

VOTE 6

Provincial Treasury

Operational budget	R651 867 205
Remuneration of the MEC	R 1 977 795
Total amount to be appropriated	R653 845 000
Responsible Executive Authority	MEC for Finance
Administering department	Provincial Treasury
Accounting officer	Provincial Accountant-General

1. Overview

Vision

The vision of the department is: *Be the centre of excellence in financial and fiscal management in the country.*

Mission

The department's mission is: *To enhance the KZN Provincial Government's service delivery by responding to the expectations of all stakeholders in the value chain as a key driver through:*

- Optimum and transparent allocation of financial resources while enhancing revenue generation and financial management practices in compliance with applicable legislation and corporate governance principles.
- Competent and dedicated employees who are at the centre of ensuring best value to their stakeholders.

Strategic outcomes

The outcomes of the department are as follows:

- To promote sound financial management practices and fiscal management to achieve good governance.
- To ensure targeted financial resource allocation and promote utilisation that contributes to improved service delivery.
- To promote sound processes, controls and improved capabilities in departments, municipalities and public entities in order to reduce unauthorised, irregular, fruitless and wasteful expenditure thereby improving audit outcomes.
- To facilitate and monitor infrastructure delivery in the province thereby contributing towards inclusive economic growth.

Core functions

The core functions of the department include the following:

- Mobilisation of funds for the provincial government.
- Allocation of fiscal resources to provincial departments.
- Preparation of annual and MTEF budgets.
- Province-wide cash management.
- Internal audit.
- Provincial financial management in terms of the PFMA and MFMA through:
 - Budget monitoring and reporting.

- o Financial accounting.
- o Financial systems maintenance.
- Provision of advice on procurement policies and procedures in provincial government.

Legislative mandate

The department is governed by the following pieces of legislation and policy directives, among others:

- The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
- Public Finance Management Act (PFMA) (Act No. 1 of 1999, as amended) and Treasury Regulations
- Annual Division of Revenue Act (DORA)
- Borrowing Powers of Provincial Governments Act (Act No. 48 of 1996)
- Government Immovable Asset Management Act (Act No. 19 of 2007)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)
- Municipal Finance Management Act (MFMA) (Act No. 56 of 2003)
- Preferential Procurement Policy Framework Act (PPPFA) (Act No. 5 of 2000)
- Public Audit Act (Act No. 25 of 2004)
- Provincial Tax Regulation Process Act (Act No. 53 of 2001)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Provincial Appropriation Acts
- KwaZulu-Natal Direct Charges Act, 2002 (Act No. 4 of 2002)

2. Review of the 2020/21 financial year

Section 2 provides a review of 2020/21, outlining the main achievements and progress made by the department, as well as providing a brief discussion on challenges and new developments. This review reflects the departmental performance that occurred at the backdrop of National State of Disaster Management Act pronouncement, on 15 March 2020 and lockdown regulations which were introduced thereafter. The department had to revise the APP for 2020/21 in line with instructions from Provincial Legislature and Office of the Premier to consider the impact of Covid-19. Furthermore, the announcement of budget cuts necessitated that the department reprioritise the performance activities and feasibility of targets for 2020/21 and these are reflected in the revised APP.

Sustainable Resource Management

Infrastructure: Support was provided on infrastructure reporting using the Infrastructure Reporting Model (IRM), the Infrastructure Delivery Management System (IDMS) and the KZN Infrastructure Master Plan (KZN-IMP) for all provincial infrastructure projects. Reports were produced on IDMS oversight monitoring and performance assessment in respect of provincial departments. The deployment of the Infrastructure Crack Team continued to be a priority, although some projects were affected by the Covid-19 pandemic.

Economic Analysis: Reports to evaluate and monitor economic trends and to support policy formulation were produced. The business unit conducted two research projects on the review of the Provincial Equitable Share and Norms and Standards for Education, focussing primarily on KZN. Representation of the department on several steering committees continued, with technical support provided to the offices of the MEC, HOD and the DDG: Sustainable Fiscal Management. Informative analysis of the provincial *Socio-economic Review and Outlook (SERO)* was provided.

Public Finance: Monitoring the spending and revenue collection of departments and public entities against budget continued in 2020/21, with the aim of keeping provincial spending within budget. The Provincial Executive Council was continuously kept informed of the province's budget performance. The 2020/21

Adjusted Estimates of Provincial Revenue and Expenditure (AEPRE) and 2021/22 EPRE were prepared, as is the norm every year, but the Covid-19 pandemic meant that the province also had to table a special *AEPRE* to provide the budget for the provincial Covid-19 response. The department was also tasked to report weekly initially, and later monthly, on the provincial response, with these reports submitted to National Treasury. Provincial Own Revenue enhancement efforts were hampered by the impact that the Covid-19 pandemic had on the economy. Departments' and public entities' adherence to the cost-cutting measures continued to be monitored.

Public Private Partnerships: Technical and legal advice in support of all provincial PPPs continued to be provided as regulated by the National Treasury guidelines. The nationwide lockdown had a negative impact on training sessions planned to be conducted in an effort to capacitate the various stakeholders on the implementation of the PPP process. These sessions have been moved to the fourth quarter of 2020/21.

Financial Governance

Asset and Liabilities Management: Support was offered to departments in respect of payroll tax and banking functions, with a risk analysis conducted to identify any non-compliance with tax and banking legislation. Telephonic support was increased due to officials working from home and restrictions on visits to offices during the national lockdown. All departmental bank balances were monitored on a daily basis to ensure effective cash flow management. Excess funds were invested with the South African Reserve Bank (SARB) to ensure maximum interest is earned.

Supply Chain Management: Routine compliance assessments in departments, municipalities and public entities were conducted to ensure compliance with all relevant SCM prescripts and to enhance the level of compliance, governance and accountability in the province. Support interventions were identified and training was provided where necessary. The unit continued to receive complaints and conducted investigations where required, serving as a vigilant watchdog for perceived irregularities. Capacity building interventions were conducted in the SCM components of public sector institutions which were found to have unfavourable audit outcomes. In line with relevant legislative prescripts and National Treasury requirements, policy reviews were conducted and practice notes and circulars were updated.

Continued support was provided to departments, municipalities and public entities to ensure effective use of the Central Supplier Database (CSD). The Provincial Bid Appeals Tribunal facilitated a number of cases relating to the appeals against bids that were awarded by departments in the province, while Municipal Bid Appeals Tribunals (MBAT) continued to provide active support in the hearing and facilitation of MBAT matters in municipalities.

Accounting Services: Financial management support was provided to departments and public entities to enhance their financial accounting and reporting performance and reduce qualified audit opinions. Financial management support included the review of interim and annual financial statements, the secondment of officials to departments, asset management and assistance with updating of the supporting working papers of disclosure notes to the annual financial statements. The Operation Clean Audit campaign continued, with delays in some projects, such as training, as a result of Covid-19. Support to suppliers to resolve payment disputes with organs of state continued. The Irregular Expenditure condonation project also continued.

The department is an accredited South African Institute of Chartered Accountants (SAICA) Training Office that currently runs a three-year training programme, accepting graduates that were recipients of the Thuthuka Education Upliftment Fund, who upon completion will be eligible for registration as Chartered Accountants (CAs). The programme was initiated in an attempt to address the scarcity of CAs in the province with the intention of improving the financial management constituency. After successful completion of the training contract, participants are then allowed entry into the Management Development Programme (MDP) which runs for a further three years. Through this initiative, the department has since produced five registered CAs, one eligible CA, and signed off two further trainees who are currently awaiting results; all of whom have been placed within the various directorates under the MDP. Moreover, there are currently eight trainees completing their SAICA training contracts with three in their third year of training, two in second year and a further three who are currently at first-year level.

Norms and Standards: Financial management standard operating procedures were developed as guidelines for implementation within departments, and support relating to policy development and review was provided to four entities. Also, 14 departments and eight entities were assessed for compliance with financial norms and standards.

Support and Interlinked Financial Systems: The Disaster Recovery Plan (DRP) was approved, implemented and finalised in December 2020. The planned roll out of LOGIS could not be implemented due to the suspension of training by National Treasury as a result of Covid-19. Support on BAS and HardCat functionality continued.

Internal Audit

The draft Internal Audit Hybrid Model plan was developed in response to Provincial Executive Council Resolution No.3 (e) of 4 December 2019. According to the resolution, departments are required to establish their own internal audit functions. The Department of Education, Health and Transport were accordingly identified, with all three department's draft plans submitted to the Executive Authorities and Accounting Officers for consideration. Provincial Internal Audit Service (PIAS) is waiting for the schedule of meetings from the identified departments to be able to take this matter further.

Assurance Services: Risk based audits were conducted across all departments. The Annual Internal Audit Operational Plans were revised with the approval of the Provincial Audit and Risk Committee to take into account the implications of the Covid-19 related budget cuts. Specific focus was given to Covid-19 expenditure with audits being conducted in the bulk of the departments, focusing on compliance relating to procurement and spending, as well as reviewing the control environment relating to the management and control of PPE and other Covid-19 related purchases. There was a greater focus on reviewing audit improvement strategies, conducting A-G follow-up assessments and conducting reviews of interim financial statements, in order to assist departments with audit readiness. The Provincial Internal Audit Framework was developed and presented to various governance structures for review in 2020/21, and is currently being processed for support and endorsement by the Provincial Executive Council.

Risk and Advisory Services: All 14 departments were monitored for compliance with the minimum risk management standards as set by the Provincial Executive Council in 2015, with non-compliance escalated to the Provincial Audit and Risk Committee and the respective Executive Authorities. The revised Provincial Risk Management Framework and the Combined Assurance Framework were developed and presented to the Provincial Risk Forum, Provincial Audit and Risk Committee and COHOD. These frameworks, which outline updated minimum risk management and internal control monitoring standards, are envisaged to be approved by the Provincial Executive Council by the end of March 2021. Risk assessments and risk management training continued to be provided to municipalities, with over 20 municipalities assisted during the year. Due to the Covid-19 related challenges, the roll-out of the Risk Management Framework and the Combined Assurance Framework was postponed to 2021/22.

Forensic Services: The sub-programme was shifted to Vote 1: OTP with effect from 1 August 2020 in line with Provincial Executive Council Resolution 75 dated 10 June 2020.

Municipal Finance Management

Municipal Budget: Technical support was provided to delegated municipalities and the preparation of both the tabled and approved budgets was monitored, as well as the performance of municipal budgets, which included evaluating mid-year budget and performance assessment reports. Assessments were conducted on municipalities' Special Adjustments Budgets, as a result of Covid-19, to determine whether budgets were funded or unfunded. The 2019/20 Close-out Report was prepared in respect of all 51 delegated municipalities in terms of Section 71(7) of the MFMA. Electronic copies of the report were shared with the National Treasury, the A-G, and Members of the Provincial Legislature (MPLs).

Municipal Accounting and Reporting: Technical reviews of the 2019/20 annual financial statements were conducted at 13 municipalities. Fixed asset management support was provided by a Municipal Finance Improvement Programme (MFIP) advisor who was appointed by National Treasury.

Municipal Support Programme: The Municipal Support Programme (MSP) projects were revised to provide municipalities with the most effective support while adhering to the Covid-19 regulations.

Thirteen municipalities were assisted with pre-audit assessments in preparation for the 2019/20 external audit.

Municipal Revenue and Debt Management: The implementation of the sub-programme was postponed to 2021/22, with the full budget allocation being surrendered toward the provincial Covid-19 response.

3. Outlook for the 2021/22 financial year

Section 3 looks at the key focus areas of 2021/22, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments.

The bulk of the department's budget allocation over the 2021/22 MTEF is for financial governance (for general oversight of all departments, municipalities' and public entities' budget processes), internal audit, SCM, as well as support for transversal and interlinked financial systems.

Sustainable Resource Management

Economic Analysis: Economic and public policy research will be undertaken and there will be participation in various academic conferences and workshops. The *SERO* for 2022/23 will be prepared. Different technical committees will be served on to discuss and debate provincial economic policy, fiscal models, catalytic infrastructure projects and the development of strategic partnerships with other non-governmental institutions.

Infrastructure: Infrastructure planning and delivery performance will continue to be monitored. The IRM will be used to track infrastructure progress and expenditure, while institutionalising the IDMS. The Standard for Infrastructure Procurement and Delivery Management (SIPDM), a component of IDMS that covers the supply chain management system for infrastructure delivery, will continue to be the focus area for all provincial departments to institutionalise. The 2022/23 *ECE* will be prepared to provide project lists that complement the *EPRE* for tabling in the Legislature. The deployment of the Infrastructure Crack Team will continue to be a priority.

Public Finance: Monitoring the spending and revenue collection of departments and public entities against budget will be very important in 2021/22 considering the severe fiscal consolidation budget cuts implemented over the 2021/22 MTEF. This oversight model will be used with the aim of keeping provincial spending within the reduced provincial budget. In this regard, the Provincial Executive Council and Finance Portfolio Committee will continue to be kept regularly informed of the province's budget performance so that they can respond speedily if any departments are beginning to show projected overspending. The 2021/22 *AEPRE* and 2022/23 *EPRE* will be prepared. The enhancement of Provincial Own Revenue will again be a focus area in view of the fiscal consolidation budget cuts, but this will be done in the context of a depressed economy. Departments' and public entities' adherence to the cost-cutting measures will continue to be monitored.

Public Private Partnerships: The unit will continue to oversee and provide support at a provincial and municipal level in line with the PPP project cycle. This will be achieved by ensuring that transaction support is provided to departments, public entities, municipalities and their municipal entities to ensure compliance with the PPP legislative processes.

Financial Governance

Asset and Liabilities Management: Support will continue to be offered to departments in respect of payroll tax and banking functions. Current practices of monitoring all departmental bank balances on a daily basis will be maintained to ensure effective cash flow management. Excess funds will be invested with SARB to ensure maximum interest is earned.

Supply Chain Management: Compliance with all SCM prescripts in provincial departments, municipalities and public entities will continue to be enforced and a strategic link between financial management reforms and procurement processes will be established and maintained. The unit will undertake SCM training, Contract management support, increased compliance assessments in an effort to institutionalise SCM reforms. Operational support will be provided, SCM policies will be reviewed, and training will be provided to departments, municipalities and public entities. Administration of the CSD, support on the e-Tender portal and comprehensive compliance assessments will be undertaken to ensure that incidents of

irregular expenditure relating to SCM processes are reduced. The I-Develop project, Provincial Bid Appeals Tribunal matters and MBAT training in municipalities will continue, including the provision of active support in the hearing and facilitation of MBAT matters.

Accounting Services: Continued focus will be on hands-on engagement and support to departments and public entities to enhance their financial accounting and reporting performance, as well as continued staff development and training programmes to develop and retain the requisite financial management skills and expertise. There will also be continued focus on the Operation Clean Audit campaign, ensuring enhanced financial management by departments and public entities. Support to suppliers to resolve payment disputes with organs of state will continue. The Irregular Expenditure condonation project will continue to be a priority.

Norms and Standards: Continued focus will be on compliance monitoring and evaluation within departments, municipalities and entities to assess financial management compliance and provide the necessary remedial assistance to address identified deviations to ensure improved financial management.

Support and Interlinked Financial Systems: The current Biometrics Access Control System servers will be upgraded as these are older than five years. The feasibility study, including the training of staff on the use of LOGIS, will proceed in 2021/22 once National Treasury restarts training after its initial suspension due to Covid-19. Continued support will be provided to all departments on functional and technical aspects of transversal systems.

Internal Audit

Assurance Services: Risk-based audits with specific focus on good governance will be performed. Departments will be assisted in determining process enhancements to improve the adequacy and effectiveness of controls. There will be continued focus on IT audit reviews, financial audits, transversal reviews of SCM, transfer payments and performance information. In order to ensure sustainability of audit efforts, the unit will continue to conduct follow-ups of previous audit findings to determine if management actions were successfully implemented and to provide additional recommendations for improvements. The Provincial Internal Audit Framework will be rolled out to all provincial departments to enhance participation in the audit process.

Risk and Advisory Services: Greater focus will be placed on the implementation and roll-out of the revised Provincial Risk Management Framework and Combined Assurance Framework across all 14 departments. The roll-out process will include, among others, the establishment of the Provincial Risk Management Committee, development of the Provincial Risk Profile, and enhancement of the risk management and internal control maturities of all departments. The Municipal Risk Management Framework is planned to be finalised and rolled out to selected municipalities.

Internal control support will continue to be provided to DOH. Development of the internal control training manuals to internal control practitioners will be completed and implemented at DOH as soon as the department has finalised the recruitment of the Internal Control Practitioners, which is anticipated to be completed by 1 April 2021. The Provincial Internal Control Framework will be finalised during the first quarter of 2021/22.

Municipal Finance Management

Municipal Budget: There will be continued focus on improving technical support to delegated municipalities on the preparation of multi-year budgets, as well as on the reporting on monthly outcomes of those budgets. More focus will be placed on supporting municipalities to adopt funded budgets, in-year monitoring including statutory returns, as well as the preparation of monthly, quarterly, mid-year and annual consolidated reports on the state of financial performance.

Municipal Accounting and Reporting: The focus will be on assisting, supporting and monitoring municipalities with financial management and compliance with the annual reporting framework. This will be achieved by promoting an understanding of GRAP, monitoring compliance with reporting requirements, providing accounting services and support, implementing systems and processes to improve sound financial management and audit outcomes, reviewing the quality of AFS, as well as monitoring, evaluating and reporting on compliance with the Municipal Asset Management Regulations.

