

VOTE 1

Office of the Premier

Operational budget	R799 979 591
Remuneration of the Premier	R 2 260 409
Total amount to be appropriated	R802 240 000

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

1. Overview

Vision

The vision of the Office of the Premier (OTP) is: *To be the centre of governance, providing leadership towards achieving KZN Vision 2030.*

Mission

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

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

Strategic outcomes

The *strategic policy direction* of the OTP is directly linked to national government's five-year National Development Plan (NDP) seven priorities, which are:

- Priority 1: Economic transformation and job creation.
- Priority 2: Education, skills and health.
- Priority 3: Consolidating the social wage through reliable and quality basic services.
- Priority 4: Spatial integration, human settlements and local government.
- Priority 5: Social cohesion and safe communities.
- Priority 6: A capable, ethical and developmental state.
- Priority 7: A better Africa and world.

The new framework for SPs and APPs has shifted from a goal-focused approach to an impact-focused approach. As such, the implementation of the new framework resulted in the phasing out of strategic objectives and the introduction of outcomes. Thus, the outcomes of the department are as follows:

- Outcome 1: Improved governance and accountability.
- Outcome 2: Improved co-ordination, integration and efficiency in government.
- Outcome 3: Inclusive stakeholder engagement and improved partnerships.
- Outcome 4: Professional and ethical provincial administration.

Core functions

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

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

Legislative mandate

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

- The Constitution of the Republic of South Africa, 1996
- Public Service Act, 1994, as amended
- Public Finance Management Act, 1999, as amended and Treasury Regulations
- Preferential Procurement Policy Framework Act, 2000
- KwaZulu-Natal Provincial Supply Chain Management Policy Framework, 2006
- KwaZulu-Natal Youth Commission Act, 2005
- Annual Division of Revenue Act (DORA)
- Public Service Regulations, 2016
- Labour Relations Act, 1995
- Employment Equity Act, 1998
- Basic Conditions of Employment Act, 1997
- Promotion of Access to Information Act, 2000
- Electronic Communications and Transactions Act, 2002
- State Information Technology Agency Act, 1999
- Promotion of Administrative Justice Act, 2000
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000
- Skills Development Act, 1998
- KwaZulu-Natal Zulu Royal House Trust Act, 2018
- Traditional Leadership and Governance Framework Act, 2003
- Intergovernmental Relations Act, 2005

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 during the year, as well as giving a brief discussion on challenges and new developments.

Provincial Planning Commission (PPC)

The functions of the PPC are similar to those of the National Planning Commission (NPC), and are to advise and make recommendations to the Premier and the Provincial Executive on a long-term strategic development perspective and vision of the province. A key focus area for 2020/21 was the review of the Provincial Growth and Development Strategy (PGDS) and ensuring continued alignment with the NDP and Medium-Term Strategic Framework (MTSF) 2019-2024. This included updating the situational analysis, in partnership with provincial departments, entities and forums (action working groups, provincial planning, policy and research forums). This involved extracting relevant information from the Five Year Review Report of the KZN Provincial Administration, the National 25-year Review and progress with lessons learnt from the provincial Covid-19 responses, as well as extracting information from engagements with and participating in the Provincial Spatial Development Framework (PSDF) webinars and projects undertaken in the development of the Provincial Water Masterplan, in partnership with the Department of Co-operative Governance and Traditional Affairs (COGTA). This resulted in strengthening the Monitoring and Evaluation Framework for the implementation of the PGDS through clearly defined impact and outcomes, aligned to the MTSF.

The Provincial Executive Council also adopted the KZN MTSF Implementation Plan for 2020-21. Alignment of re-tabled departmental and entity APPs (following the reprioritisation of the provincial budget in response to the Covid-19 pandemic) with national and provincial priorities and needs were assessed, and findings were communicated to enhance integrated planning and alignment.

Policy and research co-ordination

The department continued to co-ordinate and update the existing inventory of public policies, policy instruments and research projects aimed at improving evidence-based decision-making. It also facilitated the co-ordination of policies, research and planning through the relevant forums and Action Work Groups (AWG). Reports were submitted to the PPC, citing progress with policy development and research initiatives, and this process will continue to ensure that co-ordinated inventories are in place to track policy developments and also in the context of Covid-19 related initiatives. Departmental inputs and reports such as the Five-Year Review Report and KZN Socio-Economic Outlook have also been included in the PGDS review (where applicable) and strengthened the situational analysis informing key interventions identified in the review of the PGDS.

Strategic planning

The department provided support and guidance to all provincial departments and public entities for the development of their 2020/21 APPs for tabling, as well as the re-tabled APPs following the early Special Adjustments Estimate resulting from the provincial Covid-19 response. Detailed assessments on the alignment to key policy pronouncements were undertaken to improve the development of plans, both at a strategic and operational level. Support was provided with the adjustment of the five-year Strategic Plans 2020-2025, as well as the APPs for 2021/22. All departments submitted their first drafts in November 2020, and these were submitted to the Department of Planning, Monitoring and Evaluation (DPME).

Monitoring and evaluation (M&E)

The programme performance of OTP was monitored, measured and assessed each quarter on the projected targets in the 2020/21 APP.

The department also provided technical support to other departments in compiling their quarterly reports that were finally presented to OTP for co-ordination purpose. The co-ordination of departmental and provincial plans for 2021/22 was done and the progress on the PGDP was presented to the PPC every quarter. The Provincial Evaluation Committee was established, and its Terms of Reference were approved to guide its functioning, in pursuit of its mandate and objectives.

Inter-governmental relations (IGR)

The main aim is to strengthen IGR in the province through collaboration to ensure integrated planning for improved service delivery. The IGR strategy primarily aims to create linkages between the IGR structures and stakeholders. In July 2020, the unit facilitated the approval of the IGR strategy for the province. Since the commencement of the Covid-19 lockdown, the department has been co-ordinating the Provincial Command Council on Covid-19 through Executive Council Clusters. District Development Structures

were also supported with provisions such as donations of water to war-rooms, sanitisers, sanitary towels and face shields. Closer collaboration was pursued with the Department of International Relations and Co-operation (DIRCO), Embassies and Consulates represented abroad as reviews on virtual platforms were conducted of twinning agreements to discuss current relations and how to further strengthen bilateral ties with the following undertaken:

- Review of Maryland Twinning Agreement on 9 July 2020.
- Review of Guangdong Twinning Agreement on 17 July 2020.
- Review of Shanghai Twinning Agreement on 17 July 2020.
- Review of Fujian Twinning Agreement on 17 July 2020.
- Review of Baden-Wurttemberg Twinning Agreement on 21 July 2020.
- Review of Jakarta Twinning Agreement on 1 October 2020.
- Review of Maputo Twinning Agreement on 11 November 2020.

Protection of human rights

Major community based programmes were adversely affected due to Covid-19 and, in this regard, the human rights educational programme was rolled out, but not throughout the province as envisaged. Workshops were held in the Zululand, uMkhanyakude and Ugu district municipalities, as well as the eThekweni Metro. The commemoration of significant calendar dates continued, such as the International Day for People with Disabilities and the National Senior Citizens' Day, with these events held virtually but with a limited number of people attending physically (hybrid set up). The department was also able, to a limited extent, to roll out other programmes such as the Centenarian Programme. Some programmes, such as the provincial and national Golden Games, were not held because of Covid-19 regulations. Although the Five-Year Co-ordination Plans for Vulnerable Groups did not reach the approval stage because of challenges related to consultations with the sectors, the department was able to collate reports from government programmes. The department was unable to implement programmes such as the physical access audit for persons with disabilities as most government service points were closed due to Covid-19, particularly during lockdown levels 3 to 5, and some remain closed for visitors and members of the public. Another project that was not implemented was the compilation of a human rights database aimed at profiling services available to the vulnerable groups, such as luncheon clubs and homes for persons with disabilities. The clubs and homes could not be visited due to Covid-19 regulations.

Public service transformation

Strategic Human Resource Management, in fulfilling its transversal role, continued to engage and service all 14 departments through a number of forums, but specifically the Integrated HR Forum. This has played a leading role in ensuring effective co-ordination, integration and compliance. The Covid-19 pandemic meant that it was not possible to conduct the normal departmental HR audit visits. Notwithstanding this, all quarterly compliance reports were finalised. The KZN Provincial HR Turnaround Strategy, which incorporates the PGDS/PGDP imperatives, was approved by the Provincial Executive Council for implementation by all provincial departments. The implementation guide and tool kit is being developed by a task team comprised of provincial departments, with implementation planned to commence on 1 April 2021.

Occupational Health and Safety is a government priority. OTP is responsible for co-ordinating the Provincial Safety Health Environment Risk and Quality (SHERQ) Management Plan. The plan is reviewed annually to assess the level of health and safety compliance. The Covid-19 pandemic has challenged all workplaces to revisit the occupational health and safety structures and systems and ensure that they are responsive to the regulations and measures introduced to curb the spread of the virus.

Operation Sukuma Sakhe (OSS)

OSS is a ward-based programme used to mobilise government and non-governmental resources to address social problems afflicting various households, vulnerable groups and communities.

The conceptualisation and adoption of the District Development Model (DDM) posed a strategic challenge, in terms of integrating the two, namely OSS and DDM, and this required that a revitalised

strategy be developed. The conceptualisation and adoption of the DDM has also posed a strategic challenge, especially on government in terms of integrating the OSS and DDM, hence the revitalised strategy which aims to align the two for a seamless implementation of OSS/DDM in 2021/22. This will entail that strategic OSS policy and programme instruments, such as the OSS Handbook, OSS Strategy, capacity and Covid-19 Safety Plan of OSS war-rooms, standardisation and re-orientation of the field workers stationed in all OSS war-rooms, etc., are revised and aligned to the new OSS/DDM approach, prior to the commencement of the new financial year.

Efforts continued to be made to address triple challenges facing the poor. The functionality of the OSS war-room programme will be undertaken by the Director-General with other Heads of Departments, as well as Municipal Managers and CEOs for all provincial and municipal entities, required to identify public officials to be allocated to various wards in the province. The KZN Legislature will also be requested to collate a list of MPLs deployed in various constituencies to be attached to districts and wards.

KZN Youth Empowerment Fund

Out of 53 beneficiaries that were approved during 2019/20, 51 met contractual obligations and signed contracts. The disbursement of funds started in February 2020, but was interrupted by the national lockdown and then resumed after lockdown regulations were eased. Some beneficiaries experienced challenges with respect to the delivery of equipment which had to be imported from China. Some of the businesses supported through this fund had not started operating, while some lost clients. Another challenge was a shortfall in funding by some of the applicants who had been approved to construct buildings such as student accommodation, bed and breakfast facilities and conference venues. These applicants were linked with Absa Bank for further funding options.

The Youth Chief Directorate continuously conducted post-disbursement support to beneficiaries on a quarterly basis where challenges are discussed, and solutions are provided such as links with relevant stakeholders for further support, i.e. SEDA, the Small Enterprise Finance Agency (SEFA), Absa Bank, Ithala Bank and KZN Growth Fund Trust (KZNGFT) for further funding and market linkage.

The R50 million budgeted in 2020/21 for supporting further beneficiaries was requested to be suspended to 2021/22 as the Covid-19 lockdown impacted on economic activities, thereby resulting in hardly any requests for funding from this allocation.

His Majesty, the King's activities

His Majesty, the King's activities include, among other things, hosting of annual traditional and cultural events to preserve and restore Zulu culture, as well as the hosting and celebration of heritage events such as the King's Coronation day. Prayer day events with various religious groups are also important activities.

By mid-year, eight events were hosted, which were co-ordinated and managed by OTP, while six events are planned for the remainder of the year. Due to lockdown restrictions, most of these events were hosted virtually. Events already hosted include:

- Cultural events – *Umkhosi weSivivane (Umkhosi woMama)*, *Umkhosi WeLembe* (King Shaka commemoration) and the *Umkhosi Womhlanga* (Royal Reed Dance).
- Heritage events including His Majesty, the King's birthday.
- Religious events including the *Nhliziyonye* annual multi-denominational prayer day, and the King Dinuzulu prayer day, among others.
- Events where food parcels and water tanks were provided to communities to help people affected by the lockdown.

Some planned religious events, like *Umgidi wamaShembe*, Seventh Day Adventist Church Prayer, and the St. John's Apostolic Church Prayer, were cancelled due to the Covid-19 pandemic. Some of the King's activities/events for the remainder of the financial year include the King's Coronation day, *Umkhosi woSewhwa* (First Fruit Ceremony), the annual *Amarula Festival (Umkhosi WaMaganu)* at Machobeni and KwaKhangela Palaces, *Ukukhonza* (Homage) by the Makhaya Clan at Enyokeni Palace and the opening of the Provincial House of Traditional Leaders.

KZN Zulu Royal House Trust (ZRHT)

In terms of the KwaZulu-Natal Zulu Royal House Trust Act, No. 3 of 2018, the ZRHT is responsible for the provision of administration, maintenance and management of the assets of the ZRHT, including the Royal Palaces and farms.

During 2020/21, the ZRHT continued to render services to the Royal Household, including maintenance of Royal residences, providing for the Queens' travel and accommodation expenses, tuition fees for Princes and Princesses, transportation and medical expenses for members of the Royal Family, among others. The ZRHT also provided feed and veterinary care for His Majesty's cattle in support of His Majesty's farming operations.

The ZRHT was under immense pressure to generate its own income and thereby planned to implement a fund raising event, however, due to the national lockdown resulting from the Covid-19 pandemic, the event was postponed indefinitely.

Forensic Investigation Services

On 1 August 2020, the Forensic Investigation Services unit was transferred to OTP from Provincial Treasury and was placed within the Institutional Development and Integrity Management branch. As at 31 December 2020, the unit completed twelve (12) investigations, and conducted 42 follow-ups to track the status of implementation of recommendations arising from forensic investigation reports. The forensic audit unit is committed to the fight against fraud and corruption and undertook the following initiatives during the year, among others:

- Assisted law enforcement agencies such as the Anti-Corruption Task Team (ACTT), National Prosecuting Authority (NPA), South African Police Services (SAPS), Fusion Centre, Specialised Commercial Crime Unit (SCCU) and Asset Forfeiture Unit on matters under criminal investigation. These teams met regularly to monitor the criminal investigation and prosecution of the top priority cases within the province.
- Monitored that the recommendations contained in various forensic reports are implemented by the respective Accounting Officers of all departments by conducting thorough follow-up exercises. The bulk of the follow-up exercises related to disciplinary and remedial actions to be implemented by provincial departments, and the balance involved criminal matters conducted with SAPS.
- The unit is at the final stage of the development and roll-out of a Fraud Case Management system that will be used to record, consolidate and track all forensic investigations conducted within all spheres of provincial government.

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 during the year, as well as briefly looking at challenges and proposed new developments. The bulk of the department's budget allocation is for cross-cutting and transversal activities, such as OSS, Integrity Management, Youth Development, the Nerve Centre, support to His Majesty, the King, as well transfers to its public entity, the ZRHT. In 2021/22 and over the medium-term, OTP will focus on the priorities listed below.

Provincial Planning Commission (PPC)

Key focus areas of the PPC will still be the ongoing implementation of the reviewed PGDS, facilitating implementation monitoring through the alignment of the MTSF implementation plans/PGDP, as well as continued support of the AWGs with respect to reporting effectively on progress with implementation. The PPC will continue to monitor implementation strategies, plans and projects, and will guide the revisions to the PSDF in partnership with COGTA.

Policy and research co-ordination

The department will continue to co-ordinate and update the existing inventory of public policies, policy instruments and research projects and facilitate the co-ordination of policies, research and planning through the relevant forums. The alignment of these initiatives to the national and provincial priorities

remains a key focus area to promote evidence-informed policy and policy implementation instruments that will enable the implementation of the MTSF and provincial priorities. Reports will be submitted through the PPC, and existing co-ordination structures will be strengthened (policy and research forums), and through AWGs 5 (dealing with the knowledge economy) and 17 (dealing with policy co-ordination).

