

# VOTE 12

## Transport

Operational budget	R 9 845 122 274
MEC remuneration	R 1 901 726
<b>Total amount to be appropriated</b>	<b>R 9 847 024 000</b>
Responsible MEC	MEC for Transport and Community Safety and Liaison
Administering department	Transport
Accounting officer	Head: Transport

### 1. Overview

#### Vision

The department's vision is: *Prosperity through mobility.*

#### Mission statement

The department's mission is: *We will strive to provide the public with mobility by an affordable transportation system that is safe, integrated, regulated and accessible to meet the developmental needs of our province.*

#### Strategic objectives

*Strategic policy direction:* The department's strategic policy direction is to support rural development, poverty alleviation and job creation as the department builds roads and bridges, provides safe integrated public transport systems, and manages traffic and the safety of all road users.

The department has set the following goals in order to achieve this:

- Provide mobility and accessibility within the province to achieve 32 890 kilometres of maintained road infrastructure by 2020.
- Promote and develop an integrated transportation system through developing three Integrated Public Transport Networks (IPTNs) operational plans.
- Create and promote a safe road environment by decreasing road fatalities by 30 per cent (545/1 819) by 2020.
- Promote sustainable economic transformation through developing two empowerment programmes.

#### Core functions

Turning the vision of the department into reality can only be achieved by focusing the attention and energy of all employees and relevant stakeholders on the performance of its core functions, namely:

##### *Construct, maintain and repair the provincial road network*

The department's mandate is to construct and maintain a balanced road network that meets the mobility needs of the citizens of KZN, and supports the national and provincial growth and development plans and strategies.

##### *Plan, regulate and provide an integrated transportation system*

The department's mandate is to regulate public transport and ensure access to safe, efficient and affordable public transport. The department is further mandated to facilitate development in the freight transport industry and the minimisation of negative externalities resultant from the transport of freight.

***Manage road traffic***

The department's mandate is to create a safe road environment, through the reduction of road accidents. The main services rendered include road traffic enforcement, road safety education, the analysis and re-engineering of hazardous locations and the registration and licensing of vehicles.

**Legislative mandates**

The key legislative mandates of the department are derived mainly from the following legislation:

- Administrative Adjudication of Road Traffic Offences Act (Act No. 46 of 1998)
- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2003)
- Criminal Procedure Act (Act No. 51 of 1977)
- Cross-border Road Transport Act (Act No. 4 of 1998)
- Employment Equity Act (Act No. 55 of 1998)
- Inter-governmental Relations (IGR) Framework Act (Act No. 13 of 2005)
- KZN Provincial Minibus Taxi Act (Act No. 4 of 1998). Only Chapter 10 is applicable, as Act has been repealed.
- KZN Provincial Roads Act (Act No. 4 of 2001)
- KZN Provincial Supply Chain Management Policy Framework (2006)
- KZN Road Traffic Act (Act No. 7 of 1997)
- National Land Transport Act (Act No. 22 of 2000)
- National Road Traffic Act (Act No. 93 of 1996)
- Annual Division of Revenue Act (DORA)
- Occupational Health and Safety Amendment Act (Act No. 181 of 1993)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Promotion of Administrative Justice Act (Act No. 3 of 2000)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- Public Service Act (Act No. 103 of 1994) and Regulations
- Road Traffic Act (Act No. 29 of 1989)
- Road Traffic Management Corporation Act (Act No. 20 of 1999)
- The Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Construction Industry Development Board Act (Act No. 38 of 2000)

**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.

***Transport infrastructure***

Nearly 75 per cent of the department's budget is allocated toward the construction, upgrading and maintenance of road infrastructure in line with the goal of providing a balanced road network that meets the mobility needs of KZN citizens, and providing a logistics platform for South Africa's global trade, in accordance with the NDP and the PGDS/P.

Departmental programmes like Operation KuShunquthuli and the African Renaissance Roads Upgrading Programme (ARRUP) continued to focus on road infrastructure development in rural areas. The following list details some projects currently underway and the progress made on these projects in 2016/17:

- Main Road P230, located between Eshowe to Empangeni, comprising the upgrade of 31.3 kilometres from gravel road to blacktop surface. The department constructed the remaining 3.3 kilometres, as planned.
- Main Road P700, located from Ulundi to Empangeni, comprising the upgrade of 93.5 kilometres from gravel to blacktop surface. Of this, 79.5 kilometres have been constructed to date, with three kilometres of this total having been constructed in 2016/17, as planned.
- Main Road P127, located from Impendle to Himeville, comprising the upgrade of 56 kilometres from gravel road to blacktop surface. To date, 29 kilometres have been upgraded, with the department upgrading three kilometres of surfaced road of this total in 2016/17, as planned.
- Main Road P577, located from Duffs Road to KwaDabeka, comprising the construction of 16.5 kilometres. To date, 12.5 kilometres have been surfaced, and a further four lane kilometres were planned to be surfaced in 2016/17. However, there were delays with the contract, as the Bus Rapid Transit (BRT) project under the eThekweni Metro was not part of the initial designs, and had to be accommodated. The BRT project was then delayed by almost two months due to community protests in the area and this impacted on the department's ability to commence with the project.

Although some projects were halted due to poor performance by contractors (Main Road P112 located from uMzimkhulu to Highflats in the Harry Gwala District), and some projects were delayed due to appeal processes (Main Roads P100 located from Ndwedwe to Inanda, P104 located from Shakaskraal to Glendale and P712 located from Mtandeni to Maphumulo), planned outputs were achieved due to projects such as Main Roads P700 (Ulundi to Empangeni) and P255 (Hillcrest to Waterfall) that were fast-tracked.

#### ***Transport operations***

Based on the provincial Executive Council's Public Transport Strategy, the department commenced with negotiations of all subsidised contracts in 2015/16 and agreed with the current subsidised operators on contract splits (the percentage of subsidised kilometres which is operated by empowerment groups), where the current contracts were given to empowerment groups. The operators/beneficiaries are small bus operators and taxi operators, who benefited in terms of entering the transport market through empowerment initiatives. After successful negotiations with the main bus operators, and agreements reached in terms of contract splits, the department implemented the transformation strategy. A total of nine new empowerment contracts were implemented in 2016/17, and the identified beneficiaries were placed on the first phase of an incubation programme which will take a period of three years to ensure the successful implementation of the public transport transformation strategy.

The Harry Gwala IPTN project was delayed as a result of the public transport operators' unwillingness to participate in the development of the IPTN programme. This resulted in long consultation processes, with agreement finally reached in December 2016, and the project is therefore currently in progress.

#### ***Learner transport services***

In 2016/17, the department received R186 million toward learner transport services. The number of learners benefiting from the learner transport services is 43 990 from 316 schools. The increase in demand for the services has placed tremendous pressures on the 2016/17 budget, and the department is projecting to over-spend against the allocation at year-end. However, the pressures will be offset through internal reprioritisation. Also, the Provincial Learner Transport Framework, which will guide the transportation of learners in the province, is currently in the procurement stage, and it is envisaged that the framework will be finalised in 2018/19.

#### ***Road safety***

The department continued to take steps to create and promote a safe road environment with the aim of decreasing road fatalities by 30 per cent by 2020. To achieve this, the department invested in road safety education programmes to provide critical skills and tools that can assist in facilitating attitude and behavioural change among road users. This was achieved through a series of co-ordinated road safety education programmes and campaigns to inform and educate road users about risk factors and encouraging long-lasting behaviour modification. Through structured initiatives, the following was achieved:

- Reached 231 525 school children and 906 schools through implementing learner education projects.

- Reached 54 762 adults through the implementation of adult education projects.
- Conducted nine major awareness programmes.
- Created 143 employment opportunities through the School Crossing Patrol Services Project.

The department received the following accolades:

- Bronze award at the Premier's Service Excellence Awards.
- Placed second in the National Road Safety Debates Competition in the rural category.
- Placed first in the National Participatory Education Techniques Competition in the disability category, which was a pilot initiative by the Road Traffic Management Corporation (RTMC).

#### ***Expanded Public Works Programme (EPWP)***

The department continued to expand community-based labor-intensive road construction and maintenance programmes, which are aligned with the objectives of the EPWP principles. In 2016/17, the department created 5 665 200 person days of employment, equating to 67 200 jobs created. This includes 45 000 for women and 28 000 for youth. This programme contributed to the alleviation of poverty and created employment opportunities for people who will not usually find employment in the formal sector due to lack of formal education.

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

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

The bulk of the department's budget allocation is for the construction of roads, and the maintenance of the provincial road network. In 2016/17, the department will continue with construction and maintenance projects which include Main Roads P700, P127 and P577, as detailed below. In addition, the department will continue with the provision of learner transport services and the subsidisation of bus services in the province. The department will continue to undertake law enforcement campaigns to promote road safety through programmes such as Operation Shanela.

#### ***Transport infrastructure***

The department will continue to use Operation KuShunquthuli and ARRUP to focus on road infrastructure development in rural areas. The department will continue with the construction of roads to link rural communities to provincial hubs of activity, to achieve the strategic goal of providing access and mobility within the province, where the priority is in rural areas. The department will continue with the upgrading and rehabilitation of the provincial road network to improve and prolong the lifespan of the provincial infrastructure network, and this includes the following projects:

- Main Road P700, located from Ulundi to Empangeni, comprising the upgrade of 93.5 kilometres from gravel to blacktop surface. Of this, 79.5 kilometres have been constructed to date. In 2017/18, the department plans to construct a further five kilometres, and the remaining nine kilometres will be completed in future MTEFs.
- Main Road P127, located from Impendle to Himeville, comprising the upgrade of 56 kilometres from gravel road to blacktop surface. To date, 29 kilometres have been upgraded, and the department plans to upgrade a further three kilometres of surfaced road in 2017/18.
- Mdloti river bridge, located on Main Road P713 in the iLembe District Municipality which commenced in October 2016, and is anticipated to be completed in 2017/18.
- The Mboza Pongola vehicle river bridge is a new bridge being constructed over the Pongola River. The bridge site is located in the uMhlabuyalingana Municipality, in the Ingwavuma Rural Road Transport Forum (RRTF) under the uMkhanyakude District Municipality. The construction started toward the end of 2015/16 and is anticipated to be completed in 2017/18.
- Main Road P443 extends from the intersection with road P522/2 and P522/1, approximately 13 kilometres southwest of the Pongola River. This road forms part of the Inkululeko development projects in Ndumo, and continues in a south-westerly direction toward Ingwavuma near the Swaziland

border. The project entails the rehabilitation and upgrading of 23.26 kilometres, including the widening of the road shoulders, the blasting and widening of narrow sections, the construction of a new base layer and a black top weatherproof surface. The planned output for 2017/18 is 8 400 square metres, with completion anticipated over the 2017/18 MTEF.

- The department commenced with the planning of the cross-border crime fighting project commissioned by the Premier, for which R2 million was allocated in the 2016/17 Adjustments Estimate. The project relates to the construction of a cross-border crime fighting structure on the border between KZN and Mozambique. A further R48 million has been allocated to the department in 2017/18 for the construction of the structure. It was agreed by the Executive Council that this project should be undertaken by the province but with the understanding that a MOA will be entered into with the Department of Home Affairs who is responsible for border infrastructure, so that the funds can be recouped. Similarly, a MOA with the South African National Defence Force (SANDF) will be entered into so that the border will be patrolled. The department has indicated that this project will become the responsibility of the planned Border Management Agency, which is expected to be established in April 2017. The empowering legislation for the Border Management Agency is still to be promulgated.

Even though there has been an overall increase in budget over the previous MTEF period, the current level of funding, especially with the continuation of budget cuts, is inadequate to achieve the demands of an adequate road network. As a consequence, fewer projects will be completed on time and the already large backlog of access roads and pedestrian bridges is going to increase. An assessment of project priorities and contractual commitments will be undertaken to reprioritise the department's projects. The projects that have been planned to be implemented will be structured to achieve the planned outputs. As a result, not all contracts will be undertaken using EPWP principles. However, the EPWP targets will still be achieved.

#### ***Transport operations***

With regard to the uMzimkhulu Public Transport Facility, a service provider has been appointed, who is currently finalising the design of the facility and it is envisaged that construction will commence in 2017/18, with completion anticipated in December 2018. Also, the department is in the process of negotiating with main stream operators of subsidised contracts for empowerment purposes in line with the transformation strategy, and the areas being focused on are uMgungundlovu and Amajuba.

#### ***Learner transport services***

The department will continue to provide learner transport services in 2017/18. Although there has been progress with the provision of the subsidised learner transport services since its inception in 2012, the challenge of high demand for additional dedicated learner transport services still remains, but limited funding makes it difficult to address all the needs. The department will not be increasing the number of learners or schools receiving the services due to budget pressures. As a result, the department will manage within its allocated budget over the MTEF. The department anticipates to complete the Provincial Learner Transport Framework in the latter part of 2018/19.

#### ***Road safety***

The department will continue to create and promote a safe road environment through education and awareness by achieving the following:

- Reach 286 000 school children and 1 176 schools by implementing learner education projects.
- Reach 77 800 adults through the implementation of adult education projects.
- Conduct nine major awareness programmes.
- Maintain 143 employment opportunities created through the School Crossing Patrol Services Project.

#### ***Expanded Public Works Programme (EPWP)***

The department has developed a Zibambele Management System which will allow the upload of evidential documents for more than 41 000 Zibambele participants. The system is anticipated to be implemented in 2017/18. The department plans to seek strategic partnerships to ensure that job creation is supported with some training to project participants, where feasible. To this effect, the department is participating in the Youth Technical Skills Programme funded by the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) through a service provider. In this

arrangement, the department employs local labourers as per the EPWP principles and also uses sites as placement for practical training. In this way, as the project progresses, skills are already available to perform the tasks to be implemented at each stage of a project. It further empowers the participants to have more chances of employability, because the training is accredited. The department will be expanding this partnership with EDTEA to include all designated groups beyond youth, and to cover skills development and enterprise development. In 2017/18, the department will create 5 995 200 person days of employment, equating to 72 200 jobs to be created, which includes 45 000 women and 20 000 youth. This programme contributes to the alleviation of poverty and creation of employment opportunities for people who will not usually find employment in the formal sector due to lack of formal education. The decline in the target for youth from 2016/17, as well as the fact that women employment remains constant, is as a result of the reduction in the 2017/18 allocation for the EPWP Integrated Grant for Provinces.

#### **4. Reprioritisation**

The department undertook extensive reprioritisation as a result of the various budget cuts against the Vote, and to provide for the budget shortfall against *Compensation of employees* due to the 2016/17 budget cuts.

The department reprioritised R78.720 million in 2017/18 and R90.261 million in 2018/19 toward *Compensation of employees*. The funds were reprioritised to cater for shortfalls that resulted from the implementation of budget cuts as a result of the freezing of all vacant non-OSD posts, as well as to cater for the filling of 176 critical vacant posts. These posts will be filled over the 2017/18 MTEF. Although the reprioritisation was from all programmes, the bulk of the funds were reprioritised from Programme 2: Transport Infrastructure against *Goods and services (Consultant and professional services and Operating leases)*, and *Machinery and equipment*. This is due to the majority of the identified critical posts being under this programme. It is envisaged that the reprioritisation will not negatively impact on service delivery but will enhance the achievement of performance targets in areas of blading and re-gravelling, as the filled posts should result in a reduction in the use of plant hire and consultants.

As determined by the Executive Council on 2 November 2016, the province commenced the process of the remuneration of *Izinduna* in compliance with previously issued Presidential proclamations. The *Izinduna*'s remuneration budget for 2017/18 MTEF is partly funded (50 per cent) through an internal reprioritisation by the Department of Co-operative Governance and Traditional Affairs (COGTA) and the balance of 50 per cent is funded through a proportional cut against all the remaining Votes. As a result, the department's budget is reduced by R10.219 million, R10.781 million and R11.373 million over the MTEF. Also, the department's budget was cut by the PES and Own Revenue reductions of R27.051 million, R30.925 million and R54.853 million, and there was a minor baseline adjustment cut on the department's equitable share allocation of R103 000, R873 000 and R783 000 over the 2017/18 MTEF. These cuts were effected against all programmes, and mainly against *Machinery and equipment* and *Goods and services*.

In addition, the department saw a substantial reduction of R209.982 million in 2017/18, R224.228 million in 2018/19 and R86.444 million in 2019/20 against the Provincial Roads Maintenance grant (PRMG). National Treasury's allocation letter to the province indicates that the formula used to allocate this grant to provinces includes a visual condition indicator (VCI), which measures the percentage of a province's road network that is in good condition or not, and this increases from 45 per cent in the 2016/17 MTEF to 55 per cent phased in over the 2017/18 MTEF. It is necessary to change this criterion in order to ensure a progressive improvement in the condition of the entire road network. Although the National Department of Transport (NDOT) had signalled this pending change, the shift to the higher VCI threshold destabilised provincial allocations in terms of this grant. However, through consultation with NDOT, it was agreed that the new VCI threshold will be phased in at 45, 50 and 55 per cent over the 2017/18 MTEF. In addition, the grant is now using actual traffic volumes instead of projected traffic volumes to match actual road usage patterns.

The bulk of the budget cuts were effected against *Machinery and equipment*. The department will continue to purchase motor vehicles and mechanical plant, but these will be procured at a lower scale than initially planned. Also, the department will prolong the use of its existing motor vehicles and mechanical plant to the maximum period recommended before replacing them.

The budget cuts against *Goods and services* were implemented against items such as travel and subsistence, venues and facilities and rental and hiring. Although a provincial cost-cutting measure circular is in place, the department issued a departmental circular with additional stringent cost-cutting measures to ensure further savings.

Also, the department reprioritised R5 million over the MTEF from *Transfers and subsidies to: Public corporations and private enterprises* to *Goods and services*. This relates to the transfer to the Vukuzakhe Emerging Contractors Association (VECA). The association is not meeting reporting requirements by not providing the department with close-out reports. The funds have been reprioritised to *Goods and services* until such a time that the association complies with reporting requirements. The department has committed itself to working together with the association in this regard, and will review the allocation in-year.

## 5. Procurement

The department will continue to strengthen SCM through increasing capacity and continuous training, and recently reviewed its SCM policy and procedures. One of the key focus areas of the SCM unit for 2017/18 is to improve procurement processes through the centralisation of SCM at head office. The major procurement to be undertaken by the department in 2017/18 relates to the construction and maintenance of the provincial road network, the provision of affordable public transport through bus subsidies and learner transport services, road safety awareness programmes, law enforcement, registration and licensing of vehicles and drivers, as well as the procurement of machinery and equipment such as computer equipment, motor vehicles and mechanical plant.

The department will also finalise the Radical Economic Transformation Strategy, Framework and Policy (RETSFP) which will be implemented to redress the imbalances of the past by supporting active participation of the previously disadvantaged (black Africans, women, youth, people living with disabilities) in the province through targeted procurement interventions, technical support and mentorship support models, to ensure that the departmental expenditure is reflective of the demographics of KZN.

## 6. Receipts and financing

### 6.1 Summary of receipts

Table 12.1 gives the sources of funding of Vote 12 over the seven-year 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 equitable share, and national conditional grant allocations for the maintenance and construction of road infrastructure, the subsidisation of bus transport in the province and creating job opportunities through EPWP projects. The conditional grants received over the period are the Public Transport Operations grant (PTOG), the EPWP Integrated Grant for Provinces, and the PRMG. Table 12.1 shows that there is generally steady growth in the department's budget over the period. This is despite the substantial previous and current budget cuts.