Municipal Support Programme: This sub-programme will continue to work closely with the Municipal Accounting and Reporting sub-programme to support municipalities and provide innovative solutions to the municipal finance challenges with the focus area for 2021/22 being pre-audit assessments. The support initiative is aimed at determining the municipalities' audit readiness and at assisting them to maintain positive audit opinions. Continued focus will be placed on capacity building in respect of projects undertaken. As a result of Covid-19 and municipalities requiring more guidance, more frequent CFO Forums will be conducted to assist municipalities with sound financial management.

Municipal Revenue and Debt Management: Technical support will be provided to identified municipalities on revenue and debt management.

4. Alignment of the budget to the NDP and MTSF

The department's activities are directly aligned to the NDP's objective of eliminating poverty and reducing inequality by 2030, through supporting the development of expertise, developing efficient systems and effective processes to reduce inefficiencies and enhance adherence ethics and compliance with legislation and building a government that is accountable to its people.

The department is aligned to two priorities of the MTSF and aims to contribute to economic transformation and job creation, as well as to building a capable, ethical and developmental state. This alignment is reflected in the department's strategic outcomes and continued efforts to assist and support provincial departments, public entities and municipalities to improve their financial management and financial operating systems.

5. Reprioritisation

In 2021/22, the department undertook reprioritisation totalling R78.084 million, with carry-through over the MTEF, across all five programmes. These funds were reprioritised from *Goods and services* mainly against consultants' costs which may affect the level of service delivery should vacant posts not be filled timeously, and allocated against *Compensation of employees* across all programmes to fund the implementation of the new organisational structure and the department's efforts to build internal capacity. Further contributing to this reprioritisation, is internal reprioritisation of R25.733 million within Programme 1: Administration undertaken to align the programme to the new organisational structure. This reprioritisation was undertaken with carry-through over the MTEF.

6. Procurement

The department will continue to maintain a fair, equitable, transparent, competitive and cost effective procurement system that will enable economic transformation.

The department will further strengthen the wider participation by all targeted groups in the various categories of procurement. This will be attained through the implementation of effective and efficient procurement and demand plans that will create an enabling environment for better planning and spend analysis, thus ensuring value for money objectives and client satisfaction.

7. Receipts and financing

7.1 Summary of receipts and financing

Table 6.1 shows the sources of funding for Vote 6 over the seven-year period from 2017/18 to 2023/24. The table also compares actual and budgeted receipts against actual and budgeted payments. The department receives a provincial allocation in the form of an equitable share.

Note that there was a function shift in the 2020/21 Adjusted Appropriation, with the Forensic Services component moved from Provincial Treasury to OTP with effect from 1 August 2020 in line with a Provincial Executive Council Resolution in this regard. Historical figures have been restated.

Table 6.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Equitable share	573 107	599 883	645 151	718 763	571 294	571 294	653 845	668 178	672 819
Conditional grants	-	-	-	-	-	-	-	-	-
Total receipts	573 107	599 883	645 151	718 763	571 294	571 294	653 845	668 178	672 819
Total payments	555 639	625 063	640 645	718 763	581 294	577 561	653 845	668 178	672 819
Surplus/(Deficit) before financing	17 468	(25 180)	4 506	-	(10 000)	(6 267)	-	-	-
Financing of which									
Provincial roll-overs	4 109	11 000	4 000	-	10 000	10 000	-	-	-
Provincial cash resources	14 500	35 500	42 025	-	-	-	-	-	-
Surplus/(Deficit) after financing	36 077	21 320	50 531	-	-	3 733	-	-	-

In 2017/18, the following adjustments are noted:

- R4.109 million was rolled over from 2016/17 relating to performance audits taking longer than anticipated. It is noted that the total roll-over from 2016/17 was R10.525 million, with R6.416 million of this relating to forensic investigations taking longer than anticipated. This figure was restated in line with the movement of the Forensic Services sub-programme to OTP.
- A total of R14.500 million was allocated from provincial cash resources for the Treasury/Health assistance plan.

The 2017/18 budget was under-spent by R36.077 million mainly in respect of the non-filling of vacant posts, due to lengthy internal recruitment processes, as well as delays in receiving invoices.

In 2018/19, the following adjustments are noted:

- R11 million was rolled over from 2017/18 relating to the Treasury/Health assistance plan due to the project taking longer than anticipated.
- Additional funding of R35.500 million was allocated from provincial cash resources for the Treasury/Health assistance plan.

The 2018/19 budget was under-spent by R21.320 million, due to internal delays in filling critical vacant posts because of lengthy recruitment processes, slow spending on the Infrastructure Crack Team, as well as cost-cutting.

In 2019/20, the following adjustments are noted:

- R4 million was rolled over from 2018/19, mainly relating to commitments in respect of Assurance Services projects, such as performance audits that were not completed but carried over into 2019/20.
- Additional funding of R40 million was allocated in respect to the Treasury/Health assistance plan, in line with project requirements. The department also received a further R2.025 million in respect of the former MEC's exit package, following the 2019 general elections.

The 2019/20 budget was under-spent by R50.531 million, mainly in respect of the non-filling of vacant posts, due to lengthy internal recruitment processes, the late commencement of the Irregular Expenditure condonation project, as well as under-spending in relation to the Treasury/Health assistance plan.

In 2020/21, the following adjustments are noted:

- The department's equitable share budget was decreased by R114.354 million in the Special Adjustments Estimate to cater for the provincial response to the Covid-19 pandemic.
- In the Second Adjustments Estimate, further adjustments to the budget were made as follows:
 - R10 million was rolled over from 2019/20 relating to commitments in respect of the Irregular Expenditure condonation project.
 - The department's equitable share was decreased by R43.115 million relating to the cost-of-living adjustments not being effected (R23.119 million), as well as the shift of the Forensic Services sub-programme to OTP with effect from 1 August 2020 in line with a Provincial Executive Council resolution in this regard (R19.996 million).

Based on the December IYM, the 2020/21 Revised Estimate shows that the department is anticipating to under-spend its budget by R3.733 million largely due to delays in the filling of vacant posts as a result of the nationwide lockdown, as well as lower than budgeted payments of performance bonuses.

The baseline in 2021/22 and over the two outer years of the MTEF is impacted by the equitable share budget cuts relating to both *Compensation of employees* and fiscal consolidation, with reductions of R107.925 million in 2021/22, R129.951 million in 2022/23 and R163.092 million in 2023/24. Of these reductions, R41.054 million, R40.652 million and R42.441 million was moved from the department's baseline over the 2021/22 MTEF as a result of the shift of the Forensic Services function from Provincial Treasury to OTP with effect from 1 August 2020.

This was to some extent mitigated by additional funds of R10.333 million, R10.850 million and R11.327 million over the 2021/22 MTEF in line with communication received from National Treasury on 2 October 2020 clarifying that the funds allocated to the province from 2019/20 for municipal interventions was to build capacity within Provincial Treasuries. The department received an adjustment of R2.753 million made to the outer year, as well as a R2 million allocation in each year of the MTEF for the district champion of OSS/DDM responsibilities. These amendments are discussed in more detail in Section 8.2.

7.2 Departmental receipts collection

Table 6.2 gives a summary of the departmental receipts for Vote 6. The details are presented in the *Annexure – Vote 6: Provincial Treasury*.

Table 6.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2017/18	2018/19	2019/20	Appropriation	Appropriation	Estimate	2021/22	2022/23	2023/24
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	446	287	303	232	232	325	259	287	300
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	338 296	471 010	599 025	387 998	487 998	414 507	413 345	433 186	453 979
Sale of capital assets	356	-	1 435	210	210	13	222	233	244
Transactions in financial assets and liabilities	715	433	2 194	422	422	553	445	466	488
Total	339 813	471 730	602 957	388 862	488 862	415 398	414 271	434 172	455 011

Sale of goods and services other than capital assets is derived from parking fees, game licences, and commission on PERSAL deductions such as insurance premiums and garnishees, tender fees, etc. The fluctuating trend is due to the erratic nature of this category.

Interest, dividends and rent on land mainly relates to interest earned on the Paymaster General (PMG) and inter-governmental cash co-ordination (IGCC) accounts. The significant revenue collection against this category in prior years was due to the collective implementation of cost-cutting measures by provincial departments and prudent cash management by Provincial Treasury, as well as the prevailing interest rate charged on the positive cash balance in the bank account. The high collection in 2019/20 resulted from fairly high levels of cash in the bank due to the fact that the province recorded a significant under-spending of R1.612 billion at the end of 2018/19. It is noted that the department increased the revenue budget by R100 million in the 2020/21 Adjusted Appropriation, however, it appears unlikely that the department will fully collect this anticipated revenue, hence the revenue growth over the MTEF is expected to decrease from the 2020/21 Adjusted Appropriation.

Sale of capital assets relates to the disposal of redundant assets, such as vehicles, office equipment, etc. The high amount collected in 2019/20 relates to the sale of motor vehicles and office equipment. The department is expected to dispose vehicles and office equipment over the 2021/22 MTEF in line with its asset disposal policy, but this will be reviewed in-year.

Transactions in financial assets and liabilities comprises recoveries from staff debts such as breached bursary contracts. The high 2019/20 collection relates to an Inter-Departmental claim invoiced to DOPW relating to 2018/19 for consultants employed by Accounting Services in respect of financial assistance. It was agreed that DOPW would reimburse Provincial Treasury for the expenditure incurred. The revenue growth is conservative over the MTEF due to the unpredictable nature of this source. For instance, it is difficult to project with certainty the volume of salary over-payments or breached bursary contracts.

7.3 Donor and agency funding

Tables 6.3 and 6.4 provide information on donor funding received and expenditure by the department from 2017/18 to 2018/19.

Table 6.3 : Details of donor funding and agency receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2022/24
Donor funding	116 185	205 660	-	-	-	-	-	-	-
Development of KwaZulu-Natal Science Parks	78 633	-	-	-	-	-	-	-	-
EU Global Fund: Fight against HIV/AIDS, TB & Malaria	37 552	205 660	-	-	-	-	-	-	-
Agency receipt	240	-	-	-	-	-	-	-	-
PSETA	240	-	-	-	-	-	-	-	-
Total	116 425	205 660	-	-	-	-	-	-	-

Table 6.4 : Details of payments and estimates of donor funding and agency receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2022/24
Donor funding	116 185	219 055	-	-	-	-	-	-	-
Development of KwaZulu-Natal Science Parks	78 633	-	-	-	-	-	-	-	-
EU Global Fund: Fight against HIV/AIDS, TB & Malaria	37 552	219 055	-	-	-	-	-	-	-
Agency receipt	240	-	-	-	-	-	-	-	-
PSETA	240	-	-	-	-	-	-	-	-
Total	116 425	219 055	-	-	-	-	-	-	-

In total, KZN received a R120.233 million grant from the European Union (EU) related to the development of KZN Science Parks and the project was supposed to run from 2014/15 to 2016/17, however, the three-year term was extended to 2017/18, and the funding was spent in full as at 31 March 2018. Three Technology Hubs (Newcastle, Port Shepstone and Richards Bay) reached the practical completion phase by 28 March 2018 and have been commissioned and occupied. The Richards Bay Technology Hub entered into a three-year contract with an FET college to occupy the facility. The three hubs that were completed have been handed over to their respective municipalities and EDTEA monitors the utilisation of these hubs.

Provincial Treasury was one of the eight recipients of the EU Global Fund programme for the period 1 April 2016 to 31 March 2019 (three years). The main objective of the grant was to address the social and structural drivers of HIV and TB prevention, care and impact, preventing new HIV, STI and TB infections, sustaining health and wellness, as well as ensuring protection of human rights and improving access to justice. The project came to an end on 31 December 2019.

In respect of the Public Sector Education and Training Authority (PSETA), the department was allocated R240 000 in 2017/18 for work integrated learning, with the aim of supporting 20 students from TVET colleges with a stipend of R2 000 per student per month for a period of 18 months, which ended in June 2017. This allocation gave learners the opportunity to do in-service training in the department in their area of study. Note that no allocation is made from 2018/19 onward.

8. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 9 below, as well as in the *Annexure – Vote 6: Provincial Treasury*.

8.1 Key assumptions

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

- All inflation related increases are based on CPI projections.
- Over the 2021/22 MTEF, National Treasury has not provided provinces with the budget for the cost of living adjustment. This is because they won the court case where they were taken to court by the unions with regard to implementing the last leg of the 2018/19 agreement. In this regard, National Treasury has reduced the province's baseline against *Compensation of employees* in respect of freezing salary increases, as well as additional reductions implemented to support fiscal consolidation. However, departments have made provision for the 1.5 per cent pay progression. The department has 62 vacant posts in 2021/22 in terms of its newly approved organisational structure. However, the department only plans to fill 40 critical vacant posts due to the substantial budget cuts against the personnel budget, with this to be reviewed in-year. This explains the growth of 15.2 per cent, 0.6 per cent and 0.7 per cent over the 2021/22 MTEF. The low growth in the outer years will be reviewed taking into account the progress with regard to the filling of critical vacant posts in-year.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2019/20 will continue to be adhered to over the 2021/22 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.

8.2 Amendments to provincial and equitable share allocations: 2019/20 to 2021/22 MTEF

Table 6.5 shows amendments to provincial and equitable share funding received by the department over the 2019/20, 2020/21 and 2021/22 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2023/24) are based on the incremental percentage used in the 2021/22 MTEF.

Table 6.5 : Summary of amendments to provincial allocations for the 2019/20 to 2021/22 MTEF

R thousand	2019/20	2020/21	2021/22	2022/23	2023/24
2019/20 MTEF period	44 357	4 318	4 308	4 523	4 722
Treasury/Health assistance plan	40 000	-	-	-	-
Infrastructure development improvement shift	5 000	5 000	5 000	5 250	5 481
Budget cuts for remuneration of public officer bearers	(643)	(682)	(692)	(727)	(759)
2020/21 MTEF period		(6 963)	(15 956)	(18 384)	(19 193)
Fiscal consolidation and PES formula updates budget cut		(2 285)	(11 189)	(16 109)	(16 818)
Budget cut due to low COE spending		(2 275)	(2 275)	(2 275)	(2 375)
Adjustment to COE (due to revised CPI inflation projections)		(2 403)	(2 492)	-	-
2021/22 MTEF period			(95 592)	(117 101)	(147 012)
Fiscal consolidation budget cut			(17 347)	(18 285)	(33 069)
COE budget cut (wage freeze and fiscal consolidation)			(49 524)	(71 014)	(87 582)
Forensic Services function shift to Vote 1: Office of the Premier			(41 054)	(40 652)	(42 441)
Municipal Interventions - funds moved from Vote 11: COGTA			10 333	10 850	11 327
Adjustment to outer year			-	-	2 753
District Champion of OSS/DDM responsibilities			2 000	2 000	2 000
Total	44 357	(2 645)	(107 240)	(130 962)	(161 482)

With regard to the 2019/20 MTEF:

- An additional R40 million was allocated for the Treasury/Health assistance plan, in line with project requirements.
- National Treasury allocated R5 million per annum in support of ongoing efforts to increase technical capacity within Provincial Treasuries' infrastructure units to assist in making infrastructure delivery more effective in provinces.
- The department's budget was cut by R643 000 with carry-through, in respect of the remuneration of public office bearers in line with a determination made by the Honourable President. In this regard, the President announced that there would be minimal or no annual salary increases in 2018/19 for public office bearers. In the case of provincial executives, Premiers, MECs and Speakers did not receive salary increases, while MPLs received a 2.5 per cent increase. The savings realised from this announcement were cut from provinces in line with fiscal consolidation efforts.

With regard to the 2020/21 MTEF:

- The budget was reduced by R2.285 million, R11.189 million and R16.109 million over the 2020/21 MTEF as a result of fiscal consolidation and PES formula updates budget cuts, aimed at reducing spending levels across all three spheres of government. The department effected these budget cuts against *Goods and services* in Programme 1, in respect of consultants' costs in relation to the special projects budget.
- The department's budget was further reduced by R2.275 million annually over the 2020/21 MTEF due to low expenditure on *Compensation of employees*. These cuts were effected against *Goods and services* in Programme 1, in respect of consultants' costs relating to the special projects budget.
- The department's *Compensation of employees* budget was reduced by R2.403 million and R2.492 million in 2020/21 and 2021/22, respectively, due to the CPI inflation projections being revised downward from 5.5 to 4.8 per cent. The reduction was effected against *Compensation of employees* in Programme 1.

