57 367	8 037	8 769	15 176
Agency and support / outsourced services	587	1 103	2 420	3 000	3 000	3 000	2 000	2 108	2 222
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	41	41	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	753	-	13 279	13 916	-	-	-
Consumable supplies	235	663	559	3 127	2 181	2 188	3 112	3 286	3 321
Consumable: Stationery, printing and office supplies	587	686	522	716	588	628	701	747	798
Operating leases	878	1 240	934	1 404	1 389	1 389	1 535	1 540	1 607
Property payments	244	295	301	890	860	860	1 063	1 216	1 389
Transport provided: Departmental activity	36	411	-	-	192	192	-	-	-
Travel and subsistence	11 536	13 061	13 683	14 363	11 979	11 925	13 721	14 723	15 485
Training and development	-	60	-	-	-	-	-	-	-
Operating payments	789	433	458	1 724	391	407	635	694	739
Venues and facilities	(106)	1 474	1 463	1 720	-	-	500	500	600
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	229 425	399 286	336 300	33 302	88 276	137 496	21 000	17 000	19 800
Provinces and municipalities	228 574	347 061	272 906	32 816	65 734	112 370	20 900	16 800	19 800
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	228 574	347 061	272 906	32 816	65 734	112 370	20 900	16 800	19 800
Municipalities	228 574	347 061	272 906	32 816	65 734	112 370	20 900	16 800	19 800
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	18 850	6 150	-	14 550	14 550	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	18 850	6 150	-	14 550	14 550	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	33 254	45 100	-	7 526	10 110	-	-	-
Public corporations	-	33 000	45 100	-	-	8 110	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	33 000	45 100	-	-	8 110	-	-	-
Private enterprises	-	254	-	-	7 526	2 000	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	254	-	-	7 526	2 000	-	-	-
Non-profit institutions	-	-	11 536	-	-	-	-	-	-
Households	851	121	608	486	466	466	100	200	-
Social benefits	851	121	608	486	466	466	100	200	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	17 774	45 728	54 259	71 857	58 939	50 308	28 106	31 668	32 545
Buildings and other fixed structures	12 899	39 342	42 150	64 596	38 395	29 695	20 674	24 558	24 672
Buildings	12 899	39 342	42 150	64 596	38 395	29 695	20 674	24 558	24 672
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 722	6 386	12 109	7 061	20 344	20 348	7 282	6 960	7 648
Transport equipment	-	-	-	-	16 491	16 491	-	-	-
Other machinery and equipment	4 722	6 386	12 109	7 061	3 853	3 857	7 282	6 960	7 648
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	153	-	-	200	200	265	150	150	225
Payments for financial assets	3	-	-	-	-	-	-	-	-
Total	430 891	699 251	641 708	643 650	600 961	600 961	338 735	358 431	386 009

Estimates of Provincial Revenue and Expenditure

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	143 083	145 594	158 934	274 019	354 771	354 715	560 617	590 044	627 793
Compensation of employees	138 343	143 327	156 480	176 057	172 576	172 576	517 149	551 302	587 405
Salaries and wages	127 455	131 773	143 462	158 692	158 391	158 391	500 451	532 993	568 032
Social contributions	10 888	11 554	13 018	17 365	14 185	14 185	16 698	18 309	19 373
Goods and services	4 740	2 267	2 454	97 962	182 195	182 139	43 468	38 742	40 388
Administrative fees	-	17	32	774	934	977	684	694	716
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	2 386	440	261	616	111	83	358	308	470
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	4 460	1 894	2 361	4 379	4 573	4 800
Communication (G&S)	8	85	468	2 439	3 007	2 971	2 934	2 704	2 815
Computer services	975	-	-	1 000	375	-	1 000	-	-
Cons & prof serv: Business and advisory services	-	-	-	6 370	2 601	305	11 961	7 177	7 613
Infrastructure and planning	21	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	1 000	398	1 480	700	1 000	1 000
Contractors	18	21	7	9 172	4 420	4 623	2 406	2 406	2 479
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: 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	-	-	-	-	-	-	-	-	-
Consumable supplies	10	195	8	532	421	522	523	589	611
Consumable: Stationery, printing and office supplies	37	49	63	523	315	230	643	702	720
Operating leases	485	733	633	2 411	2 531	2 064	2 536	2 626	2 717
Property payments	-	-	1	183	183	188	75	183	183
Transport provided: Departmental activity	-	-	-	-	34	34	-	-	-
Travel and subsistence	771	681	807	14 439	14 520	16 513	9 328	9 815	9 975
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	29	46	174	54 039	150 447	149 784	5 937	5 961	6 285
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	4	4	4	4	4	4
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	97 047	85 179	104 508	800	1 981	2 023	600	1 200	1 262
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	95 759	83 121	103 275	-	-	-	-	-	-
Households	1 288	2 058	1 233	800	1 981	2 023	600	1 200	1 262
Social benefits	1 288	1 819	1 211	800	1 981	2 023	600	1 200	1 262
Other transfers to households	-	239	22	-	-	-	-	-	-
Payments for capital assets	29 855	3 274	1 888	10 180	936	950	50	1 089	-
Buildings and other fixed structures	26 170	2 347	-	8 000	-	-	-	-	-
Buildings	26 170	2 347	-	8 000	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 685	927	1 796	2 068	824	838	50	1 089	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	3 685	927	1 796	2 068	824	838	50	1 089	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	92	112	112	112	-	-	-
Payments for financial assets	1	21	-	-	-	-	-	-	-
Total	269 986	234 068	265 330	284 999	357 688	357 688	561 267	592 333	629 055