**Table 12.1 : 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	5 450 741	6 298 211	6 571 834	6 579 462	6 579 461	6 579 461	6 864 970	7 259 216	7 715 162
Conditional grants	2 464 340	2 752 384	2 759 623	2 992 478	2 992 479	2 992 479	2 934 054	3 054 506	3 255 094
<i>Public Transport Operations grant</i>	852 325	904 783	924 766	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
<i>EPWP Integrated Grant for Provinces</i>	88 487	59 443	55 602	56 055	56 055	56 055	33 645	-	-
<i>Provincial Roads Maintenance grant</i>	1 523 528	1 788 158	1 779 255	1 925 378	1 925 378	1 925 378	1 828 970	1 932 999	2 070 783
<b>Total receipts</b>	<b>7 915 081</b>	<b>9 050 595</b>	<b>9 331 457</b>	<b>9 571 940</b>	<b>9 571 940</b>	<b>9 571 940</b>	<b>9 799 024</b>	<b>10 313 722</b>	<b>10 970 256</b>
<b>Total payments</b>	<b>8 055 187</b>	<b>9 051 949</b>	<b>9 338 492</b>	<b>9 571 940</b>	<b>9 577 620</b>	<b>9 577 620</b>	<b>9 847 024</b>	<b>10 313 722</b>	<b>10 970 256</b>
Surplus/(Deficit) before financing	(140 106)	(1 354)	(7 035)	-	(5 680)	(5 680)	(48 000)	-	-
Financing									
<i>of which</i>									
Provincial roll-overs	-	-	-	-	-	-	-	-	-
Provincial cash resources	131 000	290	35 103	-	5 680	5 680	48 000	-	-
<b>Surplus/(Deficit) after financing</b>	<b>(9 106)</b>	<b>(1 064)</b>	<b>28 068</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

In 2013/14, the department was allocated provincial cash resources of R131 million, made up of R70 million for road rehabilitation and construction backlogs, R60 million for various public transport projects (which was used to offset spending pressures relating to the PTOG), as well as R1 million for Operation Sukuma Sakhe (OSS) initiatives. In addition, the department was allocated R6.800 million for the re-grading of clerical staff from level 4 to level 5 in line with DPSA requirements. Also in 2013/14, an amount of R157.007 million was reduced from the PRMG in line with a directive from National Treasury, and an amount of R2.662 million was suspended in respect of the centralisation of parts of the communications budget under the Office of the Premier (OTP).

The department ended 2013/14 with over-expenditure of R9.106 million resulting from expenditure pressures relating to the PTOG. The grant was under-funded from its inception and increases in fuel prices and labour costs exacerbated the matter as bus operators claimed high subsidies. In addition, the completion of some sections of various construction projects, increased costs in construction materials such as cement, fuel, bitumen, etc., contributed to the over-expenditure.

The 2013/14 over-spending resulted in unauthorised expenditure in terms of the adoption of the SCOPA resolutions by the Legislature on 9 December 2014. Thus, in terms of Section 34(2) of the PFMA, the department was liable for the repayment of the over-expenditure. This resulted in the first instalment of the first charge of R4.553 million being implemented against the budget in 2015/16 and the second instalment of R4.553 million in 2016/17. This is reflected as a footnote in Tables 12.6 and 12.7.

In 2014/15, provincial cash resources of R290 000 were allocated for the costs relating to the RTI Commission in respect of the nine applicants who were hospitalised, as well as the one applicant who was hospitalised for an extended period. This resulted from the tragic incident that caused injuries and death of some participants in December 2012, during the recruitment process of the trainee provincial inspectors.

Also in 2014/15, R10 million was suspended from the department and allocated back in 2015/16, in respect of learner transport services. The learner transport contracts that needed to be in place for the department to fully spend the entire additional allocation were not awarded due to delays experienced with the appointment of service providers. Accordingly, as the department was not able to spend the entire additional allocation, an amount of R10 million was suspended to 2015/16.

The department ended 2014/15 with minor over-expenditure of R1.064 million attributed to the carry-over costs of completed projects from previous years, as well as the increased costs in construction materials.

In 2015/16, the department was allocated provincial cash resources of R10 million, being funds suspended from 2014/15 in respect of the learner transport services. Also in 2015/16, provincial cash resources of R25.103 million were allocated to the department in respect of the above-budget 2015 wage agreement (R18.114 million), the RTI Commission (R6.989 million) relating to the legal costs incurred, as well as the amounts paid to the 13 affected families as compensation for the loss of loved ones, as explained above.

The department under-spent in 2015/16 by R28.068 million due to non-compliance by the department with DORA in respect of reporting on the Infrastructure Reporting Model (IRM). This resulted in the NDOT withholding R275.691 million of the PRMG allocation from the department. However, the department had already spent R245.450 million of the withheld amount, although the actual cash was not received by year-end. This accounted for the under-expenditure of R30.241 million, but was offset by over-spending in respect of the equitable share, hence the net under-spending of R28.068 million.

In 2016/17, additional funds were allocated toward the carry-through costs of the above-budget 2015 wage agreement, the PRMG, as well as the PTOG. Also, R56.055 million was allocated in 2016/17 for the EPWP Integrated Grant to Provinces. In the 2016/17 Adjustments Estimate, the department received an additional allocation of R5.680 million which included R1 000 in respect of the PTOG. The allocation was to correct a rounding error in the allocation letter that the province received from National Treasury during the preparation of the 2016/17 MTEF budget, and to ensure that the allocation agrees with the amount included in DORA. Also, R2 million was allocated to commence with the planning of the cross-border crime fighting structure project commissioned by the Premier on the border between KZN and Mozambique. In addition, R3.679 million was allocated to cater 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. The wage adjustment funds were provided from the provincial fiscus, and were allocated in 2016/17 (without carry-through costs) in accordance with the information provided by the department in costing the gap. As at the end of December 2016, the department is projecting to fully spend its allocation.

The budget for the vote as a whole shows a healthy increase over the 2017/18 MTEF mainly attributed to the carry-through allocations of construction and maintenance projects, investment in the computerised licence testing project and an increase in law enforcement and road safety campaigns, as well as inflationary increments. Also, the amount of R48 million against provincial cash resources in 2017/18 is for the construction of a cross-border crime fighting structure, as discussed. National Treasury has 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. This resulted in a once-off amount of R71.475 million allocated in 2019/20. The department receives R33.645 million in 2017/18 relating to the EPWP Integrated Grant for Provinces, and an additional allocation of R62.805 million for the PTOG in 2019/20. However, the PRMG allocation was substantially reduced by R520.654 million over the 2017/18 MTEF, as explained. In addition, several budget cuts were effected against the department's equitable share budget over the MTEF including budget cuts to fund the remuneration of *Izinduna* in the province, the PES and Own Revenue reductions, as well as a minor baseline adjustment, as discussed.

## 6.2 Departmental receipts collection

Table 12.2 indicates the estimated departmental receipts for Vote 12. Details of departmental receipts are presented in *Annexure – Vote 12: Transport*. Table 12.2 shows a general increase in the total amount of revenue collected by the department over the seven-year period. This increase can be attributed to improved revenue collection strategies, higher than anticipated applications for new and renewal of motor vehicle licences, as well as higher than anticipated applications for learners' and drivers' licences.

**Table 12.2 : 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	1 396 323	1 481 126	1 490 173	1 535 734	1 535 734	1 589 863	1 597 163	1 661 050	1 727 492
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	1 396 323	1 481 126	1 490 173	1 535 734	1 535 734	1 589 863	1 597 163	1 661 050	1 727 492
Sale of goods and services other than capital assets	130 592	126 811	119 355	136 756	136 756	106 852	145 088	153 931	155 601
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	38 186	43 476	45 671	38 341	38 341	40 898	40 948	43 733	45 449
Interest, dividends and rent on land	202	236	202	304	304	349	254	272	280
Sale of capital assets	4 181	4 389	6 221	4 805	4 805	16 364	5 132	5 481	6 000
Transactions in financial assets and liabilities	7 814	369	3 358	2 038	2 038	1 921	2 176	2 324	2 400
<b>Total</b>	<b>1 577 298</b>	<b>1 656 407</b>	<b>1 664 980</b>	<b>1 717 978</b>	<b>1 717 978</b>	<b>1 756 247</b>	<b>1 790 761</b>	<b>1 866 791</b>	<b>1 937 222</b>

The bulk of the department's revenue is derived from *Tax receipts (Motor vehicle licences)* collected in terms of the Road Traffic Act. The increase from 2013/14 can be attributed to the growth in vehicle population and higher than anticipated application of new and the renewal of motor vehicle licences. The budget grows by a conservative 4 per cent each year over the MTEF, as the department is concerned that their revenue may be negatively impacted due to the cheaper fees in neighbouring provinces.

*Sale of goods and services other than capital assets* consists of motor vehicle registration, sale of personalised and specific number plates, registration of classification of vehicles, such as abnormal loads and special vehicles, as well as applications for learners' and drivers' licences. Additional to these revenue sources are boarding services, course fees related to the Traffic Training College, commission on PERSAL deductions, etc. The high revenue collection in 2013/14 is due to higher than anticipated applications for learners' and drivers' licences, sale of personalised and specific number plates, as well as improved registration of classification of vehicles, such as abnormal loads and special vehicles. The 2016/17 Revised Estimate projects to under-collect due to lower than anticipated applications for learners' and drivers' licences. The department is very conservative in terms of budgeting over the MTEF

considering the slow collection from 2015/16. At this stage, the revenue collection over the 2017/18 MTEF excludes the effect of changing from town specific number plates to KZN registration numbers, which is currently under review by NDOT.

*Fines, penalties and forfeits* largely reflects the collection of traffic fines from non-compliance of road traffic laws and regulations. The revenue collected from 2013/14 can be attributed to improved recovery of strategies and measures put in place for the collection of fines receivable. It must be noted that the revenue fluctuations are due to the nature of this category which is difficult to project. The growth over the MTEF is based on historical performance.

*Interest, dividends and rent on land* is derived mainly from interest on staff debts. It is difficult to project accurately for this item due to its uncertain nature.

*Sale of capital assets* reflects the sale of redundant vehicles and departmental plant. Also, the difficulty in projecting with certainty for these receipts is reflected in the fluctuating trend over the seven-year period, hence the conservative growth over the MTEF. The high collection in the 2016/17 Revised Estimate is due to proceeds from the auction sale being higher than expected, with more vehicles sold.

*Transactions in financial assets and liabilities* is made up of recoveries from staff debts, stale cheques, overpayment to suppliers, unsuccessful projects, unallocated credits, etc. It is difficult to accurately project revenue from this source due to its uncertain nature.

### 6.3 Agency receipts

Tables 12.3 and 12.4 present details of agency receipts that are received by the department. The additional agency receipts reflected in the tables in 2014/15, 2015/16 and the 2016/17 Revised Estimate relate to RTMC, and the eThekweni Metro.

**Table 12.3 : Details of agency receipts**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Agency receipt	-	58 536	38 675	3 792	3 792	35 024	3 922	3 922	3 922
SANRAL	-	-	3 363	3 792	3 792	6 073	3 922	3 922	3 922
RTMC	-	40 000	35 312	-	-	20 710	-	-	-
eThekweni Metro	-	18 536	-	-	-	8 241	-	-	-
<b>Total</b>	<b>-</b>	<b>58 536</b>	<b>38 675</b>	<b>3 792</b>	<b>3 792</b>	<b>35 024</b>	<b>3 922</b>	<b>3 922</b>	<b>3 922</b>

**Table 12.4 : Details of payments and estimates of agency receipts**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Agency receipt	-	14 983	17 965	3 792	3 792	35 024	3 922	3 922	3 922
SANRAL	-	-	3 363	3 792	3 792	6 073	3 922	3 922	3 922
RTMC	-	4 688	14 602	-	-	20 710	-	-	-
eThekweni Metro	-	10 295	-	-	-	8 241	-	-	-
<b>Total</b>	<b>-</b>	<b>14 983</b>	<b>17 965</b>	<b>3 792</b>	<b>3 792</b>	<b>35 024</b>	<b>3 922</b>	<b>3 922</b>	<b>3 922</b>

The department receives agency funding from the South African National Roads Agency Limited (SANRAL) for the extended overload control function on the national road network in the province. In 2013/14, the department's contract with SANRAL expired, and the process of renewing the contract took longer than anticipated. The department could not reach an agreement with SANRAL, and this led to non-receipt of funds in 2014/15.

In 2014/15, the new contract was signed at the end of November 2014, in terms of which the department anticipated to receive R1.264 million for the remainder of 2014/15. This amount was not paid to the department in 2014/15 due to a problem experienced with the verification of the quality of information at the individual weighbridges. The 2014/15 agency receipts were received in 2015/16. In 2016/17, the department anticipated to receive R3.792 million but, to date, the department has received R6.073 million. This includes the agency receipts of R3.514 million for 2015/16.

The department anticipates to receive further funds over the 2017/18 MTEF in line with the new contract signed with SANRAL. The department and SANRAL will review and renew the contract every two years and, as the department does not know the content of the new agreement, it could not determine the inflationary increments, hence the allocations over the MTEF remain constant, at this stage.

The department received R40 million from RTMC in the latter part of 2014/15 in respect of the road safety improvement programme for the improvement of road safety and law enforcement campaigns due to the high level of accidents on the roads. The project plan takes into account the festive periods such as Easter, Christmas and the school holidays. The department spent R4.688 million of this funding in 2014/15. The balance of R35.312 million was rolled over to 2015/16, and the department spent R14.602 million in that year. The unspent balance of R20.710 million was then rolled over to 2016/17. The department spent R3.447 million of this funding by December 2016, and the bulk of the spending is anticipated in the latter part of 2016/17, due to various campaigns that will be undertaken.

Lastly, the department received R18.536 million from the eThekweni Metro in respect of provincial public transport infrastructure for the construction of taxi ranks, toward the latter part of 2013/14 for spending in 2014/15, and R10.295 million was spent in that year, while the balance of R8.241 million was rolled over to 2015/16. The department did not spend any of the rolled over funds in 2015/16 by year-end, but the balance of R8.241 million was rolled over to 2016/17 for spending.

## 7. Payment summary

This section summarises the payments and budget estimates for the Vote in terms of programmes and economic classification. Details of the economic classification per programme are presented in *Annexure – Vote 12: Transport*.

### 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 only provided for a growth in *Compensation of employees* of 7.8 per cent in 2017/18, 8.2 per cent in 2018/19 and 7.9 in 2019/20, which is below the National Treasury's guidelines. The low growth can be attributed to the fact the department will not fill all 176 critical posts in one year, but spread over the MTEF. This is as a result of lengthy recruitment processes. Also, the department had budgeted to commence with the filling of vacant posts in 2016/17, but this did not occur as anticipated. These vacant posts will be filled from 2017/18 onward. In addition, not all personnel qualify for a pay progression in any given year. As such, the department's *Compensation of employees* budget will be reviewed in-year.
- 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 12.5 shows additional funding received by the department over the three MTEF periods: 2015/16, 2016/17 and 2017/18.

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

R thousand	2015/16	2016/17	2017/18	2018/19	2019/20
<b>2015/16 MTEF period</b>	<b>10 529</b>	<b>571</b>	<b>600</b>	<b>635</b>	<b>671</b>
EPWP co-ordination moved to DOPW	(1 061)	(1 114)	(1 169)	(1 237)	(1 306)
Decentralisation of bursaries budget	1 590	1 685	1 769	1 872	1 977
Learner transport suspended from 2014/15	10 000	-	-	-	-
<b>2016/17 MTEF period</b>		<b>(340 791)</b>	<b>(363 923)</b>	<b>(385 914)</b>	<b>(407 525)</b>
Above-budget 2015 wage agreement		38 649	41 442	44 589	47 086
Freezing all vacant non-OSD posts		(328 789)	(351 147)	(375 025)	(396 026)
Cutting events' budget		(19 000)	(19 000)	(19 000)	(20 064)
2% Goods and services cut		(31 651)	(35 218)	(36 478)	(38 521)
<b>2017/18 MTEF period</b>			<b>10 627</b>	<b>(42 579)</b>	<b>4 466</b>
PES and Provincial Own Revenue reductions			(27 051)	(30 925)	(54 853)
Budget cuts to fund remuneration of <i>Izinduna</i>			(10 219)	(10 781)	(11 373)
Baseline adjustment			(103)	(873)	(783)
Cross-border crime fighting initiative (25kms)			48 000	-	-
Additional funding from National Treasury			-	-	71 475
<b>Total</b>	<b>10 529</b>	<b>(340 220)</b>	<b>(352 696)</b>	<b>(427 858)</b>	<b>(402 389)</b>

In the 2015/16 MTEF, funds relating to the function shift of the provincial co-ordination of EPWP from the department were suspended to DOPW. In addition, R10 million, which was suspended in respect of the learner transport services in 2014/15 from the department due to delays experienced with the appointment of service providers, was reallocated back in 2015/16. Also, over the 2015/16 MTEF, the department was reallocated funds relating to the centralisation of the bursaries budget under OTP.

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

With regard to the 2017/18 MTEF, an amount of R48 million was allocated in 2017/18 for the construction of a cross-border crime fighting structure on the border between KZN and Mozambique. Also, National Treasury has 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 referred to above are offset in the outer year. However, these increases were substantially mitigated by the MTEF budget cuts to fund the remuneration of *Izinduna*, the PES and Own Revenue reductions, as well as the minor baseline adjustment.

### 7.3 Summary by programme and economic classification

The services rendered by the department are categorised under five programmes, which are largely aligned to the uniform budget and programme structure of the Transport sector.

The department's mission is to provide the public with integrated and accessible road and public transport infrastructure and to promote road and public transport safety, through the interaction of these five programmes.

Tables 12.6 and 12.7 provide a summary of the Vote's payments and budgeted estimates over the seven-year period, by programme and economic classification, respectively.

As explained, the department is liable for the repayment of previous year's over-expenditure, resulting in a first charge against the department's budget in 2015/16 and 2016/17, and this is reflected under Programme 1: Administration and against *Payments for financial assets*. This is shown as a footnote in Tables 12.6 and 12.7.

Table 12.6 : Summary of payments and estimates by programme: Transport

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	257 304	258 972	306 021	310 192	313 976	313 976	335 052	359 692	384 879
2. Transport Infrastructure	5 990 958	6 821 519	6 977 023	7 056 234	7 058 234	7 015 627	7 177 863	7 489 914	7 967 124
3. Transport Operations	1 143 133	1 227 597	1 288 069	1 353 591	1 359 169	1 401 776	1 437 403	1 503 829	1 589 131
4. Transport Regulation	621 318	702 150	737 790	811 743	811 743	811 743	861 447	923 664	989 931
5. Community Based Programmes	42 474	41 711	29 589	40 180	34 498	34 498	35 239	36 623	39 191
<b>Total</b>	<b>8 055 187</b>	<b>9 051 949</b>	<b>9 338 492</b>	<b>9 571 940</b>	<b>9 577 620</b>	<b>9 577 620</b>	<b>9 847 024</b>	<b>10 313 722</b>	<b>10 970 256</b>
Unauth. Exp. (1st charge) not available for spending	-	-	(4 553)	(4 553)	(4 553)	(4 553)	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>8 055 187</b>	<b>9 051 949</b>	<b>9 333 939</b>	<b>9 567 387</b>	<b>9 573 067</b>	<b>9 573 067</b>	<b>9 847 024</b>	<b>10 313 722</b>	<b>10 970 256</b>

Table 12.7 : Summary of payments and estimates by economic classification: Transport

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>3 947 180</b>	<b>4 177 719</b>	<b>4 071 018</b>	<b>5 170 110</b>	<b>5 088 625</b>	<b>5 130 959</b>	<b>5 121 230</b>	<b>5 525 360</b>	<b>5 913 640</b>
Compensation of employees	1 266 775	1 369 860	1 492 729	1 559 427	1 634 625	1 634 625	1 762 017	1 907 331	2 058 972
Goods and services	2 680 332	2 807 854	2 578 286	3 610 683	3 454 000	3 496 334	3 359 213	3 618 029	3 854 668
Interest and rent on land	73	5	3	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>931 273</b>	<b>1 028 292</b>	<b>1 016 815</b>	<b>1 053 563</b>	<b>1 037 226</b>	<b>1 037 226</b>	<b>1 099 193</b>	<b>1 150 895</b>	<b>1 215 343</b>
Provinces and municipalities	4 281	4 093	4 537	4 691	4 691	4 691	4 986	5 280	5 575
Departmental agencies and accounts	-	4 522	1 608	5 699	5 705	5 705	6 058	6 415	6 774
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	915 867	985 852	993 057	1 016 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	11 125	33 825	17 613	27 128	15 784	15 784	16 710	17 693	18 683
<b>Payments for capital assets</b>	<b>3 176 152</b>	<b>3 845 558</b>	<b>4 245 464</b>	<b>3 343 714</b>	<b>3 445 622</b>	<b>3 403 015</b>	<b>3 626 601</b>	<b>3 637 467</b>	<b>3 841 273</b>
Buildings and other fixed structures	3 096 671	3 675 620	4 032 842	3 127 432	3 227 432	3 184 825	3 424 685	3 426 070	3 617 930
Machinery and equipment	75 151	166 436	200 177	216 282	217 865	217 095	193 759	202 172	213 049
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	4 330	3 502	12 445	-	325	1 095	8 157	9 225	10 294
<b>Payments for financial assets</b>	<b>582</b>	<b>380</b>	<b>5 195</b>	<b>4 553</b>	<b>6 147</b>	<b>6 420</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>8 055 187</b>	<b>9 051 949</b>	<b>9 338 492</b>	<b>9 571 940</b>	<b>9 577 620</b>	<b>9 577 620</b>	<b>9 847 024</b>	<b>10 313 722</b>	<b>10 970 256</b>
Unauth. Exp. (1st charge) not available for spending	-	-	(4 553)	(4 553)	(4 553)	(4 553)	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>8 055 187</b>	<b>9 051 949</b>	<b>9 333 939</b>	<b>9 567 387</b>	<b>9 573 067</b>	<b>9 573 067</b>	<b>9 847 024</b>	<b>10 313 722</b>	<b>10 970 256</b>

The expenditure and budget over the period under review reflects healthy growth, but the growth was mitigated by the previously mentioned budget cuts.