Following engagements with the Presidency, advocacy and application of the Socio-Economic Impact Assessments of policies will be revived. This will require capacity building through the Provincial Public Service Training Academy (hereafter referred to as the Training Academy) and key stakeholders.

Strategic planning

The department will continue to provide support to departments and entities in the refinement of the five-year Strategic Plans 2020-2025, as well as the APPs for 2021/22 and 2022/23 to facilitate compliance to prescripts. These plans will also be assessed to ensure alignment to the national and provincial priorities and pronouncements, as per the MTSF and PGDS/P.

Monitoring and evaluation (M&E)

The province has adopted an integrated monitoring and evaluation system that aims to provide credible data and an evidence base against indicators and targets in a single plan to compare actual results against set targets, i.e. measuring and analysing performance on the interventions or programmes implemented and assessing the extent to which these are on course to achieving the set objectives and targets.

This will enable the province, working together with all departments, municipalities and the private sector, to achieve the following goals:

- Track the development impacts of government policies, plans and programmes primarily through evaluation studies, but informed by monitoring data.
- Track whether the NDP/MTSF and PGDP are translated into effective service delivery programmes at provincial and district levels.
- Track progress at the coalface of service delivery through Frontline Monitoring, Citizen Based Monitoring, *Izimbizo* and the Presidential Hotline to assess real change and improvement in the lives of citizens.
- Provide a holistic picture of the performance of government and its impact on citizens.
- Detailed progress reporting and feedback on the monitoring of successes and challenges as the implementation process unfolds.

Inter-governmental relations

The 2021/22 MTEF will see an increase in activities geared towards the support of the roll-out and implementation of DDM activities. This includes, among others, the provision of support to the Premier and Director-General in facilitating inter-sphere and inter-sectoral inter-governmental co-operation.

The implementation of the recently approved IGR Strategy will be done through community engagements, workshops and other stakeholder platforms. This will be followed by the implementation of the IGR Learning Network to all stakeholders, which will serve as a benchmark on the monitoring of the IGR Strategy and implementation plan.

The resuscitation of inter-provincial activities, especially with the Mpumalanga province, will enable inter-provincial joint cluster meetings and events to resume, as these were delayed by changes in leadership in Mpumalanga. The inter-provincial engagements are meant to be the initial process leading to signing of MOUs with neighbouring provinces to strengthen inter-governmental relations.

Protection of human rights

One of the department's mandates is to co-ordinate human rights programmes and projects, focusing on human rights issues in general, but also prioritising disability rights, senior citizens' rights and the rights of military veterans. Depending on the roll-out of the Covid-19 vaccine and relaxation of the lockdown regulations in 2021/22, the department is set to undertake programmes such as a physical access audit for persons with disabilities, and capacity building for vulnerable groups, e.g. farm workers and persons with disabilities. Work will also continue in terms of developing a baseline database for human rights-related

indicators in the province, e.g. to determine the number of functional old age homes and disability centres. The roll-out of human rights awareness campaigns, such as the commemoration of the National Human Rights Day, International Day for People with Disabilities and the National Day for Senior Citizens, remains one of the priorities. As part of the department's outreach programmes, human rights awareness campaigns for farming communities and farm workers will also be prioritised. Other yearly programmes include the Active Ageing programme, Inter-Generational Dialogues and Centenarian Programme.

Public service transformation

The department will continue to facilitate, integrate and monitor the implementation of HRM&D strategies, policies and projects through hosting of relevant strategic forums.

The department will co-ordinate the roll-out of the implementation plan of the Provincial HR Turnaround Strategy in all provincial departments in 2021/22.

The Provincial Employee Health and Wellness Strategy has been reviewed and OTP will monitor and ensure the effective implementation in all departments. Covid-19 has brought a need to strengthen psycho-social, economic and mental health support interventions in the workplace. Departments will focus on providing interventions to the employees in need.

Operation Sukuma Sakhe (OSS)

The department will focus on reinforcement of the functionality of OSS. The Director-General working with other Heads of Departments, as well as Municipal Managers and CEOs for all provincial and municipal entities will allocate appointed public officials to various wards in the province. The Honourable Premier of KwaZulu-Natal, working with the Speaker of the Provincial Legislature, will co-ordinate the deployment of MPLs in various constituencies to be attached to districts and wards. One Wednesday of each month will be dedicated to the OSS war-room programme whereby both the appointed and elected public officials will be expected to be in all KZN OSS war-rooms. These public officials will be bound to leave their conventional workstations and be present in the various OSS war-rooms. Action plans per war-room will be developed and submitted to the DDM Secretariat and the OTP through OSS Local Task Team and District Task Team structures to address issues raised. OTP will also ensure that the revitalised OSS Strategy is applicable to all war-room structures in order to deliver essential and long-term services to communities in an integrated manner.

The Inkululeko Development Projects (IDP-1 and IDP-2) are integrated multi-purpose and multi-sectoral projects led by the Premier, to integrate development interdepartmentally. The areas selected for this approach are the Ndumo and Cwaka areas. This rural development strategy is targeted toward the improvement in the quality of education, health, sustainable livelihoods, job creation, and the quality of life, facilitating the creation of a dignified community. It further aims to deliver safe, secure, high-quality service delivery. The focus for 2021/22 will continue to be at Ndumo and Cwaka, as well as Muden and Weenen to ensure that projects that are not complete are being implemented.

IDP-1 (Ndumo)

The IDP-1 project is currently being implemented in the Ndumo area. Most projects were completed and handed over to the respective departments and others are between 95 to 99 per cent complete. Projects from EDTEA, DARD, and Human Settlements are behind schedule due to litigation issues and specification problems, among other reasons. These issues are now resolved and the focus in 2021/22 will be on the implementation of a backlog eradication plan (which will also take into account Covid-19 lockdown requirements) to ensure that projects which have had teething challenges proceed.

IDP-2 (uMzinyathi)

The IDP-2 project is currently being implemented in Cwaka, under the Msinga local municipality, in Muden under the Mvoti local municipality and in Weenen under the Inkosi Langelibalele local municipality. This project is still at the planning phase, hence there is a need for all critical role-players to ensure that necessary planning is undertaken through the identification and mobilisation of the required resources.

KZN Youth Empowerment Fund

An amount of R50 million in respect of the KZN Youth Empowerment Fund was suspended from the

department's budget in 2020/21 and allocated back to the department in 2021/22. These funds will be used to support youth businesses, with disbursement managed by the KZNGFT.

His Majesty, the King's activities

Hosting religious events, including the *Nhliziyonye* annual multi-denominational prayer day and the King Dinuzulu Prayer day, among others, *Umgidi wamaShembe*, Seventh Day Adventist Church Prayer, and the St. John's Apostolic Church Prayer, are planned for 2021/22.

His Majesty, the King will continue to partake in various important ceremonies and traditional functions of the province, such as the opening of the Provincial Legislature, opening of the Provincial House of Traditional Leaders, and hosting various traditional events, such as *Nhliziyonye* annual multi-denominational prayer day, the King Dinuzulu Prayer day, His Majesty the King's birthday, the Reed Dance, King's Coronation Day Celebration, First Fruits ceremony (*Umkhosi Woselwa*), *Amaganu* ceremonies, *Umkhosi weSivivane*, *Ukukhonza* (Homage) by the Makhaya Clan, etc. His Majesty, the King will also continue to install *Amakhosi* statutorily and in terms of traditional customs.

KZN Zulu Royal House Trust

The entity will continue to explore fund raising and revenue generation opportunities, and the focus for 2021/22 will be to prioritise partnerships in commercial farming. The ZRHT plans on conducting a feasibility study to identify the type of farming that the entity should focus on. This study will look at potential commercial opportunities in agriculture, which are not limited to the use of land, and thereafter a business plan will be drawn up for implementation. The entity will also undertake a due diligence exercise to identify and further explore profitable, viable investment opportunities for the ZRHT that will reduce the ZRHT's dependency on the provincial fiscus, and enable the entity to become more financially independent. Furthermore, the ZRHT plans on implementing the fund raising event, which was deferred from 2020/21, subject to Covid-19 regulations.

Forensic Investigation Services

The unit will conduct more detailed follow-up audits to assess the extent to which investigated entities are implementing forensic investigation recommendations. Fraud prevention plan strategies of all departments and public entities will also be reviewed.

The unit is hoping to develop a stronger collaboration to strengthen provincial compliance and to foster greater initiatives with COGTA to deal with fraud, corruption, irregularities and maladministration occurring within municipalities and municipal entities within the province.

4. Alignment of the budget to the NDP and MTSF

Economic and resource constraints remain a challenge facing government and hence the department will continue to build strategic partnerships with all stakeholders, including the private sector, to increase delivery capacity in the province. These partnerships are, thus, also critical in ensuring that the strategic intent, vision and developmental path set out in the PGDP 2035 are achieved. The implementation of the PGDP has gained momentum. Eighteen PGDP AWGs have been established as the key strategic and operational interface of the PGDP to ensure optimal implementation of the NDP through the PGDP. The functionality of these workgroups is critical in ensuring effective implementation, monitoring and review of the PGDP. Participation by stakeholders (including business) is welcomed and will be monitored to improve participation by non-governmental stakeholders.

The department's Strategic Plan is aligned to the NDP, through the PGDP, and also aligned to the MTSF. The strategic objectives are aligned to its goals and have been incorporated in the APP to ensure strategic alignment.

5. Reprioritisation

There has been reprioritisation and movement of funds between programmes and economic classifications, with the movements between programmes being the realignment of functions with the organisational structure, mainly the centralisation of IT services within Programme 2. These include the

centralisation of the ICT function from Programmes 1 and 3 to Programme 2 and the movement of the Administration and Auxiliary Services function from Programme 2 to Programme 1, with all movements in this regard within the same economic categories. The movements across economic categories are discussed below:

- *Goods and services* was reduced by R32.562 million in 2021/22 and R29.496 million in 2022/23, mainly due to the correction of the allocation for external bursaries, as required by the Auditor-General (A-G). The department had placed the entire budget (bursaries and administrative costs) against *Goods and services* when the main budget was prepared for the 2020/21 MTEF. The A-G subsequently advised that only the administrative costs (management fees) should be placed against *Goods and services*, and hence the department moved R26.399 million in 2021/22 with carry-through to *Transfers and subsidies to: Households*. This movement is within Programme 2, and relates to the correction of the budget rather than reprioritisation.
- In addition, there was a reduction in the funding for events under contractors carried through over the MTEF, as many events will be hosted virtually or reduced in number. The funding was moved to *Machinery and equipment* to address digitisation in the department, including submission tracking, the leave system, asset management and voucher control. Furthermore, there are carry-through costs for the Nerve Centre and ICT systems, which were not budgeted for.
- *Buildings and other fixed structure* was reduced by R2.505 million in 2021/22, with carry-through over the MTEF. This funding was moved to *Transfers and subsidies to: Departmental agencies and accounts*. The movement relates to the department now transferring the Royal Household infrastructure budget to the ZRHT, in line with the KwaZulu-Natal Zulu Royal House Trust Act, 2018, which states in Section 3(1)(b) “The Trust must provide for the administration, maintenance and management of the assets of the Trust, including the Royal palaces and the Royal farms”. Again, this relates to the correction of the budget rather than reprioritisation.

6. Procurement

The department will continue to implement the procurement plan for procurement exceeding R500 000 and the demand management plan for procurement below R500 000 for 2021/22, to ensure that the needs of the organisation are met. The department aims to reduce the turnaround time for procuring *Goods and services*. Internal controls, contract management and inventory management will continue to be strengthened.

The department will also intensify its efforts to ensure that suppliers and service providers are paid within 30 days, in line with Treasury Regulation 8.2.3. All quotations and bids will be awarded in a manner which is fair, equitable, transparent, competitive and cost effective. The department intended to roll out its own e-Procurement system in conjunction with Provincial Treasury, but this is currently on hold due to pending developments at National Treasury.

7. Receipts and financing

7.1 Summary of receipts and financing

Table 1.1 gives the sources of funding of Vote 1 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 Investigation Services component moved from Provincial Treasury to the Office of the Premier with effect from 1 August 2020 in line with a Provincial Executive Council resolution in this regard.

Table 1.1 : 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	671 962	758 362	750 482	743 266	674 262	674 262	752 240	767 551	775 511
Conditional grants	-	-	-	-	-	-	-	-	-
Total receipts	671 962	758 362	750 482	743 266	674 262	674 262	752 240	767 551	775 511
Total payments	667 721	772 163	704 970	800 198	640 094	640 094	802 240	767 551	775 511
Surplus/(Deficit) before financing	4 241	(13 801)	45 512	(56 932)	34 168	34 168	(50 000)	-	-
Financing									
of which									
Provincial roll-overs	1 313	3 076	1 000	-	11 000	11 000	-	-	-
Provincial cash resources	12 218	77 819	6 900	50 000	-	-	-	-	-
Suspension to future year	-	-	(6 932)	6 932	(45 168)	(45 168)	50 000	-	-
Surplus/(Deficit) after financing	17 772	67 094	46 480	-	-	-	-	-	-

In 2017/18, the following adjustments are noted:

- R1.313 million was approved as a roll-over from 2016/17 and relates to the roll-over of part of the funds of R8 million from 2015/16 to 2016/17, which could not be entirely spent in 2016/17 as a result of delays that were experienced with renovations at KwaKhangela Palace.
- The Poverty Eradication Master Plan (PEMP) operations centre received funding from provincial cash resources amounting to R12.218 million and R12.919 million in 2017/18 and 2018/19, linked to contract posts which aligned to the then Premier's term of office.

The department under-spent its 2017/18 budget by R17.772 million, mainly due to under-spending against *Machinery and equipment* and *Buildings and other fixed structures*. The department was only able to secure additional office accommodation for new posts and existing staff at year-end, thus spending on office furniture, vehicles and equipment was delayed. In addition, the Terry Street parking project at head office was delayed due to inclement weather, and there were delays in the Queens' rondavels project at Enyokeni Palace caused by challenges experienced with design and project specifications.

In 2018/19, the following adjustments are noted:

- R3.076 million was rolled over from 2017/18, with R390 000 for the Moerane Commission of Inquiry in respect of invoices that were received late in 2017/18 and R2.686 million for the completion of the Terry Street parking project that was delayed due to inclement weather.
- A total of R77.819 million was allocated from provincial cash resources, as follows:
 - The department received R12.919 million in 2018/19 for the carry-through of PEMP operational costs, as mentioned. The PEMP operational costs allocation was for a finite period only (2015/16 to 2018/19), and the carry-through costs were therefore removed from the baseline in 2019/20.
 - R50 million was allocated for the KZN Youth Empowerment Fund.
 - R1 million was allocated for urgent roof repairs of the Moses Mabhida building, with carry-through funding of R5.932 million in 2019/20.
 - R7 million was allocated for pressures resulting from the Moerane Commission of Inquiry.
 - R6.900 million was allocated for relocation payments to approximately 110 staff dating back to 2008, when government departments were relocated from Ulundi to Pietermaritzburg.

The department under-spent its 2018/19 budget by R67.094 million, mainly due to under-spending against *Transfers and subsidies to: Non-profit institutions* related to the R50 million allocated for the KZN Youth Empowerment Fund. The funding was transferred to the KZNGFT towards the end of the last quarter of 2018/19 to manage the process of disbursement to beneficiaries. However, a ruling by the A-G resulted in the transfer being classified as an advance and this amount was thus reduced from spending in 2018/19. In addition, the department under-spent against *Buildings and other fixed structures*, mainly in respect of stopping the acquisition of a building in Pietermaritz Street due to those premises having insufficient parking facilities. The rehabilitation that was planned for the Pietermaritz Street building was therefore put on hold, resulting in under-spending. There was also under-spending against the Moses Mabhida building roof repairs project.