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	-	3 471	4 119	3 667	3 667	3 667	3 338	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	3 471	4 119	3 667	3 667	3 667	3 338	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	3 471	4 119	3 667	3 667	3 667	3 338	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: 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	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving 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	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	3 471	4 119	3 667	3 667	3 667	3 338	-	-

Table 11.H : Summary of transfers to local government

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
A KZN2000 eThekweni	4 000	1 000	-	-	-	-	-	-	2 000
Total: Ugu Municipalities	29 131	15 810	30 250	400	27 500	32 500	1 400	3 100	1 600
B KZN212 uMdoni	-	-	14 000	-	24 000	24 000	-	1 400	-
B KZN213 uMzombe	-	4 500	8 000	-	-	-	-	-	500
B KZN214 uMuziwabantu	7 200	-	3 000	-	2 000	2 000	-	1 200	-
B KZN216 Ray Nkonyeni	-	7 000	-	-	1 100	1 100	1 000	-	500
C DC21 Ugu District Municipality	21 931	4 310	5 250	400	400	5 400	400	500	600
Total: uMgungundlovu Municipalities	76 221	76 515	6 000	400	6 500	22 026	2 400	1 700	5 000
B KZN221 uMshwathi	-	-	-	-	-	-	1 400	-	-
B KZN222 uMngeni	15 000	40 284	-	-	-	-	-	1 200	-
B KZN223 Mpofana	-	5 000	3 000	-	-	-	-	-	1 200
B KZN224 iMpendle	9 825	-	-	-	-	-	-	-	1 200
B KZN225 Msunduzi	17 500	14 877	-	-	-	5 526	1 000	-	1 100
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	500
B KZN227 Richmond	9 000	-	3 000	-	-	-	-	-	500
C DC22 uMgungundlovu District Municipality	24 896	16 354	-	400	6 500	16 500	-	500	500
Total: uThukela Municipalities	20 400	20 915	42 500	7 310	13 700	29 810	11 200	400	1 800
B KZN235 Okhahlamba	5 000	12 865	29 000	6 110	7 500	13 610	7 500	-	-
B KZN237 iNkosi Langaibalele	6 200	3 000	12 500	-	3 500	3 500	1 300	-	500
B KZN238 Alfred Duma	9 200	4 800	750	-	1 500	1 500	2 100	-	500
C DC23 uThukela District Municipality	-	250	250	1 200	1 200	11 200	300	400	800
Total: uMzinyathi Municipalities	3 200	49 935	80 250	15 445	8 834	8 834	300	600	1 000
B KZN241 eNdumeni	-	5 000	3 000	-	2 000	2 000	-	-	-
B KZN242 Nquthu	3 200	13 970	14 000	8 611	-	-	-	-	-
B KZN244 uMsinga	-	-	-	-	-	-	-	-	-
B KZN245 uMvoti	-	25 215	58 000	6 434	6 434	6 434	-	-	-
C DC24 uMzinyathi District Municipality	-	5 750	5 250	400	400	400	300	600	1 000
Total: Amajuba Municipalities	1 200	39 000	7 250	400	5 750	5 750	1 700	500	1 000
B KZN252 Newcastle	1 000	5 000	-	-	-	-	-	-	-
B KZN253 eMadlangeni	200	-	2 000	-	5 000	5 000	-	-	-
B KZN254 Dannhauser	-	33 000	-	-	-	-	400	-	-
C DC25 Amajuba District Municipality	-	1 000	5 250	400	750	750	1 300	500	1 000
Total: Zululand Municipalities	14 700	22 350	20 500	7 261	450	450	2 500	3 400	1 300
B KZN261 eDumbe	-	7 000	-	-	200	200	2 500	-	-
B KZN262 uPhongolo	3 200	5 000	14 500	6 861	250	250	-	-	-
B KZN263 AbaQulusi	11 500	9 100	5 750	-	-	-	-	1 200	-
B KZN265 Nongoma	-	-	-	-	-	-	-	1 200	-
B KZN266 Ulundi	-	1 000	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	250	250	400	-	-	-	1 000	1 300
Total: uMkhanyakude Municipalities	1 200	6 050	13 500	400	1 100	1 100	1 000	2 900	1 500
B KZN271 uMhlabayalingana	-	-	13 500	-	-	-	1 000	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	1 000
B KZN275 Mtubatuba	-	-	-	-	-	-	-	1 200	-
B KZN276 Big Five Hlabisa	200	-	-	-	1 100	1 100	-	1 200	-
C DC27 uMkhanyakude District Municipality	1 000	6 050	-	400	-	-	-	500	500
Total: King Cetshwayo Municipalities	34 950	14 355	15 850	400	3 400	3 400	400	1 700	1 100
B KZN281 uMfolozi	1 000	4 855	3 000	-	3 000	3 000	-	1 200	-
B KZN282 uMhlatuze	10 000	7 000	-	-	-	-	-	-	-
B KZN284 uMlalazi	200	-	12 600	-	-	-	-	-	-
B KZN285 Mthonjaneni	2 000	500	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	500
C DC28 King Cetshwayo District Municipality	21 750	2 000	250	400	400	400	400	500	600
Total: iLembe Municipalities	11 529	40 131	18 250	400	-	-	-	800	1 500
B KZN291 Mandeni	11 029	500	8 000	-	-	-	-	-	-
B KZN292 KwaDukuza	-	8 000	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	13 000	10 000	-	-	-	-	-	500
B KZN294 Maphumulo	-	7 700	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	500	10 931	250	400	-	-	-	800	1 000
Total: Harry Gwala Municipalities	35 543	67 000	38 556	400	4 000	14 000	-	1 700	2 000
B KZN433 Greater Kokstad	8 000	8 000	3 000	-	-	-	-	1 200	-
B KZN434 uBuhlebezwe	12 643	40 250	24 956	-	-	-	-	-	500
B KZN435 uMzimkhulu	11 900	12 500	2 000	-	2 500	2 500	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	6 000	7 500	-	1 500	1 500	-	-	1 000
C DC43 Harry Gwala District Municipality	3 000	250	1 100	400	-	10 000	-	500	500
Unallocated	-	-	-	-	-	-	-	-	-
Total	232 074	353 061	272 906	32 816	71 234	117 870	20 900	16 800	19 800