With regard to the 2021/22 MTEF:

- R17.347 million, R18.285 million and R33.069 million was cut over the 2021/22 MTEF in respect of the fiscal consolidation cuts. The cuts were effected against Programmes 3, 4 and 5 against *Goods and services* in respect of computer services and consultant costs.
- R49.524 million, R71.014 million and R87.582 million was cut over the 2021/22 MTEF in respect of the *Compensation of employees*' budget cuts (wage freeze and fiscal consolidation). The cuts were proportionally effected against all five programmes.
- R41.054 million, R40.652 million and R42.441 million were moved from the department's baseline over the 2021/22 MTEF as a result of the shift of the Forensic Services function from Provincial Treasury to OTP with effect from 1 August 2020. This shift was undertaken in line with Provincial Executive Council Resolution 75 dated 10 June 2020. This shift was effected against *Compensation of employees*, *Goods and services*, as well as *Machinery and equipment* in Programme 4.
- The department's budget was increased by R10.333 million, R10.850 million and R11.327 million over the 2021/22 MTEF in line with communication received from National Treasury on 2 October 2020 clarifying that the funds allocated to the province from 2019/20 for municipal interventions was to build capacity within Provincial Treasuries. These funds were allocated against *Compensation of employees* and *Goods and services* in Programme 5.
- R2 million was allocated in each year of the 2021/22 MTEF in respect of the district champion of OSS/DDM responsibilities. This was allocated to Programme 1 against *Goods and services* in respect of advertising and contractors.
- The outer year budget cut was to some extent mitigated by additional funding of R2.753 million allocated in 2023/24 relating to an adjustment made to the outer year. This allocation is made against *Goods and services* in Programme 3.

In 2012/13, additional funds were allocated for improving infrastructure support. Although no longer visible in Table 6.5, this funding was specifically and exclusively appropriated and the department utilises this funding for the Infrastructure Crack Team, which provides infrastructure support in the province. Thus amounts of R10.613 million, R11.144 million and R11.634 million remain ring-fenced for this purpose over the 2021/22 MTEF.

8.3 Summary by programme and economic classification

Tables 6.6 and 6.7 provide a summary of the Vote's payments and budgeted estimates by programme and by economic classification, respectively, for the seven-year period. The services rendered by the department are categorised under five programmes, which are largely aligned to the generic programme structure of the sector.

Table 6.6 : Summary of payments and estimates by programme: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
1. Administration	162 962	234 049	204 269	215 771	184 538	182 495	210 078	217 594	220 936
2. Sustainable Resource Management	45 435	44 144	47 051	49 984	40 140	38 147	55 396	55 308	55 467
3. Financial Governance	193 618	188 427	199 693	219 783	179 433	183 390	200 057	204 295	204 884
4. Internal Audit	100 406	99 004	131 214	156 495	110 388	108 287	107 237	114 218	114 547
5. Municipal Finance Management	53 218	59 439	58 418	76 730	56 795	55 242	81 077	76 763	76 985
Total	555 639	625 063	640 645	718 763	571 294	567 561	653 845	668 178	672 819

Table 6.7 : Summary of provincial payments and estimates by economic classification: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	538 896	600 051	627 855	699 517	561 084	553 591	638 240	652 391	657 406
Compensation of employees	254 857	282 911	312 330	383 914	334 025	329 317	379 439	381 833	384 524
Goods and services	284 039	317 126	315 525	314 794	226 250	223 374	258 554	270 388	272 755
Interest and rent on land	-	14	-	809	809	900	247	170	127
Transfers and subsidies to:	5 272	6 433	5 730	1 652	2 513	5 970	1 697	1 778	1 783
Provinces and municipalities	26	54	39	27	27	32	28	29	29
Departmental agencies and accounts	1 025	2	2	3	3	3	3	3	3
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	5	-	-	-	-	-	-	-
Non-profit institutions	3 264	205	362	279	279	279	294	308	309
Households	957	6 167	5 327	1 343	2 204	5 656	1 372	1 438	1 442
Payments for capital assets	11 465	18 579	7 015	17 594	7 697	8 000	13 908	14 009	13 630
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 465	18 579	7 015	17 322	7 697	8 000	13 621	13 708	13 330
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	272	-	-	287	301	300
Payments for financial assets	6	-	45	-	-	-	-	-	-
Total	555 639	625 063	640 645	718 763	571 294	567 561	653 845	668 178	672 819

Programme 1 shows a significant increase from 2017/18 to 2018/19 which can be attributed to reprioritisation of funds from Programme 2 as a result of lower than anticipated expenditure in respect of the Infrastructure Crack Team, to offset over-spending resulting from computer services attributable to payments of invoices pertaining to BAS and PERSAL mainframes, computer licences and SITA data lines, following the function split between transversal IT and the IT Management functions. In addition, the increase relates to a transfer to the Thuthuka Bursary Fund that could not be processed in 2017/18 as a result of tax certificate related challenges. The decrease in 2019/20 was due to delays in the appointment of consultants in respect of the Irregular Expenditure condonation project, as well as delays in filling vacant posts including Chief Director: Corporate Services. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and cost-of-living adjustment. In addition, the programme's budget was reduced by R14.113 million in 2021/22 and R20.241 million in 2022/23 with carry-through, as a result of the wage freeze budget cuts, as mentioned. These cuts were effected against *Compensation of employees* in this programme affecting the filling of posts. These cuts were to some extent mitigated by additional funds of R2 million allocated to this programme against *Goods and services* in respect of the district champion of OSS/DDM responsibilities in each year of the 2021/22 MTEF, as well as an adjustment of R2.753 million made to the outer year. The department undertook reprioritisation of R38.233 million in 2021/22, with carry-through within this programme, mainly to align the budget to the newly approved organisational structure, as well as to offset the impact of the budget cuts against *Compensation of employees* and cater for the filling of vacant posts. This is discussed in more detail in Section 9.1. The allocation in 2021/22 provides for the filling of 12 vacant posts within the programme.

Programme 2 shows a decrease in 2018/19 attributable to a reprioritisation of funds in respect of the Infrastructure Crack Team to Programme 1, as discussed. The decrease was also attributable to delays in the finalisation of the rehabilitation of a road at Dannhauser Local Municipality. The decrease in the 2020/21 Adjusted Appropriation and Revised Estimate was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic, the cost-of-living adjustment, as well as lower than

budgeted payments in respect of performance bonuses. In addition, the programme's budget was reduced by R7.115 million in 2021/22 and R10.203 million in 2022/23 with carry-through, as a result of budget cuts, as mentioned. These cuts were effected against *Compensation of employees* in this programme affecting the filling of posts. The department undertook reprioritisation of R780 000 in 2021/22, with carry-through within this programme to offset the impact of the budget cuts against *Compensation of employees* and to cater for the filling of vacant posts. This is discussed in more detail in Section 9.2. The increase in 2021/22 makes provision for salaries of the Technical Advisors (TAs) in relation to the Infrastructure Crack Team responsible for infrastructure support delivery in the province, the filling of four vacant posts, as well as costs relating to the preparation of the *EPRE* and the *AEPRE*. The increase over the 2021/22 MTEF is further attributable to the shift of the PPP sub-programme from Programme 3 to align with the newly approved organisational structure, and prior year figures were restated for comparative purposes.

Programme 3 reflects a decrease in 2018/19 due to delays in filling vacant posts. The significant decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment. The subsequent increase in the Revised Estimate resulted from higher than anticipated payments in respect of SITA invoices. The programme's budget was reduced by R20.367 million in 2021/22 and R25.910 million in 2022/23, with carry-through over the MTEF as a result of budget cuts, as mentioned. These cuts were effected against *Compensation of employees* and *Good and services* in this programme, as discussed in Section 9.3. The department undertook reprioritisation of R10.290 million in 2021/22, with carry-through within this programme to offset the impact of the budget cuts against *Compensation of employees* and cater for the filling of vacant posts. The increase in 2021/22 provides mainly for CMP, MBAT, support to departments in respect of financial management to achieve improved audit outcomes, preparation of the AFS for the Provincial Revenue Fund, training of and support to departments and municipalities, as well as the filling of nine vacant posts. The MTEF excludes allocations for the PPP sub-programme which was shifted to Programme 2 to align with the newly approved organisational structure, as mentioned. Prior year figures were restated for comparative purposes.

Programme 4 shows an increase in 2019/20 due to the filling of vacant posts in that year. The significant decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic, the cost-of-living adjustment, as well as the movement of the Forensic Services sub-programme to OTP, as mentioned. The growth over the MTEF is despite budget cuts of R56.128 million in 2021/22 and R60.617 million in 2022/23 being effected against this programme. Of these budget cuts, R41.054 million, R40.652 million and R42.441 million, respectively, over the MTEF relate to the shift of the Forensic Services sub-programme to OTP, as previously discussed, with prior year amounts restated for comparative purposes. The department undertook reprioritisation of R13.730 million in 2021/22, with carry-through within this programme to offset the impact of the budget cuts against *Compensation of employees* and cater for the filling of vacant posts. The 2021/22 MTEF makes provision for assessments, workshops and training on risk/governance management and internal audit capacity building within departments and municipalities, Certified Internal Auditor (CIA) qualification, ongoing audits such as IT, financial and governance audits, provision for the Cluster Audit and Risk Committee (CARC), the audit of predetermined objectives of departments and some municipalities, as well as filling 11 vacant posts.

Programme 5 shows an increase from 2017/18 to 2018/19 as a result of the implementation of the MSP sub-programme. The decrease in 2019/20 was mainly due to savings realised against *Compensation of employees* as a result of internal delays in filling vacant posts. The significant decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment. The increase in 2021/22 is due to the implementation of the Municipal Revenue and Debt Management sub-programme, which was postponed from 2020/21 as a result of Covid-19. Further contributing to the increase is additional funding of R10.333 million in 2021/22, R10.850 million in 2022/23 and R11.327 million in 2023/24 in line with a communication received from National Treasury on 2 October 2020 clarifying that the funds allocated to the province from 2019/20 for municipal interventions was to build capacity within Provincial Treasuries, as previously discussed. The growth over the MTEF is despite budget cuts of R10.202 million in 2021/22

and R12.980 million in 2022/23, with carry-through. The increase in 2021/22 provides for the filling of four vacant posts.

The increase against *Compensation of employees* from 2017/18 to 2018/19 was due to the filling of vacant posts, as well as annual wage adjustments. The decrease in 2019/20 was due to internal delays in filling vacant posts. The significant decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic, the cost-of-living adjustment, as well as the movement of the Forensic Services sub-programme to OTP. *Compensation of employees* grows by 15.2 per cent in 2021/22, 0.6 per cent in 2022/23 and 0.7 per cent in 2023/24. The department did not make provision for wage adjustment increases in line with the wage freeze. The increase in 2021/22 is sufficient to cater for the 1.5 per cent pay progression, the carry-through costs of existing posts and the filling of some vacant posts in the first year of the MTEF. The department has 62 vacant posts in 2021/22, however the department only plans to fill 40 critical vacant posts due to the substantial budget cuts against the personnel budget, with this to be reviewed in-year. These posts include Internal Audit Specialists, Deputy Director: Contract Management, Assistant Director: Budgets, Finance Officer and Chief Director: Economic Analysis and Infrastructure Management, among others. Budget reductions of R76.743 million and R99.539 million were effected against this category in 2021/22 and 2022/23, respectively. Included in these are amounts of R27.218 million in 2021/22 and R28.524 million in 2022/23, with carry-through, which relate to the movement of the Forensic Services sub-programme to OTP. The budget cuts will have an impact on the implementation of the department's newly approved organisational structure. However, the department will continue in its efforts to identify savings and reduce the reliance on consultants in order to reprioritise funds for the full implementation of the structure, and also fund the carry-through costs of the 40 posts planned to be filled in 2021/22. The department has not made adequate provision for the carry-through costs of the 1.5 per cent pay progression in the two outer years of the MTEF, and this will be reviewed in-year. Note that this also depends on whether all the 40 posts are filled in 2021/22.

The increase in *Goods and services* from 2017/18 to 2018/19 was due to the additional funding in respect of the Treasury/Health assistance plan. The substantial decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the movement of the Forensic Services sub-programme to OTP. This category increases over the MTEF despite budget reductions of R30.743 million in 2021/22 and R29.952 million in 2022/23 being effected. Included in these are amounts of R13.397 million in 2021/22 and R11.668 million in 2022/23, with carry-through, which relate to the movement of the Forensic Services sub-programme to OTP. These cuts were to some extent mitigated by additional funds of R2 million allocated to Programme 1 in respect of the district champion of OSS/DDM responsibilities in each year of the 2021/22 MTEF, as well as an adjustment of R2.753 million made to the outer year. The increase over the MTEF is inflationary and provides for expenditure relating to the Infrastructure Crack Team, Operation Clean Audit, as well as special projects such as the Irregular Expenditure condonation project, among others. The budget cuts will result in decreased reliance on consultants in carrying out projects and increased use of internal capacity.

The decrease against *Interest and rent on land* in 2019/20 was mainly as a result of a positive bank balance. This resulted in a lower interest provision over the 2021/22 MTEF. The MTEF makes provision for this item in the event that the province incurs interest charges.

Transfers and subsidies to: Provinces and municipalities caters for motor vehicle licence fees.

Transfers and subsidies to: Departmental agencies and accounts in 2017/18 relates to a transfer made to the Kwa Zulu-Natal Gaming and Betting Board (KZNGBB) in respect of legal fees that were withheld after the function was moved to Vote 1. The allocations from 2018/19 and over the MTEF cater for the payment of TV licences.

Transfers and subsidies to: Public corporations and private enterprises relates to payments to third parties in respect of claims made against the state as a result of car accidents involving officials.

Transfers and subsidies to: Non-profit institutions in 2017/18 catered for the transfer payments made to NPOs such as the Financial Literacy Association (FLA). The decrease in 2018/19 was mainly due to the reclassification of non-cash donations from this category to *Goods and services*, in line with the SCOA

reclassification. The increase in 2019/20 was in respect of a donation for the burial of a person who lost her life following the collapse of a church wall in Richards Bay. The allocations over the 2021/22 MTEF include provision for cash donations in respect of OSS, which will be made as and when required.

Transfers and subsidies to: Households caters for staff exit costs, injury on duty, as well as bursaries for non-employees. The low spending in 2017/18 was due to the fact that the transfer to the Thuthuka Bursary Fund could not be processed as a result of tax certificate related challenges. The increase in 2018/19 was mainly because the payment to the Thuthuka Bursary Fund was in line with a prior year commitment. The 2019/20 amount mainly caters for payment to the Thuthuka Bursary Fund and external bursaries, as well as the payment made in respect of the former MEC's exit package, following the 2019 general elections. The substantial increase in the 2020/21 Revised Estimate was due to a once-off payment to the GEPF with regard to the pension liability of the former HOD. This explains the decrease in 2021/22. The low allocations over the 2021/22 MTEF are mainly due to a decrease in the Thuthuka Bursary Fund as a result of the reprioritisation from this fund to accommodate salaries and other related costs to take into account the intake of the SAICA trainees within the organisation. This allocation is in line with the agreement between Thuthuka Bursary Fund and the department. Over the MTEF, the baseline sees a reduction of R59 000 in 2021/22 and R62 000 in 2022/23, with carry-through, in respect of the movement of the Forensic Services sub-programme to OTP.

Spending against *Machinery and equipment* occurs on a cyclical basis, hence the fluctuating trend against this category. The increase in 2018/19 was due to higher than anticipated costs associated with the purchase of desktops and laptops. The lower amount in 2019/20 was due to the reprioritisation of funds from this category to *Goods and services* and *Software and other intangible assets*, as a result of internal delays in filling vacant posts, as well as delays in finalising the new finance lease contract for the photocopier machines. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic which resulted in the department not procuring additional state vehicles in 2020/21. This explains the significant increase in 2021/22 which is in line with the provision made for the purchase of replacement motor vehicles and computers in line with the asset replacement policy. Over the MTEF, the baseline sees a reduction of R380 000 in 2021/22 and R398 000 in 2022/23, with carry-through, in respect of the movement of the Forensic Services sub-programme to OTP. The amounts over the MTEF cater for the purchase of new and replacement laptops in line with the planned filling of vacant posts.

Software and other intangible assets relates to the purchase of computer software. The decrease from the 2020/21 Main to Adjusted Appropriation is in respect of the non-purchase of software licences. The budget over the 2021/22 MTEF shows a fluctuating trend.

Payments for financial assets relates to the write-off of staff debts, such as breached bursary contracts and lost and stolen computers.

8.4 Summary of conditional grant payments and estimates – Nil

8.5 Summary of infrastructure payments and estimates

Table 6.8 summarises the infrastructure payments and estimates relating to the department. The infrastructure budget of the department is placed solely against *Infrastructure: Leases*.

The only infrastructure that the department budgets for is in respect of lease payments relating to its office buildings. In this regard, the allocation over the MTEF provides for building leases such as Treasury House and Nomalanga Building. The increases over the MTEF are inflationary.

Table 6.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Maintenance and repairs: Current	-	-	-	-	-	-	-	-	-
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
New infrastructure assets: Capital	-	-	-	-	-	-	-	-	-
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	16 570	19 323	19 249	18 775	18 775	18 744	19 737	20 684	21 377
Non infrastructure¹	-	-	-	-	-	-	-	-	-
Total	16 570	19 323	19 249	18 775	18 775	18 744	19 737	20 684	21 377
Capital infrastructure	-	-	-	-	-	-	-	-	-
Current infrastructure	16 570	19 323	19 249	18 775	18 775	18 744	19 737	20 684	21 377

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

8.6 Summary of Public Private Partnerships – Nil

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

Table 6.9 gives a summary of departmental transfers to other entities, details of which are given below.