In 2019/20, the following adjustments are noted:

- R1 million was rolled over from 2018/19 for urgent roof repairs of the Moses Mabhida building, which did not commence as expected.
- A total of R6.900 million was allocated from provincial cash resources, as follows:
 - R4 million was suspended from COGTA and was specifically and exclusively allocated to OTP for infrastructure work with regard to His Majesty, the King's Palaces.
 - R2.900 million was specifically and exclusively allocated for costs related to the Presidential launch of the DDM.
- Offsetting these allocations was a suspension of R6.932 million related to the urgent roof repairs of the Moses Mabhida building, which did not commence as expected. These funds were reallocated to the department in 2020/21.

The under-spending of R46.480 million was mainly attributed to *Goods and services*, largely due to communication related activities that were not undertaken because of challenges with utilising a single source provider. There was also under-spending against *Machinery and equipment* as the department was unable to secure additional office accommodation for new posts and existing staff by year-end.

In the 2020/21 Main Appropriation, R50 million was allocated from provincial cash resources for the KZN Youth Empowerment Fund. As mentioned, R6.932 million was suspended from the department in 2019/20 and reallocated in 2020/21, for the carry-through costs of the roof repairs to the Moses Mabhida building. In addition, the following changes were made in the 2020/21 Special Adjustments Estimate and Second Adjustments Estimate:

- The department's budget was decreased by R119.346 million in the Special Adjustments Estimate, to cater for the provincial response to the Covid-19 pandemic. This included a reduction of R2 million against the amount allocated for the carry-through costs of the roof repairs to the Moses Mabhida building.
- In the Second Adjustments Estimate, an amount of R11 million was rolled over from 2019/20, comprising the following:
 - R9.160 million for an international payment that was meant to be made in March 2020 to Microsoft for licence agreements, but was delayed due to approval needed from the Reserve Bank. This process of obtaining approval takes up to six weeks, and could not be finalised by year-end.
 - R1.840 million for orders committed in respect of computer equipment.
- In the Second Adjustments Estimate, a net amount of R51.758 million was reduced from the department's budget, as follows:
 - R50 million was suspended from the department's budget and was reallocated to the department in 2021/22. This funding was originally budgeted to be transferred to the KZNGFT for the KZN Youth Empowerment Fund. The impact of the Covid-19 pandemic and the lockdown resulted in a significant reduction in economic activity in the province. As a result, there were insufficient requests for funding from potential beneficiaries of the KZN Youth Empowerment Fund to warrant a transfer in 2020/21, and the funding was suspended to 2021/22 for the same purpose.
 - R21.754 million was reduced a result of the non-implementation to date of the 2020/21 wage agreement due to the national fiscal consolidation, with departments required to cut their *Compensation of employees* budgets.
 - These reductions were mitigated to some extent by an increase of R19.996 million due to the function shift of the Forensic Investigation Services component from Provincial Treasury to OTP with effect from 1 August 2020 in line with a Provincial Executive Council resolution in this regard.

The department is projecting a balanced budget in 2020/21, as per the December 2020 IYM.

In 2021/22, the department receives R50 million, suspended from 2020/21 for transfer to the KZNGFT for the KZN Youth Empowerment Fund. The growth in 2021/22 is high, mainly due to this suspension and once-off reallocation of the R50 million for the KZN Youth Empowerment Fund. Due to this once-off allocation in 2021/22, the budget shows negative growth in 2022/23. The growth in the outer year is minimal due to the extent of the budget cuts.

7.2 Departmental receipts

Table 1.2 reflects details of departmental receipts per main category over the seven-year period: 2017/18 to 2023/24. Details of the department's revenue are reflected in *Annexure – Vote 1: Office of the Premier*.

Table 1.2 : Summary of departmental receipts collection

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
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	175	175	193	304	304	210	321	337	352
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	30	11	22	1	1	42	1	1	1
Sale of capital assets	-	1 368	-	966	966	966	1 019	1 068	1 115
Transactions in financial assets and liabilities	955	500	4 666	50	50	190	53	56	58
Total	1 160	2 054	4 881	1 321	1 321	1 408	1 394	1 462	1 526

Sale of goods and services other than capital assets consist of revenue from commission on PERSAL deductions such as insurance premiums and garnishee orders and tender fees. The revenue trend fluctuates over the period due to the uncertain nature of this category. The growth over the MTEF is fairly high and is based on the 2020/21 Main Appropriation rather than the Revised Estimate.

Interest, dividends and rent on land is derived from interest on staff debts. The unpredictable nature of this source make it difficult to budget for, hence the fluctuating trend from 2017/18 to the 2020/21 Revised Estimate, and the budget is kept constant over the MTEF.

Sale of capital assets is derived from the sale of redundant assets, such as motor vehicles and equipment. The high collection in 2018/19 relates to the sale of motor vehicles. Revenue collected against this category depends on factors such as the asset disposal policy, size of the fleet and the price received at the auction, hence the unpredictable trend over the seven-year period.

Transactions in financial assets and liabilities is in respect of recoveries from previous financial years, such as staff debts. The collection fluctuates from 2017/18 to the 2020/21 Revised Estimate, in line with the recovery of staff debts. The budget over the MTEF is conservative in view of the unpredictable nature of this revenue stream.

7.3 Agency funding

Tables 1.3 and 1.4 reflect the details of agency funding for the period 2017/18 to 2023/24. The department received agency receipts in respect of the Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA) and the National Skills Fund (NSF).

Table 1.3 : Details of agency funding 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	2023/24
Agency funding	19 288	7 876	5 797	1 463	1 463	1 463	-	-	-
NSF	6 695	-	1 687	-	-	-	-	-	-
MERSETA	12 593	7 876	4 110	1 463	1 463	1 463	-	-	-
Total	19 288	7 876	5 797	1 463	1 463	1 463	-	-	-

Table 1.4 : Details of agency funding payments and estimates

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
Agency funding	16 554	8 556	3 206	1 463	1 463	1 463	-	-	-
NSF	4 266	1 332	-	-	-	-	-	-	-
MERSETA	12 288	7 224	3 206	1 463	1 463	1 463	-	-	-
Total	16 554	8 556	3 206	1 463	1 463	1 463	-	-	-

The department, through the Training Academy, received funding in the past from the NSF. The NSF project implemented learnerships, apprenticeships and skills programmes for the training of unemployed youth, in areas such as toolmaking and digital television installation. The contract between OTP and the NSF ended in March 2019 and no further training programmes are anticipated at this stage. The department needs to process final invoices to service providers and send back the remaining balance to the donor by the end of 2020/21. No new funding is anticipated over the 2021/22 MTEF.

MERSETA was one of 23 SETAs that were established in terms of the Skills Development Act passed by the South African Parliament in 1998. MERSETA began functioning in 2000 and was established to play a central role in terms of ensuring that the National Skills Development Strategy of South Africa was fulfilled. The department received funding from 2017/18 onward for training apprentices in various trades such as fitting and turning, electricians, spray painting, petrol and diesel mechanics. During 2019/20, the department, through the Training Academy, received funding of R4.110 million from MERSETA. The project was under-spent by an amount of R904 000 due to delayed invoices, as learners complete their training at different paces. No new funding is anticipated over the 2021/22 MTEF. The department is anticipated to fully spend all funding in 2020/21.

8. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including payments and budgeted estimates by programme and economic classification. Further details are given in Section 8, as well as in the *Annexure – Vote 1: Office of the Premier*.

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 should have made provision for the 1.5 per cent pay progression. The department has provided for a 10.5 per cent increase in 2021/22, 0.8 per cent in 2022/23 and negative 0.6 per cent in the outer year of the MTEF, and this will be reviewed in the next budget process. The high increase in 2021/22 is to cater for the filling of critical posts.
- No salary increases have been budgeted for in line with National Treasury guidelines.
- 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. This circular will be updated in April 2021 and issued to departments and public entities to comply with.

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

Table 1.5 shows amendments to provincial and equitable share funding received by the department over the 2019/20, 2020/21 and 2021/22 MTEF periods. 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 1.5 : Summary of amendments to provincial and equitable share 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	5 289	(682)	(692)	(722)	(754)
Repairs to Moses Mabhida building	5 932	-	-	-	-
Budget cut for remuneration of public office bearers	(643)	(682)	(692)	(722)	(754)
2020/21 MTEF period		(3 704)	(20 006)	(22 874)	(23 611)
Repairs to Moses Mabhida building		6 932	-	-	-
KZN Youth Empowerment Fund		50 000	-	-	-
KZN Youth Empowerment Fund		(50 000)	-	-	-
Fiscal consolidation and PES formula updates budget cuts		(2 373)	(11 628)	(16 741)	(17 478)
Adjustments to <i>Compensation of employees</i> (revised CPI inflation projections)		(2 130)	(2 245)	-	-
Budget cuts: Events budget		(6 133)	(6 133)	(6 133)	(6 133)
2021/22 MTEF period			24 852	(46 739)	(77 368)
Fiscal Consolidation budget cut			(19 840)	(20 912)	(37 820)
Compensation of employees budget cut (wage freeze and fiscal consolidation)			(46 362)	(66 479)	(81 989)
Forensic Services function shift from Vote 6: Provincial Treasury			41 054	40 652	42 441
KZN Youth Empowerment Funds suspended from 20/21			50 000	-	-
Adjustment to outer year			-	-	2 848
District Champion of OSS/DDM responsibilities			2 000	2 000	2 000
Total	5 289	(4 386)	4 154	(70 335)	(101 733)

In the 2019/20 MTEF, the following changes were made to the department's budget:

- The department received R5.932 million in 2019/20 being carry-through costs related to repairs to the Moses Mabhida building, as mentioned.
- The department's budget was cut by R643 000 in 2019/20, with carry-through. 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.

In the 2020/21 MTEF, the following changes are made to the department's budget:

- The department received an amount of R6.932 million for the repairs to the Moses Mabhida building which was suspended from 2019/20 and reallocated in 2020/21, as mentioned.
- The department received an amount of R50 million for the KZN Youth Empowerment Fund. This is in addition to the R50 million allocated in the 2018/19 Adjustments Estimate, which is not reflected in this table. This funding was subsequently suspended from the baseline and reallocated in 2021/22.
- The department's equitable share was reduced by R2.373 million, with carry-through over the MTEF, as a result of fiscal consolidation and PES formula budget cuts. This cut was effected against *Goods and services* (contractors) in Programme 1 in an effort to protect the department's service delivery budget in Programmes 2 and 3.
- The department's equitable share was reduced by R2.130 million in 2020/21 and R2.245 million in 2021/22, related to the lowering of the CPI projections influencing the growth in *Compensation of employees*, where the CPI rate was previously set at 5.5 per cent but was lowered to 4.8 per cent. The cut was effected equally against *Compensation of employees* in all three programmes.
- The department's equitable share was reduced by R6.133 million in each year of the MTEF due to the department's high expenditure on events. This cut was effected against *Goods and services* (contractors) in Programme 1, and against the same category in Programme 3 in 2021/22 and 2022/23, with cuts against computer services, contractors and consultants.

In the 2021/22 MTEF, the following changes are made to the department's budget:

- The department's equitable share is reduced by R19.840 million and R46.362 million, both with carry-through over the MTEF. These relate to the country's poor economic performance and the need to stabilise the country's debt. Thus there are reductions made to the provincial equitable share and these include a combination of freezing salary increases, as well as additional reductions implemented to support fiscal consolidation.
- The department's equitable share is increased by R41.054 million with carry-through, related to the previously mentioned function shift of the Forensic Investigation Services component from

Provincial Treasury to OTP with effect from 1 August 2020 in line with a Provincial Executive Council resolution in this regard.

- The equitable share is increased by R50 million in 2021/22 only, related to the reallocation of funding for the KZN Youth Empowerment Fund suspended from 2020/21, as mentioned.
- The department's equitable share is increased by R2.848 million in 2023/24 for an adjustment to the outer year related to a recalculation of wage freeze cuts.
- The department's equitable share is increased by R2 million in each MTEF year for costs related to the OSS district champion's responsibilities.

8.3 Summary by programme and economic classification

Tables 1.6 and 1.7 summarise payments and estimates by programme and economic classification.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
1. Administration	153 756	208 758	185 482	136 131	110 155	110 155	189 368	194 305	195 970
2. Institutional Development	279 867	289 883	289 286	437 532	381 838	381 838	427 948	384 193	390 297
3. Policy and Governance	234 098	223 522	230 202	226 535	148 101	148 101	184 924	189 053	189 244
Total	667 721	722 163	704 970	800 198	640 094	640 094	802 240	767 551	775 511

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	607 483	664 236	646 164	706 788	561 648	558 569	680 687	697 192	702 055
Compensation of employees	284 691	297 697	312 673	349 388	319 335	316 388	349 491	352 442	353 245
Goods and services	322 792	366 539	333 491	357 400	242 313	242 181	331 196	344 750	348 810
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	47 698	45 551	52 732	71 522	49 978	52 942	101 668	52 881	55 209
Provinces and municipalities	80	175	112	66	136	136	70	73	76
Departmental agencies and accounts	21 246	19 600	22 586	20 136	20 136	22 897	23 748	24 888	25 983
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	50 000	-	-	50 000	-	-
Households	26 372	25 776	30 034	1 320	29 706	29 909	27 850	27 920	29 150
Payments for capital assets	12 453	12 149	5 865	21 888	28 468	28 468	19 885	17 478	18 247
Buildings and other fixed structures	333	2 854	1 378	11 000	8 900	8 900	1 817	1 877	1 960
Machinery and equipment	12 120	9 295	4 487	10 888	19 568	19 568	18 068	15 601	16 287
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	87	227	209	-	-	115	-	-	-
Total	667 721	722 163	704 970	800 198	640 094	640 094	802 240	767 551	775 511

The structure of the department consists of three programmes, and does not conform fully to the generic programme structure of the sector at this stage, but National Treasury approval was received in July 2018 for the deviation. Unique to KZN, following the signing of the proclamation to combine the former Vote 10: Royal Household (DRH) with Vote 1, the budget of the DRH was added to Vote 1's budget as a sub-programme under Programme 3, effective from 1 April 2015. Note also that the sub-programme: IGR was moved to Programme 1 and this was approved by National Treasury. Note that the inclusion of Forensics Investigation Services function is not part of the formal budget structure of Offices of the Premier, but is in line with a Provincial Executive Council resolution in this regard.

The department was subjected to budget cuts in 2020/21 to fund the provincial response to the Covid-19 pandemic (R119.346 million), as well as cuts related to freezing public sector wages (R21.754 million). In addition, the budget over the MTEF is cut due to the carry-through of the public sector wage freeze, as well as cuts related to fiscal consolidation and PES amendments. These total R66.202 million in 2021/22, R87.391 million in 2022/23 and R119.809 million in 2023/24.

The spending against Programme 1: Administration for 2018/19 was higher as a result of an increased number of Social Cohesion and Moral Regeneration programme events, which were largely once-off, hence the decrease in 2019/20. In 2019/20, there was once-off funding moved from Programme 2 for pressures from the Premier's inauguration and OSS outreach programmes, partly accounting for the decrease in 2020/21. In addition, the previously mentioned budget cuts related to fiscal consolidation, PES formula cuts, CPI projections cuts to *Compensation of employees*, as well as events cuts were mainly effected against this programme, carried through over the MTEF. The impact of these cuts is that Social Cohesion and Moral Regeneration programme events will be scaled down in number and size. The cuts against *Compensation of employees* will not impact on service delivery as this is adjusting for a lower forecast CPI. Growth in this programme over the two outer years of the MTEF is inflationary only.