Programme 1: Administration reflects steady growth over the period. The increase in the 2016/17 Adjusted Appropriation was due to additional funding allocated to cater for the above-budget 2016 wage adjustment, and reprioritisation for a comprehensive evaluation of the department's road safety programme, which was under-budgeted for. The evaluation aims to assess whether road safety programmes that are being implemented by the department are meeting the intended impact in respect of decreasing road carnage and traffic violations. The growth over the 2017/18 MTEF mainly provides for inflationary increments. As indicated above, the 2015/16 and 2016/17 amounts include R4.553 million in each of the years in respect of the first charge. These amounts are reflected against *Payments for financial assets*. The department has made provision for the filling of 40 critical posts in respect of Programme 1 over the MTEF. Some of the posts include Administrative Officers for the implementation of GIAMA and Budgeting Planning and Control, Deputy Directors: Procurement and Financial System and Revenue.

Programme 2: Transport Infrastructure reflects a steady increase over the seven-year period. The increase relates to the department's investment in the provincial road network in respect of the construction of new roads, the enhancement of law enforcement and road safety campaigns, as well as for the maintenance of the provincial road network. The amounts in 2013/14 and 2014/15 were inflated by over-expenditure due to various construction projects that were undertaken. The increase in the 2016/17 Adjusted Appropriation was due to additional funds allocated to commence the planning of the cross-border crime fighting structure project commissioned by the Premier, as explained. The low Revised Estimate can be attributed to delays due to SCM processes with the construction of the uMzimkhulu public transport infrastructure (taxi rank). The savings will be used to offset other infrastructure projects such as Main Road P2/1 which

is located in the Mount Edgecombe area, North of Durban. Programme 2 houses the PRMG, as well as the EPWP Integrated Grant for Provinces. The department received a reduced allocation with regard to the PRMG over the MTEF, and a reduced allocation in respect of the EPWP Integrated Grant for Provinces in comparison to 2016/17, as explained. The EPWP Integrated Grant for Provinces 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. Although there is a steady increase over the MTEF, this growth is mitigated by the budget cuts. The department has made provision for the filling of 38 critical posts in respect of Programme 2 over the MTEF. These posts include Administrative Officers, Control Engineering Technicians, Driver Operators, Directors: Engineering Services and Technology, among others.

Programme 3: Transport Operations reflects healthy growth over the period. The bulk of the allocation against this programme relates to the PTOG for the payment of bus subsidies to bus operators, as well as learner transport services. The amount in 2013/14 included once-off equitable share funding allocated in respect of the PTOG to offset spending pressures. The pressures resulted from the under-funding of the grant, as well as the increase in fuel prices and labour costs, which resulted in higher than anticipated claims in respect of the bus subsidies. Also, the PTOG is a Schedule 4 or supplementary grant, and provinces are meant to supplement the funding from the equitable share. In view of the budget cuts, as well as the confirmation from National Treasury that no additional funding would be forthcoming, the department reprioritised within its budget to fund the pressures. As such, the department reprioritised funds from 2014/15 onward. The increase in the 2016/17 Adjusted Appropriation mainly resulted from reprioritisation to cater for legal services in respect of attorneys who assist the department in dealing with the continuous violence and conflict in the taxi industry. Also, additional funds were allocated to this programme to cater for the above-budget 2016 wage adjustment. The high amount in the 2016/17 Revised Estimate relates to spending pressures with regard to learner transport services, which resulted from learners that required emergency transport services due to bad weather conditions, as well as learners from satellite and non-viable schools, among others. The department will undertake a post Adjustments Estimate virement within *Goods and services* to offset the pressures. The growth from 2017/18 onward is attributed to inflationary increments, as well as an additional allocation in respect of the PTOG in 2019/20. The department has made provision for the filling of five critical posts in respect of Programme 3 over the MTEF. The posts include Chief Director: Public and Freight Transport Management, Deputy Directors: Conflict Mediation and Resolution, Regulation and Support.

Programme 4: Transport Regulation reflects steady growth over the seven-year period, relating to the investment in a computerised licence testing system and an increase in law enforcement and road safety campaigns. As this programme includes provision for traffic officers, the bulk of the budget relates to personnel. The growth over the MTEF is in respect of law enforcement activities, as well as inflationary increments. The department made provision for the filling of 91 critical posts in respect of Programme 4 over the MTEF, including Chief Provincial Inspectors, Administrative Officers, Principal Provincial Inspectors, Vehicle Technical Compliance, among others.

Programme 5: Community Based Programmes reflects a fluctuating trend over the period. The decrease in 2015/16 can be ascribed to training programmes for the Zibambele and Vukuzakhe emerging contractors that were not conducted, as a result of delays in the appointment of mentors due to the difficulty in finding suitable service providers. The further decrease in the 2016/17 Adjusted Appropriation was due to funds earmarked to be transferred to VECA, but were not transferred as a result of non-compliance by the association, as explained. As a result, the transfers over the MTEF were shifted to Programme 2, until such a time when the association is able to comply. In addition, savings were reprioritised during the Adjustments Estimate due to slower than anticipated filling of vacant posts as a result of lengthy recruitment processes, and the moratorium on the filling of vacant posts. The department has made provision for the filling of five critical posts such as Deputy Director: Technical Interventions and Secretary to Director: Departmental EPWP over the 2017/18 MTEF.

*Compensation of employees* shows a steady increase over the seven-year period attributed to the filling of vacant posts, as well as the annual wage adjustments. As a result of the 2016/17 MTEF budget cuts against this category, the department reprioritised funds to this category to offset spending pressures. This explains the increase in the 2016/17 Adjusted Appropriation. Also, additional funds were allocated to cater

for the above-budget 2016 wage adjustment. The department reviewed and reprioritised funds to this category over the MTEF to ensure that filled posts are fully catered for, and to cater for the filling of 176 critical vacant posts, as discussed under each programme. However, the growth of 7.8 per cent in 2017/18, 8.2 per cent in 2018/19 and 7.9 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 a steady increase, apart from 2015/16 which shows a dip resulting from the under-spending of the PRMG, as explained. This category includes the maintenance of the provincial road network, learner transport services, as well as the road safety awareness campaigns conducted. This category has seen substantial reprioritisation in previous years as a result of slow progress with regard to road maintenance work (re-gravelling and blading) due to tender appeals in the awarding of contracts, unfavourable weather conditions, as well as the shortage of grader operators, and this accounted for the reduction in 2015/16. Also, during the 2016/17 Adjustments Estimate, funds were reprioritised from the category largely due to re-gravelling of roads contracts that were awarded late as a result of tender appeals, delays in the commencement and completion of maintenance projects due to the ongoing drought, cancellation of contracts due to poor performance or workmanship, and the liquidation or abandonment of projects by service providers. In addition, community protests resulted in delays in commencing with various projects, as members of the community were demanding that the contractors make provision for sub-contracting on these projects, in order to create job opportunities for the local community. These funds were moved to *Buildings and other fixed structures* to offset spending pressures. The high 2016/17 Revised Estimate resulted from spending pressures with regard to learner transport services. The department will undertake a post Adjustments Estimate virement to offset the pressures, as previously explained. The dip in 2017/18 in comparison to the 2016/17 Main Appropriation can be attributed to the allocation for the EPWP Integrated Grant for Provinces decreasing from 2016/17 to 2017/18. In addition, the PRMG allocation over the 2017/18 MTEF was substantially reduced, as explained. The EPWP Integrated Grant for Provinces has funds allocated up to 2017/18, as the grant is allocated on an annual basis based on the previous year's performance. The category shows fairly healthy growth over the MTEF, ascribed to various maintenance projects that will be undertaken, road safety awareness campaigns that will be conducted, as well as inflationary increments. However, the growth was mitigated by the previously mentioned budget cuts and reprioritisation, as explained.

*Transfers and subsidies to: Provinces and municipalities* relates to the payment of motor vehicle licences, which is dependent on the times that vehicles and mechanical plant are ordered and delivered for payment.

*Transfers and subsidies to: Departmental agencies and accounts* relates to the payments of the Construction Education and Training Authority (CETA) and the Transport Education and Training Authority (TETA) levies in terms of the Skills Development Act. The increase in the Adjusted Appropriation was in respect of the payment of TV and radio licences. The growth over the 2017/18 MTEF caters for inflationary increments.

*Transfers and subsidies to: Public corporations and private enterprises* relates mainly to the PTOG, which is a conditional grant aimed at subsidising road-based public transport services and providing supplementary funding toward public transport services. The amounts in 2013/14 and 2014/15 were inflated by the over-expenditure of the grant, as explained. This grant was adjusted slightly by R1 000 during the 2016/17 Adjustments Estimate, in order to correct a rounding error in the allocation letter that the province received from National Treasury during the preparation of the 2016/17 MTEF budget, and to ensure that the allocation agrees with the amount included in DORA. As mentioned, the grant receives additional funding in 2019/20 due to inflationary increments.

*Transfers and subsidies to: Households* caters mainly for staff exit costs. The substantial increase in 2014/15 relates to costs in respect of the RTI Commission, to cater for the nine applicants who were hospitalised as a result of the recruitment process that occurred in 2012/13, and the one applicant who was hospitalised for an extended period. The department inadvertently over-budgeted for this category in the 2016/17 Main Appropriation, hence the reduction in the Adjusted Appropriation. The MTEF allocation caters for staff exit costs, as well as external bursaries. The department has budgeted for 45 external bursaries in 2017/18, 82 in 2018/19 and 111 in 2019/20 mainly for Civil and Mechanical Engineering, artisans, among others. It is noted that the external bursaries budget is centralised under Programme 1.

*Buildings and other fixed structures* caters for road construction and rehabilitation work. The amounts from 2013/14 to 2015/16 are inflated due to over-expenditure, and this explains the reduction in the 2016/17 Main Appropriation. Funds were reprioritised to this category in the 2016/17 Adjusted Appropriation from *Goods and services* to cater for the carried over costs from 2015/16 in respect of road construction projects (such as Main Road P710 in iLembe and Main Road P451 in Big Five Hlabisa), construction of road P435 in Jozini due to an additional structure (walkway) being constructed, and several construction projects from the previous year, including the patching of several blacktop roads. The low 2016/17 Revised Estimate was as a result of delays with SCM processes in respect of the construction of the uMzimkhulu taxi rank. These funds will be reprioritised to other infrastructure projects. The increase over the 2017/18 MTEF is for construction and rehabilitation projects that will be undertaken, as well as inflationary increments. Some of the infrastructure projects to be undertaken over the 2017/18 MTEF include the Main Road P577 Duffs Road (construction in eThekweni from uMngeni road to Clermont), construction of new gravel roads, new blacktop roads, new causeways, new pedestrian and vehicular bridges, as well as the construction of a cross-border crime fighting structure in 2017/18. The department will also undertake the rehabilitation of blacktop roads such as Main Roads P443 located between Bhambanana and the town of Ingwavuma, P41 located between Utrecht and Blood River, P21-1 located between Umlaas Road and Umbumbulu, P338 between Pietermaritzburg and Thornville, P272 linking Dundee to Cloneen, Mtendeka and Osizweni, P318 Sani Pass (the upgrade of an international access road between Lesotho and South Africa), and P700 from Ulundi to Richards Bay, among others.

*Machinery and equipment* reflects a low 2013/14 amount ascribed to the implementation of cost-cutting measures on office and computer equipment to offset over-expenditure in other areas. The substantial increase from 2014/15 onward relates to additional plant purchased to replace damaged and obsolete plant, as well as additional motor vehicles for the Law Enforcement unit, which is carried through over the MTEF. This caters for the procurement of new and replacement of mechanical plant and inflationary adjustments. The MTEF amounts grow at a lower rate due to the budget cuts, as well as the reprioritisation undertaken to *Compensation of employees* for the filling of critical posts.

*Software and other intangible assets* relates to the upgrade of computer software licences such as Microsoft, mastheads and publishing titles, patents, licences, copyright, brand names, trademarks, formulae, prototypes, designs, models, services and operating rights, etc. Most of the software are due for renewal, resulting in the allocations over the 2017/18 MTEF.

*Payments for financial assets* is mainly in respect of claims (removal of vehicles) against the state, dishonoured cheques, salary over-payments, write-off of irrecoverable staff debts, among others. This category is not usually budgeted for due to its uncertain nature. The bulk of the amounts in 2015/16 and 2016/17 are in respect of the first charge.

## 7.4 Summary of conditional grant payments and estimates

Tables 12.8 and 12.9 provide a summary of the conditional grant payments and budgeted estimates over the seven-year period, by grant name and economic classification, respectively. Detailed information on the conditional grants is presented in the *Annexure – Vote 12: Transport*.

Note that the historical figures in Tables 12.8 and 12.9 reflect actual expenditure per grant, and should not be compared to those figures reflected in Table 12.1, which represent the actual receipts for each grant.

With the exception of 2015/16, there is steady growth against the conditional grant allocation over the period, as explained per grant in the paragraphs below the table:

**Table 12.8 : Summary of conditional grants payments and estimates by name**

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
Public Transport Operations grant	852 325	904 783	924 766	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
EPWP Integrated Grant for Provinces	88 487	59 443	55 602	56 055	56 055	56 055	33 645	-	-
Provincial Roads Maintenance grant	1 523 528	1 788 158	1 749 014	1 925 378	1 925 378	1 925 378	1 828 970	1 932 999	2 070 783
<b>Total</b>	<b>2 464 340</b>	<b>2 752 384</b>	<b>2 729 382</b>	<b>2 992 478</b>	<b>2 992 479</b>	<b>2 992 479</b>	<b>2 934 054</b>	<b>3 054 506</b>	<b>3 255 094</b>



Table 12.9 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>1 612 015</b>	<b>1 847 601</b>	<b>1 804 616</b>	<b>1 981 433</b>	<b>1 981 433</b>	<b>1 981 433</b>	<b>1 862 615</b>	<b>1 932 999</b>	<b>2 070 783</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	1 612 015	1 847 601	1 804 616	1 981 433	1 981 433	1 981 433	1 862 615	1 932 999	2 070 783
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>852 325</b>	<b>904 783</b>	<b>924 766</b>	<b>1 011 045</b>	<b>1 011 046</b>	<b>1 011 046</b>	<b>1 071 439</b>	<b>1 121 507</b>	<b>1 184 311</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	852 325	904 783	924 766	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2 464 340</b>	<b>2 752 384</b>	<b>2 729 382</b>	<b>2 992 478</b>	<b>2 992 479</b>	<b>2 992 479</b>	<b>2 934 054</b>	<b>3 054 506</b>	<b>3 255 094</b>

- *Public Transport Operations grant:* Funds are allocated against *Transfers and subsidies to: Public corporations and private enterprises* in respect of the PTOG for the payment of bus subsidies to bus operators. The actual amounts in 2013/14 and 2014/15 show the grant amounts being fully spent. However, the function costs the department more than the PTOG provides for and the pressures were funded from the equitable share. The department reprioritised funds from its equitable share to offset the pressures in 2014/15. In the 2016/17 budget process, the grant was increased by R46.804 million, R46.805 million and R96.872 million, respectively, over the MTEF, and again in the 2017/18 budget process, the grant is increased by R62.805 million in 2019/20.
- *EPWP Integrated Grant for Provinces:* Funds are allocated against *Goods and services* in respect of this grant, and are utilised for the creation of EPWP job opportunities through road maintenance projects. This grant is allocated on an annual basis, hence no funds are allocated in the two outer years of the 2017/18 MTEF, at this stage. The fluctuations over the period are largely based on the performance of the grant in previous years. The 2017/18 amount is far lower than the 2016/17 amount, and this is attributed to National Treasury's fiscal consolidation programme.
- *Provincial Roads Maintenance grant:* The grant allocations under *Goods and services* are in respect of maintenance of road infrastructure in KZN. As explained, R275.691 million was withheld in 2015/16 due to non-compliance with DORA, resulting in the grant being under-spent by R30.241 million, as the department had already spent R245.450 million of the withheld amount. However, after numerous motivations by Provincial Treasury to National Treasury, this amount was returned to the department in 2016/17, but was not appropriated to the department, as the actual cash had already been spent in 2015/16. The grant was substantially cut over the 2016/17 MTEF due to fiscal consolidation. Again, the grant has been substantially reduced over the 2017/18 MTEF by R209.982 million in 2017/18, R224.228 million in 2018/19 and R86.444 million in 2019/20. As explained, this resulted from the change in the formula used to allocate this grant to provinces, and it is necessary to change this criterion in order to ensure a progressive improvement in the condition of the entire road network. The agreed new VCI threshold is phased in at 45, 50 and 55 per cent over the 2017/18 MTEF.

## 7.5 Summary of infrastructure payments and estimates

Table 12.10 presents a summary of infrastructure payments and estimates by category for the vote. A more detailed listing of infrastructure projects to be undertaken by the department can be found in the *2017/18 Estimates of Capital Expenditure*. National Treasury has introduced a new category in 2017/18, namely *Non infrastructure*. The category refers to items or projects that do not fall within the category of *Buildings and other fixed structures*, such as machinery, equipment, furniture and *Compensation of employees*. This category has been completed over the MTEF and prior years' figures have been restated.

Table 12.10 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
<b>Existing infrastructure assets</b>	<b>5 028 569</b>	<b>5 690 408</b>	<b>5 745 654</b>	<b>6 325 685</b>	<b>6 325 685</b>	<b>6 282 210</b>	<b>5 565 997</b>	<b>6 025 226</b>	<b>6 483 942</b>
Maintenance and repair: Current	2 382 990	2 412 871	2 155 038	3 644 108	3 544 108	3 544 108	2 923 542	3 186 119	3 418 767
Upgrades and additions: Capital	1 846 882	2 516 597	2 344 875	1 733 498	1 833 498	1 790 023	1 470 913	1 629 987	1 821 706
Refurbishment and rehabilitation: Capital	798 697	760 940	1 245 741	948 079	948 079	948 079	1 171 542	1 209 120	1 243 469
<b>New infrastructure assets: Capital</b>	<b>451 092</b>	<b>398 083</b>	<b>442 226</b>	<b>445 855</b>	<b>445 855</b>	<b>446 723</b>	<b>782 230</b>	<b>586 963</b>	<b>552 755</b>
<b>Infrastructure transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
<b>Infrastructure: Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Infrastructure: Leases</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non infrastructure</b>	<b>326 269</b>	<b>417 615</b>	<b>486 804</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>498 511</b>	<b>525 701</b>	<b>555 143</b>
<b>Total</b>	<b>5 805 930</b>	<b>6 506 106</b>	<b>6 674 684</b>	<b>6 771 540</b>	<b>6 771 540</b>	<b>6 728 933</b>	<b>6 846 738</b>	<b>7 137 890</b>	<b>7 591 840</b>
<i>Capital infrastructure</i>	3 096 671	3 675 620	4 032 842	3 127 432	3 227 432	3 184 825	3 424 685	3 426 070	3 617 930
<i>Current infrastructure</i>	2 709 259	2 830 486	2 641 842	3 644 108	3 544 108	3 544 108	3 422 053	3 711 820	3 973 910

1. Note that Non infrastructure items are treated as Current infrastructure in the table

Infrastructure increases over the seven-year period due to the increase in construction and maintenance activities in respect of infrastructure investment and various increased allocations in this regard.