Table 6.9 : Summary of departmental transfers to public entities (listed i.t.o Schedule 3 of the PFMA and other transfers)

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Transfer to public entities		1 025	-	-	-	-	-	-	-	-
KZN Gaming and Betting Board	1.1 Office of the MEC	1 025	-	-	-	-	-	-	-	-
Transfers to other entities		3 264	3 801	1 412	596	596	596	628	658	674
Donations	1.1 Office of the MEC	114	205	350	279	279	279	294	308	309
Donations - SAICA	3.5 Accounting Services	-	-	12	-	-	-	-	-	-
Financial Literacy Association	1.1 Office of the MEC	3 150	-	-	-	-	-	-	-	-
Thuthuka Bursary Fund	1.4 Corporate Services	-	3 596	1 050	317	317	317	334	350	365
Total		4 289	3 801	1 412	596	596	596	628	658	674

The amount of R1.025 million in 2017/18 relates to a transfer made to KZNGBB in respect of the legal fees that were withheld after the Gaming and Betting function was moved to Vote 1, as mentioned.

Various donations were made in terms of the department's community outreach responsibility, with these made to co-operatives, old age homes, schools and NPOs. It is noted that donations include those made by the HOD in line with her OSS responsibilities. These donations are categorised into two types, i.e. cash donations and tangible inventory items. Non-cash donations (tangible inventory items) are classified under *Goods and services*. The donation of R12 000 in 2019/20 related to an annual gala dinner for the recognition of SAICA trainees.

In 2017/18, funds were allocated by the department for transfer to the FLA. This project was initiated by the former MEC for Finance with the aim of educating the citizens of KZN about using their money wisely and also on various aspects such as encouraging savings and financial discipline. There was no budget in 2018/19 as the MOU was for three years, starting from 2015/16 and ending in 2017/18. There are no further provisions for this transfer over the MTEF.

Transfers to the Thuthuka Bursary Fund amounted to R3.596 million in 2018/19. No allocation was made in 2017/18 due to the fact that the transfers to the Thuthuka Bursary Fund could not be processed as a result of tax certificate related challenges. The decrease in the transfer to the Thuthuka Bursary Fund in 2019/20 and over the MTEF is as a result of reprioritisation undertaken to accommodate salaries and other related costs of the SAICA trainees within the organisation, as discussed in Section 8.3.

8.8 Transfers to local government – Nil

8.9 Transfers and subsidies

Table 6.10 is a summary of *Transfers and subsidies* by programme and main category. *Transfers and subsidies* fluctuates and reduces significantly over the MTEF as explained after Table 6.10.

Table 6.10 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Administration	3 940	5 125	4 974	1 274	1 674	5 089	1 370	1 435	1 439
Provinces and municipalities	26	54	39	27	27	32	28	29	29
Motor vehicle licences	26	54	39	27	27	32	28	29	29
Departmental agencies and accounts	-	2	2	3	3	3	3	3	3
SABC TV Licences	-	2	2	3	3	3	3	3	3
Public corporations and private enterprises	-	5	-	-	-	-	-	-	-
Claims against the state	-	5	-	-	-	-	-	-	-
Non-profit institutions	3 264	205	350	279	279	279	294	308	309
Financial Literacy Association	3 150	-	-	-	-	-	-	-	-
Donations	114	205	350	279	279	279	294	308	309
Households	650	4 859	4 583	965	1 365	4 775	1 045	1 095	1 098
Staff exit costs	277	506	2 739	112	371	3 781	118	124	124
Thuthuka Bursary Fund	-	3 596	1 050	317	317	317	334	350	365
Injury on duty	-	46	-	-	-	-	-	-	-
Financial Literacy Association	-	229	-	-	-	-	-	-	-
External bursary	373	482	794	536	677	677	593	621	609
2. Sustainable Resource Management	67	31	110	-	70	70	32	34	35
Households	67	31	110	-	70	70	32	34	35
Staff exit costs	67	31	110	-	70	70	32	34	35
3. Financial Governance	1 204	1 077	248	260	566	496	230	241	241
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	1 025	-	-	-	-	-	-	-	-
KZN Gaming and Betting Board	1 025	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	12	-	-	-	-	-	-
Donations: SAICA	-	-	12	-	-	-	-	-	-
Households	179	1 077	236	260	566	496	230	241	241
Staff exit costs	179	776	236	260	566	496	230	241	241
Injury on duty	-	301	-	-	-	-	-	-	-
4. Internal Audit	33	195	363	118	203	315	65	68	68
Households	33	195	363	118	203	315	65	68	68
Staff exit costs	33	178	363	118	203	315	65	68	68
Other donations: Funeral	-	17	-	-	-	-	-	-	-
5. Municipal Finance Management	28	5	35	-	-	-	-	-	-
Households	28	5	35	-	-	-	-	-	-
Staff exit costs	28	5	35	-	-	-	-	-	-
Total	5 272	6 433	5 730	1 652	2 513	5 970	1 697	1 778	1 783

- *Provinces and municipalities* in Programme 1 relates to motor vehicle licence fees.
- *Departmental agencies and accounts* against Programme 1 relates to the payment of TV licences. The amount reflected against Programme 3 in 2017/18 relates to a transfer to the KZNGBB in respect of the legal fees that were withheld after the Gaming and Betting function was moved to Vote 1.
- Transfers to *Non-profit institutions* in respect of both Programmes 1 and 3 were explained in Section 8.7 above. The amount reflected in Programme 4 in 2018/19 relates to an unexpected donation made in relation to the burial of a trainee.
- *Public corporations and private enterprises* against Programme 1 in 2018/19 relates to a third party claiming excess against the state for a motor vehicle accident.
- *Households* across all programmes caters for staff exit costs. The increase from 2017/18 to 2018/19 was due to the fact that the transfer to the Thuthuka Bursary Fund could not be processed in 2017/18 as a result of tax certificate related challenges, as mentioned. The further decrease in 2019/20 and over the MTEF is due to reprioritisation undertaken to accommodate salaries and other related costs of the SAICA trainees within the organisation, as explained in Section 8.3. The significant increase in the 2020/21 Revised Estimate is due to a payment made to the GEPF for the pension liability of the former HOD, as mentioned. Over the MTEF, the baseline sees a reduction of R59 000 in 2021/22 and R62 000 in 2022/23, with carry-through, in respect of the movement of the Forensic Services sub-programme to OTP.

- Over the 2021/22 MTEF, the department will continue to provide external bursaries to needy and deserving students. Also contributing to the decrease is staff exit costs, which are difficult to predict.

9. Programme description

The services rendered by the department are categorised under five programmes, which are discussed below. The expenditure and budgeted estimates for each programme are summarised in terms of sub-programmes and economic classification. Details are given in *Annexure – Vote 6: Provincial Treasury*.

9.1 Programme 1: Administration

The purpose of this programme is to provide strategic support services in terms of financial management, human resources, auxiliary services, information communication and technology, and legal services. The programme is largely in line with the generic structure apart from the exclusion of the Internal Audit sub-programme which is a stand-alone programme in this province.

The main services are as follows:

- To support the Executive Authority in providing strategic and political direction to provincial departments, public entities, as well as municipalities.
- To provide the MEC with technical support on the appropriation of revenue, to ensure equitable distribution among provincial departments.
- To render financial and supply chain management functions to the department.
- To provide human resource management functions to the department.
- To render legal professional guidance in operational matters of the department.
- To deliver auxiliary services to the department, such as the telecom system, transport fleet management and control of registry.
- To provide IT services to Provincial Treasury.
- To provide funding for special projects and interventions.

Tables 6.11 and 6.12 provide a summary of payments and budgeted estimates pertaining to the programme over the seven-year period from 2017/18 to 2023/24.

As mentioned, Programme 1's budget was reduced by R14.113 million in 2021/22 and R20.241 million in 2022/23 in aggregate, with carry-through, as a result of the wage freeze and fiscal consolidation budget cuts. The cuts were effected proportionately across all sub-programmes against *Compensation of employees*, and the impact is discussed at economic classification level. These cuts were to some extent mitigated by additional funds of R2 million allocated to this programme against *Goods and services* in respect of the district champion of OSS/DDM responsibilities over the 2021/22 MTEF, as well as an adjustment of R2.753 million made to the outer year.

In 2021/22, the department undertook internal reprioritisation of R38.233 million within Programme 1 mainly to align the budget with the newly approved organisational structure, as well as to offset the impact of the budget cuts against *Compensation of employees* and to cater for the filling of vacant posts.

Table 6.11 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
1. Office of the MEC	32 823	32 521	32 410	35 651	27 198	28 763	32 170	33 088	33 183
2. Management Services (HOD)	10 542	58 267	40 549	36 158	31 616	24 855	20 622	22 200	25 013
3. Financial Management (CFO)	32 832	31 390	32 998	36 226	30 384	29 999	31 823	32 699	32 764
4. Corporate Services	86 765	111 871	98 312	107 736	95 340	98 878	125 463	129 607	129 976
Total	162 962	234 049	204 269	215 771	184 538	182 495	210 078	217 594	220 936

Table 6.12 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Current payments	150 022	217 157	195 917	200 821	177 037	171 194	198 316	205 172	208 482
Compensation of employees	74 943	85 853	88 338	99 946	88 811	88 700	109 668	109 832	110 497
Goods and services	75 079	131 290	107 579	100 875	88 226	82 403	88 648	95 340	97 985
Interest and rent on land	-	14	-	-	-	91	-	-	-
Transfers and subsidies to:	3 940	5 125	4 974	1 274	1 674	5 089	1 370	1 435	1 439
Provinces and municipalities	26	54	39	27	27	32	28	29	29
Departmental agencies and accounts	-	2	2	3	3	3	3	3	3
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	5	-	-	-	-	-	-	-
Non-profit institutions	3 264	205	350	279	279	279	294	308	309
Households	650	4 859	4 583	965	1 365	4 775	1 045	1 095	1 098
Payments for capital assets	8 997	11 767	3 378	13 676	5 827	6 212	10 392	10 987	11 015
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	8 997	11 767	3 378	13 404	5 827	6 212	10 105	10 686	10 715
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	272	-	-	287	301	300
Payments for financial assets	3	-	-	-	-	-	-	-	-
Total	162 962	234 049	204 269	215 771	184 538	182 495	210 078	217 594	220 936

The sub-programme: Office of the MEC, which includes parliamentary liaison, fluctuates throughout the seven-year period. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment budget cuts. The growth over the MTEF is lower than inflation due to budget cuts of R1.622 million in 2021/22 and R2.326 million in 2022/23, with carry-through, being effected against this sub-programme. These cuts were to some extent mitigated by additional funds of R2 million allocated to this sub-programme in each year of the MTEF against *Goods and services* in respect of the district champion of OSS/DDM responsibilities, as mentioned. The low allocation in 2021/22 is further attributable to reprioritisation of R5.883 million with carry-through, undertaken from this sub-programme to the Corporate Service sub-programme within this programme to align the budget with the newly approved organisational structure.

The sub-programme: Management Services (HOD) shows low spending in 2017/18 due to vacant posts, as well as under-spending on special projects. The increase in 2018/19 was mainly due to the roll-over of R11 million for the Treasury/Health assistance plan, as well as an additional allocation of R35.500 million, in line with the project requirements of the Treasury/Health assistance plan. The decrease in 2019/20 was mainly due to delays in the appointment of consultants in respect of financial management assistance to departments, as well as the Irregular Expenditure condonation project. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic, the cost-of-living adjustment budget cuts, as well as savings identified against special projects which were reprioritised to *Compensation of employees* in Programmes 2, 3, 4 and 5 to defray spending pressures against this category. The low allocation in 2021/22 is resultant from budget cuts of R1.063 million in 2021/22 and R1.525 million in 2022/23, with carry-through, being effected against this sub-programme. The low allocation in 2021/22 is further attributable to reprioritisation of R12.900 million with carry-through, undertaken from this sub-programme to the Corporate Service sub-programme within this programme to align the budget with the newly approved organisational structure. These cuts were to some extent mitigated by an adjustment of R2.753 million made to the outer year against *Goods and services*. The growth over the MTEF is lower than inflation due to the cuts, and provides for the operational costs of running the HOD's office, as well as for special projects.

The sub-programme: Financial Management (CFO), which is responsible for various functions such as budget control, internal SCM, asset management, loss control, etc., fluctuates over the seven-year period. The growth over the 2021/22 MTEF is lower than inflation due to reprioritisation of R2.950 million with carry-through, undertaken from this sub-programme to the Corporate Service sub-programme within this programme to align the budget with the newly approved organisational structure. The growth is despite

budget cuts of R3.444 million in 2021/22, with carry-through, being effected against this sub-programme. The MTEF provides for the operational costs for the running of the Office of the CFO, and audit fees.

The sub-programme: Corporate Services reflects a fluctuating trend over the MTEF. The increase from 2017/18 to 2018/19 was due to a transfer to the Thuthuka Bursary Fund that could not be processed in 2017/18, as mentioned, as well as higher than expected staff exit costs. The decrease in 2019/20 was due to delays in filling vacant posts including Chief Director: Corporate Services, Human Resources Development Co-ordinator, among others. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment budget cuts. The increase in the Revised Estimate is due to higher than budgeted staff costs. The significant increase in 2021/22 is due to reprioritisation of R21.733 million with carry-through, to this sub-programme to align the budget with the newly approved organisational structure, as mentioned. The allocations over the MTEF are inflationary and provide for HR, legal services, strategic management and auxiliary services. This includes provision for centralised costs such as operating leases for office accommodation, fleet services, fuel price escalations, bursaries for employees and non-employees, legal fees, etc., as well as salaries for the SAICA trainees.

Compensation of employees shows an increasing trend over the seven-year period. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment budget cuts. This category increases by 23.6 per cent in 2021/22, 0.1 per cent in 2022/23 and 0.6 per cent in 2023/24. The increase in 2021/22 is higher than National Treasury's recommended pay progression increase of 1.5 per cent and caters for the filling of 12 vacant posts within the programme. These posts include Deputy Director: SCM (CFO), Deputy Director: Specialised Security, Assistant Director: IT Governance, Assistant Director: HR Policies, Assistant Director: Internal Control, Assistant Director: Budget, among others. The low growth in the two outer years, which is a result of budget cuts, falls short of the pay progression increase and the carry-through costs of filling the 16 vacant posts. The low growth over the MTEF is not sufficient to provide for filling all critical vacant posts, as well as the carry-through of contract employees, interns, learners, and in-service trainees. As mentioned, *Compensation of employees* under Programme 1 was cut by R14.113 million and R20.241 million in 2021/22 and 2022/23 respectively, due to the fiscal consolidation and wage freeze budget cuts. The 2021/22 allocation also includes reprioritisation of R19.200 million, with carry-through, from *Goods and services*, as well as *Machinery and equipment* within the programme to offset the impact of the budget cuts and to cater for the identified filling of vacant posts. The impact of the budget cuts on the implementation of the newly approved organisational structure will be reviewed in-year, taking into account the progress made in filling the 12 vacant posts.

Goods and services fluctuates throughout the seven-year period. The increase from 2017/18 to 2018/19 is due to payments pertaining to BAS and PERSAL mainframes, computer software licences and SITA data lines. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic. The decrease in the Revised Estimate is due to low spending against consultants' costs in respect to special projects as the department utilised internal capacity for projects such as the Irregular Expenditure condonation project. Over the 2021/22 MTEF, the department receives additional funding of R2 million in respect of the district champion of OSS/DDM responsibilities allocated against advertising and contractors, as well as an adjustment of R2.753 million made to the outer year which is allocated against special projects. The MTEF allocations cater for special projects, including the Irregular Expenditure condonation project which will be carried out internally.

Transfers and subsidies to: Provinces and municipalities caters for motor vehicle licence fees.

Departmental agencies and accounts provides for the payment of SABC TV licences.

Transfers and subsidies to: Non-profit institutions mainly relates to transfers to the FLA, as well as donations for the OSS outreach programme, as mentioned. The decrease from 2017/18 to 2018/19 is due to a once-off transfer to the FLA in 2018/19. The increase in 2019/20 relates to a donation in respect of the burial of a person who lost her life due to the collapse of a church wall in Richards Bay. The increase over the MTEF is inflationary.

Transfers and subsidies to: Households caters for staff exit costs, external bursaries and the Thuthuka Bursary Fund. The low spending in 2017/18 was as a result of no transfers being made to the Thuthuka Bursary Fund because of tax certificate challenges affecting the entity, as mentioned. The increase in 2019/20 was as a result of the once-off pay out of the previous MEC's exit package following the 2019 general elections and the payment to the Thuthuka Bursary Fund being higher than anticipated. The increase in the 2020/21 Adjusted Appropriation is due to staff exit costs and external bursaries that were higher than budgeted. The subsequent significant increase in the Revised Estimate was due to a once-off payment to the GEPF in respect of the pension liability of the former HOD, as mentioned. This explains the decrease in 2021/22. The increase over the MTEF is below inflation and provides for the Thuthuka Bursary Fund, for bursaries awarded to non-employees and for staff exit costs.

Machinery and equipment shows a decrease in 2019/20 due to delays in filling vacant posts. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic which resulted in the department not procuring additional state vehicles in 2020/21. This explains the significant increase in 2021/22 which is in line with the provision made for the purchase of replacement motor vehicles and tools of trade in accordance with the asset replacement policy. The increase over the MTEF is inflationary.

Software and other intangible assets relates to the purchase of computer licences.

Payments for financial assets was in respect of the write-off of staff debts.

