

VOTE 11

Co-operative Governance and Traditional Affairs

Operational budget	R2 440 975 871
MEC remuneration	R 2 037 129
Total amount to be appropriated	R2 443 013 000
Responsible MEC	MEC for Co-operative Governance and Traditional Affairs
Administering department	Co-operative Governance and Traditional Affairs
Accounting officer	Head: Co-operative Governance and Traditional Affairs

1. Overview

Vision

The vision of the Department of Co-operative Governance and Traditional Affairs (COGTA) is: *Capable and co-operative governance for sustainable service delivery.*

Mission

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

Strategic outcomes

The department's strategic policy direction is to:

- Improve municipal and traditional institutional capacity.
- Improve co-ordination of service delivery.
- Improve institutional capacity.

Core functions

The mandate of the department is as follows:

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

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

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

- Put development planning at the centre stage.
- Put people at the centre of development.

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

Legislative mandate

The legislative mandate of COGTA is presented below.

Constitutional mandate

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

- Section 139 provides for provincial intervention in local government. This intervention in municipalities includes the issuing of directives and managing interventions by the Provincial Executive Council, in accordance with the provisions of Section 139(1) (a), (b) and (c).
- Section 154 determines that provincial governments must provide support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and perform their functions in accordance with the provisions of Section 154(1) and (2).
- Section 155(5) and (6) determines the types of municipalities to be established in KZN, whereafter the municipalities, by legislative and other measures, must be monitored and supported.
- Section 155(7) stipulates that provincial governments have legislative and executive authority to ensure effective performance by municipalities of their functions in respect of responsibilities listed in Schedules 4 and 5, by regulating the exercise by municipalities of their executive authority referred to in Section 156(1).
- Chapter 12 of the Constitution of the Republic of South Africa, 1996 recognises the institution of traditional leadership and emphasises the significant role it plays in preserving the customs of traditional communities. It further defines the institution as an organ of state which justifies its place in the democratic dispensation, especially in relation to governance issues.

Specific legislation for the department

- Disaster Management Act (Act No. 57 of 2002)
- Employment Equity Act (Act No. 55 of 1998)
- Fire Brigade Services Act (Act No. 99 of 1987)
- Infrastructure Development Act (Act No. 23 of 2014)
- KZN Cemeteries and Crematoria Act (Act No. 32 of 2000)
- KZN Determination of Types of Municipalities Act (Act No. 7 of 2000)
- KZN Planning and Development Act (PDA) (Act No. 6 of 2008)
- KZN Pounds Act (Act No. 3 of 2006)
- KZN Traditional Leadership and Governance Act (Act No. 5 of 2005)
- Labour Relations Act (Act No. 66 of 1995)
- Local Government Demarcation Act (Act No. 6 of 2004)
- Local Government Municipal Electoral Act (Act No. 27 of 2000)
- Municipal Finance Management Act (MFMA) (Act No. 53 of 2003)
- Municipal Fiscal Powers and Functions Act (Act No. 12 of 2007)
- Municipal Property Rates Act (Act No. 6 of 2004)
- Municipal Structures Act (Act No. 117 of 1998)
- Municipal Systems Act (Act No. 32 of 2000)

- Public Service Act (Proclamation No. 103 of 1994)
- Remuneration of Public Office Bearers Act (Act No. 20 of 1998)
- Spatial Planning and Land Use Management Act (SPLUMA) (Act No. 16 of 2013)
- The National House of Traditional Leaders Act (Act No. 22 of 2009)
- The White Paper on Traditional Leadership
- Traditional Leadership and Governance Framework Act (Act No. 41 of 2003)

General legislation for departments dealing with local government and traditional affairs

- Annual Division of Revenue Act (DORA)
- KZN Provincial Supply Chain Management (SCM) Policy Framework (2006)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000) and revised regulations dated 16 January 2023
- Protection of Personal Information Act (Act No. 4 of 2013)
- Skills Development Act (Act No. 97 of 1998)
- Public Finance Management Act (PFMA) (Act No. 1 of 1999, as amended) and Treasury Regulations
- Public Service Regulations

Specific legislation applicable to municipalities

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

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

Aligning the department's budget to achieve government's prescribed outcomes

The department's budget is aligned to the NDP and the 2019-2024 MTSF, and contributes toward the following MTSF priorities:

- Priority 1 – Building a capable, ethical and developmental State.
- Priority 2 – Economic transformation and job creation.
- Priority 5 – Spatial integration, human settlements and local government.
- Priority 6 – Social cohesion and safe communities.