*Maintenance and repair: Current* caters for routine, preventative, mechanical and other maintenance. The growth relates to the maintenance of the existing road network, as well as repairs to roads and infrastructure damage caused by floods. The PRMG is housed under this category, and the withheld amount in 2015/16, as explained, accounts for the dip in that year, compared to the previous year. The reprioritisation to *Upgrades and additions: Capital* also contributed to the low amount in that year. As explained, this category saw substantial reprioritisation in prior years due to slow progress with various maintenance projects. This also accounts for the reduction in the 2016/17 Adjusted Appropriation. These funds were moved to *Upgrades and additions: Capital* in respect of various construction projects carried over from previous years. The allocation for the PRMG was substantially reduced over the MTEF, as explained earlier. Also, the EPWP Integrated Grant for Provinces received a reduced amount in 2017/18 in comparison to 2016/17. This accounts for the lower growth in 2017/18 compared to the 2016/17 Main Appropriation. Various projects will be undertaken over the MTEF, including routine maintenance and re-gravelling, as well as reseals on Main Roads P275, P305 and P22-2. In addition, various blacktop patching, safety and special maintenance projects will be undertaken.

The high 2014/15 expenditure against *Upgrades and additions: Capital* relates to the fast-tracking of the upgrading of gravel roads to surfaced roads, as well as the carry-over costs of some completed construction projects from 2013/14, accounting for the decrease in 2015/16. As explained, the increase in the 2016/17 Adjusted Appropriation was due to reprioritisation from *Maintenance and repair: Current* to offset spending pressures. The low 2016/17 Revised Estimate can be ascribed to delays with the construction of the uMzimkhulu taxi rank. The savings will be used for other projects. The below inflationary growth can be attributed to the reprioritisation to *Refurbishments and rehabilitation: Capital* for the continuation of road rehabilitation. Various projects will be undertaken over the MTEF, namely Main Roads P318 Sani Pass and P700 from Ulundi to Richards Bay, among others.

*Refurbishment and rehabilitation: Capital* relates to the rehabilitation of roads. The high 2013/14 amount was due to the fast-tracking of the upgrading of gravel roads to surfaced roads, as well as the completion of various construction projects carried over from previous years, and hence the reduction in 2014/15. The 2015/16 amount is higher than the 2016/17 allocation due to reprioritisation undertaken in 2015/16 to cater for 2014/15 commitments. The growth over the MTEF is due to reprioritisation from *Upgrades and additions: Capital* for the continuation of road rehabilitation projects. Various projects will be undertaken over the MTEF, including the rehabilitation of blacktop roads such as Main Roads P443, P41, P21-1, P338 and P272.

*New infrastructure assets: Capital* fluctuates over the period and includes the construction of roads and upgrading of access roads (to clinics and schools) and pedestrian bridges. The expenditure in 2013/14 is inflated by over-expenditure relating to the completion of some sections of various construction projects carried over from previous years, accounting for the decrease in 2014/15. The high 2017/18 amount includes a once-off project, namely the cross-border crime fighting structure, as explained, accounting for

the decrease in the two outer years. Various projects will be undertaken over the MTEF, including Main Road P577 Duffs Road, construction of new gravel roads, new blacktop roads, new causeways, 13 new pedestrian and seven vehicular bridges.

*Non infrastructure* relates mainly to the salaries of the Zibambele contractors and other departmental staff that undertake maintenance projects, as well as machinery and equipment (hiring of maintenance plant). This is a new category introduced in the 2017/18 MTEF. The prior years' figures have been restated for comparative purposes, but the 2016/17 Main and Adjusted Appropriations, as well as the Revised Estimate have not been restated. This category will be reviewed by the department and will be amended accordingly when the 2018/19 MTEF is prepared.

## 7.6 Summary of Public Private Partnerships – Nil

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

## 7.8 Transfers to other entities

Table 12.11 reflects departmental transfers to other entities.

**Table 12.11 : 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
Bus operators	3.2: Public Transport Services	914 416	984 952	993 057	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
VECA	5.3: Innovation and Empowerment	1 451	900	-	5 000	-	-	-	-	-
<b>Total</b>		<b>915 867</b>	<b>985 852</b>	<b>993 057</b>	<b>1 016 045</b>	<b>1 011 046</b>	<b>1 011 046</b>	<b>1 071 439</b>	<b>1 121 507</b>	<b>1 184 311</b>

The expenditure and budget against Bus operators increases steadily over the period and this relates to the PTOG for the payment of bus subsidies to operators. The function costs the department more than the PTOG provides for and the pressures were funded from the equitable share. An amount of R1 000 was allocated to the grant in the 2016/17 Adjustments Estimate to correct a rounding error in the allocation letter that the province received from National Treasury during the preparation of the 2016/17 MTEF budget, and to ensure that the allocation agrees with DORA. The 2017/18 MTEF shows inflationary growth, with additional funding for this provided by National Treasury in 2019/20.

The amounts against VECA in 2013/14 and 2014/15 are in respect of the monitoring of the Vukuzakhe emerging contractors for compliance to norms and standards. The amount in the 2016/17 Main Appropriation was not transferred to VECA due to the association not meeting the reporting requirements as detailed in the MOU, where they have to account for their spending. As such, the department has reprioritised the funds to *Goods and services* over the 2017/18 MTEF until such a time when the association complies with the terms of the MOU. The funds will then be shifted to *Transfers and subsidies to: Public corporations and private enterprises*.

## 7.9 Transfers to local government – Nil

The department makes no transfer payments to local government.

Although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence the table reflecting transfers to local government is excluded.

## 7.10 Transfers and subsidies

Table 12.12 is a summary of spending on *Transfers and subsidies* by programme and main category.

The category reflects a fluctuating trend over the seven-year period, as explained in the paragraphs following the table.

**Table 12.12 : Summary of transfers and subsidies by programme and main category**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>1. Administration</b>	<b>2 270</b>	<b>9 627</b>	<b>11 075</b>	<b>20 549</b>	<b>10 827</b>	<b>10 737</b>	<b>11 447</b>	<b>12 120</b>	<b>12 799</b>
Provinces and municipalities	14	56	35	85	85	85	92	97	102
Motor vehicle licences	14	56	35	85	85	85	92	97	102
Departmental agencies and accounts	-	4 522	1 608	5 699	5 699	5 699	6 052	6 409	6 768
CETA and TETA	-	4 522	1 608	5 699	5 699	5 699	6 052	6 409	6 768
Households	2 256	5 049	9 432	14 765	5 043	4 953	5 303	5 614	5 929
Staff exit costs	1 030	1 486	1 195	1 332	1 517	1 517	1 579	1 672	1 766
External bursaries	1 226	3 273	3 147	13 433	3 526	3 436	3 724	3 942	4 163
RTI Commission	-	290	5 090	-	-	-	-	-	-
<b>2. Transport Infrastructure</b>	<b>11 037</b>	<b>29 597</b>	<b>10 365</b>	<b>13 469</b>	<b>11 800</b>	<b>11 878</b>	<b>12 534</b>	<b>13 273</b>	<b>14 015</b>
Provinces and municipalities	3 881	3 286	4 014	3 655	3 831	3 831	4 070	4 310	4 551
Motor vehicle licences	3 881	3 286	4 014	3 655	3 831	3 831	4 070	4 310	4 551
Departmental agencies and accounts	-	-	-	-	1	1	1	1	1
Television and radio licences	-	-	-	-	1	1	1	1	1
Households	7 156	26 311	6 351	9 814	7 968	8 046	8 463	8 962	9 463
Staff exit costs	5 187	7 450	6 332	9 224	7 927	7 927	8 420	8 917	9 416
Other transfers to households	1 969	18 861	19	590	41	119	43	45	47
<b>3. Transport Operations</b>	<b>914 505</b>	<b>985 366</b>	<b>993 182</b>	<b>1 011 046</b>	<b>1 011 100</b>	<b>1 011 112</b>	<b>1 071 496</b>	<b>1 121 567</b>	<b>1 184 374</b>
Provinces and municipalities	1	1	8	1	11	11	12	13	14
Motor vehicle licences	1	1	8	1	11	11	12	13	14
Departmental agencies and accounts	-	-	-	-	5	5	5	5	5
Television and radio licences	-	-	-	-	5	5	5	5	5
Public corporations and private enterprises	914 416	984 952	993 057	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Bus operators	914 416	984 952	993 057	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Households	88	413	117	-	38	50	40	42	44
Staff exit costs	88	413	-	-	-	-	-	-	-
Other transfers to households	-	-	117	-	38	50	40	42	44
<b>4. Transport Regulation</b>	<b>2 003</b>	<b>2 802</b>	<b>2 116</b>	<b>3 499</b>	<b>3 499</b>	<b>3 499</b>	<b>3 716</b>	<b>3 935</b>	<b>4 155</b>
Provinces and municipalities	385	750	480	950	764	764	812	860	908
Motor vehicle licences	385	750	480	950	764	764	812	860	908
Households	1 618	2 052	1 636	2 549	2 735	2 735	2 904	3 075	3 247
Staff exit costs	1 394	2 049	1 636	2 295	2 481	2 481	2 634	2 789	2 945
Claims against the state	224	3	-	254	254	254	270	286	302
<b>5. Community Based Programmes</b>	<b>1 458</b>	<b>900</b>	<b>77</b>	<b>5 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Public corporations and private enterprises	1 451	900	-	5 000	-	-	-	-	-
VECA	1 451	900	-	5 000	-	-	-	-	-
Households	7	-	77	-	-	-	-	-	-
Staff exit costs	7	-	77	-	-	-	-	-	-
<b>Total</b>	<b>931 273</b>	<b>1 028 292</b>	<b>1 016 815</b>	<b>1 053 563</b>	<b>1 037 226</b>	<b>1 037 226</b>	<b>1 099 193</b>	<b>1 150 895</b>	<b>1 215 343</b>

- *Households* under all programmes caters for staff exit costs. In Programme 1, this category in 2014/15 and 2015/16 also included a payment relating to the RTI Commission, in respect of the nine applicants who were hospitalised as a result of the recruitment process, one applicant who was hospitalised for an extended period and compensation to the 13 affected families who lost loved ones, as discussed. The high 2016/17 Main Appropriation was due to over-budgeting for this category under Programme 1, hence the reduction in the Adjusted Appropriation. The allocations over the MTEF cater for 45 external bursaries in 2017/18, 82 in 2018/19 and 111 in 2019/20. As explained, all external bursaries are centralised under Programme 1.
- *Provinces and municipalities* against Programmes 1 to 4 relates to the payment of motor vehicle and mechanical plant licences, and fluctuates especially in Programme 2.
- In Programme 1, *Departmental agencies and accounts* caters for payments to CETA and TETA.
- In Programme 2, *Departmental agencies and accounts* caters for payment of TV and radio licences.
- Under Programme 3, the following is noted:
  - o *Departmental agencies and accounts* caters for the payments of TV and radio licences.
  - o *Public corporations and private enterprises* is in respect of bus operators relating to the PTOG for the payment of bus subsidies to operators. The previous years' expenditure against the PTOG is inflated due to over-expenditure, as previously explained. This grant was adjusted by R1 000 in the 2016/17 Adjusted Appropriation to correct a rounding error, as explained. The PTOG receives additional funding in 2019/20. The growth over the MTEF is due to inflationary increments.

- Under Programme 5, *Public corporations and private enterprises* relates to the transfer to VECA for the monitoring of the Vukuzakhe emerging contractors for compliance to norms and standards. As discussed, the amounts from 2016/17 were reprioritised to *Goods and services* due to non-compliance by the association, and this will be reviewed in-year.

## 8. Programme description

The services rendered by the department are categorised under five programmes, which largely conform to the uniform budget and programme structure of the Transport sector.

The payments and budgeted estimates for each programme are summarised in terms of economic classification, details of which are presented in the *Annexure – Vote 12: Transport*.

### 8.1 Programme 1: Administration

The purpose of this programme is to provide overall management and administrative, strategic, financial and corporate support services in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner. This includes goods and services utilised for governance, management, research and administration, as well as for general office services such as cleaning and security services. The programme consists of four sub-programmes in line with the sector specific budget format, namely Office of the MEC, Management, Corporate Support, and Departmental Strategy.

Tables 12.13 and 12.14 summarise payments and budgeted estimates relating to Programme 1 from 2013/14 to 2019/20.

**Table 12.13 : Summary of payments and estimates by sub-programme: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Office of the MEC	10 063	12 001	11 891	13 291	13 291	13 291	14 652	15 706	16 789
2. Management	7 254	7 550	14 188	15 704	15 704	15 704	11 716	12 502	13 307
3. Corporate Support	227 814	222 105	262 800	264 354	265 603	262 773	283 604	304 548	325 983
4. Departmental Strategy	12 173	17 316	17 142	16 843	19 378	22 208	25 080	26 936	28 800
<b>Total</b>	<b>257 304</b>	<b>258 972</b>	<b>306 021</b>	<b>310 192</b>	<b>313 976</b>	<b>313 976</b>	<b>335 052</b>	<b>359 692</b>	<b>384 879</b>
Unauth. Exp. (1st charge) not available for spending	-	-	(4 553)	(4 553)	(4 553)	(4 553)	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>257 304</b>	<b>258 972</b>	<b>301 468</b>	<b>305 639</b>	<b>309 423</b>	<b>309 423</b>	<b>335 052</b>	<b>359 692</b>	<b>384 879</b>

**Table 12.14 : Summary of payments and estimates by economic classification: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>230 286</b>	<b>232 491</b>	<b>260 629</b>	<b>268 942</b>	<b>281 993</b>	<b>282 079</b>	<b>297 280</b>	<b>318 228</b>	<b>339 717</b>
Compensation of employees	97 907	107 434	116 898	138 059	140 943	140 943	141 536	153 255	165 508
Goods and services	132 306	125 052	143 731	130 883	141 050	141 136	155 744	164 973	174 209
Interest and rent on land	73	5	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>2 270</b>	<b>9 627</b>	<b>11 075</b>	<b>20 549</b>	<b>10 827</b>	<b>10 737</b>	<b>11 447</b>	<b>12 120</b>	<b>12 799</b>
Provinces and municipalities	14	56	35	85	85	85	92	97	102
Departmental agencies and accounts	-	4 522	1 608	5 699	5 699	5 699	6 052	6 409	6 768
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 256	5 049	9 432	14 765	5 043	4 953	5 303	5 614	5 929
<b>Payments for capital assets</b>	<b>24 254</b>	<b>16 797</b>	<b>29 733</b>	<b>16 148</b>	<b>16 242</b>	<b>16 242</b>	<b>26 325</b>	<b>29 344</b>	<b>32 363</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	20 479	14 360	17 288	16 148	16 236	16 236	19 325	21 344	23 363
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	3 775	2 437	12 445	-	6	6	7 000	8 000	9 000
<b>Payments for financial assets</b>	<b>494</b>	<b>57</b>	<b>4 584</b>	<b>4 553</b>	<b>4 914</b>	<b>4 918</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>257 304</b>	<b>258 972</b>	<b>306 021</b>	<b>310 192</b>	<b>313 976</b>	<b>313 976</b>	<b>335 052</b>	<b>359 692</b>	<b>384 879</b>
Unauth. Exp. (1st charge) not available for spending	-	-	(4 553)	(4 553)	(4 553)	(4 553)	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>257 304</b>	<b>258 972</b>	<b>301 468</b>	<b>305 639</b>	<b>309 423</b>	<b>309 423</b>	<b>335 052</b>	<b>359 692</b>	<b>384 879</b>

As indicated, the department was liable for the repayment of over-expenditure from 2013/14, resulting in a first charge of R4.553 million in both 2015/16 and 2016/17 against the department's budget. This is reflected under the sub-programme: Management, against *Payments for financial assets*, and the amounts available for spending in 2015/16 and 2016/17 have been reduced by the instalment amounts, as reflected in the footnote of Tables 12.13 and 12.14. The department has fully paid the first charge.

The sub-programme: Office of the MEC provides for the effective and efficient rendering of support services including correspondence, management, secretarial and administrative services, as well as the co-ordination of responses to parliamentary questions. The growth over the 2017/18 MTEF is attributed to inflationary increments. The growth was marginally affected by the budget cuts implemented against the department over the MTEF.

The sub-programme: Management relates to the rendering of effective and efficient support services to the Head of Department. In addition, this sub-programme caters for legal advisory support services, strategic human resource management, financial services, risk management, as well as the management and implementation of organisational development services. The high amounts in 2015/16 and 2016/17 included the first and second instalments of the first charge, and hence the decrease in 2017/18. The MTEF allocations cater for inflationary increments.

The Corporate Support sub-programme includes payments to SITA for the implementation of IT governance processes such as the Electronic Content Management (ECM) system, as well as the Government Wide Enterprise Architecture (GWEA) project, in line with A-G recommendations in order to comply with the legislative requirements of IT. In addition, the sub-programme caters for the maintenance of departmental buildings, the purchase of departmental fleet, among others. The growth over the MTEF relates to the purchase of new and replacement vehicles for the departmental fleet, as well as inflationary increments. The bulk of the budget cuts over the MTEF under Programme 1 were effected against this sub-programme. According to the department the cuts were minimal, though, and have no material impact on the services provided by this sub-programme.

The sub-programme: Departmental Strategy provides for the facilitation of the departmental strategic planning processes, development, monitoring report and evaluation of the overall performance management system of the department. The increase in the 2016/17 Adjusted Appropriation caters for the comprehensive evaluation of the department's road safety programme. The evaluation aims to assess whether road safety programmes that are being implemented by the department are meeting the intended impact in respect of decreasing road carnage and traffic violations. This resulted from the province experiencing high fatalities on its roads in comparison to other provinces. The plan is to evaluate the effectiveness of various departmental programmes over the MTEF such as Vukuzakhe, Zibambeke, learner transport, bus subsidies, etc., as part of the monitoring and evaluation scope. This sub-programme also caters for the preparation of the department's APP and Strategic Plan, QPR, Policy, Monitoring and Evaluation functions, among others.

*Compensation of employees* reflects a fairly steady increase over the period due to the above-budget wage agreements, and the filling of critical posts. The increase in the 2016/17 Adjusted Appropriation is in respect of the above-budget 2016 wage adjustment, as discussed. The department made provision for the filling of 40 critical vacant posts such as Administrative Officers for implementation of GIAMA and Budgeting Planning and Control, Deputy Directors: Procurement and Financial System and Revenue, among others, over the MTEF. These posts were budgeted for in 2016/17, hence no substantial growth is reflected in this regard over the 2017/18 MTEF. However, the growth of 0.4 per cent, 8.3 per cent and 8 per cent over the 2017/18 MTEF is below what has been prescribed by National Treasury, and this will be reviewed by the department in-year.

*Goods and services* shows a fairly steady increase over the period. This category provides for maintenance of departmental buildings, SITA costs, communications costs, audit fees, travel agency fees, employee bursaries, legal costs and fleet services, among others. The increase in the Adjusted Appropriation is in respect of the maintenance and rehabilitation of departmental buildings and offices (RTI offices in Nongoma, Mkondeni testing grounds and head office in Pietermaritzburg, etc.) in various regions in the province. The growth over the MTEF can be ascribed to this, as well as inflationary increments. The

growth was mitigated by the budget cuts of R1.788 million in 2017/18 and R1.864 million in 2018/19 against Programme 1, which were effected against this category. According to the department, the cuts are fairly minimal, and therefore have no material impact on the services provided by this programme.

The amounts against *Interest and rent on land* in prior years relate to interest paid to SARS for overdue payments in respect of the Zibambele contractors and Vukuzakhe emerging contractors, who changed their banking details without informing the department on time, hence SARS charged interest.

*Transfers and subsidies to: Provinces and municipalities* caters for the payment of motor vehicle licences.

*Transfers and subsidies to: Departmental agencies and accounts* relates to the payments to CETA and TETA in respect of the levies in terms of the Skills Development Act. This is linked to *Compensation of employees* expenditure.

*Transfers and subsidies to: Households* caters for staff exit costs and bursaries. The growth over the MTEF is in respect of staff exit costs. In addition, the growth caters for 45, 82 and 111 external bursaries over the MTEF, respectively, for Civil and Mechanical Engineering and artisans, among others. As explained, the department has centralised the external bursaries budget under this programme.

*Machinery and equipment* is mainly in respect of the replacement of computer and office equipment, vehicles, etc., that are damaged or obsolete, as well as for equipment for new staff. The steady increase from 2015/16 onward caters for additional fleet, as well as inflationary increments. The department will purchase vehicles including sedans, light delivery vans, light trucks, SUVs and mini buses. The department has centralised the purchasing of vehicles under Programme 1, against this category.