9.2 Programme 2: Sustainable Resource Management

The programme is largely in line with the generic structure with the exception that the Fiscal Policy sub-programme is not being utilised in this province. The main purpose of the programme is to effectively manage and monitor the provincial and fiscal resources. The objectives and services are as follows:

- To ensure targeted financial resource allocation and utilisation that contributes to improved service delivery.
- To ensure efficient budget and expenditure management and accurate financial reporting by provincial departments and public entities.
- To co-ordinate and enhance revenue collection for sustainable service delivery to the citizens.
- To provide a platform to enhance regional economic growth and development through quality research.
- To ensure efficient planning and management of infrastructure in the province and implementation of PPP projects.

Tables 6.13 and 6.14 provide a summary of payments and budgeted estimates pertaining to this programme for the period 2017/18 to 2023/24. As mentioned, Programme 2's budget was reduced by R7.115 million in 2021/22 and R10.203 million in 2022/23 in aggregate, with carry-through, as a result of the wage freeze and fiscal consolidation budget cuts. The cuts were effected proportionately across all sub-programmes against *Compensation of employees*, and the impact is discussed at economic classification level. In 2021/22, the department undertook internal reprioritisation of R780 000 within Programme 2, between sub-programmes and economic classification to offset the impact of the budget cuts against *Compensation of employees* and cater for the filling of vacant posts. It is noted that the MTEF also provides for the shift of the PPP sub-programme from Programme 3 to align with the newly approved organisational structure, with prior year figures restated for comparative purposes.

Table 6.13 : Summary of payments and estimates by sub-programme: Sustainable Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
1. Programme Support	4 361	3 749	3 741	4 248	3 967	3 821	4 130	4 167	4 179
2. Economic Analysis	20 214	17 730	19 534	25 948	18 359	16 502	24 490	24 337	24 407
3. Public Finance	14 524	16 865	17 705	19 788	17 814	17 824	18 161	18 226	18 278
4. Public, Private Partnerships	6 336	5 800	6 071	-	-	-	8 615	8 578	8 603
Total	45 435	44 144	47 051	49 984	40 140	38 147	55 396	55 308	55 467

Table 6.14 : Summary of payments and estimates by economic classification: Sustainable Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Current payments	44 996	43 703	46 515	49 775	39 777	37 837	55 044	54 938	55 093
Compensation of employees	38 289	39 744	40 924	41 620	36 384	34 929	46 016	46 042	46 348
Goods and services	6 707	3 959	5 591	8 155	3 393	2 908	9 028	8 896	8 745
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	67	31	110	-	70	70	32	34	35
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	67	31	110	-	70	70	32	34	35
Payments for capital assets	372	410	425	209	293	240	320	336	339
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	372	410	425	209	293	240	320	336	339
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	1	-	-	-	-	-	-
Total	45 435	44 144	47 051	49 984	40 140	38 147	55 396	55 308	55 467

The sub-programme: Programme Support reflects a fluctuating trend over the seven-year period. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment. The growth over the MTEF is despite budget cuts of R570 000 in 2021/22 and R818 000 in 2022/23, with carry-through, being effected against this sub-programme. The increase in 2021/22 is due to reprioritisation of R230 000 with carry-through, from the Economic Analysis sub-programme to offset the impact of the budget cuts against *Compensation of employees* and to cater for the filling of vacant posts. The MTEF provides for the operational costs for the office of the DDG: Sustainable Resource Management, as well as the office support team who provide administration and financial support to the programme as a whole.

The sub-programme: Economic Analysis includes funding for the Infrastructure Crack Team to assist departments, public entities and municipalities in the delivery of infrastructure projects, as well as additional funding for IDIP TAs, which is mainly allocated against *Compensation of employees*. The decrease in 2018/19 is attributable to under-spending in relation to the Infrastructure Crack Team, as well as delays in the reconfiguration of an office within the unit and overseeing the rehabilitation of a road at Dannhauser Local Municipality by consultants. The decrease in the 2020/21 Adjusted Appropriation and Revised Estimate was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic, the cost-of-living adjustment, as well as low spending on travel and subsistence costs due to regulations under the nationwide lockdown. This explains the significant increase in 2021/22. The growth over the MTEF is despite budget cuts of R2.643 million in 2021/22 and R3.789 million in 2022/23, with carry-through, being effected against this sub-programme, as well as R230 000 in 2021/22 with carry-through to the Programme Support sub-programme. The budget over the 2021/22 MTEF provides for the specifically and exclusively allocated funding from National Treasury in support of ongoing efforts to increase technical capacity within the Provincial Treasury infrastructure units, as well as to assist in making infrastructure delivery more effective in the province. The MTEF also provides for infrastructure site visits, as well as the publication of the *ECE*, among others.

The sub-programme: Public Finance shows steady growth over the seven-year period. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment. The growth over the MTEF is despite budget cuts of R2.738 million in 2021/22 and R3.926 million in 2022/23, with carry-through, being effected against this sub-programme. The growth over the MTEF is lower than inflation due to the cuts and provides for costs relating to the preparation of the *EPRE* and the *AEPRE*, as well as oversight over the provincial budget and provincial spending.

The sub-programme: Public, Private Partnerships is moved from Programme 3 with effect from the 2021/22 MTEF. As a result, the historic figures, as well as MTEF budget are reflected under this

programme, with current year figures reflected in Programme 3 for comparability. The growth over the MTEF is despite budget cuts of R1.164 million in 2021/22 and R1.670 million in 2022/23, with carry-through, being effected against this sub-programme. The negative growth in 2022/23 is as a result of the budget cuts. The MTEF provides for support to departments, municipalities and public entities in terms of conducting feasibility studies and technical support for PPP contracts.

Compensation of employees shows a steady increase over the seven-year period, with the exception of 2020/21. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment budget cuts. In 2021/22, this category grows by 31.7 per cent. The growth in 2021/22 is due to the allocation made by National Treasury to increase the technical capacity of the Infrastructure unit in order to increase support in infrastructure delivery within the province, as explained and provides for the salaries of three TAs. National Treasury allocated R5 million from 2019/20, with carry-through, for the appointment of resources. It is noted that this programme shows growth despite the budget cuts of R7.115 million in 2021/22 and R10.203 million in 2022/23, with carry-through. Further contributing to the high growth is the shift of the PPP sub-programme to this programme, as well as a reprioritisation of R780 000 from *Goods and services* to this category to offset the impact of the budget cuts and to cater for the filling of vacant posts. The 0.1 per cent and 0.7 per cent growth rate in 2022/23 and 2023/24, respectively, is not sufficient to provide for the 1.5 per cent pay progression and will be reviewed in the next budget process. There are 13 vacant posts under Programme 2, four of which are anticipated to be filled in 2021/2022. These four posts include Chief Director: Infrastructure and Economic Analysis, Director: Provincial Economic Services and two Infrastructure Specialists. Posts such as Director: Provincial Revenue, Provincial Budget Co-ordinator, and Director: Municipal Economic Services, among others, have been placed on hold due to budget constraints caused by the budget cuts. A further five vacant posts within the PPP sub-programme will not be filled in 2021/22 as the recently finalised national co-ordination process for PPP and Infrastructure has resulted in a possible structural/work study investigation of the PPP unit.

Goods and services shows a decrease from 2017/18 to 2018/19 due to under-spending largely attributed to the Infrastructure Crack Team, as well as delays in the reconfiguration of an office within the Economic Analysis unit and delays in overseeing of the rehabilitation of a road at Dannhauser Local Municipality, as discussed. The decrease in the 2020/21 Adjusted Appropriation and Revised Estimate was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic. This explains the significant increase in 2021/22. The MTEF allocations include funding for IDIP TAs, the Infrastructure Crack Team, as well as provision for the printing of the *EPRE*, *AEPRE*, *ECE* and *SERO*, etc.

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

Machinery and equipment provides mainly for the purchase of laptops and desktops.

Service delivery measures: Sustainable Resource Management

Table 6.15 illustrates the service delivery measures pertaining to Programme 2. The department largely follows the measures used in previous years, with some of the outputs and performance indicator descriptions having changed to ensure alignment with the department's 2021/22 APP.

Table 6.15 : Service delivery measures: Sustainable Resource Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2020/21	2021/22	2022/23	2023/24
1.1 Economic Analysis					
1.1.1 Credible research for informed provincial resource allocation	<ul style="list-style-type: none"> No. of reports to evaluate and monitor economic trends and performance supporting policy formulation No. of reports to evaluate and monitor departmental impact performance and policy formulation 	12 reports	11 reports	11 reports	11 reports
		7 reports	5 reports	5 reports	5 reports
1.2 Infrastructure					
1.2.1 Capacitated departments	<ul style="list-style-type: none"> No. of reports on IDMS oversight monitoring and performance assessment at provincial departments 	6 reports	7 reports	7 reports	7 reports

Table 6.15 : Service delivery measures: Sustainable Resource Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2020/21	2021/22	2022/23	2023/24
2. Public Finance					
2.1. Optimal efficient and effective resource allocation	<ul style="list-style-type: none"> No. of MTEC reports on budget and expenditure management for realistic and credible budgets No. of early warning system reports to address variances requiring remedial action Inputs into DORA on provincial allocations 	15	15	15	15
		18	18	18	18
		1	1	1	1

9.3 Programme 3: Financial Governance

This programme consists of seven sub-programmes, namely Programme Support, Asset and Liabilities Management, Support and Interlinked Financial Systems, Supply Chain Management, Accounting Services and Norms and Standards. The purpose of this programme is to provide audit readiness support to provincial departments and public entities with the objective of improving audit outcomes in the province, as well as conduct SCM compliance assessments, policy and contract support services to provincial institutions. The main services undertaken by this programme are:

- To realise the effective and efficient acquisition of goods and services for provincial government and to secure sound SCM for local government.
- To optimise liquidity requirements and maximise returns within acceptable levels of risk for provincial government and to secure sound cash management for local government.
- To ensure that financial reporting provides a full and true reflection of the financial position of the province and municipalities as prescribed, inclusive of the accounting responsibilities related to the PMG and IGCC account.
- To develop and implement financial and associated governance norms and standards, in order to enhance performance orientated financial results and accountability in provincial departments and municipalities as prescribed.
- To implement and support transversal financial systems across the province.

Tables 6.16 and 6.17 provide a summary of payments and budgeted estimates pertaining to Programme 3 for the period 2017/18 to 2023/24. As mentioned, Programme 3's budget was reduced by R20.367 million in 2021/22 and R25.910 million in 2022/23 in aggregate, with carry-through, as a result of the wage freeze and fiscal consolidation budget cuts. The cuts were effected proportionately across all sub-programmes against *Compensation of employees* and *Goods and services*, and the impact is discussed at economic classification level. In 2021/22, the department undertook internal reprioritisation of R10.290 million, with carry-through from *Goods and services* within Programme 3 mainly to offset the impact of the budget cuts against *Compensation of employees* and to provide for the filling of vacant posts.

Furthermore, from the 2021/22 MTEF, the PPP sub-programme is shifted to Programme 2, in line with the newly approved departmental structure. This is discussed in detail below.

Table 6.16 : Summary of payments and estimates by sub-programme: Financial Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
1. Programme Support	-	4 459	3 907	4 468	4 859	4 852	5 361	5 437	5 453
2. Asset and Liabilities Management	16 325	14 975	10 800	15 018	14 486	15 977	14 821	13 977	14 017
3. Support and Interlinked Financial Systems	97 313	98 119	103 269	100 581	84 745	90 783	98 679	101 808	102 102
4. Supply Chain Management	39 930	38 552	35 701	48 360	35 945	34 374	44 897	47 124	47 260
5. Public, Private Partnerships	-	-	-	9 268	8 677	7 423	-	-	-
6. Accounting Services	34 441	26 101	39 127	34 563	23 296	22 977	28 968	28 560	28 642
7. Norms and Standards	5 609	6 221	6 889	7 525	7 425	7 004	7 331	7 389	7 410
Total	193 618	188 427	199 693	219 783	179 433	183 390	200 057	204 295	204 884

Table 6.17 : Summary of payments and estimates by economic classification: Financial Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Current payments	191 806	181 560	198 474	218 617	178 273	182 137	198 609	202 777	203 361
Compensation of employees	54 833	61 099	65 265	89 615	80 481	78 002	83 982	85 837	86 596
Goods and services	136 973	120 461	133 209	128 193	96 983	103 326	114 380	116 770	116 638
Interest and rent on land	-	-	-	809	809	809	247	170	127
Transfers and subsidies to:	1 204	1 077	248	260	566	496	230	241	241
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	1 025	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	12	-	-	-	-	-	-
Households	179	1 077	236	260	566	496	230	241	241
Payments for capital assets	608	5 790	938	906	594	757	1 218	1 277	1 282
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	608	5 790	938	906	594	757	1 218	1 277	1 282
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	33	-	-	-	-	-	-
Total	193 618	188 427	199 693	219 783	179 433	183 390	200 057	204 295	204 884

The sub-programme: Programme Support was a newly created sub-programme in 2018/19, hence there is no historical information. This sub-programme is responsible for providing strategic leadership support to the Financial Governance programme. The historic figures of this sub-programme were not restated because this sub-programme was not included in the previous financial year's structure and thus financial records were not kept at this level. The growth over the MTEF is despite budget cuts of R601 000 in 2021/22 and R861 000 in 2022/23, with carry-through, being effected against this sub-programme. The increase in 2021/22 is due to reprioritisation of R1.250 million with carry-through, from the Support and Interlinked Financial Systems sub-programme to offset the impact of the budget cuts against *Compensation of employees* and to cater for the filling of vacant posts. The MTEF allocations provide for the operational costs for the office of the Accountant-General, as well as the office support team who provide administration and financial support to the programme as a whole.

The sub-programme: Asset and Liabilities Management shows a fluctuating trend over the seven-year period. The decrease in 2019/20 was as a result of reprioritisation of funds to special projects in Programme 1, to cater for the Irregular Expenditure condonation project. The slight decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment budget cuts. The fluctuating trend over the MTEF is due to budget cuts of R856 000 in 2021/22 and R1.228 million in 2022/23, with carry-through, being effected against this sub-programme. The 2021/22 MTEF caters for various operational costs of the unit, including bank charges for the IGCC account, provision for interest should the IGCC account go into overdraft, provision for conducting an annual tax information seminar with all departments and entities, as well as ensuring compliance to tax legislation, among others.

The sub-programme: Support and Interlinked Financial Systems includes costs relating to all transversal systems, such as BAS, PERSAL and HARDCAT for the entire province. The increase in 2019/20 was mainly to cater for computer services related costs that were higher than budgeted. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment budget cuts, with the increase in the Revised Estimate due to expenditure in respect of SITA invoices that was moved from Programme 1 under IT Management. The growth over the MTEF is despite budget cuts of R5.068 million in 2021/22 and R6.057 million in 2022/23, with carry-through, being effected against this sub-programme. Reprioritisation of R1.250 million in 2021/22, with carry-through was undertaken from this sub-programme to the Programme Support sub-programme to provide for the filling of vacant posts. The allocations over the MTEF cater for personnel costs, as well as for the upgrade of the Biometrics Access Control System servers.

The sub-programme: Supply Chain Management shows a declining trend from 2017/18 to 2019/20 due to delays in filling vacant posts. The decrease from the 2020/21 Main to the Adjusted Appropriation is mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic. The growth over the MTEF is despite budget cuts of R6.122 million in 2021/22 and R8.344 million in 2022/23, with carry-through, being effected against this sub-programme. The increase in the 2021/22 MTEF is inflationary and caters for the operational costs of the SCM unit, as well as CMP, MBAT and SCM support and interventions in departments and municipalities.

The sub-programme: Public, Private Partnerships decreases from the 2020/21 Main to the Adjusted Appropriation and the Revised Estimate mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic. The decrease in the Revised Estimate is due to delays in filling vacant posts. This sub-programme moves to Programme 2 from 2021/22 onward, as discussed, with prior year figures being restated in Programme 2 for comparative purposes.

The sub-programme: Accounting Services reflects a decrease from 2017/18 to 2018/19 as a result of cost-cutting against various non-core items such as communication, catering, contractors, among others. The significant decrease in the 2020/21 Adjusted Appropriation and Revised Estimate is mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment budget cuts, explaining the high increase in 2021/22. The growth over the MTEF is despite budget cuts of R6.673 million in 2021/22 and R7.920 million in 2022/23, with carry-through, being effected against this sub-programme. The MTEF allocations cater for various projects including the financial management support to departments and public entities to achieve improved audit outcomes, preparation of the AFS for the Provincial Revenue Fund, providing required training to departments and public entities, among others.

The sub-programme: Norms and Standards shows a generally steady increase over the seven-year period. The growth over the MTEF is despite budget cuts of R1.047 million in 2021/22 and R1.500 million in 2022/23, with carry-through, being effected against this sub-programme. The increase over the MTEF is inflationary and mainly provides for personnel costs, various operational costs of the unit, as well as preparation of instruction notes and standard operating procedures for departments, public entities and municipalities, among others.

Compensation of employees shows an increasing trend from 2017/18 to 2023/24, despite the budget cuts over the MTEF. The category grows by 7.7 per cent in 2021/22, 2.2 per cent in 2022/23 and 0.9 per cent in 2023/24. The growth in 2021/22 is higher than the National Treasury recommendation of 1.5 per cent for pay progression. It is noted that the programme indicates growth despite budget cuts of R11.695 million in 2021/22 and R16.768 million in 2022/23 against this category. The low growth in *Compensation of employees* in the outer year will be reviewed in the next budget process. There are 17 vacant posts within Programme 3, of which nine are anticipated to be filled in 2021/22. These include Chief Director: SCM, Director: Social Cluster (SCM), three Deputy Directors within SCM, as well as Director: Financial Reporting. The department will not be filling eight posts within the Norms and Standards sub-programme at this stage due to a lack of office space and as a result of the budget cuts.