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	15 931	4 060	16 000	-	-	-	-	-	-
B KZN212 uMdoni	-	-	8 000	-	-	-	-	-	-
B KZN213 uMzumbe	-	-	8 000	-	-	-	-	-	-
C DC21 Ugu District Municipality	15 931	4 060	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	28 896	20 964	-	-	-	-	-	-	-
B KZN222 uMngeni	-	583	-	-	-	-	-	-	-
B KZN225 Msunduzi	5 000	4 277	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	23 896	16 104	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	30 000	6 110	-	6 110	-	-	-
B KZN235 Okhahlamba	-	-	20 000	6 110	-	6 110	-	-	-
B KZN237 iNkosi Langalibalele	-	-	10 000	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	29 185	72 000	15 045	6 434	6 434	-	-	-
B KZN242 Nquthu	-	13 970	14 000	8 611	-	-	-	-	-
B KZN245 uMvoti	-	15 215	58 000	6 434	6 434	6 434	-	-	-
Total: Amajuba Municipalities	-	8 000	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	8 000	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	7 000	15 000	6 861	-	-	-	-	-
B KZN261 eDumbe	-	7 000	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	10 000	6 861	-	-	-	-	-
B KZN263 Abaqulusi	-	-	5 000	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	10 000	-	-	-	-	-	-
B KZN271 uMhlabyalingana	-	-	10 000	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	10 000	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	10 000	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	25 931	13 000	-	-	-	-	-	-
B KZN291 Mandeni	-	-	8 000	-	-	-	-	-	-
B KZN293 Ndwedwe	-	13 000	5 000	-	-	-	-	-	-
B KZN294 Maphumulo	-	3 000	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	9 931	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	24 315	24 956	-	-	-	-	-	-
B KZN434 uBuhlebezwe	-	20 815	24 956	-	-	-	-	-	-
B KZN435 uMzimkhulu	-	3 500	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	54 827	119 455	180 956	28 016	6 434	12 544	-	-	-