*Software and other intangible assets* relates to upgrades of computer software licences such as Microsoft. There is no major upgrade anticipated in 2016/17, hence the low budget reflected. Most of the software that the department uses is due for renewal, resulting in the allocations over the MTEF.

*Payments for financial assets* relates to the write-off of irrecoverable staff debts and the implementation of the first charge. The amounts in 2015/16 and 2016/17 are in respect of the first and second instalments of the first charge for the 2013/14 unauthorised expenditure.

## 8.2 Programme 2: Transport Infrastructure

The purpose of this programme is to promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and economic growth.

This programme includes all expenditure of a current and capital nature relating to the planning, design, construction, rehabilitation, maintenance and repair of all infrastructure, supporting all modes of transport.

The programme consists of five sub-programmes in line with the sector specific budget format, namely Programme Support Infrastructure, Infrastructure Planning, Infrastructure Design, Construction and Maintenance.

Tables 12.15 and 12.16 summarise the payments and budgeted estimates relating to Programme 2 for 2013/14 to 2019/20.

**Table 12.15 : Summary of payments and estimates by sub-programme: Transport Infrastructure**

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. Programme Support Infrastructure	138 153	260 565	246 787	223 115	248 787	248 787	260 771	276 886	294 774
2. Infrastructure Planning	27 496	37 888	24 429	50 904	25 499	25 499	27 683	29 396	31 415
3. Infrastructure Design	19 379	26 741	35 295	37 715	39 448	39 448	42 691	45 742	49 095
4. Construction	3 096 671	3 675 620	4 032 842	3 127 432	3 227 432	3 184 825	3 424 685	3 426 070	3 617 930
5. Maintenance	2 709 259	2 820 705	2 637 670	3 617 068	3 517 068	3 517 068	3 422 053	3 711 820	3 973 910
<b>Total</b>	<b>5 990 958</b>	<b>6 821 519</b>	<b>6 977 023</b>	<b>7 056 234</b>	<b>7 058 234</b>	<b>7 015 627</b>	<b>7 177 883</b>	<b>7 489 914</b>	<b>7 967 124</b>

**Table 12.16 : Summary of payments and estimates by economic classification: Transport Infrastructure**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>2 846 087</b>	<b>3 013 695</b>	<b>2 769 551</b>	<b>3 761 441</b>	<b>3 662 427</b>	<b>3 662 076</b>	<b>3 600 928</b>	<b>3 904 933</b>	<b>4 181 497</b>
Compensation of employees	690 481	737 529	816 466	795 237	870 503	870 503	950 205	1 027 210	1 107 722
Goods and services	2 155 606	2 276 166	1 953 085	2 966 204	2 791 924	2 791 573	2 650 723	2 877 723	3 073 775
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>11 037</b>	<b>29 597</b>	<b>10 365</b>	<b>13 469</b>	<b>11 800</b>	<b>11 878</b>	<b>12 534</b>	<b>13 273</b>	<b>14 015</b>
Provinces and municipalities	3 881	3 286	4 014	3 655	3 831	3 831	4 070	4 310	4 551
Departmental agencies and accounts	-	-	-	-	1	1	1	1	1
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7 156	26 311	6 351	9 814	7 968	8 046	8 463	8 962	9 463
<b>Payments for capital assets</b>	<b>3 133 763</b>	<b>3 778 083</b>	<b>4 196 784</b>	<b>3 281 324</b>	<b>3 383 138</b>	<b>3 340 627</b>	<b>3 564 421</b>	<b>3 571 708</b>	<b>3 771 612</b>
Buildings and other fixed structures	3 096 671	3 675 620	4 032 842	3 127 432	3 227 432	3 184 825	3 424 685	3 426 070	3 617 930
Machinery and equipment	36 537	101 398	163 942	153 892	155 387	154 713	138 579	144 413	152 388
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	555	1 065	-	-	319	1 089	1 157	1 225	1 294
<b>Payments for financial assets</b>	<b>71</b>	<b>144</b>	<b>323</b>	<b>-</b>	<b>869</b>	<b>1 046</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5 990 958</b>	<b>6 821 519</b>	<b>6 977 023</b>	<b>7 056 234</b>	<b>7 058 234</b>	<b>7 015 627</b>	<b>7 177 883</b>	<b>7 489 914</b>	<b>7 967 124</b>

The sub-programme: Programme Support Infrastructure caters for the provision of operational support to programme managers, support staff and all related costs (including office accommodation), administrative support with regard to road proclamations and financial matters, planning and design of construction projects for all regions. The sub-programme also provides for the integrated network planning, route identification, environmental planning, land use management and technical support. The department appoints consultants to ensure that the delivery of infrastructure is according to agreed quality standards, timelines and budget. Also, the sub-programme addresses systematic deficiencies and challenges within the delivery system, which includes preparing high level reports, innovative process design, monitoring and evaluation, training workshops, among others. The increase in the Adjusted Appropriation can be ascribed to funds moved from the sub-programme: Infrastructure Planning to offset spending pressures with regard to infrastructure support such as consultation services. The growth over the 2017/18 MTEF is mainly inflationary related. This sub-programme is only marginally affected by the budget cuts.

The Infrastructure Planning sub-programme relates to the promotion and improvement of safety of the transport infrastructure, the facilitation of the provision of road safety audits on all roads and transport infrastructure to ensure safe traffic and people movement, the provision of data collection services, as well as research to provide management information systems for the provincial road network (such as road condition, traffic counts and accident data). As explained, the reduction in the 2016/17 Adjusted Appropriation was due to reprioritisation to the sub-programme: Programme Support Infrastructure. This sub-programme was over-budgeted for in the 2016/17 Main Appropriation, and this has been corrected over the 2017/18 MTEF. The sub-programme is only minimally affected by the budget cuts.

The Infrastructure Design sub-programme provides for the design of road and transport infrastructure, including all necessary support functions such as Environmental Impact Assessments (EIAs), Traffic Impact Assessments (TIAs), surveys, expropriation of land, material investigations and testing. The slight increase in the 2016/17 Adjusted Appropriation was to cater for the shortfall in the *Compensation of employees* budget, as well as for the purchase of the Civil Engineering Designer (CED) software, which is a civil design and documentation solution used by infrastructure professionals to manage project performance and maintain consistent data and processes. The growth over the 2017/18 MTEF is in respect of the CED software, as well as inflationary increments. This sub-programme is also minimally affected by the budget cuts.

The Construction sub-programme caters for all road construction, upgrades and rehabilitation. The low 2016/17 Revised Estimate is due to delays with the construction of the uMzimkhulu taxi rank. The savings will be used for other construction projects, as explained. The growth over the MTEF is due to inflationary increments. Various projects will be undertaken over the MTEF, including Main Road P577, construction



of new gravel roads, new blacktop roads, new causeways, new pedestrian and vehicular bridges, as well as the construction of the cross-border crime fighting structure in 2017/18. Also, the rehabilitation of blacktop roads, such as Main Roads P443, P41, P21-1, P338 and P272, P318 Sani Pass and P700, will be undertaken. This also explains the trend against *Buildings and other fixed structures*.

The sub-programme: Maintenance caters mainly for the maintenance of the provincial road network. This includes preventative, routine and emergency maintenance. This sub-programme has seen substantial reprioritisation to the sub-programme: Construction and other programmes due to slow progress with various maintenance projects. The sub-programme houses the PRMG, as well as the EPWP Integrated Grant for Provinces. The bulk of the previously mentioned budget cuts were effected against this sub-programme, as the bulk of the department's budget is allocated here. The department was able to effect the budget cuts largely against *Machinery and equipment* in this sub-programme as they are able to prolong the life span of plant used for maintenance projects. In addition, due to the 2016/17 MTEF budget cuts against *Compensation of employees*, the department had a shortfall against its personnel budget. As a result, the department reprioritised funds from this sub-programme to *Compensation of employees* over the 2017/18 MTEF to cater for the shortfall. The reprioritisation was undertaken against *Goods and services* (*Consultants and professional services* and *Operating leases*) and *Machinery and equipment*. The department will reduce the use of consultants and prolong the life span of plant used for maintenance projects. Service delivery will be minimally affected by this reprioritisation. This sub-programme is substantially affected by the reduction of R520.654 million in respect of the PRMG over the 2017/18 MTEF, as explained. Various projects (reseal, re-gravelling, and routine maintenance projects) will be affected by this reduction. The projects that will be undertaken over the MTEF include routine maintenance, re-gravelling and reseals such as Main Roads P275, P305 and P22-2, blacktop patching, safety and special maintenance. This also explains the trend against *Goods and services*.

*Compensation of employees* reflects a steady increase. The increase in the 2016/17 Adjusted Appropriation was in respect of the filling of critical posts, which continues over the MTEF, and the department reprioritised funds from *Goods and services* and *Machinery and equipment* in this regard. The department plans to fill 38 critical posts over the MTEF such as Administrative Officers, Control Engineering Technicians, Driver Operators, Directors: Engineering Services and Technology. The growth from 2016/17 appears low, but this is due to the fact that the department had budgeted for these posts in 2016/17, as they had anticipated to commence with the filling of these posts in 2016/17. The growth of 8.1 per cent in 2018/19 and 7.8 per cent in 2019/20 is below what National Treasury has prescribed, and this will be reviewed by the department in-year.

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

*Departmental agencies and accounts* caters for the payments of TV and radio licences.

*Transfers and subsidies to: Households* caters mainly for staff exit costs and injury on duty.

*Machinery and equipment* provides for trucks, as well as plant such as graders and tractors. The decrease over the MTEF is due to budget cuts, as well as reprioritisation, as explained. The department will continue to purchase motor vehicles and mechanical plant, but at a lesser scale than anticipated. In addition, the department will prolong the life span of plant, as explained. According to the department, the reprioritisation will not have any negative impact on service delivery.

*Software and other intangible assets* provides for the purchase and upgrade of the CED software.

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

## **Service delivery measures – Programme 2: Transport Infrastructure**

Table 12.17 illustrates some of the main service delivery measures pertaining to Programme 2.

The performance indicators provided comply fully with the customised measures for the Transport sector, and non-sector measures are also included in the table.

The target indicated as “n/a” means that the target is completed, and the department is in the process of reviewing it.

**Table 12.17 : Service delivery measures – Programme 2: Transport Infrastructure**

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	
<b>2. Transport Infrastructure</b>						
2.1	Infrastructure planning	• No. of kilometres of surfaced roads visually assessed as per the applicable TMH manual	3 750	3 750	3 750	3 750
		• No. of kilometres of gravel roads visually assessed as per the applicable TMH manual	8 445	8 445	8 445	8 445
2.2	Construction	• No. of kilometres of gravel roads upgraded to surfaced roads	85	101	102	103
		• No. of square metres of surfaced roads rehabilitated	1 827 540	2 157 256	2 186 440	2 215 626
		• No. of kilometres of new gravel roads constructed	230	215	200	200
		• No. of lane-kilometres of new surfaced roads constructed	4	n/a	n/a	n/a
		• No. of square metres of non-motorised transport facility constructed	25 000	25 000	25 000	25 000
		• No. of new major vehicle bridges constructed	7	7	7	7
		• No. of new pedestrian bridges constructed	13	13	13	13
		• No. of public transport infrastructure projects implemented	n/a	n/a	2	2
2.3	Maintenance	• No. of square metres of surfaced roads resealed	2 532 695	2 700 000	2 782 032	1 143 000
		• No. of kilometres of roads re-gravelled	2 000	2 200	2 150	2 200
		• No. of square metres of blacktop patching (including pothole repairs)	240 000	240 000	240 000	240 000
		• No. of kilometres of gravel roads bladed	85 000	100 000	100 000	100 000
		• Kilometres maintained by Zibambele contractors	26 650	26 650	26 650	26 650

### 8.3 Programme 3: Transport Operations

The purpose of this programme is to plan, regulate and facilitate the provision of integrated land transport services through co-ordination and co-operation with national planning authorities, community-based organisation (CBOs), non-governmental organisations (NGOs), and the private sector in order to enhance the mobility of all communities particularly those currently without or with limited access. This includes all costs involved in public transport management and service delivery including the planning, and co-ordination of the operator in the transport industry.

The programme consists of three sub-programmes largely in line with the sector specific budget format, namely Programme Support Operations, Public Transport Services and Transport Safety and Compliance.

The main functions of this programme include the development of policies and plans for public and freight transport service and supporting infrastructure, the regulation of public and freight transport services, and the enforcement of legislation in respect of public transport.

Tables 12.18 and 12.19 summarise payments and estimates relating to Programme 3 for the period 2013/14 to 2019/20.

**Table 12.18 : Summary of payments and estimates by sub-programme: Transport Operations**

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. Programme Support Operations	26 311	22 650	19 911	22 170	26 978	26 978	28 152	29 911	31 744
2. Public Transport Services	1 045 549	1 131 330	1 204 917	1 258 712	1 258 713	1 301 320	1 331 875	1 391 596	1 469 629
3. Transport Safety and Compliance	71 273	73 617	63 241	72 709	73 478	73 478	77 376	82 322	87 758
<b>Total</b>	<b>1 143 133</b>	<b>1 227 597</b>	<b>1 288 069</b>	<b>1 353 591</b>	<b>1 359 169</b>	<b>1 401 776</b>	<b>1 437 403</b>	<b>1 503 829</b>	<b>1 589 131</b>

Table 12.19 : Summary of payments and estimates by economic classification: Transport Operations

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
<b>Current payments</b>	<b>228 517</b>	<b>240 783</b>	<b>294 763</b>	<b>342 303</b>	<b>347 827</b>	<b>390 422</b>	<b>365 650</b>	<b>381 990</b>	<b>404 474</b>
Compensation of employees	28 939	31 657	35 303	38 717	39 512	39 512	40 152	43 648	47 183
Goods and services	199 578	209 126	259 460	303 586	308 315	350 910	325 498	338 342	357 287
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>914 505</b>	<b>985 366</b>	<b>993 182</b>	<b>1 011 046</b>	<b>1 011 100</b>	<b>1 011 112</b>	<b>1 071 496</b>	<b>1 121 567</b>	<b>1 184 374</b>
Provinces and municipalities	1	1	8	1	11	11	12	13	14
Departmental agencies and accounts	-	-	-	-	5	5	5	5	5
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	914 416	984 952	993 057	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	88	413	117	-	38	50	40	42	44
<b>Payments for capital assets</b>	<b>111</b>	<b>1 448</b>	<b>124</b>	<b>242</b>	<b>242</b>	<b>242</b>	<b>257</b>	<b>272</b>	<b>287</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	111	1 448	124	242	242	242	257	272	287
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 143 133</b>	<b>1 227 597</b>	<b>1 288 069</b>	<b>1 353 591</b>	<b>1 359 169</b>	<b>1 401 776</b>	<b>1 437 403</b>	<b>1 503 829</b>	<b>1 589 131</b>

The sub-programme: Programme Support Operations caters for operational support to the programme managers, the support staff and all related costs (including office accommodation), as well as the route designs for the learner transport services. The increase in the 2016/17 Adjusted Appropriation caters for legal services in respect of attorneys dealing with the continuous taxi violence and conflict. The attorneys represent the department against operators aggrieved by vehicle impounding who then sue the department by claiming loss of income for the period their vehicles have been impounded. The growth over the MTEF caters for inflationary increments. This sub-programme is only minimally affected by the budget cuts.

The sub-programme: Public Transport Services mainly caters for the PTOG payments in respect of bus subsidies to operators. There is a steady increase due to the growth of the grant, as well as funds allocated for learner transport services. The department is currently transporting 43 990 learners from 316 schools across the province in 2016/17, and the same will be transported in 2017/18. The main criteria used to identify learners in need of transport services is the distance (more than six kilometres) that they have to walk to/from schools. This does not include learners who walk the same distance to schools of their choice. As a result of emergency transport services rendered, the 2016/17 budget is projected to be over-spent, hence the high 2016/17 Revised Estimate. The department will undertake virements from other categories to offset the pressures at year-end. The growth over the MTEF is mainly due to inflationary increments, and the additional amount allocated in 2019/20 is in respect of the PTOG. This sub-programme is only minimally affected by the budget cuts.

The sub-programme: Transport Safety and Compliance caters for the management, co-ordination and facilitation of transport safety and compliance in all modes with regard to related legislation, regulations and policies, monitoring of public transport operators in terms of national and provincial legislation to ensure safety of commuters, safety education and awareness, training and development of operators to enable them to provide the required level of service delivery, among others. The growth over the 2017/18 MTEF is due to inflationary increments.

*Compensation of employees* reflects a steady increase, ascribed to the carry-through costs of the above-budget wage agreements, annual salary increases and inflationary adjustments. Provision has been made for the filling of five critical posts such as Chief Director: Public and Freight Transport Management, Deputy Directors: Conflict Mediation and Resolution, Regulation and Support, over the 2017/18 MTEF. As mentioned, the department budgeted for these posts in 2016/17, hence the low growth from 2016/17 to 2017/18. The growth of 1.6 per cent in 2017/18 and 8 per cent in 2019/20 is below what National Treasury has prescribed, and this will be reviewed by the department in-year.

*Goods and services* caters for various public transport services (such as learner transport services), as well as various road safety events and campaigns. The increase in the 2016/17 Adjusted Appropriation can be

ascribed to legal services relating to the continuous taxi violence and conflict, as explained. The high 2016/17 Revised Estimate is due to the higher than budgeted learner transport services. The department will undertake virements from other categories at year-end to offset the pressures. The growth over the MTEF is to cater for inflationary increments. The category is only minimally affected by the budget cuts.

*Transfers and subsidies to: Provinces and municipalities* caters for the payment of motor vehicle licences.

*Departmental agencies and accounts* caters for the payments of TV and radio licences.

*Transfers and subsidies to: Public corporations and private enterprises* caters purely for the PTOG. The growth over the MTEF is mainly due to inflationary increments, with R62.805 million allocated in 2019/20 by National Treasury in this regard.

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

*Machinery and equipment* caters for the replacement of computer equipment, office equipment, etc.

### Service delivery measures – Programme 3: Transport Operations

Table 12.20 illustrates some of the main service delivery measures applicable to Programme 3. The performance indicators comply fully with the customised measures for the Transport sector, and non-sector measures are also included in the table.

**Table 12.20 : Service delivery measures – Programme 3: Transport Operations**

Outputs	Performance indicators	Medium-term targets			
		Estimated performance	2017/18	2018/19	2019/20
		2016/17			
<b>3. Transport Operations</b>					
3.1 Public Transport Services	<ul style="list-style-type: none"> <li>• No. of vehicles subsidised</li> <li>• No. of routes subsidised</li> <li>• No. of vehicle kilometres subsidised</li> <li>• No. of kilometres operated per vehicle</li> <li>• No. of passengers per vehicle</li> <li>• No. of passengers per trip operated</li> <li>• No. of staff per vehicle</li> <li>• No. of subsidised passengers</li> <li>• No. of unsubsidised passengers</li> <li>• No. of trips subsidised</li> <li>• No. of trips monitored</li> <li>• % of trips monitored</li> <li>• Subsidy per passenger</li> <li>• No. of passenger trips subsidised</li> <li>• No. of schools receiving learner transport services</li> <li>• No. of learners transported</li> <li>• No. of Provincial Regulatory Entity (PRE) hearings conducted (annual)</li> </ul>	<p>1 320</p> <p>1 702</p> <p>41 888 710</p> <p>31 730</p> <p>4 340</p> <p>59</p> <p>2.2</p> <p>142 680</p> <p>23 740</p> <p>1 198 870</p> <p>839 210</p> <p>70%</p> <p>R13.80</p> <p>67 879 790</p> <p>316</p> <p>43 990</p> <p>70</p>	<p>1 320</p> <p>1 702</p> <p>41 888 710</p> <p>31 730</p> <p>4 340</p> <p>60</p> <p>2.2</p> <p>142 680</p> <p>24 210</p> <p>1 198 870</p> <p>839 210</p> <p>70%</p> <p>R14.50</p> <p>67 879 790</p> <p>316</p> <p>43 990</p> <p>440</p>	<p>1 320</p> <p>1 702</p> <p>41 888 710</p> <p>31 730</p> <p>4 340</p> <p>60</p> <p>2.2</p> <p>142 680</p> <p>24 210</p> <p>1 198 870</p> <p>839 210</p> <p>70%</p> <p>R16.17</p> <p>67 879 790</p> <p>316</p> <p>43 990</p> <p>450</p>	<p>1 320</p> <p>1 702</p> <p>41 888 710</p> <p>31 730</p> <p>4 340</p> <p>60</p> <p>2.2</p> <p>142 680</p> <p>24 210</p> <p>1 198 870</p> <p>839 210</p> <p>70%</p> <p>R16.17</p> <p>67 879 790</p> <p>316</p> <p>43 990</p> <p>460</p>
3.2 Transport Safety and Compliance	<ul style="list-style-type: none"> <li>• No. of road safety awareness progs conducted</li> <li>• No. of schools involved in road safety education progs</li> <li>• No. of school children reached</li> <li>• No. of adults reached</li> <li>• No. of crossing patrols provided</li> </ul>	<p>9</p> <p>1 110</p> <p>270 000</p> <p>73 000</p> <p>143</p>	<p>9</p> <p>1 176</p> <p>286 000</p> <p>77 800</p> <p>143</p>	<p>9</p> <p>1 246</p> <p>300 000</p> <p>83 000</p> <p>143</p>	<p>9</p> <p>1 320</p> <p>320 000</p> <p>88 000</p> <p>143</p>

### 8.4 Programme 4: Transport Regulation

The purpose of Programme 4 is to ensure the provision of a safe transport environment through the regulation of traffic on public infrastructure, law enforcement, implementation of road safety education and awareness programmes and the registration and licensing of vehicles and drivers. This includes all costs related to overall management of road traffic and safety in KZN. The programme consists of four sub-programmes in line with the sector specific budget format, namely Programme Support Regulation, Transport Administration and Licensing, Operator Licences and Permits and Law Enforcement.