In terms of the 2021/22 MTEF for Programme 1, the department reduced the baseline by R15.267 million in 2021/22 and R17.432 million in 2022/23, with carry-through to 2023/24, mainly against the Financial Management sub-programme, but affecting all other sub-programmes. The bulk was cut against *Compensation of employees* which will impact on the filling of posts in the outer years of the MTEF. Funding in 2021/22 is sufficient for the filling of some posts. The cuts against *Goods and services* were mainly effected against contractors related to reduced event costs, as well as computer services due to savings as a result of the centralisation of this function to Programme 2. The centralisation has resulted in savings due to economies of scale in both the relinquishing programme, which was able to retain some of its original funding, as well as the receiving programme.

Programme 2: Institutional Development shows a slight reduction in 2019/20 related to vacant posts, with the savings moved to Programme 1 for pressures related to the Premier's inauguration and OSS outreach programmes. Also impacting on the decrease was the suspension of the Moses Mabhida roof repair funding to 2020/21, as well as the slow filling of vacant posts. These once-off reductions partly account for the increase in the 2020/21 Main Appropriation, with the reallocation of the Moses Mabhida roof repair funding adding to the increase in 2020/21. Also impacting on the increase in 2020/21 Main Appropriation is the once-off allocation of R50 million to the KZN Youth Empowerment Fund, which was subsequently suspended in the 2020/21 Adjusted Appropriation and reallocated in 2021/22. The department effected a minor budget cut of R710 000 against *Compensation of employees* in this programme in 2020/21, with carry-through in 2021/22 only.

Programme 2 is showing an increase in 2021/22 mainly because of the shifting of the Forensic Investigation Services function from Vote 6. This is because 2020/21 does not include the full year in respect of this function shift as the shift took place from 1 August 2020, in line with the Provincial Executive Council resolution in this regard. In addition, the centralisation of the ICT function to this programme adds to the perceived growth. However, in terms of the budget cuts, the programme was reduced by R30.198 million in 2021/22 and R40.781 million in 2022/23, across all sub-programmes except for the ICT sub-programme. The bulk was cut against *Compensation of employees* (R23.344 million and R32.404 million), which will impact on the filling of posts in the outer years of the MTEF. Funding in 2021/22 is sufficient for the filling of some posts.

Programme 3: Policy and Governance shows negative growth in 2018/19 largely attributed to vacant posts, as well as to *Machinery and equipment* in respect of office furniture and equipment purchases, which were put on hold due to limited office space. The increase in 2019/20 relates to funding allocated for the costs of the Presidential launch of the DDM. This once-off allocation accounts for the negative growth in the 2020/21 Main Appropriation. The department implemented CPI projections cuts to *Compensation of employees* in 2020/21 and 2021/22 only. There is no impact on service delivery as this is adjusting for a lower forecast CPI. Growth in 2021/22 and 2022/23 is low as a result of fiscal consolidation, PES and event budget cuts, with the baseline reduced by R20.737 million in 2021/22 and R29.178 million in 2022/23, against all sub-programmes. The bulk was cut against *Compensation of employees* (R12.545 million and R29.738 million), which will impact on the filling of posts in the outer years of the MTEF. Funding in 2021/22 is sufficient for the filling of four posts.

Compensation of employees' growth in the prior years was largely inflationary due to the ongoing implementation of the new organisational structure. However, the department will not be in a position to fully implement the new organisational structure as anticipated, because of insufficient funding over the

2021/22 MTEF due to the budget cuts, as mentioned above. The funding over the MTEF allows for the filling of 19 posts in 2021/22, with no funding available from 2022/23 onward for the filling of posts. The department reduced the number of interns and contract posts (e.g. relating to the Moerane Commission of Inquiry) from 2019/20, which has contributed to the affordability of the planned posts. The reduction in 2019/20 relates to slow internal processes in the filling of vacant posts. The budget thus grows in 2021/22 to allow for the filling of 19 posts, with sufficient growth for pay progression only over the two outer years of the MTEF.

Goods and services grew strongly in 2018/19 due to internal reprioritisation for the Social Cohesion and Moral Regeneration programme events. These were largely once-off amounts and account for the negative growth in 2019/20. The decrease in 2019/20 was offset to some degree by funding shifted to *Goods and services* from *Transfers and subsidies to: Households* related to the appointment of a contractor to manage external bursaries. In addition, there was some reprioritisation from *Compensation of employees* to address pressures in the Social Cohesion and Moral Regeneration programme events. The negative growth in the 2020/21 Adjusted Appropriation is attributed to budget cuts. As mentioned, there were fiscal consolidation and PES budget cuts of R8.506 million in 2020/21 and R17.761 million in 2021/22, with carry-through to 2022/23 against *Goods and services*, with cuts against advertising, computer services, contractors and consultants. With regard to contractors, the impact of the cuts will mean a reduction in the number and size of events. The cuts against computer services and consultants will have a minimal impact as these items were over-budgeted for. Growth over the two outer years of the MTEF is low due to the budget cuts, as explained above.

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

- *Provinces and municipalities* caters for the payment of motor vehicle licences. The erratic trend from 2017/18 to 2019/20 is due to new vehicles being licensed and redundant vehicles removed from the system. The lower baseline from 2020/21 and over the MTEF is in line with the planned scrapping of redundant vehicles, with steady growth over the remainder of the MTEF.
- *Departmental agencies and accounts* caters for transfers to the ZRHT and the 2021/22 MTEF provides for inflationary growth only. No budget cuts were implemented against this transfer. The increase in 2021/22 includes the budget for infrastructure, previously budgeted under *Buildings and other fixed structures*, but will now be included in the annual transfer.
- With regard to *Non-profit institutions*, funding of R50 million was allocated in 2020/21 and these funds were unspent and reallocated to 2021/22 for the KZN Youth Empowerment Fund, to be transferred to the KZNGFT. Note that the first tranche was transferred in 2018/19 but, as per a ruling by the A-G, this was classified as an advance and is thus not shown in the historical spending at this stage, as the department is still in discussion with Provincial Treasury with regard to the accounting treatment for the advance.
- *Households* consists of staff exit costs, medical aid contributions for ex-parliamentarians (PARMED), the Provincial Bursary Programme, etc. The fluctuations in the prior years relate to staff exit costs, which are difficult to accurately predict. In 2018/19, this category was reduced by R5 million, with carry-through, to cater for operational costs for the Youth Development function. The decrease in the 2020/21 Main Appropriation relates to funding shifted to *Goods and services* from *Households* due to the appointment of a contractor to manage external bursaries. However, this was reversed in the 2020/21 Adjusted Appropriation due to a ruling by the A-G that only the administrative costs should be shifted to *Goods and services*. The amount budgeted over the 2021/22 MTEF provides for staff exit costs, bursaries and PARMED. Note that there are currently discussions underway with the Provincial Legislature regarding the movement of this function to the Legislature, as there was a finding by the A-G that this function is incorrectly placed in OTP.

With regard to *Buildings and other fixed structures*, the increase in 2018/19 was due to the Terry Street parking being paid for following a roll-over from 2017/18. The decrease in 2019/20 relates to the suspension of the funding for the roof repairs at the Moses Mabhida building to 2020/21 due to delays in commencing the project. The growth in the 2020/21 Main Appropriation is also attributed to additional funding suspended from COGTA and allocated to OTP for infrastructure work with regard to His Majesty,

the King's Palaces. The decrease in the 2020/21 Adjusted Appropriation is due to the suspension of funding relating to the roof repairs at the Moses Mabhida building for the provincial response to Covid-19, as mentioned. The budget over the 2021/22 MTEF provides for various projects including the renovations to the security and roof in respect of the Premier's Parkside residence.

Machinery and equipment relates to the purchase of essential office furniture and equipment for new appointments and the purchase of official vehicles. The decrease in 2018/19 and 2019/20 relates to the fact that the department did not purchase office furniture and equipment, as this was put on hold due to limited office space. The increase in the 2020/21 Adjusted Appropriation relates to security upgrades at all of the department's buildings, including security cameras and biometric access systems, which were originally not budgeted for, but are deemed critical. The MTEF caters for the replacement of departmental vehicles. The replacement of the Queens' vehicles is not currently provided for in OTP's budget over the 2021/22 MTEF. The department will reprioritise funding in 2021/22 for this purpose.

Payments for financial assets is attributed to debts written off.

8.4 Summary of conditional grant payments and estimates – Nil

8.5 Summary of infrastructure payments and estimates

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

Table 1.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Existing infrastructure assets	3 339	5 465	8 033	14 468	12 368	12 368	4 739	6 707	7 002
Maintenance and repair: Current	1 629	1 051	3 155	3 468	3 468	3 468	2 922	4 300	4 489
Upgrades and additions: Capital	-	2 104	2 517	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	1 710	2 310	2 361	11 000	8 900	8 900	1 817	2 407	2 513
New infrastructure assets	-	-	-	-	-	-	-	-	-
Infrastructure transfers	1 377	1 560	3 500	-	-	-	2 505	2 095	2 187
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	1 377	1 560	3 500	-	-	-	2 505	2 095	2 187
Infrastructure payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	7 285	8 033	14 215	8 395	8 395	8 395	9 233	9 676	10 102
Non infrastructure¹	-	-	-	-	-	-	-	-	-
Total	12 001	15 058	25 748	22 863	20 763	20 763	16 477	18 478	19 291
<i>Capital infrastructure</i>	<i>3 087</i>	<i>5 974</i>	<i>8 378</i>	<i>11 000</i>	<i>8 900</i>	<i>8 900</i>	<i>4 322</i>	<i>4 502</i>	<i>4 700</i>
<i>Current infrastructure</i>	<i>8 914</i>	<i>9 084</i>	<i>17 370</i>	<i>11 863</i>	<i>11 863</i>	<i>11 863</i>	<i>12 155</i>	<i>13 976</i>	<i>14 591</i>

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

It is noted that the department cut its infrastructure budget by R2.100 million in the 2020/21 Adjusted Appropriation against the roof repairs project at the Moses Mabhida building (*Refurbishment and Rehabilitation: Capital*) as the project was impacted by the lockdown. However, there are no budget cuts to the infrastructure budget over the 2021/22 MTEF. The department has shifted some funding, with *Refurbishment and rehabilitation: Capital* reduced by R2.505 million, with carry-through over the MTEF. This funding is moved to *Transfers and subsidies to: Departmental agencies and accounts* and is shown in Table 1.8 as *Infrastructure transfers: Capital*. Historical figures have been restated. The movement relates to the department now transferring the Royal Household infrastructure budget to the ZRHT, as mentioned, with no change in purpose.

With regard to *Maintenance and repairs: Current* over the 2021/22 MTEF, the funding is to address backlogs in scheduled and *ad hoc* maintenance projects. The buildings targeted for routine maintenance include the Moses Mabhida building in Pietermaritzburg, the Marine building in Durban and the Premier's Parkside residence. These repairs are on a needs basis and are determined in-year.

Upgrades and additions: Capital in 2018/19 and 2019/20 relates to the Terry Street parking facility that was developed alongside the Moses Mabhida building.

Refurbishment and rehabilitation: Capital reflects expenditure related to projects at the Premier’s Parkside residence and the Moses Mabhida building. The decrease in 2019/20 relates to the suspension of the funding for the roof repairs at the Moses Mabhida building to 2020/21, as mentioned. The 2021/22 MTEF provides for the completion of existing projects, such as security and roof renovations at the Premier’s Parkside residence, as well as finalising the roof repairs at the Moses Mabhida building, with the latter accounting for the reduced budget in 2021/22.

Infrastructure: Leases relates to the lease of buildings for use by the department. Currently, the department leases a number of buildings, including offices in the Invesco Centre in Pietermaritzburg and the Marine Building in Durban. The peak in 2019/20 relates to once-off arrears billed by the Department of Public Works (DOPW) related to under-billing in previous financial years, accounting for the decrease in 2020/21. The department is, through DOPW, looking for accommodation that is cheaper than the Invesco Centre.

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

Over the 2021/22 MTEF, the OTP will exercise oversight over one public entity, namely the ZRHT. Table 1.9 illustrates transfers made to ZRHT, as well as other entities over the seven years under review. The financial summary received from the ZRHT is given in *Annexure – Vote 1: Office of the Premier*.

Table 1.9 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

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
Transfers to public entities	21 246	19 600	22 586	20 136	20 136	22 897	23 748	24 888	25 983
Royal Household Trust	21 246	19 600	22 586	20 136	20 136	22 897	23 748	24 888	25 983
Transfers to other entities	-	-	-	50 000	-	-	50 000	-	-
KZN Growth Fund Trust 2.5: Special Programmes	-	-	-	50 000	-	-	50 000	-	-
Total	21 246	19 600	22 586	20 136	20 136	22 897	23 748	24 888	25 983

The ZRHT was established in 2009/10 as an entity in terms of the KZN Royal Household Trust Act, 2007, but is now governed by the KZN Zulu Royal House Trust Act, 2018. The entity was registered as a Schedule 3C provincial public entity during 2012/13. In 2011/12, 2012/13 and 2013/14 (not visible in the table), funds were transferred to the ZRHT to cater for the set-up costs, remuneration of the Trustees, as well as various costs of the royal Household, which were administered by the Trust. This included municipal costs, fuel, food supplies, etc., relating to the Queens and other members of the Royal family. The 2017/18 expenditure included a once-off allocation of R2 million for operational spending pressures, including higher costs for cattle feed due to the drought. This accounts for the minor decrease in 2018/19. The budget over the 2021/22 MTEF provides for the various operational costs of the ZRHT and increases are inflationary only. As mentioned, no budget cuts were made to the ZRHT in the 2021/22 MTEF.

In 2020/21, the department had budgeted to transfer the second tranche of funding for the KZN Youth Empowerment Fund, as mentioned. This funding was suspended in the Adjusted Appropriation as economic activity was insufficient to generate funding requests and the funding has been reallocated in 2021/22. The fund is administered by the KZNGFT under EDTEA, hence the transfer to this entity. Note that the first tranche was transferred in 2018/19 but, as per a ruling by the A-G, this was classified as an advance and is thus not shown in the historical spending at this stage, as the department is still in discussion with Provincial Treasury with regard to the accounting treatment for the advance.

8.8 Transfers to local government

The department makes no transfer payments to local government, although it does pay motor vehicle licence fees against this category, which are not a direct transfer to a municipality. Therefore, the table reflecting transfers to local government is excluded.

8.9 Transfers and subsidies

Table 1.10 summarises transfers by programme and main category over the seven-year period.

Table 1.10 : 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				2020/21	2021/22	2022/23
1. Administration	1 111	1 454	4 490	1 317	1 338	1 414	1 459	1 529	1 597
Provinces and municipalities	80	164	103	-	-	-	70	73	76
Motor vehicle licences	80	164	103	-	-	-	70	73	76
Households	1 031	1 290	4 387	1 317	1 338	1 414	1 389	1 456	1 521
Staff exit costs	7	110	3 200	-	21	97	-	-	1
PARMED	1 024	1 180	1 187	1 317	1 317	1 317	1 389	1 456	1 520
2. Institutional Development	25 019	23 368	24 812	50 069	27 104	27 121	76 461	26 464	27 629
Provinces and municipalities	-	11	-	66	136	136	-	-	-
Motor vehicle licences	-	11	-	66	136	136	-	-	-
Non-profit institutions	-	-	-	50 000	-	-	50 000	-	-
KZN Growth Fund Trust	-	-	-	50 000	-	-	50 000	-	-
Households	25 019	23 357	24 812	3	26 968	26 985	26 461	26 464	27 629
Staff exit costs	15	761	122	3	551	679	3	3	3
Provincial Bursary Programme	25 004	22 596	24 690	-	26 417	26 306	26 458	26 461	27 626
3. Policy and Governance	21 570	20 729	23 430	20 136	21 536	24 407	23 748	24 888	25 983
Provinces and municipalities	-	-	9	-	-	-	-	-	-
Motor vehicle licences	-	-	9	-	-	-	-	-	-
Departmental agencies and accounts	21 246	19 600	22 586	20 136	20 136	22 897	23 748	24 888	25 983
ZRHT	21 246	19 600	22 586	20 136	20 136	22 897	23 748	24 888	25 983
Households	324	1 129	835	-	1 400	1 510	-	-	-
Staff exit costs	324	1 129	835	-	1 400	1 510	-	-	-
Total	47 700	45 551	52 732	71 522	49 978	52 942	101 668	52 881	55 209

Programme 1 reflects transfers against *Provinces and municipalities* which relates to the motor vehicle licences for the department as a whole. This function is housed under the Administration Auxiliary Services unit, which moved from Programme 2 to Programme 1, as part of the realignment process, hence no numbers are stated in 2020/21. The erratic trend from 2017/18 to 2019/20 is due to new vehicles being licensed and redundant vehicles removed from the system. The lower baseline from 2021/22 and over the MTEF is in line with the planned scrapping of redundant vehicles, with steady growth over the remainder of the MTEF.