Table 11.J : Transfers to local government - Development Planning and Shared Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	1 000	250	250	400	400	400	-	500	600
C DC21 Ugu District Municipality	1 000	250	250	400	400	400	-	500	600
Total: uMgungundlovu Municipalities	1 000	250	-	400	-	-	-	500	500
C DC22 uMgungundlovu District Municipality	1 000	250	-	400	-	-	-	500	500
Total: uThukela Municipalities	-	250	250	1 200	2 000	2 000	1 700	400	800
B KZN237 iNkosi Langalibalele	-	-	-	-	400	400	300	-	-
B KZN238 Alfred Duma	-	-	-	-	400	400	1 100	-	-
C DC23 uThukela District Municipality	-	250	250	1 200	1 200	1 200	300	400	800
Total: uMzinyathi Municipalities	-	250	250	400	400	400	300	600	1 000
C DC24 uMzinyathi District Municipality	-	250	250	400	400	400	300	600	1 000
Total: Amajuba Municipalities	-	1 000	250	400	750	750	1 300	500	1 000
C DC25 Amajuba District Municipality	-	1 000	250	400	750	750	1 300	500	1 000
Total: Zululand Municipalities	-	250	250	400	450	450	1 500	1 000	1 300
B KZN261 eDumbe	-	-	-	-	200	200	1 500	-	-
B KZN262 uPhongolo	-	-	-	-	250	250	-	-	-
C DC26 Zululand District Municipality	-	250	250	400	-	-	-	1 000	1 300
Total: uMkhanyakude Municipalities	-	250	-	400	-	-	-	500	500
C DC27 uMkhanyakude District Municipality	-	250	-	400	-	-	-	500	500
Total: King Cetshwayo Municipalities	-	1 000	250	400	400	400	400	500	600
C DC28 King Cetshwayo District Municipality	-	1 000	250	400	400	400	400	500	600
Total: iLembe Municipalities	-	1 000	250	400	-	-	-	800	1 000
C DC29 iLembe District Municipality	-	1 000	250	400	-	-	-	800	1 000
Total: Harry Gwala Municipalities	-	250	1 100	400	400	400	-	500	500
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	400	400	-	-	-
C DC43 Harry Gwala District Municipality	-	250	1 100	400	-	-	-	500	500
Unallocated	-	-	-	-	-	-	-	-	-
Total	2 000	4 750	2 850	4 800	4 800	4 800	5 200	5 800	7 800

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	7 000	-	9 000	-	26 000	26 000	-	-	-
B KZN212 uMdoni	-	-	6 000	-	24 000	24 000	-	-	-
B KZN214 uMuziwabantu	7 000	-	3 000	-	2 000	2 000	-	-	-
Total: uMgungundlovu Municipalities	13 625	5 000	6 000	-	-	-	-	-	-
B KZN223 iMpofana	-	5 000	3 000	-	-	-	-	-	-
B KZN224 iMpendle	4 625	-	-	-	-	-	-	-	-
B KZN227 Richmond	9 000	-	3 000	-	-	-	-	-	-
Total: uThukela Municipalities	15 000	11 100	11 000	-	2 000	2 000	-	-	-
B KZN235 Okhahlamba	5 000	8 100	9 000	-	-	-	-	-	-
B KZN237 iNkosi Langaibalele	6 000	3 000	2 000	-	2 000	2 000	-	-	-
B KZN238 Alfred Duma	4 000	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	15 000	3 000	-	2 000	2 000	-	-	-
B KZN241 eNdameni	-	5 000	3 000	-	2 000	2 000	-	-	-
B KZN245 uMvoti	-	10 000	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	25 000	2 000	-	5 000	5 000	-	-	-
B KZN253 eMadlangeni	-	-	2 000	-	5 000	5 000	-	-	-
B KZN254 Dannhauser	-	25 000	-	-	-	-	-	-	-
Total: Zululand Municipalities	11 500	7 500	4 500	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	4 500	-	-	-	-	-	-
B KZN263 Abaqulusi	11 500	7 500	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	4 800	3 500	-	-	-	-	-	-
B KZN271 uMhlabuyalingana	-	-	3 500	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	4 800	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	6 000	-	3 000	3 000	-	-	-
B KZN281 uMfolozi	-	-	3 000	-	3 000	3 000	-	-	-
B KZN284 uMlalazi	-	-	3 000	-	-	-	-	-	-
Total: iLembe Municipalities	10 829	7 700	-	-	-	-	-	-	-
B KZN291 Mandeni	10 829	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	3 000	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	4 700	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	19 700	33 700	5 000	-	2 500	2 500	-	-	-
B KZN433 Greater Kokstad	8 000	8 000	3 000	-	-	-	-	-	-
B KZN434 uBuhlebezwe	-	17 700	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	11 700	8 000	2 000	-	2 500	2 500	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	77 654	109 800	50 000	-	40 500	40 500	-	-	-