Tables 12.21 and 12.22 summarise payments and estimates relating to Programme 4 for the period 2013/14 to 2019/20.

**Table 12.21 : Summary of payments and estimates by sub-programme: Transport Regulation**

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. Programme Support Regulation	247	350	623	3 066	2 958	2 958	2 410	2 706	2 862
2. Transport Administration and Licensing	100 044	103 481	118 156	122 790	123 167	123 167	133 770	144 157	154 940
3. Operator Licences and Permits	43 693	42 800	61 119	59 400	60 272	60 272	64 398	68 585	73 217
4. Law Enforcement	477 334	555 519	557 892	626 487	625 346	625 346	660 869	708 216	758 912
<b>Total</b>	<b>621 318</b>	<b>702 150</b>	<b>737 790</b>	<b>811 743</b>	<b>811 743</b>	<b>811 743</b>	<b>861 447</b>	<b>923 664</b>	<b>989 931</b>

**Table 12.22 : Summary of payments and estimates by economic classification: Transport Regulation**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>601 322</b>	<b>649 973</b>	<b>716 563</b>	<b>762 344</b>	<b>761 990</b>	<b>761 994</b>	<b>822 233</b>	<b>883 686</b>	<b>948 865</b>
Compensation of employees	437 146	480 151	508 503	569 403	569 403	569 403	615 896	667 796	721 887
Goods and services	164 176	169 822	208 057	192 941	192 587	192 591	206 337	215 890	226 978
Interest and rent on land	-	-	3	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>2 003</b>	<b>2 802</b>	<b>2 116</b>	<b>3 499</b>	<b>3 499</b>	<b>3 499</b>	<b>3 716</b>	<b>3 935</b>	<b>4 155</b>
Provinces and municipalities	385	750	480	950	764	764	812	860	908
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 618	2 052	1 636	2 549	2 735	2 735	2 904	3 075	3 247
<b>Payments for capital assets</b>	<b>17 979</b>	<b>49 196</b>	<b>18 823</b>	<b>45 900</b>	<b>45 900</b>	<b>45 804</b>	<b>35 498</b>	<b>36 043</b>	<b>36 911</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	17 979	49 196	18 823	45 900	45 900	45 804	35 498	36 043	36 911
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>14</b>	<b>179</b>	<b>288</b>	<b>-</b>	<b>354</b>	<b>446</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>621 318</b>	<b>702 150</b>	<b>737 790</b>	<b>811 743</b>	<b>811 743</b>	<b>811 743</b>	<b>861 447</b>	<b>923 664</b>	<b>989 931</b>

The Programme Support Regulation sub-programme caters for the operational support to the programme managers, the support staff and all related costs (including office accommodation). The low amounts from 2013/14 to 2015/16 can be ascribed to funds moved due to slower than anticipated filling of vacant posts, as well as resignations. The sub-programme is only marginally affected by the budget cuts.

The sub-programme: Transport Administration and Licensing facilitates and administers the effective functioning of motor transport services including the registration and licensing of vehicles and drivers, administering of vehicle registration and licensing transactions, etc. The growth over the 2017/18 MTEF is ascribed to inflationary increments. The sub-programme is only minimally affected by the budget cuts.

The sub-programme: Operator Licences and Permits caters for the statutory boards in the department relating to public transport and their expenditure, the salaries of staff who issue permits/operating licences in terms of the Licence Road Transport Board and Taxi register, all costs involved in the processing and issuing of operator licences and permits, costs related to the Provincial Regulatory Entity (PRE), as well as costs related to the issuing of permits for abnormal loads, and the transport of hazardous goods. The department decentralised the consolidated public transport regulation processes at the PRE in 2013/14 to regions in order to allow the lodging of applications for operating licences and permits for the public transport operators in the province to be more accessible. The increase over the 2017/18 MTEF relates to inflationary increments, as this sub-programme is only marginally affected by the budget cuts.

The sub-programme: Law Enforcement manages the public transport enforcement services and facilitates road traffic management through the employment of traffic officers who deal with law enforcement on roads such as roadblocks, weighbridges, control of traffic, patrolling, screening, etc. This sub-programme also caters for the Traffic Training College who undertake the theoretical and practical training of traffic

officers. The allocations over the MTEF provide for the filling of critical posts. This sub-programme is only minimally affected by the budget cuts.

*Compensation of employees* reflects steady growth, and caters for the carry-through costs of the above-budget wage agreements, as well as inflationary adjustments, with provision being made for the filling of 91 critical posts such as Chief Provincial Inspectors, Administrative Officers, Principal Provincial Inspectors, Vehicle Technical Compliance, over the 2017/18 MTEF. As mentioned, the department had budgeted for these posts in 2016/17, hence the low growth from 2016/17 to 2017/18. The growth of 8.2 per cent in 2017/18 and 8 per cent in 2019/20 is below what National Treasury has prescribed, and this will be reviewed by the department in-year.

*Goods and services* caters for vehicle registration and licensing of vehicles and drivers, administering of vehicle registration and licensing transactions, law enforcement and road safety campaigns, and these contribute to the growth over the MTEF. This category was minimally affected by the budget cuts.

*Transfers and subsidies to: Provinces and municipalities* caters for motor vehicle licences.

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

*Machinery and equipment* caters for computer equipment, as well as specialised equipment for vehicles for the Law Enforcement unit. The specialised equipment for vehicles is purchased under this programme, and not centralised under Programme 1. The specialised equipment includes traffic cameras, blue lights, two way radios, etc., designed for traffic officers. The bulk of the budget cuts against Programme 4 were effected against this category, but the cuts were fairly minimal.

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

#### Service delivery measures – Programme 4: Transport Regulation

Table 12.23 illustrates the main service delivery measures relating to Programme 4. The performance indicators comply fully with the customised performance indicators for the Transport sector, and non-sector measures are also included in the table.

**Table 12.23 : Service delivery measures – Programme 4: Transport Regulation**

Outputs	Performance indicators	Medium-term targets			
		Estimated performance 2016/17	2017/18	2018/19	2019/20
<b>4. Transport Regulation</b>					
4.1 Transport Administration and Licensing	• No. of licence compliance inspections conducted	1 263	1 088	1 096	1 104
4.2 Operator Licences and Permits	• No. of operator permits converted to licences	100	100	120	140
4.3 Traffic Law Enforcement	• No. of speed operations conducted	18 250	18 250	18 250	18 250
	• No. of hours weighbridges operated	15 000	15 000	15 000	15 000
	• No. of goal directed enforcement of public transport (Operation Shanela) undertaken	456	880	880	880
	• No. of kilometres patrolled	6 090 000	6 090 000	6 090 000	6 090 000
	• No. of law enforcement officers employed	807	807	807	807
	• No. of vehicles stopped and checked	1 600 000	1 600 000	1 600 000	1 600 000
	• No. of heavy vehicles screened	3 200 000	3 200 000	3 200 000	3 200 000
	• No. of vehicles weighed	155 000	155 000	155 000	155 000
	• No. of drunken driving operations conducted	200	200	210	220

#### 8.5 Programme 5: Community Based Programmes

The purpose of this programme is to direct and manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors. The programme consists of four sub-programmes in line with the sector specific budget format, namely Programme Support Community Based, Community Development, Innovation and Empowerment and EPWP Co-ordination and Monitoring.

Tables 12.24 and 12.25 summarise payments and estimates relating to Programme 5 for the financial years 2013/14 to 2019/20.

**Table 12.24 : Summary of payments and estimates by sub-programme: Community Based Programmes**

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
				2016/17					
1. Programme Support Community Based	5 097	6 383	6 675	7 703	7 703	7 703	7 616	8 151	8 732
2. Community Development	22 304	10 080	3 702	9 882	8 188	8 188	8 551	9 137	9 738
3. Innovation and Empowerment	8 235	11 688	8 681	16 777	12 789	12 789	13 080	13 831	14 770
4. EPWP Co-ordination and Monitoring	6 838	13 560	10 531	5 818	5 818	5 818	5 992	5 504	5 951
<b>Total</b>	<b>42 474</b>	<b>41 711</b>	<b>29 589</b>	<b>40 180</b>	<b>34 498</b>	<b>34 498</b>	<b>35 239</b>	<b>36 623</b>	<b>39 191</b>

**Table 12.25 : Summary of payments and estimates by economic classification: Community Based Programmes**

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
				2016/17					
<b>Current payments</b>	<b>40 968</b>	<b>40 777</b>	<b>29 512</b>	<b>35 080</b>	<b>34 388</b>	<b>34 388</b>	<b>35 139</b>	<b>36 523</b>	<b>39 091</b>
Compensation of employees	12 302	13 089	15 559	18 011	14 264	14 264	14 228	15 422	16 672
Goods and services	28 666	27 688	13 953	17 069	20 124	20 124	20 911	21 101	22 419
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>1 458</b>	<b>900</b>	<b>77</b>	<b>5 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	1 451	900	-	5 000	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7	-	77	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>45</b>	<b>34</b>	<b>-</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	45	34	-	100	100	100	100	100	100
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>42 474</b>	<b>41 711</b>	<b>29 589</b>	<b>40 180</b>	<b>34 498</b>	<b>34 498</b>	<b>35 239</b>	<b>36 623</b>	<b>39 191</b>

The sub-programme: Programme Support Community Based provides for the operational support to the programme manager, the support staff and all related costs (including office accommodation). The sub-programme reflects steady growth over the 2017/18 MTEF, as it is marginally affected by the budget cuts.

The sub-programme: Community Development caters for community development programmes, such as the development of Zibambele contractors, to bring about the development and empowerment of impoverished communities, as well as liaison through community based structures. The sub-programme reflects steady growth over the 2017/18 MTEF, as it is only minimally affected by the budget cuts.

The sub-programme: Innovation and Empowerment caters for contractor development such as the pothole patching pilot programme, mentorship and training programmes for Vukuzakhe contractors, as well as learnerships. The fluctuation is mainly due to reprioritisation undertaken as a result of the non-filling of posts to Programme 2 in respect of the maintenance of the provincial road network. The sub-programme is only marginally affected by the budget cuts over the 2017/18 MTEF.

The EPWP Co-ordination and Monitoring sub-programme caters for costs related to the management and co-ordination of the EPWP programme. The sub-programme is minimally affected by the budget cuts.

*Compensation of employees* reflects an increasing trend over the period. The department has made provision for the filling of five critical posts such as Deputy Director: Technical Interventions and Secretary to Director: Departmental EPWP over the MTEF. As mentioned, the department had budgeted for these posts in 2016/17, hence the low growth from 2016/17 to 2017/18. The negative growth of 0.25 per cent in 2017/18 will be reviewed by the department. The growth of 8.4 per cent in 2017/18 and 8.1 per cent in 2019/20 is in line with the National Treasury guidelines.

*Goods and services* relates to the development and training of Vukuzakhe and Zibambe contractors who undertake road maintenance work for the department. The increase in the 2016/17 Adjusted Appropriation was in respect of consultation fees for the EPWP Integrated Grant for Provinces. The department appointed consultants to provide technical support in guiding and mainstreaming the labour intensive construction programme, as well as co-ordinating and monitoring beneficiary training on site. The growth over the MTEF caters for inflationary increments. The category is minimally affected by the budget cuts.

*Transfers and subsidies to: Public corporations and private enterprises* is in respect of VECA. The department reprioritised the amount in 2015/16, 2016/17, as well as over the MTEF to *Goods and services* due to non-compliance by the association, as explained, and this will be reviewed in-year.

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

*Machinery and equipment* reflects a fluctuating trend in line with the filling of posts, as well as the replacement of computer equipment, vehicles, etc., that are damaged or obsolete. The amounts over the 2017/18 MTEF cater for office and computer equipment.

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

## Service delivery measures – Programme 5: Community Based Programmes

Table 12.26 reflects the main service delivery measures relevant to Programme 5. The performance indicators comply fully with the customised measures for the Transport sector, and non-sector measures are also included in the table.

**Table 12.26 : Service delivery measures – Programme 5: Community Based Programmes**

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2016/17	2017/18	2018/19	2019/20
<b>5. Community Based Programmes</b>					
5.1 Community Development	• No. of Zibambe contractors employed	43 360	42 190	41 000	41 000
	• No. of small contractors trained through Vukuzakhe emerging contractor development programme	350	353	357	357
5.2 EPWP Co-ordination and Monitoring	• No. of jobs created	67 200	72 200	77 700	80 000
	• No. of Full-Time Equivalents (FTEs)	24 631	26 066	27 644	28 722
	• No. of youth employed (18-35)	28 000	20 000	22 000	24 000
	• No. of women employed	45 000	45 000	45 000	45 000
	• No. of people living with disabilities employed	350	350	350	350
	• No. of employment days created	5 665 200	5 995 200	6 358 200	6 358 200

## 9. Other programme information

### 9.1 Personnel numbers and costs

Table 12.27 provides detail of the department's approved establishment and personnel numbers, per level and programme. 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.*

The personnel numbers over the 2017/18 MTEF reflect the department's approved establishment, and not only budgeted posts. The number of personnel reflects a steady increase, and shows an average growth of 26 per cent from 2016/17 to 2019/20. The year-on-year growth of 7.8 per cent in 2017/18, 8.2 per cent in 2018/19 and 7.9 per cent in 2019/20 is below the National Treasury's guidelines. As explained, the low growth can be attributed to the fact the department will not fill all 176 critical posts in 2017/18 but over the MTEF, and not all personnel qualify for a pay progression in any given year. As such, the department will review the personnel budget in-year.



Table 12.27 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2016/17 - 2019/20		
	2013/14		2014/15		2015/16		2016/17				2017/18		2018/19		2019/20		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers. nos <sup>1</sup>	Costs	Pers. nos <sup>1</sup>	Costs	Pers. nos <sup>1</sup>	Costs	Filled posts	Addit. posts	Pers. nos <sup>1</sup>	Costs	Pers. nos <sup>1</sup>	Costs	Pers. nos <sup>1</sup>	Costs	Pers. nos <sup>1</sup>	Costs			
<b>R thousands</b>																			
1 – 6	2 941	430 374	2 921	461 830	2 975	503 857	2 854	10	2 864	688 567	3 151	770 422	3 151	828 329	3 151	887 049	3.2%	8.8%	43.1%
7 – 10	1 023	449 591	1 020	485 727	966	529 928	754	194	948	388 765	1 066	430 666	1 066	473 215	1 066	518 281	4.0%	10.1%	24.6%
11 – 12	131	60 050	118	65 415	94	71 368	88	13	101	63 220	133	97 639	133	105 019	133	112 651	9.6%	21.2%	5.1%
13 – 16	38	36 525	40	43 050	41	46 968	36	-	36	46 644	47	57 279	47	61 923	47	66 764	9.3%	12.7%	3.2%
Other	-	290 235	-	313 838	36	340 608	111	-	111	447 429	120	406 011	120	438 845	120	474 227	2.6%	2.0%	24.0%
<b>Total</b>	<b>4 133</b>	<b>1 266 775</b>	<b>4 099</b>	<b>1 369 860</b>	<b>4 112</b>	<b>1 492 729</b>	<b>3 843</b>	<b>217</b>	<b>4 060</b>	<b>1 634 625</b>	<b>4 517</b>	<b>1 762 017</b>	<b>4 517</b>	<b>1 907 331</b>	<b>4 517</b>	<b>2 058 972</b>	<b>3.6%</b>	<b>8.0%</b>	<b>100.0%</b>
<b>Programme</b>																			
1. Administration	310	97 907	291	107 434	314	116 898	407	-	407	140 943	475	141 536	475	153 255	475	165 508	5.3%	5.5%	8.2%
2. Transport Infrastructure	2 255	690 481	2 255	737 529	2 205	816 466	1 873	212	2 085	870 503	2 327	950 205	2 327	1 027 210	2 327	1 107 722	3.7%	8.4%	70.6%
3. Transport Operations	73	28 939	56	31 657	76	35 303	70	5	75	39 512	84	40 152	84	43 648	84	47 183	3.8%	6.1%	2.5%
4. Transport Regulation	1 458	437 146	1 470	480 151	1 490	508 503	1 468	-	1 468	569 403	1 603	615 896	1 603	667 796	1 603	721 888	3.0%	8.2%	46.0%
5. Community Based Programmes	37	12 302	27	13 089	27	15 559	25	-	25	14 264	28	14 228	28	15 422	28	16 671	3.8%	5.3%	1.1%
<b>Total</b>	<b>4 133</b>	<b>1 266 775</b>	<b>4 099</b>	<b>1 369 860</b>	<b>4 112</b>	<b>1 492 729</b>	<b>3 843</b>	<b>217</b>	<b>4 060</b>	<b>1 634 625</b>	<b>4 517</b>	<b>1 762 017</b>	<b>4 517</b>	<b>1 907 331</b>	<b>4 517</b>	<b>2 058 972</b>	<b>3.6%</b>	<b>8.0%</b>	<b>100.0%</b>
<b>Employee dispensation classification</b>																			
PSA appointees not covered by OSDs	3 207	802 601	3 280	883 781	3 289	999 225	3 111	148	3 259	977 730	3 716	1 134 069	3 716	1 227 802	3 716	1 324 452	4.5%	10.6%	63.3%
Legal professionals	6	2 632	6	2 632	6	2 632	5	3	8	2 838	8	3 150	8	3 416	8	3 694	0.0%	9.2%	0.2%
Engineering prof. and related	456	165 107	456	165 107	456	165 107	409	47	456	206 628	456	218 787	456	237 268	456	256 599	0.0%	7.5%	16.4%
Others (interns, EPWP, learnerships)	464	296 435	357	318 340	361	325 765	318	19	337	447 429	337	406 011	337	438 845	337	474 227	0.0%	2.0%	31.5%
<b>Total</b>	<b>4 133</b>	<b>1 266 775</b>	<b>4 099</b>	<b>1 369 860</b>	<b>4 112</b>	<b>1 492 729</b>	<b>3 843</b>	<b>217</b>	<b>4 060</b>	<b>1 634 625</b>	<b>4 517</b>	<b>1 762 017</b>	<b>4 517</b>	<b>1 907 331</b>	<b>4 517</b>	<b>2 058 972</b>	<b>3.6%</b>	<b>8.0%</b>	<b>100.0%</b>

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

The department's budget was affected by the 2016/17 MTEF budget cuts against *Compensation of employees*. This resulted in a shortfall against the personnel budget and, as a result, the department reprioritised funds mainly from *Goods and services* and *Machinery and equipment* to cater for the shortfall in this regard, as well as for the filling of 176 critical vacant posts such as Administrative Officers for implementation of GIAMA and Budgeting Planning and Control, Deputy Directors: Procurement and Financial System and Revenue, in Programme 1, Administrative Officers, Control Engineering Technicians, Driver Operators, Directors: Engineering Services and Technology, in Programme 2, Chief Director: Public and Freight Transport Management, Deputy Directors: Conflict Mediation and Resolution, Regulation and Support, in Programme 3, Chief Provincial Inspectors, Administrative Officers, Principal Provincial Inspectors, Vehicle Technical Compliance, in Programme 4 and Deputy Director: Technical Interventions and Secretary to Director: Departmental EPWP, in Programme 5.