Goods and services reflects a decrease from 2017/18 to 2018/19 due to cost-cutting against non-core items such as communication, catering and contractors, cost-cutting against various non-core items such as communication, catering, contractors, among others. The significant decrease in the 2020/21 Adjusted Appropriation is mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic, with the increase in the Revised Estimate resulting from higher than anticipated payments in respect of SITA invoices. This category reflects an increase over the MTEF despite budget cuts of R8.672 million in 2021/22 and R9.142 million in 2022/23. These budget cuts will result in reduced reliance on consultants and the use of internal capacity to carry out projects. The increased allocations over the MTEF cater for CMP, MBAT, support to departments in respect of consolidating and reviewing of AFS, preparation of the AFS for the Provincial Revenue Fund, Operation Clean Audit, as well as training of and support to departments and municipalities.

Interest and rent on land makes provision for the event that the province goes into overdraft.

Departmental agencies and accounts reflected in 2017/18 is in respect of the transfer to the KZNGBB that relates to legal fees that were held back by the department in 2016/17 pending the outcome of the discussions in respect of the movement of the KZNGBB to OTP.

Transfers and subsidies to: Non-profit institutions reflects an amount of R12 000 in 2019/20 which was made as a donation to SAICA for an annual gala dinner.

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

Machinery and equipment is purchased on a cyclical basis, hence the fluctuating trend against this category. The significant increase in 2018/19 can be ascribed to the upgrade of Biometrics Access Control System servers. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic, explaining the significant increase in 2021/22. The MTEF allocations cater for the purchase of new and replacement desktops and laptops.

Service delivery measures: Financial Governance

Table 6.18 show the main service delivery measures for Programme 3. Note that there are no sector measures for this sector. The department largely follows measures used in previous years, and some of the outputs and performance indicators have changed to ensure alignment with the 2021/22 APP. Note that where measures are no longer applicable over the MTEF, these are indicated by “n/a”.

Table 6.18 : Service delivery measures: Financial Governance

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2020/21	2021/22	2022/23	2023/24
1. Asset and Liabilities Management					
1.1. Improved compliance to Tax and Banking legislation	<ul style="list-style-type: none"> No. of risk analysis reports compiled per dept. to minimise non-compliance with payroll tax legislation No. of assessment reports on status of bank related suspense accounts issued to depts. to minimise audit queries 	56 risk analysis reports	56 risk analysis reports	56 risk analysis reports	56 risk analysis reports
		56 compliance assessment reports	56 compliance assessment reports	56 compliance assessment reports	56 compliance assessment reports
2. Provincial Supply Chain Management					
2.1. Reduced no. of SCM related audit findings	<ul style="list-style-type: none"> Report on the % reduction in the number of SCM related audit findings No. of reports on the pre-order compliance assessment pertaining to Covid-19 	Reduction of 30%	Reduction of 40%	Reduction of 50%	Reduction of 60%
		3 reports	3 reports	n/a	n/a
2.2. Approved open tender system Instruction Note	<ul style="list-style-type: none"> No. of reports on the implementation of the operational open tender system 	Formulate policy/statutory mandate and pilot in 1 dept.	Pilot Instruction Note in 3 depts.	Monitoring of implementation of the Instruction Note by public sector institutions	Monitoring of implementation of the Instruction Note by public sector institutions
2.3. Full compliance by depts. on the PPPFA Regulations inclusive of targets per targeted group	<ul style="list-style-type: none"> No. of reports on the bids advertised inclusive of targets per targeted group in terms of the Procurement Plan 	4 reports	4 reports	4 reports	4 reports
3. Accounting Services					
3.1. 90% unqualified audit reports in provincial public sector institutions	<ul style="list-style-type: none"> No. of public sector institutions supported in financial management to reduce qualified audit opinions 	5	5	5	5
3.2. Improved financial management compliance in the province	<ul style="list-style-type: none"> No. of consolidated Instruction Note 34 to NT on compliance to payment of suppliers within 30 days 	12	12	12	12
4. Norms and Standards					
4.1. Improved compliance with legislation by public sector institutions	<ul style="list-style-type: none"> No. of depts. assessed to minimise non-compliance with legislation No. of public entities assessed to minimise non-compliance with legislation 	14	14	14	14
		8	8	8	8

Table 6.18 : Service delivery measures: Financial Governance

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2020/21	2021/22	2022/23	2023/24	
5. Support and Interlinked Financial Systems						
5.1.	Reliable, efficient and effective financial systems in the province	• % of financial transversal systems uptime	97%	97%	97%	97%
5.2.	Improved financial management systems	• No. of reports on the implementation of the Invoice Management System in the province	System piloting in 2 depts.	System implementation by 6 depts.	System implementation by 12 depts.	System implementation by 12 depts.
		• No. of reports on the implementation of the e-Leave Management System in the province (ERP)	System piloting in 2 depts.	System implementation by 6 depts.	System implementation by 12 depts.	System implementation by 12 depts.

9.4 Programme 4: Internal Audit

The main purpose of the programme is to develop effective risk management strategies and governance, to build and maintain successful client relationships, to develop knowledge by creating a learning culture, and to build foundations for excellence to support the provincial government in achieving its objectives. This programme is not as per sector structure as it is a sub-programme of Programme 1 in the generic structure of Treasuries. The following services are rendered by the unit:

- To conduct risk assessments on behalf of the Accounting Officers and Chief Executive Officers of provincial departments and public entities, develop comprehensive risk profiles and recommend improvements on significant risk exposures for each client.
- To review accounting and management processes and systems of internal control for efficiency and effectiveness in terms of their design and operation and provide recommendations for improvement.
- To develop, facilitate implementation and monitor integrated risk management strategies and fraud prevention strategies.
- To provide training and development programmes in areas such as risk management, strategy development and management, project management, design and improvement of systems of internal control, financial management and reporting, leadership, forensic investigations, governance, etc.
- To provide a consulting function as per requests by relevant MECs and Heads of Departments.
- To prepare special reviews on computerised systems and performance.

Tables 6.19 and 6.20 provide a summary of payments and budgeted estimates pertaining to Programme 4. The programme as a whole reflects steady growth over the period, with the allocations over the 2021/22 MTEF being affected by budget cuts of R56.128 million and R60.617 million, with carry-through. Included in these are amounts of R41.054 million, R40.652 million and R42.441 million over the MTEF which relate to the movement of the Forensic Services sub-programme to OTP, with prior year figures restated for comparative purposes. These cuts were effected proportionately against *Compensation of employees* and *Goods and services* against all sub-programmes. In 2021/22, the department undertook internal reprioritisation of R13.730 million, with carry-through from *Goods and services* within Programme 4 mainly to offset the impact of the budget cuts against *Compensation of employees* and to provide for the filling of vacant posts.

Table 6.19 : Summary of payments and estimates by sub-programme: Internal Audit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
1. Programme Support	-	3 964	4 667	3 934	4 750	4 468	5 229	5 306	5 321
2. Assurance Services	72 920	74 289	105 158	85 392	73 599	72 364	76 271	80 544	80 776
3. Risk Management	27 486	20 751	21 389	28 436	23 541	22 902	25 737	28 368	28 450
4. Forensic Services	-	-	-	38 733	8 498	8 553	-	-	-
Total	100 406	99 004	131 214	156 495	110 388	108 287	107 237	114 218	114 547

Table 6.20 : Summary of payments and estimates by economic classification: Internal Audit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	99 212	98 550	129 091	154 992	109 559	107 608	106 575	113 524	113 850
Compensation of employees	57 176	61 984	77 579	105 939	86 256	86 795	81 455	82 965	83 886
Goods and services	42 036	36 566	51 512	49 053	23 303	20 813	25 120	30 559	29 964
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	33	195	363	118	203	315	65	68	68
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	33	195	363	118	203	315	65	68	68
Payments for capital assets	1 161	259	1 749	1 385	626	364	597	626	629
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 161	259	1 749	1 385	626	364	597	626	629
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	11	-	-	-	-	-	-
Total	100 406	99 004	131 214	156 495	110 388	108 287	107 237	114 218	114 547

The sub-programme: Programme Support is responsible for providing strategic leadership support to the Internal Audit unit. The increase in the 2020/21 Adjusted Appropriation caters for salary costs that were higher than budgeted for. The steady increase over the 2021/22 MTEF provides for the running costs of the office of the DDG: Internal Audit, Secretary and the Office Manager. The growth over the MTEF is despite budget cuts of R471 000 in 2021/22 and R674 000 in 2022/23, with carry-through, being effected against this sub-programme. The increase in 2021/22 is due to reprioritisation of R1.550 million with carry-through, from the Assurance Services and Risk Management sub-programmes to offset the impact of the budget cuts against *Compensation of employees* and to cater for the filling of vacant posts.

The sub-programme: Assurance Services shows a fluctuating trend over the seven-year period. The increase in 2019/20 was due to a roll-over relating to commitments in respect of projects that were not completed in 2018/19 and were carried over from 2018/19 to 2019/20, as well as reprioritisation from Programme 5 to cater for spending pressures against *Compensation of employees*. The decrease from the 2020/21 Main to the Adjusted Appropriation is mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment. The growth over the 2021/22 MTEF is despite budget cuts of R11.735 million in 2021/22 and R15.179 million in 2022/23, with carry-through, being effected against this sub-programme, as well as further reprioritisation of R470 000 with carry-through, to the Programme Support sub-programme, as mentioned. The MTEF provides for various operational costs of the unit, provision for learners towards the CIA qualification, ongoing audits such as IT, financial and governance audits, provision for CARC members, as well as the audit of predetermined objectives of departments and some municipalities.

The sub-programme: Risk Management decreases from 2017/18 to 2018/19 mainly due to the late issue of purchase orders for projects such as internal OHS risk assessments. The decrease from the 2020/21 Main to the Adjusted Appropriation is mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and cost-of-living adjustment, with the decrease in the Revised Estimate resulting from lower than budgeted operational costs as a result of the nationwide lockdown. The growth over the 2021/22 MTEF is despite budget cuts of R2.868 million in 2021/22 and R4.112 million in 2022/23, with carry-through, being effected against this sub-programme, as well as further reprioritisation of R1.080 million with carry-through, to the Programme Support sub-programme, as mentioned. The MTEF makes provision for assessments, workshops and training on risk/governance management and internal audit capacity building within departments and /municipalities.

As of 1 August 2020, the sub-programme Forensic Services was shifted to OTP, as previously discussed. This explains the significant reduction in the 2020/21 Adjusted Appropriation. Amounts of R41.054 million, R40.652 million and R42.441 million over the MTEF thus move from this sub-programme to OTP. Prior year figures were restated for comparative purposes.

Compensation of employees reflects steady growth, and caters for the carry-through costs of the above-budget wage agreements and inflationary adjustments. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and cost-of-living adjustment, as well as the shift of the Forensic Services sub-programme, as mentioned. The negative growth of 6.2 per cent in 2021/22, as well as lower than inflationary growth of 1.9 per cent and 1.1 per cent in 2022/23 and 2023/24, respectively, is due to the budget reductions of R37.955 million in 2021/22 and R43.918 million in 2022/23, with carry-through, being effected against this category. Included in these are amounts of R27.218 million in 2021/22 and R28.524 million in 2022/23, with carry-through, which relate to the movement of the Forensic Services sub-programme to OTP. The low growth is despite reprioritisation of R12.650 million from *Goods and services* to this category to offset the impact of the budget cuts against *Compensation of employees* and cater for the filling of vacant posts. The budget allocations over the 2021/22 MTEF are not sufficient to provide for existing staff salaries and the 1.5 per cent pay progression, as per National Treasury's recommended guideline. The 2021/22 budget will have to be reviewed in-year. There are 12 vacant posts within Programme 4, 11 of which will be filled in 2021/22. These include Director: IT Audits, Director: Cluster Audits, eight Audit Specialists and Risk Management Specialist. The post of Administrative Officer within the Programme Support sub-programme will not be filled as the available *Compensation of employees* budget will be utilised towards contract audit committee support posts.

Goods and services shows a fluctuating trend over the seven-year period and relates to performance audits, fraud risk assessments, municipal financial capability assessments, capacity building workshops/training on risk management and internal control, training and development programmes including learnerships and IT risk assessments on the BAS application system. The decrease in 2018/19 was mainly due to the late commencement of risk-based audits, as well as the delayed issue of orders for projects such as OHS risk assessment, as mentioned. The increase in 2019/20 was due to a roll-over relating to commitments in respect of projects that were not completed in 2018/19, as explained. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic, with the further decrease in the Revised Estimate due to savings on travel and subsistence costs as a result of limited travel to clients because of the nationwide lockdown. The significant increase over the 2021/22 MTEF is due to the budget cuts that were effected in 2020/21. It is noted that this category grows over the MTEF despite budget cuts of R17.734 million in 2021/22 and R16.239 million in 2022/23 being effected. Included in these are amounts of R13.397 million in 2021/22 and R11.668 million in 2022/23, with carry-through, which relate to the movement of the Forensic Services sub-programme to OTP. These budget cuts will result in reduced reliance on consultants and the use of internal capacity to carry out projects.

Transfers and subsidies to: Households caters for staff exit costs. The substantial increase in 2019/20 relates to higher than budgeted staff exit costs, as well as a cash donation made for the burial of a trainee. Over the MTEF, the baseline sees a reduction of R59 000 in 2021/22 and R62 000 in 2022/23, with carry-through, in respect of the movement of the Forensic Services sub-programme to OTP.

Machinery and equipment provides for the purchase of equipment and the replacement and upgrading of equipment. The increase in 2019/20 was to cater for costs in respect of new and replacement laptops. Over the MTEF, the baseline sees a reduction of R380 000 in 2021/22 and R398 000 in 2022/23, with carry-through, in respect to the movement of the Forensic Services sub-programme to OTP. The 2021/22 MTEF mainly caters for equipment for new staff appointments.

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

Service delivery measures: Internal Audit

Table 6.21 illustrates the main service delivery measures for Programme 4. The department largely follows the measures used in previous years, with some of the outputs and performance indicator descriptions having changed to ensure alignment with the department's 2021/22 APP. The unit will be utilising internal capacity to deliver on targets as compared to the extensive use of consultants in previous years. Targets will be met if vacancies are filled and current contract posts expiring in 2021/22 are renewed. Note that, where measures are no longer applicable over the MTEF, these are indicated by "n/a".

Table 6.21 : Service delivery measures: Internal Audit

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2020/21	2021/22	2022/23	2023/24	
1. Assurance Services						
1.1.	Improved governance of assurance and internal control in the depts.	<ul style="list-style-type: none"> No. of Internal Audit (IA) reviews conducted No. of follow-up reviews on the implementation of recommendations on resolved audit findings 	80 32	100 50	100 50	104 52
		<ul style="list-style-type: none"> No. of audits on Covid-19 expenditure 	7	n/a	n/a	n/a
1.2.	Strengthened oversight and accountability	<ul style="list-style-type: none"> No. of reports to the oversight structures to strengthen oversight to enforce accountability 	44	50	50	50
2. Risk Management						
2.1.	Risk management embedded in the province	<ul style="list-style-type: none"> No. of reports on risk management reviews conducted 	76	76	76	80
2.2.	Strengthened internal control (IC) and risk function in the province	<ul style="list-style-type: none"> No. of IC reports on compliance with minimum IC standards 	1	1	1	1
2.3.	Strengthened oversight and accountability	<ul style="list-style-type: none"> No. of reports to the oversight structures to strengthen oversight to enforce accountability 	40	56	56	56

9.5 Programme 5: Municipal Finance Management

Programme 5 was established in 2018/19 in line with the new generic structure for all Treasuries which makes provision for an integrated structure in respect of the Municipal Finance Management unit.

The Municipal Accounting and Reporting sub-programme was phased in from 2019/20 to assist, support and monitor municipalities with financial management and compliance with the annual reporting framework. The sub-programme also monitors and supports effective fixed asset management, efficient financial assets and liabilities management, as well as compliance with relevant legislation.

The generic structure includes the Municipal Revenue and Debt Management sub-programme, which was to be phased in from 2020/21 onward, but the department surrendered the budget allocation towards the provincial Covid-19 response, with the sub-programme to be phased in over the 2021/22 MTEF. The overall purpose of this sub-programme is to establish and formulate support strategies to address weaknesses within the revenue and debt management processes of delegated municipalities.

Tables 6.22 and 6.23 illustrate the payments and budgeted estimates pertaining to Programme 5. The programme as a whole reflects a steady growth over the period, with the allocations over the 2021/22 MTEF being affected by budget cuts of R10.202 million in 2021/22 and R12.980 million in 2022/23, with carry-through. These cuts were effected proportionately against *Compensation of employees* and *Goods and services* against all sub-programmes. In 2021/22, the department undertook internal reprioritisation of R15.051 million, with carry-through from *Goods and services* within Programme 5 mainly to offset the impact of the budget cuts against *Compensation of employees* and to provide for the filling of vacant posts.