Table 11.L : Transfers to local government - Community Participation in IDP/Pounds Act/Sustainable Living Exhibition

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	1 000	1 000	-	-	-	-	-	-	-
Total: Ugu Municipalities	200	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	200	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	200	-	-	-	-	-	-	-	-
B KZN224 iMpendle	200	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	200	-	-	-	-	-	-	-	-
B KZN237 iNkosi Langaibalele	200	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	200	-	-	-	-	-	-	-	-
B KZN242 Nquthu	200	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	200	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	200	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	200	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	200	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	200	-	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	200	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	200	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	200	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	200	-	-	-	-	-	-	-	-
B KZN291 Mandeni	200	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	200	1 000	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	200	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	1 000	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	3 000	2 000	-	-	-	-	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	3 000	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	9 000	-	-	-	-	-	-	-
B KZN213 uMzumbhe	-	4 000	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	5 000	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	32 500	50 301	-	-	-	5 526	-	-	-
B KZN222 uMngeni	15 000	39 701	-	-	-	-	-	-	-
B KZN224 iMpendle	5 000	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	12 500	10 600	-	-	-	5 526	-	-	-
Total: uThukela Municipalities	5 200	9 565	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	4 765	-	-	-	-	-	-	-
B KZN238 Alfred Duma	5 200	4 800	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	3 000	500	-	-	-	-	-	-	-
B KZN242 Nquthu	3 000	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	500	-	-	-	-	-	-	-
Total: Amajuba Municipalities	1 000	5 000	-	-	-	-	-	-	-
B KZN252 Newcastle	1 000	5 000	-	-	-	-	-	-	-
Total: Zululand Municipalities	3 000	5 000	-	-	-	-	-	-	-
B KZN262 uPhongolo	3 000	5 000	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	22 000	6 000	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	6 000	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	2 000	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	20 000	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	500	5 000	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	5 000	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	500	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	12 643	1 735	-	-	-	-	-	-	-
B KZN434 uBuhlebezwe	12 643	1 735	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	82 843	92 101	-	-	-	5 526	-	-	-

Table 11.N : Transfers to local government - Drought relief interventions

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	5 000	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	5 000	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	10 000	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	10 000	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	10 000	-	-	-
C DC23 uThukela District Municipality	-	-	-	-	-	10 000	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	10 000	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	10 000	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	35 000	-	-	-

Table 11.O : Transfers to local government - Construction of TSCs and CSCs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	7 500	7 500	7 500	-	-
B KZN235 Okhahlamba	-	-	-	-	7 500	7 500	7 500	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	5 000	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	5 000	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	5 000	-	-	7 500	7 500	7 500	-	-