The departmental head count fluctuates from 2013/14 to 2016/17 as a result of the moratorium of the filling of non-critical posts.

The Zibambele contractors employed (numbering an estimated 41 000 in each year of the MTEF) are used for the maintenance of the provincial road network. These are captured against *Others – Interns, EPWP, learnerships, etc.*, and they are not part of the approved post establishment.

## 9.2 Training

Table 12.28 gives a summary of spending and information on training for the period 2013/14 to 2019/20.

The department reduced its training budget in 2014/15 in order to undertake in-house training and capacity building. The increase from 2015/16 is in line with the training needs of the staff. However, the department will continue to undertake in-house training and capacity building, aimed at containing costs.

The training in Programme 1 relates to administrative functions. The training in Programme 2 is in respect of training for the Zibambele contractors relating to maintenance of the provincial roads.

Under Programme 3, the training is in respect of safety and compliance such as road safety education, including pedestrian safety.

The training under Programme 4 includes the costs for the Traffic Training College and the Technical Training Centre in respect of the training of traffic officers, and the training conducted under Programme 5 relates to training, learnerships and mentorships for the Vukuzakhe projects. The department is not anticipating training under the Vukuzakhe emerging contract attributed to delays with the appointment of the service provider. As a result, no provision has been made in this regard over the MTEF, but this will be reviewed in-year.

**Table 12.28 : Information on training: Transport**

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	4 133	4 099	4 112	4 060	4 060	4 060	4 517	4 517	4 517
Number of personnel trained	1 600	846	1 465	1 612	1 612	1 612	1 773	1 950	2 060
of which									
Male	900	459	640	704	704	704	774	851	899
Female	700	387	825	908	908	908	999	1 099	1 161
Number of training opportunities	265	238	166	189	189	189	212	235	248
of which									
Tertiary	-	-	-	1	1	1	2	3	3
Workshops	15	9	48	58	58	58	68	78	82
Seminars	-	1	8	10	10	10	12	14	15
Other	250	228	110	120	120	120	130	140	148
Number of bursaries offered	200	96	123	178	178	178	144	168	177
Number of interns appointed	35	43	43	65	65	65	70	75	79
Number of learnerships appointed	185	2	21	20	20	20	20	20	21
Number of days spent on training	200	232	232	232	232	232	232	232	245
<b>Payments on training by programme</b>									
1. Administration	5 379	417	824	1 157	681	814	723	767	809
2. Transport Infrastructure	2 052	2 101	3 785	7 239	4 179	4 524	4 438	4 700	4 963
3. Transport Operations	70	64	2	156	1 181	1 176	1 254	1 328	1 402
4. Transport Regulation	788	852	1 876	929	468	455	497	527	557
5. Community Based Programmes	7	10	9	19	-	-	-	-	-
<b>Total</b>	<b>8 296</b>	<b>3 444</b>	<b>6 496</b>	<b>9 500</b>	<b>6 509</b>	<b>6 969</b>	<b>6 912</b>	<b>7 322</b>	<b>7 731</b>

The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. The training needs are reviewed on an ongoing basis. This requirement gives credence to government policy on human resource development. To facilitate this process, the department is affiliated to the line function TETA and CETA.

Table 12.28 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 12: TRANSPORT

Table 12.A : Details of departmental receipts: Transport

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Tax receipts</b>	<b>1 396 323</b>	<b>1 481 126</b>	<b>1 490 173</b>	<b>1 535 734</b>	<b>1 535 734</b>	<b>1 589 863</b>	<b>1 597 163</b>	<b>1 661 050</b>	<b>1 727 492</b>
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	1 396 323	1 481 126	1 490 173	1 535 734	1 535 734	1 589 863	1 597 163	1 661 050	1 727 492
<b>Sale of goods and services other than capital assets</b>	<b>130 592</b>	<b>126 811</b>	<b>119 355</b>	<b>136 756</b>	<b>136 756</b>	<b>106 852</b>	<b>145 088</b>	<b>153 931</b>	<b>155 601</b>
Sale of goods and services produced by department (excluding capital assets)	130 554	126 811	119 355	136 733	136 733	106 837	145 070	153 912	155 580
Sale by market establishments	6 138	5 831	6 069	6 354	6 354	6 494	6 953	7 433	7 849
Administrative fees	118 502	113 874	107 739	120 676	120 676	90 209	127 415	135 039	135 650
Other sales	5 914	7 106	5 547	9 703	9 703	10 134	10 702	11 440	12 081
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	38	-	-	23	23	15	18	19	21
<b>Transfers received from:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
<b>Fines, penalties and forfeits</b>	<b>38 186</b>	<b>43 476</b>	<b>45 671</b>	<b>38 341</b>	<b>38 341</b>	<b>40 898</b>	<b>40 948</b>	<b>43 733</b>	<b>45 449</b>
<b>Interest, dividends and rent on land</b>	<b>202</b>	<b>236</b>	<b>202</b>	<b>304</b>	<b>304</b>	<b>349</b>	<b>254</b>	<b>272</b>	<b>280</b>
Interest	43	35	48	41	41	194	79	85	87
Dividends	24	23	25	27	27	35	40	43	45
Rent on land	135	178	129	236	236	120	135	144	148
<b>Sale of capital assets</b>	<b>4 181</b>	<b>4 389</b>	<b>6 221</b>	<b>4 805</b>	<b>4 805</b>	<b>16 364</b>	<b>5 132</b>	<b>5 481</b>	<b>6 000</b>
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	4 181	4 389	6 221	4 805	4 805	16 364	5 132	5 481	6 000
<b>Transactions in financial assets and liabilities</b>	<b>7 814</b>	<b>369</b>	<b>3 358</b>	<b>2 038</b>	<b>2 038</b>	<b>1 921</b>	<b>2 176</b>	<b>2 324</b>	<b>2 400</b>
<b>Total</b>	<b>1 577 298</b>	<b>1 656 407</b>	<b>1 664 980</b>	<b>1 717 978</b>	<b>1 717 978</b>	<b>1 756 247</b>	<b>1 790 761</b>	<b>1 866 791</b>	<b>1 937 222</b>

Estimates of Provincial Revenue and Expenditure

Table 12.B : Payments and estimates by economic classification: Transport

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>3 947 180</b>	<b>4 177 719</b>	<b>4 071 018</b>	<b>5 170 110</b>	<b>5 088 625</b>	<b>5 130 959</b>	<b>5 121 230</b>	<b>5 525 360</b>	<b>5 913 640</b>
Compensation of employees	1 266 775	1 369 860	1 492 729	1 559 427	1 634 625	1 634 625	1 762 017	1 907 331	2 058 972
Salaries and wages	1 141 515	1 237 358	1 335 833	1 384 397	1 464 223	1 464 223	1 579 915	1 710 034	1 845 694
Social contributions	125 260	132 502	156 896	175 030	170 402	170 402	182 102	197 297	213 278
Goods and services	2 680 332	2 807 854	2 578 286	3 610 683	3 454 000	3 496 334	3 359 213	3 618 029	3 854 668
Administrative fees	9	1 632	1 864	2 677	1 651	5 661	1 727	1 829	1 931
Advertising	15 923	11 303	12 727	7 954	8 750	8 555	8 674	9 186	9 701
Minor assets	5 412	5 489	6 594	7 107	12 157	10 721	12 912	13 672	14 437
Audit cost: External	6 436	6 961	6 456	7 367	7 678	7 087	8 153	8 634	9 118
Bursaries: Employees	1 554	442	134	1 058	1 058	517	1 124	1 190	1 257
Catering: Departmental activities	9 342	7 393	5 559	4 681	5 910	5 716	6 283	6 654	7 024
Communication (G&S)	33 056	35 374	35 691	33 460	33 363	34 562	35 408	37 545	39 647
Computer services	25 928	45 673	48 669	49 767	57 031	57 316	59 691	63 212	66 752
Cons & prof serv: Business and advisory services	95 670	152 519	117 399	143 200	98 259	88 655	109 183	113 031	119 500
Infrastructure and planning	76 427	107 368	135 444	124 316	198 038	217 072	210 317	222 726	235 198
Laboratory services	305	435	513	457	513	451	545	578	610
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	24 962	19 053	22 854	27 149	20 738	19 186	22 426	23 737	25 066
Contractors	1 453 903	1 410 120	1 507 347	2 186 806	2 119 440	2 158 865	1 962 537	2 148 401	2 301 108
Agency and support / outsourced services	3 680	1 710	10 267	14 793	13 939	13 195	14 917	15 836	16 722
Entertainment	10	13	2	24	-	-	-	-	-
Fleet services (incl. gov't motor transport)	72 093	69 095	86 160	67 803	71 552	67 924	80 844	83 453	87 128
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	5 745	6 042	8 082	7 965	3 356	11 470	10 807	11 444	12 085
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	610	1 000	721	996	957	952	1 016	1 076	1 136
Inventory: Fuel, oil and gas	34 310	40 198	40 050	31 235	18 609	9 386	9 966	10 734	11 335
Inventory: Leamer and teacher support material	576	394	342	609	179	195	190	201	212
Inventory: Materials and supplies	63 189	82 647	76 504	90 857	81 814	43 809	86 886	92 012	97 164
Inventory: Medical supplies	7	-	-	64	1	3 636	1	1	1
Inventory: Medicine	4 289	1 685	460	37	455	910	962	1 019	1 076
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	1	-	-	-	-	-
Consumable supplies	3 758	5 614	15 911	6 137	7 238	7 019	7 700	8 150	8 746
Consumable: Stationery, printing and office supplies	13 064	13 267	9 646	17 594	16 321	17 556	17 328	18 349	19 376
Operating leases	78 846	59 109	27 692	58 465	33 879	31 372	35 984	38 100	40 233
Property payments	77 736	86 956	96 855	78 076	104 135	101 290	100 948	109 498	118 132
Transport provided: Departmental activity	130 779	141 890	215 261	250 347	237 642	280 249	251 233	260 248	274 683
Travel and subsistence	56 754	59 687	61 052	71 503	62 045	61 222	64 958	68 254	72 074
Training and development	8 296	3 444	6 496	9 500	6 509	6 969	6 912	7 322	7 731
Operating payments	5 989	9 331	12 255	13 943	7 271	6 611	7 855	8 197	8 656
Venues and facilities	12 173	19 495	8 982	7 227	12 079	10 848	12 512	12 767	13 481
Rental and hiring	359 501	402 515	297	287 508	211 433	207 357	209 214	220 973	233 348
Interest and rent on land	73	5	3	-	-	-	-	-	-
Interest	73	5	3	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>931 273</b>	<b>1 028 292</b>	<b>1 016 815</b>	<b>1 053 563</b>	<b>1 037 226</b>	<b>1 037 226</b>	<b>1 099 193</b>	<b>1 150 895</b>	<b>1 215 343</b>
Provinces and municipalities	4 281	4 093	4 537	4 691	4 691	4 691	4 986	5 280	5 575
Provinces	4 281	4 093	4 537	4 691	4 691	4 691	4 986	5 280	5 575
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	4 281	4 093	4 537	4 691	4 691	4 691	4 986	5 280	5 575
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	4 522	1 608	5 699	5 705	5 705	6 058	6 415	6 774
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	4 522	1 608	5 699	5 705	5 705	6 058	6 415	6 774
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	915 867	985 852	993 057	1 016 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Public corporations	915 867	985 852	993 057	1 016 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Subsidies on production	914 416	984 952	993 057	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Other transfers	1 451	900	-	5 000	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	11 125	33 825	17 613	27 128	15 784	15 784	16 710	17 693	18 683
Social benefits	7 706	11 398	9 240	12 851	11 925	11 925	12 633	13 378	14 127
Other transfers to households	3 419	22 427	8 373	14 277	3 859	3 859	4 077	4 315	4 556
<b>Payments for capital assets</b>	<b>3 176 152</b>	<b>3 845 558</b>	<b>4 245 464</b>	<b>3 343 714</b>	<b>3 445 622</b>	<b>3 403 015</b>	<b>3 626 601</b>	<b>3 637 467</b>	<b>3 841 273</b>
Buildings and other fixed structures	3 096 671	3 675 620	4 032 842	3 127 432	3 227 432	3 184 825	3 424 685	3 426 070	3 617 930
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	3 096 671	3 675 620	4 032 842	3 127 432	3 227 432	3 184 825	3 424 685	3 426 070	3 617 930
Machinery and equipment	75 151	166 436	200 177	216 282	217 865	217 095	193 759	202 172	213 049
Transport equipment	65 851	156 474	187 026	204 744	198 385	198 385	175 573	182 719	192 420
Other machinery and equipment	9 300	9 962	13 151	11 538	19 480	18 710	18 186	19 453	20 629
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	4 330	3 502	12 445	-	325	1 095	8 157	9 225	10 294
<b>Payments for financial assets</b>	<b>582</b>	<b>380</b>	<b>5 195</b>	<b>4 553</b>	<b>6 147</b>	<b>6 420</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>8 055 187</b>	<b>9 051 949</b>	<b>9 338 492</b>	<b>9 571 940</b>	<b>9 577 620</b>	<b>9 577 620</b>	<b>9 847 024</b>	<b>10 313 722</b>	<b>10 970 256</b>
Unauth. Exp. (1st charge) not available for spending	-	-	(4 553)	(4 553)	(4 553)	(4 553)	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>8 055 187</b>	<b>9 051 949</b>	<b>9 333 939</b>	<b>9 567 387</b>	<b>9 573 067</b>	<b>9 573 067</b>	<b>9 847 024</b>	<b>10 313 722</b>	<b>10 970 256</b>

Table 12.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
<b>Current payments</b>	<b>230 286</b>	<b>232 491</b>	<b>260 629</b>	<b>268 942</b>	<b>281 993</b>	<b>282 079</b>	<b>297 280</b>	<b>318 228</b>	<b>339 717</b>
Compensation of employees	97 907	107 434	116 898	138 059	140 943	140 943	141 536	153 255	165 508
Salaries and wages	86 051	94 127	101 241	118 836	124 090	124 085	123 493	133 698	144 367
Social contributions	11 856	13 307	15 657	19 223	16 853	16 858	18 043	19 557	21 141
Goods and services	132 306	125 052	143 731	130 883	141 050	141 136	155 744	164 973	174 209
Administrative fees	7	350	396	489	301	271	321	341	361
Advertising	1 501	2 525	9 460	2 768	5 378	5 371	5 092	5 392	5 694
Minor assets	904	994	856	825	1 660	1 331	1 763	1 866	1 970
Audit cost: External	5 732	6 561	6 363	7 250	7 250	6 664	7 699	8 153	8 610
Bursaries: Employees	1 554	442	134	1 058	1 058	517	1 124	1 190	1 257
Catering: Departmental activities	1 118	1 929	2 841	1 820	738	621	760	805	849
Communication (G&S)	12 120	14 358	14 946	11 912	11 875	12 065	12 611	13 404	14 155
Computer services	20 794	32 007	32 222	35 870	44 697	45 588	46 522	49 267	52 026
Cons & prof serv: Business and advisory services	14 322	10 205	9 748	6 123	7 291	9 213	12 295	13 021	13 749
Infrastructure and planning	5 838	-	-	-	299	274	318	337	356
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	16 010	12 285	13 983	13 011	12 339	11 314	13 104	13 877	14 654
Contractors	19 277	15 202	15 528	7 305	6 219	9 593	9 363	9 910	10 465
Agency and support / outsourced services	277	1 317	2 297	2 208	7 647	7 555	8 121	8 600	9 081
Entertainment	1	13	2	24	-	-	-	-	-
Fleet services (incl. gov't motor transport)	2 974	2 222	5 001	6 641	5 352	3 250	5 359	5 675	5 993
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	26	16	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	361	473	433	526	510	503	541	573	605
Inventory: Fuel, oil and gas	-	-	-	41	-	-	-	-	-
Inventory: Leamer and teacher support material	324	262	267	447	179	195	190	201	212
Inventory: Materials and supplies	-	12	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	4 274	1 657	450	-	451	902	958	1 015	1 072
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	414	774	562	424	166	189	189	196	347
Consumable: Stationery, printing and office supplies	1 893	1 455	1 244	1 467	1 380	1 529	1 465	1 551	1 638
Operating leases	2 198	3 958	1 194	2 837	3 197	3 317	3 396	3 596	3 797
Property payments	5 080	4 474	7 716	8 097	5 704	5 595	6 058	6 416	6 775
Transport provided: Departmental activity	321	1 239	2 555	2 034	1 214	1 087	1 289	1 366	1 304
Travel and subsistence	9 074	8 810	11 045	13 090	14 231	12 287	15 114	16 005	16 901
Training and development	5 379	417	824	1 157	681	814	723	767	809
Operating payments	426	656	747	2 101	692	580	782	828	874
Venues and facilities	107	439	2 917	1 358	541	511	587	621	655
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	73	5	-	-	-	-	-	-	-
Interest	73	5	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>2 270</b>	<b>9 627</b>	<b>11 075</b>	<b>20 549</b>	<b>10 827</b>	<b>10 737</b>	<b>11 447</b>	<b>12 120</b>	<b>12 799</b>
Provinces and municipalities	14	56	35	85	85	85	92	97	102
Provinces	14	56	35	85	85	85	92	97	102
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	14	56	35	85	85	85	92	97	102
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	4 522	1 608	5 699	5 699	5 699	6 052	6 409	6 768
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	4 522	1 608	5 699	5 699	5 699	6 052	6 409	6 768
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	2 256	5 049	9 432	14 765	5 043	4 953	5 303	5 614	5 929
Social benefits	1 030	1 486	1 195	1 332	1 517	1 517	1 579	1 672	1 766
Other transfers to households	1 226	3 563	8 237	13 433	3 526	3 436	3 724	3 942	4 163
<b>Payments for capital assets</b>	<b>24 254</b>	<b>16 797</b>	<b>29 733</b>	<b>16 148</b>	<b>16 242</b>	<b>16 242</b>	<b>26 325</b>	<b>29 344</b>	<b>32 363</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	20 479	14 360	17 288	16 148	16 236	16 236	19 325	21 344	23 363
Transport equipment	18 945	11 249	8 721	12 744	3 657	3 657	9 000	10 000	11 000
Other machinery and equipment	1 534	3 111	8 567	3 404	12 579	12 579	10 325	11 344	12 363
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	3 775	2 437	12 445	-	6	6	7 000	8 000	9 000
<b>Payments for financial assets</b>	<b>494</b>	<b>57</b>	<b>4 584</b>	<b>4 553</b>	<b>4 914</b>	<b>4 918</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>257 304</b>	<b>258 972</b>	<b>306 021</b>	<b>310 192</b>	<b>313 976</b>	<b>313 976</b>	<b>335 052</b>	<b>359 692</b>	<b>384 879</b>
Unauth. Exp. (1st charge) not available for spending	-	-	(4 553)	(4 553)	(4 553)	(4 553)	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>257 304</b>	<b>258 972</b>	<b>301 468</b>	<b>305 639</b>	<b>309 423</b>	<b>309 423</b>	<b>335 052</b>	<b>359 692</b>	<b>384 879</b>

Table 12.D : Payments and estimates by economic classification: Transport Infrastructure