The transfer against *Households* is for social benefits relating to staff exit costs, as well as medical aid contributions for ex-parliamentarians (PARMED). Note that there are currently discussions underway with the Provincial Legislature regarding the movement of this function to the Legislature, as there was a finding by the A-G that this function is incorrectly placed in OTP. The increase in 2019/20 was related to the once-off provision for staff exit costs, including the former Premier, following the 2019 general elections, as well as a retiring DDG.

Programmes 2 and 3 house the bulk of the *Transfers and subsidies* budget:

- *Departmental agencies and accounts* relates to transfers to the ZRHT, as detailed in Section 8.7.
- The amounts reflected against *Non-profit institutions* are for the KZN Youth Empowerment Fund. As mentioned, the first tranche of R50 million was transferred in 2018/19 but, in line with a ruling by the A-G, this was classified as an advance and is thus not shown in the historical spending at this stage. The second tranche was allocated in the 2020/21 Main Appropriation, but is reallocated to the department in 2021/22, as mentioned.
- *Households* caters for bursaries and staff exit costs. It must be noted that, although the Provincial Bursary Programme was decentralised back to the departments from which the funds were originally moved, a portion of the budget remains for the external bursaries administered by the OTP, but now administered under Programme 2. In 2018/19, this category was reduced by R5 million, with carry-through, to cater for operational costs for the Youth Development function. In the 2020/21 Main Appropriation, the budget was shifted to *Goods and services* related to the appointment of a contractor to manage external bursaries. However, as mentioned, this was reversed in the 2020/21 Adjusted Appropriation in line with a ruling from the A-G. The department has made a minimal provision for staff exit costs over the MTEF.

9. Programme description

The services rendered by this department are, as per the generic sector structure, categorised under three programmes, the details of which are discussed below. However, the department does not conform fully to the generic programme structure of the sector at this stage, but National Treasury approval was obtained for the deviation, as mentioned. Note that the inclusion of Forensics Investigation Services is not part of the formal generic budget structure of Offices of the Premier, but is in line with a Provincial Executive Council resolution in this regard. The amounts for each programme are summarised in terms of economic classification, with details given in *Annexure – Vote 1: Office of the Premier*.

9.1 Programme 1: Administration

The purpose of this programme is to provide administrative support to the Premier, Provincial Executive Council and the Director-General in fulfilling their legislative and oversight functions and in promoting good corporate governance.

The department does not fully conform to the generic programme structure of the sector at this stage partly due to the exclusion of the Programme Support sub-programme.

The objectives of this programme are as follows:

- To provide logistical, administrative and advisory support to the Premier in executing the constitutional mandate and statutory duties.
- To render secretariat support services to the Provincial Executive Council, clusters, and key provincial committees.
- To provide operational support to the Director-General in strategically managing the province.
- To provide financial management support and advisory services.
- To improve inter- and intra-governmental relations and promote effective co-operative governance through implementation of the IGR Act, 2005.

Tables 1.11 and 1.12 reflect a summary of payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2017/18 to 2023/24.

In the 2020/21 Adjusted Appropriation, this programme was subject to cuts to fund the provincial response to the Covid-19 pandemic (R19.609 million), as well as cuts related to the freezing of public sector wages (R2.336 million). In addition, the programme is subject to fiscal consolidation cuts to *Compensation of employees* and events cuts across all sub-programmes, but mainly affecting the Financial Management and IGR sub-programmes, with total cuts of R15.267 million in 2021/22 and R17.432 million in 2022/23, with carry-through to 2023/24. These cuts were only implemented against *Compensation of employees* and *Goods and services*.

Table 1.11 : 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. Premier Support	25 102	27 589	33 411	30 809	26 045	26 045	33 107	33 567	30 131
2. Executive Council Support	9 792	8 478	14 772	9 154	12 140	12 140	10 311	10 348	10 422
3. Director-General Support	13 534	20 870	17 116	15 851	19 277	19 277	22 309	22 524	22 964
4. Financial Management	87 690	87 061	86 103	55 155	36 169	36 107	104 773	108 759	113 171
5. Intergovernmental Relations	17 638	64 760	34 080	25 162	16 524	16 586	18 868	19 107	19 282
Total	153 756	208 758	185 482	136 131	110 155	110 155	189 368	194 305	195 970

Table 1.12 : 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	147 131	200 829	177 838	133 273	107 807	107 700	183 249	187 871	189 251
Compensation of employees	75 821	79 142	87 528	90 115	78 058	77 982	102 509	103 493	102 700
Goods and services	71 310	121 687	90 310	43 158	29 749	29 718	80 740	84 378	86 551
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1 111	1 454	4 490	1 317	1 338	1 414	1 459	1 529	1 597
Provinces and municipalities	80	164	103	-	-	-	70	73	76
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 031	1 290	4 387	1 317	1 338	1 414	1 389	1 456	1 521
Payments for capital assets	5 514	6 411	3 154	1 541	1 010	1 010	4 660	4 905	5 122
Buildings and other fixed structures	333	2 854	1 378	-	-	-	1 817	1 877	1 960
Machinery and equipment	5 181	3 557	1 776	1 541	1 010	1 010	2 843	3 028	3 162
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	64	-	-	-	31	-	-	-
Total	153 756	208 758	185 482	136 131	110 155	110 155	189 368	194 305	195 970

The sub-programme: Premier Support provides technical, administrative and advisory support to the Premier in executing his constitutional mandate. The increase in 2019/20 relates to the filling of vacant posts, as well as staff exits paid. The decrease in the 2020/21 Main Appropriation was partly due to once-off exit costs for the previous Premier paid in 2019/20, as well as salaries for staff related to the previous administration, redeployed to other programmes and sub-programmes in 2020. The further decrease in the 2020/21 Adjusted Appropriation relates to the previously mentioned budget cuts for the provincial Covid-19 response and wage freeze. Growth in 2021/22 is high to cater for increased travel and subsistence costs in anticipation of *post* Covid-19 relaxation of restrictions on travel, as well as the allocation of funding from 2021/22 for OSS district champion's responsibilities. Growth thereafter is flat in 2022/23 and negative in 2023/24, with the latter growth being an under-provision for *Compensation of employees*, which will be addressed in the next budget process.

The sub-programme: Executive Council Support renders secretariat support services to the Provincial Executive Council. The increase in 2019/20 relates to the Premier's Inauguration and additional meetings undertaken following the 2019 general elections, hence the negative growth in 2020/21. The increase in the 2020/21 Adjusted Appropriation was mainly to provide for catering for the weekly meetings of the Provincial Command Council. Although minimal cuts were made to this sub-programme in 2021/22 only, growth over the MTEF is minimal due to the need to contain costs.

The Director-General Support sub-programme provides operational support to the Director-General in strategically managing the province. Spending in 2019/20 included the Director-General's Special Projects, particularly for oversight in terms of the OSS projects, which were largely once-off, hence the decrease in the 2020/21 Main Appropriation. The department notes that oversight will continue. There has been reprioritisation to this sub-programme to cater for prioritised projects managed by the Office of the Director-General. In the 2020/21 Adjusted Appropriation, there was reprioritisation to this sub-programme to cater for support for the roll-out and implementation of the DDM activities and implementation of the approved IGR Strategy, with carry-through over the 2021/22 MTEF. Growth over the MTEF is low due to the budget cuts and this will impact on the number and scale of events held.

The Financial Management sub-programme provides financial management support and advisory services to the Premier and Director-General in fulfilling their legislative and oversight functions and in promoting good corporate governance. The high base in 2017/18 was primarily due to once-off additional funding and internal reprioritisation of funds for the Moerane Commission of Inquiry, which provided a final report in 2018/19, as well as procurement of financial management reporting tools for OTP, to enable OTP to scan all payment vouchers and link to transactions in Emapp (an in-house system that draws data from BAS into Excel format). These partly account for the negative growth in 2018/19, which was aggravated to some extent by vacant posts, with funding reprioritised to Programmes 2 and 3 to address

in-year pressures related to the Social Cohesion and Moral Regeneration programme events. The negative growth was mitigated to an extent by additional funds allocated for the costs of the Moerane Commission of Inquiry. In 2019/20, funds were again reprioritised to Programme 2 to cater for the spending pressures related to the Social Cohesion and Moral Regeneration programme events. The reduction in the 2020/21 Adjusted Appropriation is mainly related to budget cuts for the provincial response to Covid-19. The significant increase in 2021/22 relates to the movement of the Office Support and Auxiliary Services function from Programme 2 to this sub-programme in Programme 1, and prior year figures were adjusted for comparative purposes. The growth over the MTEF is inflationary only. Although cuts were made to this sub-programme over the MTEF, growth is sufficient to ensure that the impact is minimal.

The Office Support and Auxiliary Service's responsibility budget was moved from Programme 2 to this sub-programme in order to align to the approved organisational structure in the 2021/22 MTEF. Furthermore, there has been movement of funding from this sub-programme to IT services over the MTEF as part of the centralisation of IT Services, as well as a budget cut amounting to R9.800 million with carry-through. This cut was possible through economies of scale in centralising the function, as well as reducing the number of special projects in Programme 1 as a whole.

The purpose of the IGR sub-programme is to improve inter- and intra-governmental relations and promote effective co-operative governance through implementation of the IGR Act. OTP co-ordinates all departments to ensure effective delivery of all MTSF outcomes. The high spending in 2018/19 relates to a high number of Social Cohesion and Moral Regeneration programme events, which were largely once-off, hence the decrease in 2019/20. The reduction in the 2020/21 Adjusted Appropriation was due to budget cuts related to the provincial response to Covid-19. The growth over the 2020/21 MTEF is mainly inflationary, however, the budget cuts account for the relatively low growth. The department reports that the cuts will result in Social Cohesion and Moral Regeneration programme events in this sub-programme being scaled down in number and size.

The high growth in *Compensation of employees* in 2019/20 relates to the filling of vacant posts. However, although posts were filled, some were filled late in 2019/20, with funding reprioritised within Programme 1 to address in-year pressures related to the Social Cohesion and Moral Regeneration programme events, as mentioned. The reduction in the 2020/21 Adjusted Appropriation was due to posts being filled later than expected because of the lockdown, as well as budget cuts. The growth in 2021/22 is attributed to the filling of six vacant posts. The budget cuts over the MTEF result in low growth in 2022/23 and 2023/24, sufficient for the 1.5 per cent pay progression.

The high growth in *Goods and services* in 2018/19 relates to the high number of Social Cohesion and Moral Regeneration programme events, which were largely once-off, hence the decrease in 2019/20. However, as mentioned, further funds were reprioritised in 2019/20 related to the Premier's Inauguration and additional meetings undertaken. The decrease in the 2020/21 Main Appropriation includes reprioritisation to reduce the department's budget for consultants, which was over-provided for. In addition, the category grows slowly thereafter, mainly due to fiscal consolidation and event budget cuts effected against contractors in this category, as mentioned. The reduction in the 2020/21 Adjusted Appropriation was due to budget cuts related to the provincial response to Covid-19. Over the MTEF, the category is subjected to budget cuts which limits growth, particularly in the outer year, with the cuts resulting in events being scaled down in number and size.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licences for the Office Support and Auxiliary Services function moved from Programme 2 to this programme.

Transfers and subsidies to: Households caters for payments in respect of staff exit costs and PARMED. The fluctuating trend from 2017/18 to 2019/20 is largely attributed to fluctuating leave gratuity payments, as well as the fact that PARMED beneficiary numbers are decreasing from year-to-year due to natural attrition. The increase in 2019/20 relates to once-off funding for staff exit costs, including the former Premier, following the 2019 elections, as well as a retiring DDG, hence the decrease in 2020/21. The MTEF funding only caters for PARMED and increases are inflationary.

Buildings and other fixed structures relates to the previously mentioned movement of the Office Support and Auxiliary Services function from Programme 2 to this programme. The high spending in 2018/19 relates to a roll-over for the Terry Street parking project. There was a further roll-over to 2019/20 related to the roof repairs project at the Moses Mabhida building. The 2021/22 MTEF provides for the completion of existing projects, such as security and roof renovations at the Premier's Parkside residence, as well as finalising the roof repairs at the Moses Mabhida building.

The high spending in 2017/18 and 2018/19 against *Machinery and equipment* can be ascribed to procurement of furniture and equipment for newly appointed staff within Programme 1. The allocation in 2021/22 is in anticipation of the appointment of new staff, with minimal growth over the MTEF.

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

Service delivery measures: Administration

Table 1.13 illustrates service delivery measures pertaining to Programme 1. It is noted that the OTP sector has not yet agreed on standardised service delivery measures. Measures marked “n/a” are annual in nature and no Estimated performance for 2020/21 is available. Note that only a few main measures are reflected below, and the full set of measures is detailed in the department's APP. Also note that some measures have changed from the 2020/21 *EPRE* due to alignment with the 2021/22 APP.

Table 1.13 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2020/21	2021/22	2022/23	2023/24	
1. Executive Council Support						
1.1	Effective and efficient Provincial Executive Council and key committees administrative support service	• No. of Provincial Executive Council decision matrix implementation progress reports submitted to the Executive Council	5	12	12	12
2. Financial Management						
2.1	Audit improvement	• % reduction of wasteful and fruitless expenditure	n/a	25% from 2020/21 baseline	100%	100%
		• % reduction of irregular expenditure	n/a	20% from 2020/21 baseline	20% from 2021/22 baseline	20% from 2022/23 baseline
		• % of invoices paid within 30 days	85%	90%	90%	90%
3. IGR						
3.1	Strengthening IGR structures	• No. of PCF decision matrix implementation reports	7	4	4	4
		• No. of COHOD meeting decision matrixes implementation reports	9	12	12	12
3.2	International Relations strategy implementation	• No. of International Relations and ODA Strategy implementation monitoring reports	2	2	2	2
		• No. of Twinning Agreements reviewed in line with the South African Foreign policy	n/a	8	8	8

9.2 Programme 2: Institutional Development

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

- Providing transversal legal advisory and support services.
- Providing transversal human resource management and systems.
- Co-ordinating the holistic development of public servants, as well as the citizenry of KZN in general.
- Providing strategic information communication technology, science and technology management, leadership and support.
- Providing strategic communication leadership and support.

- To promote and co-ordinate human rights programmes in KZN.
- To promote and co-ordinate the mainstreaming of human rights in public policy and planning processes in the provincial administration.
- To co-ordinate the implementation of gender equality programmes.

The programme does not fully conform to the generic programme structure as the Special Programmes sub-programme falls under Programme 3 in terms of the sector structure, however approval was obtained from National Treasury for the deviation. Note that the inclusion of Forensics Investigation Services is not part of the formal generic budget structure of Offices of the Premier, but is in line with a Provincial Executive Council resolution in this regard.

Tables 1.14 and 1.15 summarise payments and estimates relating to this programme, by sub-programme and economic classification, for the period 2017/18 to 2023/24. Programme 2 is showing positive growth in 2021/22 mainly because of the shifting of the Forensic Investigation Services function from Vote 6, as mentioned. This is because 2020/21 does not include the full year in respect of this function shift. In addition, the centralisation of the ICT function to this programme adds to the perceived growth. Historical figures were restated for comparative purposes.