The programme further received additional funding of R10.333 million in 2021/22, R10.850 million in 2022/23 and R11.327 million in 2023/24 in line with communication received from National Treasury on 2 October 2020 clarifying that the funds allocated to the province from 2019/20 for municipal interventions was to build capacity within Provincial Treasuries. These funds were allocated against *Compensation of employees* and *Goods and services* across all sub-programmes. This is discussed at economic classification.

Table 6.22 : Summary of payments and estimates by sub-programme: Municipal Finance Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
				2020/21					
1. Programme Support	-	2 292	2 377	3 363	2 392	3 082	3 738	3 672	3 665
2. Municipal Budget	53 218	24 661	26 242	29 589	26 420	25 676	28 861	28 171	28 022
3. Municipal Accounting and Reporting	-	-	14 357	20 349	15 916	15 042	27 639	27 185	27 634
4. Municipal Support Programme	-	32 486	15 442	16 269	12 067	11 442	13 215	11 028	10 981
5. Municipal Revenue and Debt Management	-	-	-	7 160	-	-	7 624	6 707	6 683
Total	53 218	59 439	58 418	76 730	56 795	55 242	81 077	76 763	76 985

Table 6.23 : Summary of payments and estimates by economic classification: Municipal Finance Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Current payments	52 860	59 081	57 858	75 312	56 438	54 815	79 696	75 980	76 620
Compensation of employees	29 616	34 231	40 224	46 794	42 093	40 891	58 318	57 157	57 197
Goods and services	23 244	24 850	17 634	28 518	14 345	13 924	21 378	18 823	19 423
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	28	5	35	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	28	5	35	-	-	-	-	-	-
Payments for capital assets	327	353	525	1 418	357	427	1 381	783	365
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	327	353	525	1 418	357	427	1 381	783	365
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3	-	-	-	-	-	-	-	-
Total	53 218	59 439	58 418	76 730	56 795	55 242	81 077	76 763	76 985

The sub-programme: Programme Support is responsible for providing strategic leadership support to the Municipal Finance Management unit. The Programme Manager, the Secretary and the Office Manager are provided for under this sub-programme, as well as their running costs. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment budget cuts, with the slight increase in the Revised Estimate as a result of personnel costs which were higher than budgeted for. The growth over the MTEF is despite budget cuts of R430 000 in 2021/22 and R616 000 in 2022/23, with carry-through, being effected against this sub-programme. The increase in 2021/22 is due to reprioritisation of R680 000 with carry-through, from the Municipal Budget sub-programme to offset the impact of the budget cuts against *Compensation of employees* and cater for the filling of vacant.

The sub-programme: Municipal Budget reflects a significant decrease in 2018/19 from 2017/18 mainly due to late submission of invoices by service providers in respect of the MSP, as well as savings from cost-cutting measures. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and cost-of-living adjustment. The growth over the MTEF is despite budget cuts of R3.734 million in 2021/22 and R5.354 million in 2022/23, with carry-through, being effected against this sub-programme. The department undertook reprioritisation of R739 000 in 2021/22 with carry-through, to the Programme Support and Municipal Accounting and Reporting sub-programmes to offset the impact of the budget cuts against *Compensation of employees* and to cater for the filling of vacant posts. The negative trend over the MTEF is a result of budget cuts and will be reviewed in the next budget process.

The sub-programme: Municipal Accounting and Reporting was fully functional from 2019/20. The significant increase in 2020/21 is as a result of internal reprioritisation from *Compensation of employees* within the programme to cater for consultants' costs under *Goods and services*, as well as increased allocations for filling vacant posts, travel and subsistence and tools of trade for new employees. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and cost-of-living adjustment budget cuts. The growth over the MTEF is despite budget cuts of R3.795 million in 2021/22 and R4.228 million in 2022/23, with carry-through, being effected against this sub-programme. The increase in 2021/22 is due to reprioritisation of R6.713 million with carry-through, from the Municipal Support Programme and the Municipal Budget sub-programmes to offset the impact of the budget cuts against *Compensation of employees* and to cater for the filling of vacant posts. The 2021/22 allocation further includes additional funding of R1.551 million with carry-through, in line with communication received from National Treasury on clarifying that the funds allocated to the province from 2019/20 for municipal interventions was to build capacity within Provincial Treasuries, as mentioned. The growth over the 2021/22 MTEF is inflationary and makes provision for assisting, supporting and monitoring municipalities with financial management

and compliance with the annual reporting framework. This will be achieved by promoting an understanding of accounting standards, monitoring compliance with reporting requirements, providing accounting services and support, implementing systems and processes to improve sound financial management and audit outcomes, reviewing the quality of AFS, as well as monitoring, evaluating and reporting on compliance with the municipal asset management regulations.

The sub-programme: Municipal Support Programme decreased in 2019/20 due to once-off reprioritisation to address a shortfall in Programme 3, to assist municipalities and municipal entities to transact in compliance with mSCOA regulations. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and cost-of-living adjustment. The growth over the MTEF is despite budget cuts of R1.243 million in 2021/22 and R1.782 million in 2022/23, with carry-through, being effected against this sub-programme. The 2021/22 amount further includes an additional R3.371 million with carry-through, in line with communication received from National Treasury on clarifying that the funds allocated to the province from 2019/20 for municipal interventions was to build capacity within Provincial Treasuries, as mentioned. The department undertook reprioritisation of R3.572 million in 2021/22 with carry-through, to the Municipal Accounting and Reporting sub-programme to offset the impact of the budget cuts against *Compensation of employees* and cater for the filling of vacant posts. Over the MTEF, this sub-programme will continue to assist and provide technical support to delegated municipalities. The MTEF caters for the support initiative aimed at determining municipalities' audit readiness and assisting them to maintain positive audit opinions.

The sub-programme: Municipal Revenue and Debt Management is a new sub-programme which was meant to be effected over the 2020/21 MTEF, but the implementation was postponed and the budget allocation surrendered toward the provincial Covid-19 response. The implementation of the sub-programme resumes in the 2021/22 MTEF, and the budget caters for establishing and formulating support strategies to address weaknesses within the revenue and debt management processes of delegated municipalities. The growth over the MTEF is despite budget cuts of R1 million in 2021/22 and R1 million in 2022/23, with carry-through, being effected against this sub-programme. The 2021/22 allocation further includes additional funding of R2.026 million with carry-through, in line with communication received from National Treasury on clarifying that the funds allocated to the province from 2019/20 for municipal interventions was to build capacity within Provincial Treasuries, as mentioned. The negative growth over in the two outer years of the MTEF is as a result of a reduced budget for consultants as the filling of vacant posts will assist in building internal capacity to implement the new sub-programme.

Compensation of employees reflects an increasing trend from 2017/18 to 2020/21 in line with the implementation of the new programme structure. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost-of-living adjustment budget cuts. This category grows by 42.6 per cent in 2021/22, decreases by 2 per cent in 2022/23 and increases by 0.1 per cent in 2023/24, respectively. The high growth in 2021/22 is despite budget cuts effected against this category of R5.865 million in 2021/22 and R8.409 million in 2022/23 with carry-through. Contributing to the high increase in 2021/22 are additional allocations of R8.672 million in 2021/22, R10.850 million in 2022/23 and R11.327 million in 2023/24 in respect of municipal interventions which were moved from COGTA, as previously discussed. Further contributing to the increase is reprioritisation of R13.626 million from *Goods and services*, as mentioned. The negative and low growth in the two outer-years of the MTEF will be reviewed in the next budget process. There are four vacant Municipal Budget Analyst posts under Programme 5 which will be filled in 2021/22. The programme will fill a further 23 newly created posts, subject to the availability of funds.

Goods and services reflects a fluctuating trend over the seven-year period. The decrease in 2019/20 was due to reprioritisation of funds to Programme 4 as a result of a reduced reliance on consultants. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic. The significant increase in 2021/22 is due to the implementation of the Municipal Revenue and Debt Management sub-programme, as well as the additional amount of R1.661 million allocated to this category in respect of municipal interventions which were moved from COGTA, as previously discussed. This allocation was not made to this category in the two outer years of the MTEF as the department will have built the necessary internal capacity to perform the municipal intervention function, explaining the decrease in 2022/23 and low growth in 2023/24.

Transfers and subsidies to: Households relates to staff exit costs and there is no provision over the MTEF as this category is difficult to budget for. This will be reviewed in the next budget process.

Machinery and equipment is for the purchase of equipment to provide for the filling of posts and the replacement and upgrading of equipment. The decrease in the 2020/21 Adjusted Appropriation was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic, with the increase in the Revised Estimate due to higher than projected costs for the procurement of tools of trade. Included in the MTEF allocations is provision for the purchase of tools of trade for newly appointed staff.

Service delivery measures: Municipal Finance Management

Table 6.24 reflects the main service delivery measures pertaining to Programme 5. The department largely follows the measures used in previous years, with some of the outputs and performance indicator descriptions having changed to ensure alignment with the department's 2021/22 APP.

Table 6.24 : Service delivery measures: Municipal Finance Management

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2020/21	2021/22	2022/23	2023/24	
1. Municipal Budget						
1.1	Provincial Treasury recommendations implemented by municipalities	<ul style="list-style-type: none"> No. of delegated municipal tabled budgets evaluated with feedback provided No. of delegated municipal approved budgets evaluated with feedback provided 	51 municipal tabled budgets evaluated and feedback provided 51 municipal approved budgets evaluated	51 municipal tabled budgets evaluated and feedback provided 51 municipal approved budgets evaluated	51 municipal tabled budgets evaluated and feedback provided 51 municipal approved budgets evaluated	51 municipal tabled budgets evaluated and feedback provided 51 municipal approved budgets evaluated
2. Municipal Accounting and Reporting						
2.1	Provincial Treasury recommendations implemented by municipalities	<ul style="list-style-type: none"> No. of financial statements review projects conducted at targeted municipalities No. of Financial Management Support projects implemented at targeted municipalities 	2 projects Nil	7 projects 6 projects	7 projects 6 projects	7 projects 6 projects
3. Municipal Support Programme						
3.1	Provincial Treasury recommendations implemented by municipalities	<ul style="list-style-type: none"> No. of MSP projects implemented at target municipalities 	3 projects	10 projects	10 projects	10 projects
3.2	Full implementation of mSCOA by provincial municipalities	<ul style="list-style-type: none"> No. of reports on the implementation of mSCOA and compliance by municipalities 	4 reports on the implementation progress	4 reports on the implementation progress	4 reports on the implementation progress	4 reports on the implementation progress
4. Municipal Revenue and Debt Management						
4.1	Provincial Treasury recommendations implemented by municipalities	<ul style="list-style-type: none"> No. of revenue and debt projects implemented at target municipalities 	Nil	1 project	1 project	1 project

10. Other programme information

10.1 Personnel numbers and costs

Table 6.25 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. The total personnel number for the department is 591 employees in 2020/21, and decreases to 582 in 2021/22 as a result of the shift in the Forensic Services sub-programme to OTP. *Compensation of employees* increases despite budget reductions of R76.743 million in 2021/22 and R99.539 million in 2022/23. Included in these are amounts of R27.218 million in 2021/22 and R28.524 million in 2022/23, with carry-through, which relate to the movement of the Forensic Services sub-programme to OTP. The budget includes provision for salaries for contract personnel that will be working on certain departmental projects, such as TAs working on IDIP, CMP, etc. The newly approved departmental structure comprises 473 permanent posts compared to 397 permanent posts in terms of the old structure.

Table 6.25 : Summary of departmental personnel numbers and costs by component

R thousands	Audited Outcome						Revised Estimate				Medium-term Estimate						Average annual growth over MTEF		
	2017/18		2018/19		2019/20		2020/21				2021/22		2022/23		2023/24		2020/21 - 2023/24		
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Addit. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. growth rate	Costs growth rate	% Costs of Total
Salary level																			
1 – 7	176	18 383	188	21 153	167	19 164	93	37	130	55 907	166	43 905	166	44 536	166	45 286	8.5%	(6.8%)	13.3%
8 – 10	123	64 274	141	72 335	161	99 928	139	71	210	92 661	189	98 727	189	100 165	189	101 096	(3.5%)	2.9%	26.8%
11 – 12	139	95 181	146	103 450	133	107 029	148	28	176	99 644	154	141 381	154	141 480	154	142 084	(4.4%)	12.6%	35.0%
13 – 16	55	75 897	63	84 790	74	84 697	60	15	75	79 510	72	93 743	72	93 888	72	94 209	(1.4%)	5.8%	24.4%
Other	1	1 122	1	1 183	1	1 512	-	-	-	1 595	1	1 683	1	1 764	1	1 849	-	5.0%	0.5%
Total	494	254 857	539	282 911	536	312 330	440	151	591	329 317	582	379 439	582	381 833	582	384 524	(0.5%)	5.3%	100.0%
Programme																			
1. Administration	166	74 943	175	85 853	180	88 338	140	34	174	88 700	204	109 668	204	109 832	204	110 497	5.4%	7.6%	28.2%
2. Sustainable Resource Management	38	38 289	39	39 744	39	40 924	31	7	38	34 929	50	46 016	50	46 042	50	46 348	9.6%	9.9%	11.6%
3. Financial Governance	118	54 833	135	61 099	119	65 265	123	32	155	78 002	133	83 982	133	85 837	133	86 596	(5.0%)	3.5%	22.9%
4. Internal Audit	130	57 176	146	61 984	153	77 579	93	69	162	86 795	126	81 455	126	82 965	126	83 886	(8.0%)	(1.1%)	23.1%
5. Municipal Finance Management	42	29 616	44	34 231	45	40 224	53	9	62	40 891	69	58 318	69	57 157	69	57 197	3.6%	11.8%	14.2%
Total	494	254 857	539	282 911	536	312 330	440	151	591	329 317	582	379 439	582	381 833	582	384 524	(0.5%)	5.3%	100.0%
Employee dispensation classification																			
PSA appointments not covered by OSDs	493	253 735	538	281 728	535	310 818	439	151	590	327 722	581	377 756	581	380 069	581	382 675	(0.5%)	5.3%	99.5%
Legal Professionals	1	1 122	1	1 183	1	1 512	-	-	1	1 595	1	1 683	1	1 764	1	1 849	-	5.0%	0.5%
Total	494	254 857	539	282 911	536	312 330	440	151	591	329 317	582	379 439	582	381 833	582	384 524	(0.5%)	5.3%	100.0%

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

Employees such as interns, in-service trainees and SAICA trainee accountants employed by the department are provided for under Programme 1. The number of personnel reflects a steady increase, and the budget shows steady growth from 2017/18 to 2023/24, despite the budget cuts. The year-on-year growth of 15.2 per cent in 2021/22 caters for the 1.5 per cent pay progression and carry-through costs of existing posts, while the 0.6 per cent and 0.7 per cent growth in 2022/23 and 2023/24, respectively, will need to be reviewed by the department in the next budget process. This is further dependent on whether or not the department is able to fill the 40 vacant posts in 2021/22 as anticipated.

10.2 Training

Table 6.26 shows the department's actual spending and estimates on training per programme. The department complies largely with the Skills Development Act – i.e. it budgets for approximately 1 per cent of its salary expense going toward staff training. The allocation toward training aligns with the allocation under the *Training and development* item under *Goods and services* in Annexure 6.B.