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>2 846 087</b>	<b>3 014 695</b>	<b>2 769 551</b>	<b>3 761 441</b>	<b>3 662 427</b>	<b>3 662 076</b>	<b>3 600 928</b>	<b>3 904 933</b>	<b>4 181 497</b>
Compensation of employees	690 481	737 529	816 466	795 237	870 503	870 503	950 205	1 027 210	1 107 722
Salaries and wages	636 498	682 606	752 448	723 344	799 505	799 510	875 246	946 054	1 019 992
Social contributions	53 983	54 923	64 018	71 893	70 998	70 993	74 959	81 156	87 730
Goods and services	2 155 606	2 276 166	1 953 085	2 966 204	2 791 924	2 791 573	2 650 723	2 877 723	3 073 775
Administrative fees	2	468	569	928	592	4 574	603	639	675
Advertising	1 243	678	777	1 288	754	767	801	849	897
Minor assets	3 071	2 917	3 766	4 499	9 071	8 019	9 632	10 200	10 771
Audit cost: External	620	375	64	45	410	387	435	461	487
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	3 213	2 184	47	89	70	76	86	92	97
Communication (G&S)	11 841	10 351	9 804	9 404	10 398	10 308	11 011	11 661	12 314
Computer services	1 572	3 270	5 156	4 778	5 562	5 333	5 977	6 329	6 684
Cons & prof serv: Business and advisory services	26 174	89 288	68 751	91 872	32 743	21 690	36 341	36 927	38 995
Infrastructure and planning	68 935	107 368	134 834	123 487	197 150	216 270	209 373	221 726	234 142
Laboratory services	305	435	513	457	513	451	545	578	610
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	3 284	2 435	965	2 551	847	772	900	953	1 006
Contractors	1 401 613	1 367 411	1 449 115	2 150 053	2 082 022	2 122 257	1 920 777	2 104 188	2 254 419
Agency and support / outsourced services	2 956	82	6 684	11 129	5 060	4 446	5 374	5 688	6 007
Entertainment	9	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	32 313	34 603	54 250	33 847	30 034	27 892	37 969	40 209	42 462
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	2 263	3 993	3 257	3 814	1 869	3 787	4 490	4 755	5 022
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	194	228	215	362	333	324	354	375	396
Inventory: Fuel, oil and gas	34 290	40 152	39 991	31 065	18 589	9 369	9 945	10 712	11 312
Inventory: Learner and teacher support material	-	-	-	1	-	-	-	-	-
Inventory: Materials and supplies	62 791	81 169	75 664	90 358	81 693	43 695	86 758	91 877	97 022
Inventory: Medical supplies	-	-	-	64	-	3 635	-	-	-
Inventory: Medicine	15	27	7	33	4	8	4	4	4
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 308	2 091	1 949	2 943	4 020	3 622	4 269	4 521	4 774
Consumable: Stationery, printing and office supplies	2 414	2 590	2 953	3 275	3 155	3 147	3 347	3 544	3 742
Operating leases	56 769	34 559	2 452	32 952	8 991	8 077	9 551	10 114	10 680
Property payments	44 661	48 649	57 405	36 443	59 648	58 802	53 700	59 461	65 293
Transport provided: Departmental activity	3 702	3 413	730	701	72	78	111	118	125
Travel and subsistence	22 745	25 267	25 547	27 932	24 101	24 147	25 817	26 974	28 484
Training and development	2 052	2 101	3 785	7 239	4 179	4 524	4 438	4 700	4 963
Operating payments	2 492	3 454	3 789	7 450	4 011	3 668	4 276	4 406	4 653
Venues and facilities	4 302	4 526	13	21	-	-	-	-	-
Rental and hiring	357 457	402 082	33	287 124	206 033	201 448	203 839	215 662	227 739
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>11 037</b>	<b>29 597</b>	<b>10 365</b>	<b>13 469</b>	<b>11 800</b>	<b>11 878</b>	<b>12 534</b>	<b>13 273</b>	<b>14 015</b>
Provinces and municipalities	3 881	3 286	4 014	3 655	3 831	3 831	4 070	4 310	4 551
Provinces	3 881	3 286	4 014	3 655	3 831	3 831	4 070	4 310	4 551
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	3 881	3 286	4 014	3 655	3 831	3 831	4 070	4 310	4 551
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	1	1	1	1	1
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	1	1	1	1	1
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7 156	26 311	6 351	9 814	7 968	8 046	8 463	8 962	9 463
Social benefits	5 187	7 450	6 332	9 224	7 927	7 927	8 420	8 917	9 416
Other transfers to households	1 969	18 861	19	590	41	119	43	45	47
<b>Payments for capital assets</b>	<b>3 133 763</b>	<b>3 778 083</b>	<b>4 196 784</b>	<b>3 281 324</b>	<b>3 383 138</b>	<b>3 340 627</b>	<b>3 564 421</b>	<b>3 571 708</b>	<b>3 771 612</b>
Buildings and other fixed structures	3 096 671	3 675 620	4 032 842	3 127 432	3 227 432	3 184 825	3 424 685	3 426 070	3 617 930
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	3 096 671	3 675 620	4 032 842	3 127 432	3 227 432	3 184 825	3 424 685	3 426 070	3 617 930
Machinery and equipment	36 537	101 398	163 942	153 892	155 387	154 713	138 579	144 413	152 388
Transport equipment	29 834	99 275	161 039	150 000	152 728	152 158	135 019	140 763	148 646
Other machinery and equipment	6 703	2 123	2 903	3 892	2 659	2 555	3 560	3 650	3 742
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	555	1 065	-	-	319	1 089	1 157	1 225	1 294
<b>Payments for financial assets</b>	<b>71</b>	<b>144</b>	<b>323</b>	<b>-</b>	<b>869</b>	<b>1 046</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5 990 958</b>	<b>6 821 519</b>	<b>6 977 023</b>	<b>7 056 234</b>	<b>7 058 234</b>	<b>7 015 627</b>	<b>7 177 883</b>	<b>7 489 914</b>	<b>7 967 124</b>

Table 12.E : Payments and estimates by economic classification: Transport Operations

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
<b>Current payments</b>	<b>228 517</b>	<b>240 783</b>	<b>294 763</b>	<b>342 303</b>	<b>347 827</b>	<b>390 422</b>	<b>365 650</b>	<b>381 990</b>	<b>404 470</b>
Compensation of employees	28 939	31 657	35 303	38 717	39 512	39 512	40 152	43 648	47 183
Salaries and wages	26 149	28 556	31 681	33 995	35 633	35 633	36 048	39 199	42 374
Social contributions	2 790	3 101	3 622	4 722	3 879	3 879	4 104	4 449	4 809
Goods and services	199 578	209 126	259 460	303 586	308 315	350 910	325 498	338 342	357 287
Administrative fees	-	238	237	225	225	282	238	252	266
Advertising	12 976	7 876	2 153	3 397	2 328	2 151	2 473	2 619	2 766
Minor assets	11	49	18	246	638	639	680	720	760
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	3 302	2 303	2 593	2 042	4 706	4 567	4 998	5 293	5 589
Communication (G&S)	378	1 103	982	1 544	1 474	2 048	1 597	1 690	1 785
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	30 563	26 465	23 368	24 995	33 057	33 687	34 717	36 767	38 826
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	243	118	320	827	4 847	3 456	5 148	5 452	5 757
Contractors	14 566	6 866	3 527	6 887	2 024	1 869	2 150	2 277	2 405
Agency and support / outsourced services	447	220	175	304	59	-	176	186	196
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	757	767	821	900	232	283	247	262	277
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	56	-	21	-	38	58	40	42	44
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	15	238	-	-	10	10	11	12	13
Inventory: Fuel, oil and gas	(11)	(6)	-	13	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	1	-	-	-	-	-
Inventory: Materials and supplies	199	274	-	15	40	40	42	44	46
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	85	799	615	467	150	133	159	168	177
Consumable: Stationery, printing and office supplies	585	1 320	1 309	599	895	1 871	950	1 006	1 062
Operating leases	355	332	343	475	347	342	368	389	411
Property payments	1 495	3 621	2 266	3 762	101	96	107	113	119
Transport provided: Departmental activity	121 833	134 062	209 411	242 500	236 356	279 084	249 833	258 764	273 254
Travel and subsistence	4 940	5 644	4 834	7 311	8 555	9 112	8 929	9 287	9 807
Training and development	70	64	2	156	1 181	1 176	1 254	1 328	1 402
Operating payments	246	2 209	312	848	345	313	369	391	413
Venues and facilities	6 353	14 248	5 896	5 695	10 081	9 006	10 347	10 576	11 168
Rental and hiring	114	316	257	377	626	687	665	704	744
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>914 505</b>	<b>985 366</b>	<b>993 182</b>	<b>1 011 046</b>	<b>1 011 100</b>	<b>1 011 112</b>	<b>1 071 496</b>	<b>1 121 567</b>	<b>1 184 374</b>
Provinces and municipalities	1	1	8	1	11	11	12	13	14
Provinces	1	1	8	1	11	11	12	13	14
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1	1	8	1	11	11	12	13	14
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	5	5	5	5	5
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	5	5	5	5	5
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	914 416	984 952	993 057	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Public corporations	914 416	984 952	993 057	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Subsidies on production	914 416	984 952	993 057	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	88	413	117	-	38	50	40	42	44
Social benefits	88	413	-	-	-	-	-	-	-
Other transfers to households	-	-	117	-	38	50	40	42	44
<b>Payments for capital assets</b>	<b>111</b>	<b>1 448</b>	<b>124</b>	<b>242</b>	<b>242</b>	<b>242</b>	<b>257</b>	<b>272</b>	<b>287</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	111	1 448	124	242	242	242	257	272	287
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	111	1 448	124	242	242	242	257	272	287
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 143 133</b>	<b>1 227 597</b>	<b>1 288 069</b>	<b>1 353 591</b>	<b>1 359 169</b>	<b>1 401 776</b>	<b>1 437 403</b>	<b>1 503 829</b>	<b>1 589 131</b>

Table 12.F : Payments and estimates by economic classification: Transport Regulation

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>601 322</b>	<b>649 973</b>	<b>716 563</b>	<b>762 344</b>	<b>761 990</b>	<b>761 994</b>	<b>822 233</b>	<b>883 686</b>	<b>948 865</b>
Compensation of employees	437 146	480 151	508 503	569 403	569 403	569 403	615 896	667 796	721 887
Salaries and wages	381 735	420 305	436 291	493 005	492 088	492 088	532 346	577 228	623 983
Social contributions	55 411	59 846	72 212	76 398	77 315	77 315	83 550	90 568	97 904
Goods and services	164 176	169 822	208 057	192 941	192 587	192 591	206 337	215 890	226 978
Administrative fees	-	536	610	921	458	469	486	514	542
Advertising	150	171	272	407	68	61	72	76	80
Minor assets	1 425	1 526	1 954	1 537	788	732	837	886	936
Audit cost: External	84	25	29	72	18	36	19	20	21
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	48	331	78	199	374	427	416	440	464
Communication (G&S)	8 509	9 077	9 788	10 362	9 475	10 009	10 040	10 633	11 228
Computer services	3 562	10 396	11 291	9 119	6 772	6 174	7 192	7 616	8 042
Cons & prof serv: Business and advisory services	8 937	12 138	5 628	10 336	7 759	7 434	7 801	8 261	8 725
Infrastructure and planning	566	-	610	829	589	528	626	663	700
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	5 425	4 215	7 586	10 760	2 705	3 025	3 274	3 455	3 649
Contractors	15 663	15 185	38 457	22 151	29 175	25 146	30 247	32 026	33 819
Agency and support / outsourced services	-	91	1 111	1 152	1 173	1 194	1 246	1 362	1 438
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	35 829	31 417	26 007	26 285	35 934	36 441	37 269	37 307	38 396
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	3 400	2 033	4 804	4 151	1 449	7 625	6 277	6 647	7 019
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	39	61	73	108	104	115	110	116	122
Inventory: Fuel, oil and gas	31	31	58	91	20	17	21	22	23
Inventory: Learner and teacher support material	252	132	75	160	-	-	-	-	-
Inventory: Materials and supplies	3	150	26	436	81	74	86	91	96
Inventory: Medical supplies	7	-	-	-	1	1	1	1	1
Inventory: Medicine	-	1	3	4	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	1	-	-	-	-	-
Consumable supplies	946	1 950	12 785	2 303	2 902	3 075	3 083	3 265	3 448
Consumable: Stationery, printing and office supplies	8 123	7 861	4 115	12 191	10 886	11 001	11 561	12 243	12 929
Operating leases	19 421	20 128	23 596	22 027	21 203	19 510	22 519	23 846	25 181
Property payments	26 500	30 212	29 468	29 774	38 682	36 797	41 083	43 508	45 945
Transport provided: Departmental activity	405	4	2 563	1 960	-	-	-	-	-
Travel and subsistence	18 096	17 939	17 689	21 130	13 146	13 718	12 961	13 725	14 493
Training and development	788	852	1 876	929	468	455	497	527	557
Operating payments	2 770	2 961	7 342	3 386	2 126	1 974	2 325	2 463	2 601
Venues and facilities	1 267	282	156	153	1 457	1 331	1 578	1 570	1 658
Rental and hiring	1 930	117	7	7	4 774	5 222	4 710	4 607	4 865
Interest and rent on land	-	-	3	3	-	-	-	-	-
Interest	-	-	3	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>2 003</b>	<b>2 802</b>	<b>2 116</b>	<b>3 499</b>	<b>3 499</b>	<b>3 499</b>	<b>3 716</b>	<b>3 935</b>	<b>4 155</b>
Provinces and municipalities	385	750	480	950	764	764	812	860	908
Provinces	385	750	480	950	764	764	812	860	908
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	385	750	480	950	764	764	812	860	908
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 618	2 052	1 636	2 549	2 735	2 735	2 904	3 075	3 247
Social benefits	1 394	2 049	1 636	2 295	2 481	2 481	2 634	2 789	2 945
Other transfers to households	224	3	-	254	254	254	270	286	302
<b>Payments for capital assets</b>	<b>17 979</b>	<b>49 196</b>	<b>18 823</b>	<b>45 900</b>	<b>45 900</b>	<b>45 804</b>	<b>35 498</b>	<b>36 043</b>	<b>36 911</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	17 979	49 196	18 823	45 900	45 900	45 804	35 498	36 043	36 911
Transport equipment	17 072	45 950	17 266	42 000	42 000	42 570	31 554	31 956	32 774
Other machinery and equipment	907	3 246	1 557	3 900	3 900	3 234	3 944	4 087	4 137
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>14</b>	<b>179</b>	<b>288</b>	<b>-</b>	<b>354</b>	<b>446</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>621 318</b>	<b>702 150</b>	<b>737 790</b>	<b>811 743</b>	<b>811 743</b>	<b>811 743</b>	<b>861 447</b>	<b>923 664</b>	<b>989 931</b>



Table 12.G : Payments and estimates by economic classification: Community Based Programmes

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
<b>Current payments</b>	<b>40 968</b>	<b>40 777</b>	<b>29 512</b>	<b>35 080</b>	<b>34 388</b>	<b>34 388</b>	<b>35 139</b>	<b>36 523</b>	<b>39 091</b>
Compensation of employees	12 302	13 089	15 559	18 011	14 264	14 264	14 228	15 422	16 672
Salaries and wages	11 082	11 764	14 172	15 217	12 907	12 907	12 782	13 855	14 978
Social contributions	1 220	1 325	1 387	2 794	1 357	1 357	1 446	1 567	1 694
Goods and services	28 666	27 688	13 953	17 069	20 124	20 124	20 911	21 101	22 419
Administrative fees	-	40	52	114	75	65	79	83	87
Advertising	53	53	65	94	222	205	236	250	264
Minor assets	1	3	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 661	646	-	531	22	25	23	24	25
Communication (G&S)	208	485	171	238	141	132	149	157	165
Computer services	-	-	-	-	-	221	-	-	-
Cons & prof serv: Business and advisory services	15 674	14 423	9 904	9 874	17 409	16 631	18 029	18 055	19 205
Infrastructure and planning	1 088	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	619	-	-	-
Contractors	2 784	5 456	720	410	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	220	86	81	130	-	58	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	1	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	21	1	25	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	196	1 042	814	48	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	5	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	49	41	25	62	5	8	5	5	5
Operating leases	103	132	107	174	141	126	150	155	164
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	4 518	3 172	2	3 152	-	-	-	-	-
Travel and subsistence	1 899	2 027	1 937	2 040	2 012	1 958	2 137	2 263	2 389
Training and development	7	10	9	19	-	-	-	-	-
Operating payments	55	51	65	158	97	76	103	109	115
Venues and facilities	144	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 458</b>	<b>900</b>	<b>77</b>	<b>5 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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	1 451	900	-	5 000	-	-	-	-	-
Public corporations	1 451	900	-	5 000	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	1 451	900	-	5 000	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7	-	77	-	-	-	-	-	-
Social benefits	7	-	77	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>45</b>	<b>34</b>	<b>-</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	45	34	-	100	100	100	100	100	100
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	45	34	-	100	100	100	100	100	100
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>42 474</b>	<b>41 711</b>	<b>29 589</b>	<b>40 180</b>	<b>34 498</b>	<b>34 498</b>	<b>35 239</b>	<b>36 623</b>	<b>39 191</b>

Estimates of Provincial Revenue and Expenditure

Table 12.H : Payments and estimates by economic classification: Conditional grants

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
<b>Current payments</b>	<b>1 612 015</b>	<b>1 847 601</b>	<b>1 804 616</b>	<b>1 981 433</b>	<b>1 981 433</b>	<b>1 981 433</b>	<b>1 862 615</b>	<b>1 932 999</b>	<b>2 070 783</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
<b>Goods and services</b>	<b>1 612 015</b>	<b>1 847 601</b>	<b>1 804 616</b>	<b>1 981 433</b>	<b>1 981 433</b>	<b>1 981 433</b>	<b>1 862 615</b>	<b>1 932 999</b>	<b>2 070 783</b>
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	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	1 612 015	1 847 601	1 804 616	1 981 433	1 981 433	1 981 433	1 862 615	1 932 999	2 070 783
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	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>852 325</b>	<b>904 783</b>	<b>924 766</b>	<b>1 011 045</b>	<b>1 011 046</b>	<b>1 011 046</b>	<b>1 071 439</b>	<b>1 121 507</b>	<b>1 184 311</b>
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	852 325	904 783	924 766	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	852 325	904 783	924 766	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Subsidies on production	852 325	904 783	924 766	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2 464 340</b>	<b>2 752 384</b>	<b>2 729 382</b>	<b>2 992 478</b>	<b>2 992 479</b>	<b>2 992 479</b>	<b>2 934 054</b>	<b>3 054 506</b>	<b>3 255 094</b>

Table 12.I : Payments and estimates by economic classification: Public Transport Operations grant (Prog 3: Transport Operations)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Current payments</b>	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>852 325</b>	<b>904 783</b>	<b>924 766</b>	<b>1 011 045</b>	<b>1 011 046</b>	<b>1 011 046</b>	<b>1 071 439</b>	<b>1 121 507</b>	<b>1 184 311</b>
Public corporations and private enterprises	852 325	904 783	924 766	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Private enterprises	852 325	904 783	924 766	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
Subsidies on production	852 325	904 783	924 766	1 011 045	1 011 046	1 011 046	1 071 439	1 121 507	1 184 311
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>852 325</b>	<b>904 783</b>	<b>924 766</b>	<b>1 011 045</b>	<b>1 011 046</b>	<b>1 011 046</b>	<b>1 071 439</b>	<b>1 121 507</b>	<b>1 184 311</b>

Table 12.J : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces (Prog 2: Transport Infrastructure)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>88 487</b>	<b>59 443</b>	<b>55 602</b>	<b>56 055</b>	<b>56 055</b>	<b>56 055</b>	<b>33 645</b>	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	88 487	59 443	55 602	56 055	56 055	56 055	33 645	-	-
Contractors	88 487	59 443	55 602	56 055	56 055	56 055	33 645	-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>88 487</b>	<b>59 443</b>	<b>55 602</b>	<b>56 055</b>	<b>56 055</b>	<b>56 055</b>	<b>33 645</b>	-	-

Table 12.K : Payments and estimates by economic classification: Provincial Roads Maintenance grant (Prog 2: Transport Infrastructure)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>1 523 528</b>	<b>1 788 158</b>	<b>1 749 014</b>	<b>1 925 378</b>	<b>1 925 378</b>	<b>1 925 378</b>	<b>1 828 970</b>	<b>1 932 999</b>	<b>2 070 783</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	1 523 528	1 788 158	1 749 014	1 925 378	1 925 378	1 925 378	1 828 970	1 932 999	2 070 783
Contractors	1 523 528	1 788 158	1 749 014	1 925 378	1 925 378	1 925 378	1 828 970	1 932 999	2 070 783
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1 523 528</b>	<b>1 788 158</b>	<b>1 749 014</b>	<b>1 925 378</b>	<b>1 925 378</b>	<b>1 925 378</b>	<b>1 828 970</b>	<b>1 932 999</b>	<b>2 070 783</b>