In the 2020/21 Adjusted Appropriation, this programme was subject to cuts to fund the provincial response to the Covid-19 pandemic (R37.703 million), as well as cuts related to the freezing of public sector wages (R19.418 million). In addition, the programme is subject to fiscal consolidation cuts to *Compensation of employees* and events cuts across all sub-programmes, but mainly affecting the Strategic Human Resources, the Special Programmes, as well as the Forensic Investigations and Integrity Management sub-programmes, with total cuts of R30.198 million in 2021/22 and R40.781 million in 2022/23, with carry-through to 2023/24. Cuts were implemented against *Compensation of employees*, *Goods and services* and *Buildings and other fixed structures* (2020/21 only).

Table 1.14 : Summary of payments and estimates by sub-programme: Institutional Development

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. Strategic Human Resources	84 474	72 188	72 415	97 629	74 911	74 911	88 073	89 978	90 888
2. Information Communication Technology (ICT)	26 674	18 428	29 256	93 593	143 489	143 489	67 356	69 768	72 584
3. Legal Services	15 166	13 568	12 209	13 462	12 234	12 234	12 302	12 362	12 456
4. Communication Services	57 062	56 127	51 551	67 507	51 272	51 272	73 818	76 681	79 408
5. Special Programmes	54 372	90 474	83 582	165 341	67 590	99 932	140 431	90 815	90 018
6. Forensic Investigations & Integrity Management	42 119	39 098	40 273	-	32 342	-	45 968	44 589	44 943
Total	279 867	289 883	289 286	437 532	381 838	381 838	427 948	384 193	390 297

Table 1.15 : Summary of payments and estimates by economic classification: Institutional Development

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	253 785	261 322	263 861	374 640	331 110	331 037	344 837	352 548	357 260
Compensation of employees	117 645	130 311	136 544	163 453	146 857	146 857	158 653	159 637	159 903
Goods and services	136 140	131 011	127 317	211 187	184 253	184 180	186 184	192 911	197 357
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	25 017	23 368	24 812	50 069	27 104	27 121	76 461	26 464	27 629
Provinces and municipalities	-	11	-	66	136	136	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	50 000	-	-	50 000	-	-
Households	25 017	23 357	24 812	3	26 968	26 985	26 461	26 464	27 629
Payments for capital assets	1 064	5 034	405	12 823	23 624	23 624	6 650	5 181	5 408
Buildings and other fixed structures	-	-	-	8 650	6 550	6 550	-	-	-
Machinery and equipment	1 064	5 034	405	4 173	17 074	17 074	6 650	5 181	5 408
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	1	159	208	-	-	56	-	-	-
Total	279 867	289 883	289 286	437 532	381 838	381 838	427 948	384 193	390 297

The Strategic Human Resources sub-programme facilitates, co-ordinates, monitors and promotes strategic human resources and development within provincial government, as well as internally within the OTP. This sub-programme includes the Training Academy. The high growth in the 2020/21 Main Appropriation was to provide for the filling of posts. The reduction in the 2020/21 Adjusted Appropriation was due to budget cuts related to the provincial response to Covid-19, as well as the wage freeze cuts. The increase in 2021/22 is largely ascribed to the anticipated filling of four posts. Thereafter growth is minimal due to the budget cuts.

The ICT sub-programme co-ordinates provincial government ICT policy and renders internal ICT support and auxiliary services to the department. The increase in 2019/20 was due to once-off funding for the roof repairs at the Moses Mabhida building, as well as reprioritisation for IT upgrades across the department. The IT Services budget amounting to R35 million was centralised within this sub-programme for the department for the purchase of computer equipment, as well as IT related services. This accounts for the increase in the 2020/21 Adjusted Appropriation. In 2020/21, the Office Support and Auxiliary Services responsibility was moved from this sub-programme to Programme 1, as mentioned. Prior year figures have been restated for comparative purposes. This accounts for the negative growth in 2021/22. Growth over the remainder of the MTEF is inflationary only.

The Legal Services sub-programme provides comprehensive and professional internal legal support services to OTP and provides inter-departmental, transversal state law advisory services to departments. The high base in 2017/18 was due to the internal reprioritisation of funds for transversal legal investigations regarding confidential legal matters related to HODs and disciplinary hearings, hence the negative growth in 2018/19. The negative growth in 2018/19 was mitigated to some extent by a once-off provision for back-pay for a salary upgrade, as well as resettlement costs (ex-Ulundi staff), accounting for the negative growth in 2019/20. In the 2020/21 Adjusted Appropriation, there was reprioritisation from this sub-programme to cater for the centralisation of IT services, as mentioned. Growth over the MTEF is minimal due to the need to contain costs.

The Communication Services sub-programme provides integrated and co-ordinated government communication services in the province, as well as internally within OTP. The sub-programme is responsible for the creation of a vibrant dialogue between OTP and the community by promoting a citizenship with positive moral values and enhancing synergy with other departments in service delivery. The high base in 2017/18 was due to internal reprioritisation undertaken for the transversal communication strategy for KZN. This strategy changed the provincial government communication environment from a one-way communication approach and introduced an effective, targeted and impactful communication to the province's citizens. The lower spending in 2018/19 relates to reprioritisation from savings in advertising, as well as transport and subsistence costs, to the IGR sub-programme for pressures in the Social Cohesion and Moral Regeneration programme events. The reduction in the 2020/21 Adjusted Appropriation was due to the centralisation of the IT Services function in the ICT sub-programme, as mentioned. Historical figures were restated for comparative purposes. The strong growth in 2021/22 relates to reprioritisation for advertising, particularly for the filling of posts, and once-off cuts for Covid-19 in 2020/21. Growth is inflationary only over the balance of the MTEF and this sub-programme will continue to co-ordinate various communication publications, campaigns and strategies, such as Simama, Anti-Rape, Anti-Xenophobia, Human Rights Day, Youth Day, Heritage Day, etc. This sub-programme also administers the Communication Forum which meets bi-annually and includes all departments.

The Special Programmes sub-programme includes the Office of the Ombudsperson and Democracy Support Services. The Integrity Management unit was part of this sub-programme, but is now moved to the new Forensic Investigations and Integrity Management sub-programme, created to accommodate the shift of the Forensics Investigation Services function. Historical figures were restated for comparative purposes. Democracy Support Services ensures that government translates its constitutional, political and global commitments into measurable and meaningful programmes on gender, disability, children, as well as senior citizens and other vulnerable groups. The significant increase in 2018/19 relates to the movement of the Youth Development function to this sub-programme from Programme 3, and the historical data could not be restated as records were not kept at this level. The decrease in 2019/20 relates to funds reprioritised to the Communication Services (Programme 2) and Executive Council Support (Programme 1) sub-programmes, as well as Special Projects (IGR sub-programme in Programme 1) as

there were spending pressures for these units. The high amount in the 2020/21 Revised Estimate is due to the Forensic Investigation Services expenditure being reported under this sub-programme in the December IYM, and not in the newly created Forensic Investigations and Integrity Management sub-programme. The high growth in 2021/22 is due to the once-off allocation of the second tranche of R50 million for the KZN Youth Empowerment Fund, accounting for the negative growth in 2022/23. As mentioned, the first tranche of R50 million was transferred to the KZNGFT in 2018/19 but, as per an A-G ruling, was treated as an advance, thus not visible in Tables 1.14 and 1.15. Growth in the outer year of the MTEF is inflationary only, with the cuts resulting in events being scaled down in number and size.

The Forensic Investigations and Integrity Management sub-programme is a newly created sub-programme to accommodate the Forensic Investigation Services function moved from Provincial Treasury. The department also moved the Integrity function from the Special Programmes sub-programme to this new sub-programme due to similarities in the areas of operation. Historical figures were restated for comparative purposes. An amount of R45.968 million was allocated to this sub-programme in 2021/22. Note that the department had not yet begun reporting the sub-programme's expenditure and projections for the Revised Estimate in the December IYM, hence no amount depicted at this stage. The amounts were reported against the Special Programmes sub-programme. The slightly negative growth over the MTEF is due to budget cuts, which will result in fewer consultants being hired for investigations.

The sustained growth in *Compensation of employees* from 2017/18 to 2019/20 relates to the staggered filling of prioritised critical posts, as mentioned. The reduction in the 2020/21 Adjusted Appropriation was due to budget cuts related to the provincial response to Covid-19, as well as the wage freeze cuts. The relatively high growth in 2021/22 is for the filling of nine vacant posts, with minimal growth thereafter as a result of the wage freeze and budget cuts. The funding does not allow for any further filling of posts beyond 2021/22.

Goods and services reflects growth in the 2020/21 Main Appropriation related to provision for training programmes within the Training Academy. However, due to the impact of the lockdown, these programmes did not materialise, hence the reduction in the 2020/21 Adjusted Appropriation, and this funding was cut to contribute to the provincial response to Covid-19. The category also provides for costs for communication and hosting of service delivery events and campaigns, such as Anti-Rape campaign, Human Rights Day, Heritage Day, etc. The growth over the MTEF is fairly low mainly due to budget cuts, which were largely effected against contractors related to reduced event costs, as well as computer services due to savings from economies of scale as a result of the centralisation of this function to this programme.

Transfers and subsidies to: Provinces and municipalities over the MTEF caters for motor vehicle licence fees, centralised for the department in this programme.

Transfers and subsidies to: Non-profit institutions relates to R50 million allocated to the KZN Youth Empowerment Fund in 2020/21 but was unspent and suspended to 2021/22. The first tranche was transferred in 2018/19 but, as per a ruling by the A-G, this was classified as an advance and is thus not shown in the historical spending at this stage, as the department is still in discussion with Provincial Treasury with regard to the accounting treatment for the advance.

The amounts against *Transfers and subsidies to: Households* provide for the external bursary budget of OTP. In 2018/19, this category was reduced by R5 million, with carry-through, to cater for operational costs for the Youth Development function. In the 2020/21 Main Appropriation, the budget was shifted to *Goods and services* related to the appointment of a contractor to manage external bursaries. However, as mentioned, this was reversed in the 2020/21 Adjusted Appropriation in line with a ruling from the A-G. The department currently supports just over 400 students. There is only a minimal provision for staff exit costs over the 2021/22 MTEF and the department will reprioritise in-year, should the need arise.

Buildings and other fixed structures relates to the Moses Mabhida building roof repairs. These funds were suspended in 2019/20 and reallocated in 2020/21, accounting for the peak in 2020/21. Note that this category falls under the Office Support and Auxiliary Services function, and was moved to Programme 1, as mentioned, hence no historical figures or budget over the MTEF.

Machinery and equipment shows a low base in 2017/18 and this was mainly due to the carry-through of earlier fiscal consolidation cuts. The increase in the 2020/21 Main Appropriation was related to the purchase of furniture, laptops, etc. for the appointment of new staff. The increase in the 2020/21 Adjusted Appropriation relates to the previously mentioned centralisation of IT services to this programme. There is inflationary growth over the MTEF.

The department wrote off various losses against *Payments for financial assets* from 2017/18 to 2019/20.

Service delivery measures: Institutional Development

Table 1.16 illustrates service delivery measures pertaining to Programme 2. Note that only a few main measures are reflected, and the full set of measures is detailed in the APP. Note that some measures have changed from the 2020/21 EPRE due to alignment with the 2021/22 APP.

Table 1.16 : Service delivery measures: Institutional Development

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2020/21	2021/22	2022/23	2023/24
1. Strategic Human Resources					
1.1 Technical human resource management policy support services	• No. of reports on Technical HR support services on KZN HR policy matters	4	4	4	4
1.2 Public Service training sessions	• No. of training sessions	88	100	100	100
2. Legal Services					
2.1 Appropriate and constitutionally compliant provincial legislation	• No. of quarterly reports on Provincial Legislative programme	4	4	4	4
3. Communication Services					
3.1 Annual provincial and departmental communication support initiatives	• Number of monitoring reports on implementation of Provincial Communication Plan	3	4	4	4
4. Special Programmes					
4.1 Ethics and Integrity campaign (I Do Right)	• Number of ethics and corruption workshops in government institutions	15	14	14	14
4.2 Mainstreaming a culture of human rights through integrated plans for vulnerable groups	• Number of monitoring reports on the implementation of 365 days visible campaigns against GBV as part of the Provincial anti GBV and Femicide Plan	3	4	4	4
4.3 Ombudsperson co-ordination	• No. of OTP Ombudsperson reports	4	2	2	2

9.3 Programme 3: Policy and Governance

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

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

This programme does not fully conform to the generic structure of the sector because it includes the Royal Household sub-programme (unique to KZN) and should also include the Special Programmes sub-programme, which the department has placed under Programme 2. Approval was obtained from National Treasury for the deviation.

In the 2018/19 MTEF, the Youth Development function moved from Programme 3 to Programme 2. The department was unable to provide prior year comparatives for this adjustment across sub-programmes due to financial records not being kept at this level.

Tables 1.17 and 1.18 provide a summary of payments and estimates by sub-programme and economic classification for the period 2017/18 to 2023/24. In the 2020/21 Adjusted Appropriation, this programme was subject to cuts to fund the provincial response to the Covid-19 pandemic (R62.034 million). In addition, the programme is subject to fiscal consolidation cuts across all sub-programmes, with cuts totalling R20.737 million in 2021/22 and R29.178 million in 2022/23, with carry-through to 2023/24. These cuts were implemented against *Compensation of employees, Goods and services* and *Machinery and equipment* (2020/21 only).

Table 1.17 : Summary of payments and estimates by sub-programme: Policy and 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. Provincial Policy Management	42 375	39 026	48 073	57 575	39 686	39 686	37 640	39 647	39 960
2. Premier's Priority Programmes	119 555	115 633	106 689	97 616	42 608	39 847	81 210	81 471	78 959
3. Royal Household	72 168	68 863	75 440	71 344	65 807	68 568	66 074	67 935	70 325
Total	234 098	223 522	230 202	226 535	148 101	148 101	184 924	189 053	189 244

Table 1.18 : Summary of payments and estimates by economic classification: Policy and 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
Current payments	206 567	202 085	204 465	198 875	122 731	119 832	152 601	156 773	155 544
Compensation of employees	91 225	88 244	88 601	95 820	94 420	91 549	88 329	89 312	90 642
Goods and services	115 342	113 841	115 864	103 055	28 311	28 283	64 272	67 461	64 902
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	21 570	20 729	23 430	20 136	21 536	24 407	23 748	24 888	25 983
Provinces and municipalities	-	-	9	-	-	-	-	-	-
Departmental agencies and accounts	21 246	19 600	22 586	20 136	20 136	22 897	23 748	24 888	25 983
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	324	1 129	835	-	1 400	1 510	-	-	-
Payments for capital assets	5 875	704	2 306	7 524	3 834	3 834	8 575	7 392	7 717
Buildings and other fixed structures	-	-	-	2 350	2 350	2 350	-	-	-
Machinery and equipment	5 875	704	2 306	5 174	1 484	1 484	8 575	7 392	7 717
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	86	4	1	-	-	28	-	-	-
Total	234 098	223 522	230 202	226 535	148 101	148 101	184 924	189 053	189 244

The Provincial Policy Management sub-programme provides for strategic planning, research co-ordination, and monitoring and evaluation. The PPC resides in this sub-programme. The increase in 2019/20 was due to the appointment of staff, as well as increased computer costs for the Nerve Centre. This increase was mitigated by reprioritisation from *Compensation of employees* due to the slow filling of posts to the sub-programme: Premier's Priority Programmes for pressures related to the Social Cohesion and Moral Regeneration programme events, accounting for the high growth in the 2020/21 Main Appropriation. The reduction in the 2020/21 Adjusted Appropriation was due to budget cuts related to the provincial response to Covid-19, as well as the movement of the department's IT function and the Nerve Centre to Programme 2. Historical figures were restated for comparative purposes. The department implemented budget cuts to this programme over the MTEF, resulting in negative growth in 2021/22 and minimal growth thereafter, with the cuts resulting in events being scaled down in number and size.