Table 11.P : Transfers to local government - Scheme Support programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	2 000
Total: Ugu Municipalities	-	500	-	-	-	-	1 000	2 600	1 000
B KZN212 uMdoni	-	-	-	-	-	-	-	1 400	-
B KZN213 uMzambe	-	500	-	-	-	-	-	-	500
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	1 200	-
B KZN216 Ray Nkonyeni	-	-	-	-	-	-	1 000	-	500
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	2 000	1 200	4 500
B KZN221 uMshwathi	-	-	-	-	-	-	1 000	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	1 200	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	1 200
B KZN224 iMpendle	-	-	-	-	-	-	-	-	1 200
B KZN225 Msunduzi	-	-	-	-	-	-	1 000	-	1 100
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	500
B KZN227 Richmond	-	-	-	-	-	-	-	-	500
Total: uThukela Municipalities	-	-	-	-	-	-	2 000	-	1 000
B KZN237 iNkosi Langaibalele	-	-	-	-	-	-	1 000	-	500
B KZN238 Alfred Duma	-	-	-	-	-	-	1 000	-	500
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	350	-	-	-	-	1 000	2 400	-
B KZN261 eDumbe	-	-	-	-	-	-	1 000	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	350	-	-	-	-	-	1 200	-
B KZN265 Nongoma	-	-	-	-	-	-	-	1 200	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	1 000	2 400	1 000
B KZN271 uMhlabayalingana	-	-	-	-	-	-	1 000	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	1 000
B KZN275 Mtubatuba	-	-	-	-	-	-	-	1 200	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	1 200	-
Total: King Cetshwayo Municipalities	-	1 355	-	-	-	-	-	1 200	500
B KZN281 uMfolozi	-	855	-	-	-	-	-	1 200	-
B KZN285 Mthonjaneni	-	500	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	500
Total: iLembe Municipalities	-	500	-	-	-	-	-	-	500
B KZN291 Mandeni	-	500	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	500
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	1 200	1 500
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	1 200	-
B KZN434 uBuhlebezwe	-	-	-	-	-	-	-	-	500
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	-	-	-	-	1 000
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	2 705	-	-	-	-	7 000	11 000	12 000

Table 11.Q : Transfers to local government - Operation Support for TSCs and CSCs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	1 250	-	-	-	-	-	-
B KZN237 iNkosi Langaibalele	-	-	500	-	-	-	-	-	-
B KZN238 Alfred Duma	-	-	750	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	1 250	750	-	-	-	-	-	-
B KZN263 Abaqulusi	-	1 250	750	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	250	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	250	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	4 000	500	-	-	-	-	-	-
B KZN281 uMfolozi	-	4 000	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	500	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	5 000	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	5 000	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	7 500	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	7 500	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	250	5 250	15 000	-	-	-	-	-	-

Table 11.R : Transfers to local government - Municipal Excellence awards and Public Part. Citizen Satisfaction Survey and Various

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
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	2 000	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	2 000	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	750	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	750	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	2 750	2 000	-	-	-	-	-	-	-
B KZN281 uMfolozi	1 000	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	1 000	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	1 750	1 000	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	1 000	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	-	1 000	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	3 500	5 000	-	-	-	-	-	-	-

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

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
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	5 000	-	5 000	-	-	-	-	-	-
C DC21 Ugu District Municipality	5 000	-	5 000	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	5 000	5 000	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	5 000	5 000	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	5 000	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	5 000	-	-	-	-	-	-
Total: Zululand Municipalities	-	1 000	-	-	-	-	-	-	-
B KZN266 Ulundi	-	1 000	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	1 000	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	1 000	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	9 100	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	9 100	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	3 000	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	3 000	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	8 000	7 000	24 100	-	-	-	-	-	-

Table 11.T : Transfers to local government - Work study exercises at merged municipalities

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
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	700	700	-	-	-
B KZN216 Ray Nkonyeni	-	-	-	-	700	700	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	1 400	1 400	-	-	-
B KZN237 iNkosi Langelibalele	-	-	-	-	700	700	-	-	-
B KZN238 Alfred Duma	-	-	-	-	700	700	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	700	700	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	700	700	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	700	700	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	700	700	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	3 500	3 500	-	-	-

Table 11.U : Transfers to local government - Promulgation of municipal by-laws

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	200	200	-	-	-
B KZN216 Ray Nkonyeni	-	-	-	-	200	200	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	400	400	-	-	-
B KZN237 iNkosi Langalibalele	-	-	-	-	200	200	-	-	-
B KZN238 Alfred Duma	-	-	-	-	200	200	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	200	200	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	200	200	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	200	200	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	200	200	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	1 000	1 000	-	-	-

Table 11.V : Transfers to local government - Mandela Day Marathon event

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	6 500	6 500	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	6 500	6 500	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	6 500	6 500	-	-	-

Table 11.W : Transfers to local government - Spatial Development Framework Support

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	400	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	400	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	400	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	400	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	400	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	400	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	1 200	-	-

Table 11.X : Transfers to local government - Consolidation and migration of records management system

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2016/17	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	200	200	-	-	-
B KZN216 Ray Nkonyeni	-	-	-	-	200	200	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	400	400	-	-	-
B KZN237 iNkosi Langalibalele	-	-	-	-	200	200	-	-	-
B KZN238 Alfred Duma	-	-	-	-	200	200	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	200	200	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	200	200	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	200	200	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	200	200	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	1 000	1 000	-	-	-