Table 6.26 : Information on training: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Number of staff	494	539	536	599	591	591	582	582	582
Number of personnel trained	385	385	377	421	225	225	448	448	448
of which									
Male	160	160	168	176	100	100	199	199	199
Female	225	225	209	245	125	125	249	249	249
Number of training opportunities	621	621	790	790	320	320	1 019	1 019	1 019
of which									
Tertiary	6	6	6	6	6	6	46	46	46
Workshops	165	165	548	548	274	274	909	909	909
Seminars	100	100	79	79	40	40	64	64	64
Other	350	350	157	157	-	-	-	-	-
Number of bursaries offered	30	12	8	6	12	12	20	20	20
Number of interns appointed	25	14	-	25	28	28	-	25	25
Number of learnerships appointed	20	-	50	-	-	-	25	25	25
Number of days spent on training	120	120	263	263	132	132	462	462	462
Payments on training by programme									
1. Administration	534	634	390	1 072	457	359	1 138	1 193	1 196
2. Sustainable Resource Management	177	166	127	234	-	6	502	526	528
3. Financial Governance	436	1 009	516	942	396	173	763	799	801
4. Internal Audit	728	313	902	1 067	714	694	913	957	959
5. Municipal Finance Management	112	67	93	171	70	57	185	201	202
Total	1 987	2 189	2 028	3 486	1 637	1 289	3 501	3 676	3 686

ANNEXURE – VOTE 6: PROVINCIAL TREASURY

Table 6.A : Details of departmental receipts: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	446	287	303	232	232	325	259	287	300
Sale of goods and services produced by department (excluding capital assets)	427	286	303	227	227	320	254	282	295
Sale by market establishments	105	105	103	109	109	109	130	152	159
Administrative fees	34	24	30	24	24	24	25	26	27
Other sales	288	157	170	94	94	187	99	104	109
<i>Of which</i>									
<i>Commission</i>	68	79	85	51	51	51	54	57	60
<i>Tender Documents</i>	198	70	77	41	41	41	43	45	47
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	19	1	-	5	5	5	5	5	5
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	338 296	471 010	599 025	387 998	487 998	414 507	413 345	433 186	453 979
Interest	338 296	471 010	599 025	387 998	487 998	414 507	413 345	433 186	453 979
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	356	-	1 435	210	210	13	222	233	244
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	356	-	1 435	210	210	13	222	233	244
Transactions in financial assets and liabilities	715	433	2 194	422	422	553	445	466	488
Total	339 813	471 730	602 957	388 862	488 862	415 398	414 271	434 172	455 011

Table B.6 : Payments and estimates by economic classification: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	538 896	600 051	627 855	699 517	561 084	553 591	638 240	652 391	657 406
Compensation of employees	254 857	282 911	312 330	383 914	334 025	329 317	379 439	381 833	384 524
Salaries and wages	229 016	254 531	281 379	344 419	299 082	295 403	337 857	340 785	343 338
Social contributions	25 841	28 380	30 951	39 495	34 943	33 914	41 582	41 048	41 186
Goods and services	284 039	317 126	315 525	314 794	226 250	223 374	258 554	270 388	272 755
Administrative fees	11 954	10 393	5 927	8 835	7 566	8 994	9 311	8 533	8 559
Advertising	4 273	3 207	2 231	4 497	2 534	2 643	3 790	4 019	4 030
Minor assets	238	358	638	881	657	313	812	851	853
Audit cost: External	5 225	4 602	4 519	6 147	3 765	4 498	6 485	6 796	6 523
Bursaries: Employees	839	937	612	1 006	1 006	726	1 012	1 061	1 064
Catering: Departmental activities	1 763	2 307	864	1 563	822	359	1 616	1 693	1 697
Communication (G&S)	2 007	2 884	1 364	2 702	2 422	1 812	3 094	3 248	3 225
Computer services	108 611	104 937	114 075	101 908	90 403	101 843	102 494	106 164	106 470
Cons. & prof serv: Business and advisory services	22 485	13 791	44 521	29 171	28 235	17 198	12 028	15 041	17 778
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	2 166	3 722	3 264	3 009	1 712	1 202	3 263	3 419	3 429
Contractors	940	1 850	4 245	4 416	3 265	3 446	5 797	6 027	6 044
Agency and support / outsourced services	72 979	111 471	78 554	85 765	34 176	38 668	42 712	44 239	44 050
Entertainment	-	-	5	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	1 740	1 992	1 587	2 094	1 784	1 305	2 209	2 315	2 322
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	402	-	-	5	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	165	111	96	10	10	213	27	29	29
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	3	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	147	-	-	10	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcass inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	581	847	608	1 476	642	348	1 520	1 593	1 598
Consumable supplies	602	1 960	1 235	627	879	985	1 193	1 250	1 253
Consumable: Stationery, printing and office supplies	1 763	1 441	1 442	2 993	2 030	1 323	3 091	3 247	3 255
Operating leases	16 570	19 323	19 249	18 775	18 475	18 807	19 805	20 755	20 815
Property payments	9 335	11 757	12 209	10 567	10 357	10 355	11 148	11 683	11 717
Transport provided: Departmental activity	199	306	197	203	108	15	214	225	225
Travel and subsistence	13 830	13 451	12 365	20 889	10 767	4 657	19 294	20 183	19 775
Training and development	1 987	2 189	2 028	3 486	1 637	1 289	3 501	3 676	3 686
Operating payments	3 156	2 707	3 089	3 081	2 636	2 271	3 371	3 537	3 552
Venues and facilities	628	583	52	693	362	89	767	804	806
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	14	-	809	809	900	247	170	127
Interest	-	14	-	809	809	900	247	170	127
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	5 272	6 433	5 730	1 652	2 513	5 970	1 697	1 778	1 783
Provinces and municipalities	26	54	39	27	27	32	28	29	29
Provinces	26	54	39	27	27	32	28	29	29
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	26	54	39	27	27	32	28	29	29
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	1 025	2	2	3	3	3	3	3	3
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	1 025	2	2	3	3	3	3	3	3
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	5	-	-	-	-	-	-	-
Public corporations	-	5	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	5	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	3 264	205	362	279	279	279	294	308	309
Households	957	6 167	5 327	1 343	2 204	5 656	1 372	1 438	1 442
Social benefits	584	1 496	3 942	490	1 210	4 455	445	467	468
Other transfers to households	373	4 671	1 385	853	994	1 201	927	971	974
Payments for capital assets	11 465	18 579	7 015	17 594	7 697	8 000	13 908	14 009	13 630
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 465	18 579	7 015	17 322	7 697	8 000	13 621	13 708	13 330
Transport equipment	4 642	7 073	-	6 782	80	-	3 211	3 462	3 471
Other machinery and equipment	6 823	11 506	7 015	10 540	7 617	8 000	10 410	10 246	9 859
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	272	-	-	287	301	300
Payments for financial assets	6	-	45	-	-	-	-	-	-
Total	555 639	625 063	640 645	718 763	571 294	567 561	653 845	668 178	672 819

Table 6.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Current payments	150 022	217 157	195 917	200 821	177 037	171 194	198 316	205 172	208 482
Compensation of employees	74 943	85 853	88 338	99 946	88 811	88 700	109 668	109 832	110 497
Salaries and wages	66 352	76 309	78 650	88 563	77 995	78 094	97 370	97 457	98 086
Social contributions	8 591	9 544	9 688	11 383	10 816	10 606	12 298	12 375	12 411
Goods and services	75 079	131 290	107 579	100 875	88 226	82 403	88 648	95 340	97 985
Administrative fees	369	350	192	503	169	77	528	553	555
Advertising	2 276	3 188	2 187	4 085	2 480	2 612	3 300	3 506	3 516
Minor assets	144	220	148	343	422	182	370	388	389
Audit cost: External	5 225	4 579	4 514	6 147	3 765	4 498	6 485	6 796	6 523
Bursaries: Employees	839	937	612	1 006	1 006	726	1 012	1 061	1 064
Catering: Departmental activities	1 220	2 056	465	1 066	518	222	1 155	1 211	1 214
Communication (G&S)	1 165	2 523	1 082	1 475	1 232	1 259	1 585	1 662	1 637
Computer services	15 067	18 836	17 050	13 295	14 301	19 987	14 090	14 766	14 808
Cons. & prof serv: Business and advisory services	7 889	3 910	35 504	23 088	22 680	10 097	6 178	8 910	11 629
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	2 025	3 376	1 846	2 724	1 712	1 083	2 962	3 104	3 113
Contractors	778	1 785	4 195	4 330	3 184	3 395	5 715	5 941	5 958
Agency and support / outsourced services	2 009	46 956	-	-	-	3 826	-	-	-
Entertainment	-	-	5	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	1 740	1 992	1 587	2 094	1 784	1 305	2 209	2 315	2 322
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	402	-	-	5	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	165	111	96	10	10	213	27	29	29
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	3	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	147	-	-	10	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	581	847	608	1 476	642	348	1 520	1 593	1 598
Consumable supplies	435	1 738	957	427	695	899	463	485	486
Consumable: Stationery, printing and office supplies	958	740	797	1 538	1 099	619	1 624	1 701	1 706
Operating leases	16 518	19 262	19 187	18 708	18 408	18 777	19 737	20 684	20 744
Property payments	9 332	11 757	12 209	10 567	10 357	10 339	11 148	11 683	11 717
Transport provided: Departmental activity	199	306	197	203	108	15	214	225	225
Travel and subsistence	3 946	3 997	2 376	5 042	2 113	947	5 323	5 579	5 596
Training and development	534	634	390	1 072	457	359	1 138	1 193	1 196
Operating payments	1 038	646	774	1 005	744	536	1 121	1 175	1 178
Venues and facilities	624	544	52	671	340	67	744	780	782
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	14	-	-	-	91	-	-	-
Interest	-	14	-	-	-	91	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 940	5 125	4 974	1 274	1 674	5 089	1 370	1 435	1 439
Provinces and municipalities	26	54	39	27	27	32	28	29	29
Provinces	26	54	39	27	27	32	28	29	29
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	26	54	39	27	27	32	28	29	29
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	2	2	3	3	3	3	3	3
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	2	2	3	3	3	3	3	3
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	5	-	-	-	-	-	-	-
Public corporations	-	5	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	5	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	3 264	205	350	279	279	279	294	308	309
Households	650	4 859	4 583	965	1 365	4 775	1 045	1 095	1 098
Social benefits	277	506	3 198	112	371	3 574	118	124	124
Other transfers to households	373	4 353	1 385	853	994	1 201	927	971	974
Payments for capital assets	8 997	11 767	3 378	13 676	5 827	6 212	10 392	10 987	11 015
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	8 997	11 767	3 378	13 404	5 827	6 212	10 105	10 686	10 715
Transport equipment	4 642	7 073	-	6 782	80	-	3 211	3 462	3 471
Other machinery and equipment	4 355	4 694	3 378	6 622	5 747	6 212	6 894	7 224	7 244
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	272	-	-	287	301	300
Payments for financial assets	3	-	-	-	-	-	-	-	-
Total	162 962	234 049	204 269	215 771	184 538	182 495	210 078	217 594	220 936

Table 6.D : Payments and estimates by economic classification: Sustainable Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Current payments	44 996	43 703	46 515	49 775	39 777	37 837	55 044	54 938	55 093
Compensation of employees	38 289	39 744	40 924	41 620	36 384	34 929	46 016	46 042	46 348
Salaries and wages	34 819	36 047	37 170	38 272	33 300	31 951	42 152	42 268	42 563
Social contributions	3 470	3 697	3 754	3 348	3 084	2 978	3 864	3 774	3 785
Goods and services	6 707	3 959	5 591	8 155	3 393	2 908	9 028	8 896	8 745
Administrative fees	58	78	246	61	30	24	86	90	90
Advertising	11	14	-	103	-	-	109	114	114
Minor assets	9	35	43	24	9	7	32	33	33
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	118	75	126	88	-	-	162	169	169
Communication (G&S)	134	82	75	136	82	88	178	187	187
Computer services	181	-	-	-	-	-	-	-	-
Cons. & prof serv: Business and advisory services	3 422	444	2 582	-	-	894	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	40	7	21	5	-	-	5	5	5
Agency and support / outsourced services	-	-	-	5 161	1 436	304	4 855	4 525	4 412
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	51	60	47	24	14	10	63	66	66
Consumable: Stationery, printing and office supplies	206	153	163	228	126	93	314	330	330
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 591	1 821	1 154	1 454	839	504	2 020	2 116	2 074
Training and development	177	166	127	234	-	6	502	526	528
Operating payments	709	1 024	1 007	637	857	978	702	735	737
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	67	31	110	-	70	70	32	34	35
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	67	31	110	-	70	70	32	34	35
Social benefits	67	31	110	-	70	70	32	34	35
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	372	410	425	209	293	240	320	336	339
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	372	410	425	209	293	240	320	336	339
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	372	410	425	209	293	240	320	336	339
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	1	-	-	-	-	-	-
Total	45 435	44 144	47 051	49 984	40 140	38 147	55 396	55 308	55 467

Table 6.E : Payments and estimates by economic classification: Financial Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23	2023/24
Current payments	191 806	181 560	198 474	218 617	178 273	182 137	198 609	202 777	203 361
Compensation of employees	54 833	61 099	65 265	89 615	80 481	78 002	83 982	85 837	86 596
Salaries and wages	49 033	54 668	58 083	79 419	71 312	69 342	74 197	76 052	76 783
Social contributions	5 800	6 431	7 182	10 196	9 169	8 660	9 785	9 785	9 813
Goods and services	136 973	120 461	133 209	128 193	96 983	103 326	114 380	116 770	116 638
Administrative fees	11 297	9 722	5 216	7 849	7 106	8 784	8 268	7 440	7 461
Advertising	1 986	5	44	309	54	31	381	399	400
Minor assets	60	45	162	171	137	77	188	197	197
Audit cost: External	-	23	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	304	46	60	156	107	38	85	89	89
Communication (G&S)	400	136	89	670	670	257	677	710	711
Computer services	92 446	85 842	95 790	87 742	75 318	81 352	87 062	89 992	90 252
Cons. & prof serv: Business and advisory services	8 603	6 097	3 001	2 754	2 226	2 248	2 850	2 987	2 996
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	141	346	1 418	285	-	119	301	315	316
Contractors	91	18	13	46	46	11	48	51	51
Agency and support / outsourced services	16 832	13 810	23 178	21 252	7 722	8 237	7 564	7 300	7 321
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medgas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	74	115	168	130	130	50	630	660	662
Consumable: Stationery, printing and office supplies	259	201	210	510	334	297	462	486	488
Operating leases	52	61	62	67	67	30	68	71	71
Property payments	3	-	-	-	-	16	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 691	2 741	2 843	4 943	2 303	1 278	4 677	4 900	4 446
Training and development	436	1 009	516	942	396	173	763	799	801
Operating payments	294	234	439	345	345	306	333	350	352
Venues and facilities	4	10	-	22	22	22	23	24	24
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	809	809	809	247	170	127
Interest	-	-	-	809	809	809	247	170	127
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 204	1 077	248	260	566	496	230	241	241
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	1 025	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	1 025	-	-	-	-	-	-	-	-
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	-	-	12	-	-	-	-	-	-
Households	179	1 077	236	260	566	496	230	241	241
Social benefits	179	776	236	260	566	496	230	241	241
Other transfers to households	-	301	-	-	-	-	-	-	-
Payments for capital assets	608	5 790	938	906	594	757	1 218	1 277	1 282
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	608	5 790	938	906	594	757	1 218	1 277	1 282
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	608	5 790	938	906	594	757	1 218	1 277	1 282
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	33	-	-	-	-	-	-
Total	193 618	188 427	199 693	219 783	179 433	183 390	200 057	204 295	204 884

Table 6.F : Payments and estimates by economic classification: Internal Audit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Current payments	99 212	98 550	129 091	154 992	109 559	107 608	106 575	113 524	113 850
Compensation of employees	57 176	61 984	77 579	105 939	86 256	86 795	81 455	82 965	83 886
Salaries and wages	51 992	56 266	70 453	94 956	77 549	78 311	70 676	72 208	73 098
Social contributions	5 184	5 718	7 126	10 983	8 707	8 484	10 779	10 757	10 788
Goods and services	42 036	36 566	51 512	49 053	23 303	20 813	25 120	30 559	29 964
Administrative fees	204	196	189	247	233	94	245	257	259
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	5	34	263	136	89	33	78	82	82
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	71	92	140	141	141	71	95	99	99
Communication (G&S)	201	80	56	300	279	102	523	549	550
Computer services	917	181	1 149	784	784	504	1 250	1 310	1 314
Cons. & prof serv: Business and advisory services	2 571	3 340	3 434	3 329	3 329	3 959	3 000	3 144	3 153
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	7	2	-	-	-	-	-	-
Agency and support / outsourced services	32 893	27 751	40 435	35 945	11 984	13 429	13 765	18 420	17 790
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	35	23	33	34	28	14	30	32	32
Consumable: Stationery, printing and office supplies	163	195	115	299	217	140	248	260	260
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 712	3 810	4 232	6 109	4 933	1 446	4 215	4 654	4 667
Training and development	728	313	902	1 067	714	694	913	957	959
Operating payments	536	544	562	662	572	327	758	795	799
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	33	195	363	118	203	315	65	68	68
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	33	195	363	118	203	315	65	68	68
Social benefits	33	178	363	118	203	315	65	68	68
Other transfers to households	-	17	-	-	-	-	-	-	-
Payments for capital assets	1 161	259	1 749	1 385	626	364	597	626	629
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 161	259	1 749	1 385	626	364	597	626	629
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 161	259	1 749	1 385	626	364	597	626	629
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	11	-	-	-	-	-	-
Total	100 406	99 004	131 214	156 495	110 388	108 287	107 237	114 218	114 547

Table 6.G : Payments and estimates by economic classification: Municipal Finance Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Current payments	52 860	59 081	57 858	75 312	56 438	54 815	79 696	75 980	76 620
Compensation of employees	29 616	34 231	40 224	46 794	42 093	40 891	58 318	57 157	57 197
Salaries and wages	26 820	31 241	37 023	43 209	38 926	37 705	53 462	52 800	52 808
Social contributions	2 796	2 990	3 201	3 585	3 167	3 186	4 856	4 357	4 389
Goods and services	23 244	24 850	17 634	28 518	14 345	13 924	21 378	18 823	19 423
Administrative fees	26	47	84	175	28	15	184	193	194
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	20	24	22	207	-	14	144	151	152
Audit cost: External	-	-	5	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	50	38	73	112	56	28	119	125	126
Communication (G&S)	107	63	62	121	159	106	131	140	140
Computer services	-	78	86	87	-	-	92	96	96
Cons. & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	31	33	14	35	35	40	29	30	30
Agency and support / outsourced services	21 245	22 954	14 941	23 407	13 034	12 872	16 528	13 994	14 527
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	7	24	30	12	12	12	7	7	7
Consumable: Stationery, printing and office supplies	177	152	157	418	254	174	443	470	471
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	890	1 082	1 760	3 341	579	482	3 059	2 934	2 992
Training and development	112	67	93	171	70	57	185	201	202
Operating payments	579	259	307	432	118	124	457	482	486
Venues and facilities	-	29	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	28	5	35	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	28	5	35	-	-	-	-	-	-
Social benefits	28	5	35	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	327	353	525	1 418	357	427	1 381	783	365
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	327	353	525	1 418	357	427	1 381	783	365
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	327	353	525	1 418	357	427	1 381	783	365
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3	-	-	-	-	-	-	-	-
Total	53 218	59 439	58 418	76 730	56 795	55 242	81 077	76 763	76 985