The sub-programme: Premier's Priority Programmes promotes the culture of engagement by co-ordinating stakeholder participation, priority programmes incorporating Veterans' Support, HIV and AIDS, OSS, the co-ordination of the Inkululeko Development projects (phases 2 and 3) in uMzinyathi and uThukela, as well as PEMP co-ordination. The funding for the Inkululeko Development phase 1 (Ndumo) ended in 2018/19. The funding for the PEMP co-ordination function also ended in 2018/19. The relatively higher spending in 2019/20 compared to the 2020/21 Main Appropriation was due to in-year pressures related to the Social Cohesion and Moral Regeneration programme events. Furthermore, an additional R2.900 million was received for the launch of the DDM. The Social Cohesion and Moral Regeneration programme events spent significantly more in 2019/20, in line with the recommendations of the Moerane Commission of Inquiry *via* once-off events to address tolerance among communities. While there are some carry-through costs, these were significantly less going forward, hence the decrease in 2020/21. The significant reduction in the 2020/21 Adjusted Appropriation was due to budget cuts related to the provincial response to Covid-19, with this programme subject to the biggest portion of the cuts across all sub-programmes in the department. To lessen the impact of this cut, the 2021/22 cuts to the sub-programme were far less, allowing a partial return to the original baseline, hence the strong growth in 2021/22. Growth in 2022/23 is minimal and negative in 2023/24 due to the budget cuts, with the cuts resulting in events being scaled down in number and size.

The sub-programme: Royal Household provides support services to His Majesty, the King and the Royal Household. The increase in 2019/20 caters for the filling of posts, as well as once-off funding for drought relief and animal feed, accounting for the decrease in the 2020/21 Main Appropriation. The reduction in the 2020/21 Adjusted Appropriation was due to budget cuts related to the provincial response to Covid-19. The department implemented wage freeze budget cuts to this programme over the MTEF, resulting in negative growth in 2021/22 and minimal growth thereafter. The cuts will result in no new appointments being possible over the MTEF. The 2021/22 MTEF provides for inflationary increases in the transfer to the ZRHT, as well as for His Majesty, the King's ceremonies such as *Umkhosi Womhlanga* (Reed Dance), *Umkhosi Wamaganu* (annual Amarula Festival), *Umkhosi Woselwa* (Thanksgiving), homecoming of *Abakhwetha*, various operational costs of the unit, and renovations to the Royal Palaces.

The negative growth in *Compensation of employees* in 2018/19 was mainly due to vacant posts. The category decreases in the 2020/21 Adjusted Appropriation due to vacant posts, with reprioritisation to *Transfers and subsidies to: Households* for staff exit costs. The negative growth in 2021/22 is due to wage freeze budget cuts, which result in minimal growth over the remainder of the MTEF. The cuts will result in no new appointments being possible over the MTEF.

Goods and services included funding for the PPC, OSS, Diakonia Council of Churches, as well as various events. The high base in 2017/18 was due to events held in that year, including a number of Social Cohesion and Moral Regeneration programme events, as well as Royal Household events, as mentioned. The relatively higher spending in 2019/20 compared to the 2020/21 Main Appropriation was due to in-year pressures related to the Social Cohesion and Moral Regeneration programme events. Furthermore, an additional R2.900 million was received for the launch of the DDM. While there are some carry-through costs, these are expected to be significantly less going forward, hence the decrease in the 2020/21 Main Appropriation. There is a significant decrease in the 2020/21 Adjusted Appropriation due to Covid-19 related cuts, as well as the movement of the Nerve Centre and the centralisation of IT services under Programme 2. Historical costs could not be restated as records are not kept at this level. The wage freeze and fiscal consolidation cuts result in low growth in 2022/23 and negative growth in 2023/24. As mentioned, these cuts affect the appointment of contractors (events) and consultants.

The transfers to the ZRHT are reflected against *Transfers and subsidies to: Departmental agencies and accounts*, as detailed in Section 8.7.

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

Buildings and other fixed structures in 2020/21 caters for the upgrading and rehabilitation to His Majesty, the King's Palaces. This baseline has now been added to the annual transfer to the ZRHT, hence there are no historical or MTEF figures against this category.

The amounts against *Machinery and equipment* mainly relate to the purchase of departmental vehicles, office furniture and computer equipment for newly appointed and replacement staff, accounting for the increase in 2021/22. The funding over the 2021/22 MTEF provides for office furniture, computers, as well as vehicles. The replacement of the Queens' vehicles is not currently provided for in OTP's budget over the 2021/22 MTEF.

Payments for financial assets relates to losses written-off.

Service delivery measures: Policy and Governance

Table 1.19 provides information on the service delivery measures pertaining to Programme 3. It is noted that the OTP sector has not yet agreed on standardised service delivery measures. Note that only a few main measures are reflected, and the full set of measures is detailed in the department's APP. Note also that some measures have changed from the 2020/21 *EPRE* due to alignment with the 2021/22 APP.

Table 1.19 : Service delivery measures: Policy and Governance

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2020/21	2021/22	2022/23	2023/24	
1. Premier's Priority Programmes						
1.1	Integrated Planning System: Reviewed Provincial Growth & development Strategy	• No. of PGDP/MTSF Implementation Plans/POA, 2022-23 developed	PGDS Reviewed	1	1	1
1.2	Strategic Partnership co-ordination reports	• No. of MRM co-ordination reports	4	4	4	4
		• No. of quarterly reports of District Multi-Sectoral Stakeholder engagements	4	4	4	4
2. King's Support and Royal Household						
2.1	Entity Oversight: KZN Zulu Royal House Trust quarterly monitoring reports	• No. of KZN Zulu Royal House Trust quarterly monitoring reports	4	4	4	4

10. Other programme information

10.1 Personnel numbers and costs

Table 1.20 reflects personnel estimates for the OTP, per programme.

Table 1.20 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Expenditure Estimate						Average annual growth over MTEF 2020/21 - 2023/24		
	2017/18		2018/19		2019/20		2020/21		2021/22		2022/23		2023/24		Pers. growth rate	Costs growth rate	% Costs of Total		
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Add. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs					
R thousands																			
Salary level																			
1 - 7	327	30 861	301	44 781	309	45 958	317	-	317	86 075	319	90 520	319	92 355	319	93 497	0.2%	2.8%	26.6%
8 - 10	119	97 442	127	98 024	132	104 725	140	-	140	61 163	142	69 137	142	69 218	142	69 335	0.5%	4.3%	19.5%
11 - 12	91	71 921	82	69 596	85	73 710	94	-	94	71 363	102	84 305	102	83 874	102	84 621	2.8%	5.8%	23.5%
13 - 16	68	74 713	66	77 459	69	79 656	71	-	71	85 338	78	91 917	78	93 183	78	92 078	3.2%	2.6%	26.5%
Other	51	9 754	3	7 837	33	8 624	3	30	33	12 449	33	13 612	33	13 812	33	13 714	-	3.3%	3.9%
Total	656	284 691	579	297 697	628	312 673	625	30	655	316 388	674	349 491	674	352 442	674	353 245	1.0%	3.7%	100.0%
Programme																			
1. Administration	90	75 821	81	79 142	99	87 528	119	-	119	77 982	125	102 509	125	103 493	125	102 700	1.7%	9.6%	27.8%
2. Institutional Development	330	117 645	272	130 311	300	136 544	276	30	306	146 857	315	158 653	315	159 637	315	159 903	1.0%	2.9%	45.6%
3. Policy and Governance	236	91 225	226	88 244	229	88 601	230	-	230	91 549	234	88 329	234	89 312	234	90 642	0.6%	(0.3%)	26.6%
Total	656	284 691	579	297 697	628	312 673	625	30	655	316 388	674	349 491	674	352 442	674	353 245	1.0%	3.7%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	592	264 873	565	277 851	584	292 761	611	-	611	291 691	630	323 407	630	324 787	630	324 373	1.0%	3.6%	92.1%
Legal Professionals	13	10 064	11	12 009	11	11 288	11	-	11	12 248	11	12 922	11	13 703	11	14 306	-	5.3%	3.9%
Others, e.g. interns, learnerships, etc	51	9 754	3	7 837	33	8 624	3	30	33	12 449	33	13 162	33	13 952	33	14 566	-	5.4%	4.0%
Total	656	284 691	579	297 697	628	312 673	625	30	655	316 388	674	349 491	674	352 442	674	353 245	1.0%	3.7%	100.0%

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

The department is projecting to fill 19 prioritised posts in 2021/22, but will not fully implement the entire organisational structure over the MTEF due to budget constraints. The strong growth in personnel numbers and costs in 2021/22 is in line with the planned filling of 19 posts. The department's post

establishment has a further 50 posts remaining vacant and unfunded at this stage. Further posts will be filled in a staggered approach should funding become available. *Compensation of employees* was reduced by budget cuts in 2020/21 (R11 million) due to the provincial Covid-19 response and the wage freeze. In addition, there were cuts over the MTEF related to the public sector wage freeze, as well as fiscal consolidation cuts. These amounted to R46.362 million in 2021/22 and R66.479 million in 2022/23, with carry-through in 2023/24. These cuts influence the growth in *Compensation of employees*. Despite the cuts, the growth in 2021/22 is 10.5 per cent, related to the planned filling of 19 posts, followed by growth of 0.8 per cent in 2022/23, which is sufficient for pay progression and in line with the wage freeze. Growth in the outer year is negative and this will be addressed in the next budget process.

10.2 Training

Table 1.21 reflects payments and estimates on training per programme, providing actual and estimated expenditure on training for the period 2017/18 to 2023/24. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. The department will exceed this target with an average of 1.1 per cent set aside over the MTEF.

Table 1.21 : Information on training: Office of the Premier

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	656	579	628	625	655	655	674	674	674
Number of personnel trained	157	373	335	350	350	350	350	350	350
of which									
Male	42	130	85	85	85	85	85	85	85
Female	115	243	250	265	265	265	265	265	265
Number of training opportunities	307	442	459	479	479	479	484	489	489
of which									
Tertiary	283	373	390	410	410	410	415	420	420
Workshops	17	50	50	50	50	50	50	50	50
Seminars	7	19	19	19	19	19	19	19	19
Other	-	-	-	-	-	-	-	-	-
Number of bursaries offered	15	10	20	21	21	21	21	21	21
Number of interns appointed	47	45	53	56	56	56	56	56	56
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	-	-	-	-	-	-	-	-	-
Payments on training by programme									
1. Administration	-	17	-	120	20	-	100	240	251
2. Institutional Development	4 131	3 230	1 247	31 857	1 858	1 695	3 296	3 334	3 480
3. Policy and Governance	32	-	-	205	205	25	295	415	433
Total	4 163	3 247	1 247	32 182	2 083	1 720	3 691	3 989	4 164

ANNEXURE – VOTE 1: OFFICE OF THE PREMIER

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

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
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	175	175	193	304	304	210	321	337	352
Sale of goods and services produced by department (excluding capital assets)	175	175	193	304	304	210	321	337	352
Sale by market establishments	11	11	11	14	14	14	15	16	17
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	164	164	182	290	290	196	306	321	335
<i>Of which</i>									
<i>Commission</i>	156	164	182	155	155	155	160	168	175
<i>Tender documents</i>	8	-	-	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
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	30	11	22	1	1	42	1	1	1
Interest	30	11	22	1	1	42	1	1	1
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	1 368	-	966	966	966	1 019	1 068	1 115
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	1 368	-	966	966	966	1 019	1 068	1 115
Transactions in financial assets and liabilities	955	500	4 666	50	50	190	53	56	58
Total	1 160	2 054	4 881	1 321	1 321	1 408	1 394	1 462	1 526

Estimates of Provincial Revenue and Expenditure

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	607 483	664 236	646 164	706 788	561 648	558 569	680 687	697 192	702 055
Compensation of employees	284 691	297 697	312 673	349 388	319 335	316 388	349 491	352 442	353 245
Salaries and wages	253 242	263 743	278 866	308 878	280 159	278 253	315 736	319 758	320 103
Social contributions	31 449	33 954	33 807	40 510	39 176	38 135	33 755	32 684	33 142
Goods and services	322 792	366 539	333 491	357 400	242 313	242 181	331 196	344 750	348 810
Administrative fees	3 967	5 750	3 912	6 677	855	1 954	5 227	6 145	6 314
Advertising	29 119	26 942	30 005	56 284	35 880	41 185	58 737	61 598	64 308
Minor assets	1 244	1 751	635	3 478	4 355	3 302	6 282	5 972	6 226
Audit cost: External	4 512	4 419	4 813	4 500	4 500	4 093	4 000	4 700	4 907
Bursaries: Employees	240	456	229	802	660	849	730	760	794
Catering: Departmental activities	11 829	6 849	5 476	5 142	5 360	4 474	11 303	11 159	7 805
Communication (G&S)	10 077	10 699	11 203	12 611	14 097	13 566	17 967	18 919	19 751
Computer services	31 112	26 007	34 831	47 172	70 460	71 709	49 076	50 474	52 695
Cons. & prof serv: Business and advisory services	12 774	25 835	17 328	10 634	3 348	4 512	21 592	19 685	20 370
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	4 515	613	478	450	1 673	1 714	931	948	990
Contractors	100 118	138 722	109 431	72 903	16 668	13 809	42 562	46 733	44 159
Agency and support / outsourced services	16 486	12 043	11 552	765	5 242	2 484	1 255	1 273	1 029
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	8 927	9 299	9 824	8 317	7 947	9 187	12 182	12 306	12 847
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	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	3 774	2 919	3 932	3 253	5 371	3 862	2 439	2 577	2 690
Consumable: Stationery, printing and office supplies	5 106	6 549	6 241	9 691	8 698	5 800	9 141	9 753	10 161
Operating leases	12 005	12 217	17 396	19 567	18 372	12 708	17 195	18 527	18 742
Property payments	13 550	16 925	19 985	10 672	17 435	26 079	18 394	19 157	19 501
Transport provided: Departmental activity	5 607	3 959	5 198	5 932	1 132	672	6 900	5 907	6 017
Travel and subsistence	36 525	39 529	33 767	42 274	16 466	15 648	36 395	38 522	39 496
Training and development	4 163	3 247	1 247	32 182	2 083	1 720	3 691	3 989	4 164
Operating payments	492	5 705	868	354	1 521	2 668	1 596	1 680	1 704
Venues and facilities	6 650	6 104	5 140	3 740	190	186	3 601	3 966	4 140
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	47 698	45 551	52 732	71 522	49 978	52 942	101 668	52 881	55 209
Provinces and municipalities	80	175	112	66	136	136	70	73	76
Provinces	80	175	112	66	136	136	70	73	76
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	80	175	112	66	136	136	70	73	76
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	21 246	19 600	22 586	20 136	20 136	22 897	23 748	24 888	25 983
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	21 246	19 600	22 586	20 136	20 136	22 897	23 748	24 888	25 983
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	-	-	-	50 000	-	-	50 000	-	-
Households	26 372	25 776	30 034	1 320	29 706	29 909	27 850	27 920	29 150
Social benefits	530	3 930	5 396	1 320	3 417	3 527	1 451	1 521	1 588
Other transfers to households	25 842	21 846	24 638	-	26 289	26 382	26 399	26 399	27 562
Payments for capital assets	12 453	12 149	5 865	21 888	28 468	28 468	19 885	17 478	18 247
Buildings and other fixed structures	333	2 854	1 378	11 000	8 900	8 900	1 817	1 877	1 960
Buildings	333	2 854	1 378	11 000	8 900	8 900	1 817	1 877	1 960
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	12 120	9 295	4 487	10 888	19 568	19 568	18 068	15 601	16 287
Transport equipment	8 781	6 736	2 301	1 456	1 666	1 666	2 140	2 261	2 361
Other machinery and equipment	3 339	2 559	2 186	9 432	17 902	17 902	15 928	13 340	13 926
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	87	227	209	-	-	115	-	-	-
Total	667 721	722 163	704 970	800 198	640 094	640 094	802 240	767 551	775 511

Table 1.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
Current payments	147 131	200 829	177 838	133 273	107 807	107 700	183 249	187 871	189 251
Compensation of employees	75 821	79 142	87 528	90 115	78 058	77 982	102 509	103 493	102 700
Salaries and wages	67 593	70 249	77 859	81 506	69 444	68 900	91 735	93 295	92 431
Social contributions	8 228	8 893	9 669	8 609	8 614	9 082	10 774	10 198	10 269
Goods and services	71 310	121 687	90 310	43 158	29 749	29 718	80 740	84 378	86 551
Administrative fees	1 132	1 428	1 286	1 358	364	552	1 545	1 699	1 773
Advertising	30	16	2	221	100	2 789	65	63	65
Minor assets	273	896	117	1 115	639	351	2 250	1 728	1 796
Audit cost: External	4 512	4 419	4 813	4 500	4 500	4 093	4 000	4 700	4 907
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 990	1 874	1 779	1 360	2 954	2 919	1 965	2 126	2 220
Communication (G&S)	4 198	5 087	4 669	241	239	171	6 866	7 060	7 370
Computer services	669	2 791	751	6 812	429	427	-	-	-
Cons. & prof serv: Business and advisory services	7 043	16 364	524	1 537	211	211	2 315	1 845	1 926
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	37	-	-	-	121	121	500	500	522
Contractors	11 283	39 393	24 672	7 908	9 008	5 980	3 375	3 488	3 553
Agency and support / outsourced services	-	-	60	-	-	-	500	500	522
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	7 984	7 714	7 552	2	2	928	9 296	9 307	9 716
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	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	345	189	281	728	1 536	2 161	588	654	681
Consumable: Stationery, printing and office supplies	1 563	2 273	2 063	3 371	2 810	2 504	4 473	4 711	4 917
Operating leases	9 333	9 814	15 654	1 734	1 623	1 278	13 942	15 096	15 161
Property payments	9 187	10 999	12 977	420	620	242	14 013	14 601	14 744
Transport provided: Departmental activity	-	639	33	-	-	50	100	100	104
Travel and subsistence	11 497	13 384	11 390	11 571	4 348	4 495	13 581	14 595	14 897
Training and development	-	17	-	120	20	-	100	240	251
Operating payments	18	2 252	435	-	205	344	246	262	274
Venues and facilities	216	2 138	1 252	160	20	102	1 020	1 103	1 152
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 111	1 454	4 490	1 317	1 338	1 414	1 459	1 529	1 597
Provinces and municipalities	80	164	103	-	-	-	70	73	76
Provinces	80	164	103	-	-	-	70	73	76
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	80	164	103	-	-	-	70	73	76
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 031	1 290	4 387	1 317	1 338	1 414	1 389	1 456	1 521
Social benefits	7	1 180	4 387	1 317	1 338	1 338	1 389	1 456	1 520
Other transfers to households	1 024	110	-	-	-	76	-	-	1
Payments for capital assets	5 514	6 411	3 154	1 541	1 010	1 010	4 660	4 905	5 122
Buildings and other fixed structures	333	2 854	1 378	-	-	-	1 817	1 877	1 960
Buildings	333	2 854	1 378	-	-	-	1 817	1 877	1 960
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	5 181	3 557	1 776	1 541	1 010	1 010	2 843	3 028	3 162
Transport equipment	4 564	2 871	417	-	-	-	1 754	1 856	1 938
Other machinery and equipment	617	686	1 359	1 541	1 010	1 010	1 089	1 172	1 224
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	64	-	-	-	31	-	-	-
Total	153 756	208 758	185 482	136 131	110 155	110 155	189 368	194 305	195 970

Estimates of Provincial Revenue and Expenditure

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

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	253 785	261 322	263 861	374 640	331 110	331 037	344 837	352 548	357 260
Compensation of employees	117 645	130 311	136 544	163 453	146 857	146 857	158 653	159 637	159 903
Salaries and wages	103 250	114 166	121 705	144 285	128 316	128 250	143 534	144 935	145 057
Social contributions	14 395	16 145	14 839	19 168	18 541	18 607	15 119	14 702	14 846
Goods and services	136 140	131 011	127 317	211 187	184 253	184 180	186 184	192 911	197 357
Administrative fees	886	3 171	1 214	799	183	752	800	905	944
Advertising	28 733	26 925	27 382	53 971	34 538	37 570	57 997	60 850	63 528
Minor assets	242	392	400	1 189	2 721	2 600	2 196	2 386	2 490
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	240	456	229	802	660	849	730	760	794
Catering: Departmental activities	2 121	1 257	1 457	1 572	1 318	668	1 659	1 789	1 867
Communication (G&S)	5 705	5 459	6 510	11 090	13 476	13 043	10 821	11 562	12 071
Computer services	18 369	11 026	19 213	23 355	66 026	67 114	48 576	49 974	52 173
Cons. & prof serv: Business and advisory services	134	1 004	12 463	1 042	92	578	13 010	11 294	11 791
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	4 478	613	478	450	1 552	1 593	431	448	468
Contractors	33 225	33 033	18 234	25 309	2 737	4 799	19 246	20 688	17 857
Agency and support / outsourced services	16 486	12 043	11 054	465	4 942	2 386	455	473	194
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	1	(1)	217	8 100	7 730	7 250	1 725	1 757	1 835
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	909	1 483	2 068	1 709	3 339	1 424	1 462	1 510	1 577
Consumable: Stationery, printing and office supplies	2 552	2 534	3 043	4 023	3 925	1 570	2 698	2 935	3 064
Operating leases	1 734	1 725	1 331	16 739	15 621	10 782	2 099	2 248	2 346
Property payments	4 204	5 012	4 986	10 252	16 815	25 837	4 111	4 286	4 475
Transport provided: Departmental activity	2 007	1 503	2 576	1 542	1 132	390	1 200	1 200	1 253
Travel and subsistence	8 883	13 948	9 346	15 583	5 488	3 251	12 602	13 240	13 822
Training and development	4 131	3 230	1 247	31 857	1 858	1 695	3 296	3 334	3 480
Operating payments	24	2 987	363	58	80	9	20	21	22
Venues and facilities	1 076	3 211	3 506	1 280	20	20	1 050	1 251	1 306
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	25 017	23 368	24 812	50 069	27 104	27 121	76 461	26 464	27 629
Provinces and municipalities	-	11	-	66	136	136	-	-	-
Provinces	-	11	-	66	136	136	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	11	-	66	136	136	-	-	-
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	-	-	-	50 000	-	-	50 000	-	-
Households	25 017	23 357	24 812	3	26 968	26 985	26 461	26 464	27 629
Social benefits	199	1 621	174	3	679	679	62	65	68
Other transfers to households	24 818	21 736	24 638	-	26 289	26 306	26 399	26 399	27 561
Payments for capital assets	1 064	5 034	405	12 823	23 624	23 624	6 650	5 181	5 408
Buildings and other fixed structures	-	-	-	8 650	6 550	6 550	-	-	-
Buildings	-	-	-	8 650	6 550	6 550	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 064	5 034	405	4 173	17 074	17 074	6 650	5 181	5 408
Transport equipment	-	3 865	-	1 070	1 280	1 280	-	-	-
Other machinery and equipment	1 064	1 169	405	3 103	15 794	15 794	6 650	5 181	5 408
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	1	159	208	-	-	56	-	-	-
Total	279 867	289 883	289 286	437 532	381 838	381 838	427 948	384 193	390 297

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	206 567	202 085	204 465	198 875	122 731	119 832	152 601	156 773	155 544
Compensation of employees	91 225	88 244	88 601	95 820	94 420	91 549	88 329	89 312	90 642
Salaries and wages	82 399	79 328	79 302	83 087	82 399	81 103	80 467	81 528	82 615
Social contributions	8 826	8 916	9 299	12 733	12 021	10 446	7 862	7 784	8 027
Goods and services	115 342	113 841	115 864	103 055	28 311	28 283	64 272	67 461	64 902
Administrative fees	1 949	1 151	1 412	4 520	308	650	2 882	3 541	3 597
Advertising	356	1	2 621	2 092	1 242	826	675	685	715
Minor assets	729	463	118	1 174	995	351	1 836	1 858	1 940
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	7 718	3 718	2 240	2 210	1 088	887	7 679	7 244	3 718
Communication (G&S)	174	153	24	1 280	382	352	280	297	310
Computer services	12 074	12 190	14 867	17 005	4 005	4 168	500	500	522
Cons. & prof serv: Business and advisory services	5 597	8 467	4 341	8 055	3 045	3 723	6 267	6 546	6 653
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	55 610	66 296	66 525	39 686	4 923	3 030	19 941	22 557	22 749
Agency and support / outsourced services	-	-	438	300	300	98	300	300	313
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	942	1 586	2 055	215	215	1 009	1 161	1 242	1 296
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	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 520	1 247	1 583	816	496	277	389	413	432
Consumable: Stationery, printing and office supplies	991	1 742	1 135	2 297	1 963	1 726	1 970	2 107	2 180
Operating leases	938	678	411	1 094	1 128	648	1 154	1 183	1 235
Property payments	159	914	2 022	-	-	-	270	270	282
Transport provided: Departmental activity	3 600	1 817	2 589	4 390	-	232	5 600	4 607	4 660
Travel and subsistence	16 145	12 197	13 031	15 120	6 630	7 902	10 212	10 687	10 777
Training and development	32	-	-	205	205	25	295	415	433
Operating payments	450	466	70	296	1 236	2 315	1 330	1 397	1 408
Venues and facilities	5 358	755	382	2 300	150	64	1 531	1 612	1 682
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	21 570	20 729	23 430	20 136	21 536	24 407	23 748	24 888	25 983
Provinces and municipalities	-	-	9	-	-	-	-	-	-
Provinces	-	-	9	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	9	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	21 246	19 600	22 586	20 136	20 136	22 897	23 748	24 888	25 983
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	21 246	19 600	22 586	20 136	20 136	22 897	23 748	24 888	25 983
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	324	1 129	835	-	1 400	1 510	-	-	-
Social benefits	324	1 129	835	-	1 400	1 510	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	5 875	704	2 306	7 524	3 834	3 834	8 575	7 392	7 717
Buildings and other fixed structures	-	-	-	2 350	2 350	2 350	-	-	-
Buildings	-	-	-	2 350	2 350	2 350	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	5 875	704	2 306	5 174	1 484	1 484	8 575	7 392	7 717
Transport equipment	4 217	-	1 884	386	386	386	386	405	423
Other machinery and equipment	1 658	704	422	4 788	1 098	1 098	8 189	6 987	7 294
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	86	4	1	-	-	28	-	-	-
Total	234 098	223 522	230 202	226 535	148 101	148 101	184 924	189 053	189 244

Estimates of Provincial Revenue and Expenditure

Table 1.F : Financial summary for Zulu Royal House Trust (ZRHT)

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
Revenue									
Tax revenue	-	-	-	-	-	-	-	-	-
Non-tax revenue	21 470	19 793	22 776	20 346	20 346	23 107	23 962	25 105	26 210
Sale of goods and services other than capital assets	-	-	-	-	-	-	-	-	-
Entity revenue other than sales	224	193	190	210	210	210	214	217	227
Transfers received	21 246	19 600	22 586	20 136	20 136	22 897	23 748	24 888	25 983
Of which:									
OTP**	19 869	18 040	19 086	20 136	20 136	20 136	21 243	22 263	23 242
Capital projects: OTP**	1 377	1 560	3 500	-	-	2 761	2 505	2 625	2 741
Sale of capital assets	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Other non-tax revenue	-	-	-	-	-	-	-	-	-
Total revenue	21 470	19 793	22 776	20 346	20 346	23 107	23 962	25 105	26 210
Expenses									
Programmes									
1. Administration	6 529	6 168	5 008	5 345	5 345	4 788	5 597	5 699	5 786
2. Operations Management	14 212	12 153	12 156	11 792	11 792	16 404	14 980	15 909	16 396
3. Fund Raising	-	-	3 069	3 209	3 209	2 054	3 384	3 497	4 028
Total	20 741	18 322	20 233	20 346	20 346	23 246	23 962	25 105	26 210
Economic classification									
Current expenses	22 104	19 860	23 711	20 321	20 321	23 223	23 937	25 079	26 183
Compensation of employees	4 543	4 275	3 390	5 139	5 139	3 373	3 732	3 732	3 732
Goods and services	17 561	15 585	20 304	15 182	15 182	19 850	20 205	21 347	22 451
Interest and rent on land	-	-	17	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	14	22	22	25	25	23	25	26	27
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total expenses	22 118	19 882	23 733	20 346	20 346	23 246	23 962	25 105	26 210
Surplus / (Deficit)	(648)	(89)	(957)	-	-	(139)	-	-	-
Adjustments for Surplus / (Deficit)	648	89	957	-	-	-	-	-	-
(Outstanding creditors) / Deficit	648	89	957	-	-	-	-	-	-
Surplus / (Deficit) after adjustments	-	-	-	-	-	(139)	-	-	-

*Note: Prior year numbers have been restated in line with the AFS

**Note: The funding for the capital projects was only allocated by OTP to the ZRHT from 2020/21 onward, however, the historic figures have been restated to show the budget trend

Table 1.G : Personnel summary for ZRHT

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Board members									
Personnel cost (R thousand)	48	43	67	82	82	90	86	91	95
Personnel numbers (head count)	7	7	7	7	7	7	7	7	7
Unit cost	7	6	10	12	12	13	12	13	14
Executive management									
Personnel cost (R thousand)	1 143	702	-	1 281	1 281	1 074	1 162	1 162	1 162
of which:									
Chief Financial Officer	1 143	702	-	1 281	1 281	1 074	1 162	1 162	1 162
Chief Executive Officer	-	-	-	-	-	-	-	-	-
Personnel numbers (head count)	1	1	-	1	1	1	1	1	1
Unit cost	1 143	702	-	1 281	1 281	1 074	1 162	1 162	1 162
Senior management									
Personnel cost (R thousand)	937	1 000	1 036	1 102	1 102	1 036	1 132	1 132	1 132
Personnel numbers (head count)	1	1	1	1	1	1	1	1	1
Unit cost	937	1 000	1 036	1 102	1 102	1 036	1 132	1 132	1 132
Middle management									
Personnel cost (R thousand)	845	913	945	971	971	-	-	-	-
Personnel numbers (head count)	1	1	1	1	1	-	-	-	-
Unit cost	845	913	945	971	971	-	-	-	-
Professionals									
Personnel cost (R thousand)**	893	965	660	1 022	1 022	514	550	550	550
Personnel numbers (head count)	2	2	2	2	2	1	1	1	1
Unit cost	447	483	330	511	511	514	550	550	550
Semi-skilled									
Personnel cost (R thousand)	635	598	646	658	658	646	780	780	780
Personnel numbers (head count)	3	3	3	3	3	3	3	3	3
Unit cost	212	199	215	219	219	215	260	260	260
Very low skilled									
Personnel cost (R thousand)	90	97	103	105	105	103	108	108	108
Personnel numbers (head count)	1	1	1	1	1	1	1	1	1
Unit cost	90	97	103	105	105	103	108	108	108
Total for entity									
Personnel cost (R thousand)*	4 591	4 318	3 457	5 221	5 221	3 463	3 818	3 823	3 827
Personnel numbers (head count)	16	16	15	16	16	14	14	14	14
Unit cost	287	270	230	326	326	247	273	273	273

*Note: The difference between the Personnel cost and Compensation of employees relates to Board costs, which are paid from Goods and services

**Note: Restated to correct rounding error