The 2023/24 APP contains a number of indicators that address the above-mentioned priorities. Some of these include:

- The implementation of the District Development Model (DDM) within the province.
- Support to municipalities to ensure the functionality of municipal Rapid Response Teams (RRTs).
- Support to municipalities to ensure the functionality of ward committees.
- Support to municipalities with the development of credible IDPs.
- Monitoring of all municipalities under intervention in line with their recovery plans.
- Investigation of all fraud, corruption and maladministration cases.
- Support to municipalities to improve their audit opinions.
- Monitoring of municipalities on the review of Water Service Development Plans (WSDPs).
- Support to municipalities with the implementation of the Community Work Programme (CWP) and the EPWP to create work opportunities.
- Ensuring that 30 per cent of procurement will be awarded to SMMEs, co-operatives, townships/rural enterprises and people with disabilities.

2. Review of the 2022/23 financial year

Section 2 provides a review of 2022/23, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

Local governance

The department provided support to local government institutions to strengthen governance, promote sound financial management, enhance public participation and improve capacity of municipalities with the aim of accelerating service delivery, as follows:

- Providing support to some municipalities including Ugu, Inkosi Langalibalele, uMzinyathi, Nquthu and uMkhanyakude by contracting and deploying governance and finance experts to municipalities to assist with the required skills, such as financial management, planning, human resources, among others.
- Following the findings of the August 2021 assessments of municipal performance, 29 municipalities were identified to be either dysfunctional or at risk of being dysfunctional. In addressing the noted areas within the 29 municipalities, support was provided through the implementation of support plans, known as the Municipal Support and Intervention Plans (MSIPs). In implementing the MSIPs, the department co-ordinated role-players to action the identified activities within the plans of the affected municipalities. Of the 29 municipalities, 12 municipalities were identified as dysfunctional, and progress of the implementation of their MSIPs was monitored through monthly one-on-one engagement meetings. The remaining 17 municipalities were identified as moderate risk municipalities, and their MSIPs were monitored through one-on-one engagement meetings held once a quarter. Also, the August 2021 municipal performance assessment noted service delivery challenges in all municipalities, and this resulted in the revival of the Back-to-Basics service delivery acceleration programme, in the form of campaigns, which targeted weak points in municipal service delivery.
- In supporting clean governance, the department investigated 23 fraud, corruption and maladministration cases. The 23 investigations were conducted in 14 municipalities and one municipal entity. The department further implemented 249 forensic investigation findings in 20 municipalities and one municipal entity. About 26 of the 54 municipalities were supported to maintain functional oversight structures through functionality assessments of oversight structures such as Council, EXCO, Municipal Public Accounts Committee (MPAC) and portfolio committees. The remaining 28 municipalities were also supported with functionality assessments. The municipalities were provided with hands-on support in the form of training sessions and workshops on a range of governance-related aspects in order to ensure that the structures of oversight are, and remain, functional.
- In enhancing financial management within municipalities, 27 municipalities were supported to reduce Unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure. This was done through assessments of AFS and support to MPACs. The remaining 27 municipalities were also supported with the assessment of UIFW registers and support of MPACs. In addition, the department supported five municipalities in the reduction of their Eskom debts, namely the Ulundi, Mpofana, Newcastle, Msunduzi and eNdameni Local Municipalities.

Development and planning

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

- In supporting basic service delivery, the department ensured the functionality of two infrastructure co-ordinating structures, namely water and energy. All 14 Water Service Authorities (WSAs) were monitored on the implementation of operations and maintenance through observing and checking on municipal financial provisions, establishing the status of planned and preventative maintenance programmes and establishing the status of refurbishment of infrastructure. The department monitored and supported 37 municipalities on their implementation of infrastructure delivery programmes through monitoring of grant expenditure and implementing support engagements where required. The remaining 17 municipalities were also supported. In total, 13 WSAs were monitored on their WSDPs and supported in partnership with the Department of Water and Sanitation (DWS) in ensuring

alignment to the Provincial Water Master Plan. Also, the department monitored the implementation of nine regional bulk infrastructure projects in Greytown, Driefontein, Greater Bulwer, Maphumulo, Mandlakazi, Middledrift, Greater Mthonjaneni, Greater Mpofana and Greater uMshwathi.

The Provincial Water Master Plan continued to be implemented through seven intervention programmes and 151 supporting projects. These included the water resource intervention programme (nine projects), water treatment, bulk distribution and storage (96 projects), water reticulation (six projects), water conservation/water demand management, financial sustainability and revenue enhancement (four projects), operations and maintenance (21 projects) and human resource development programmes (14 projects).

- The department supported 14 municipalities in the implementation of electrification programmes. Furthermore, 15 municipalities were supported with the implementation of the Electricity Asset Management Framework (EAMF) through the review of the National Energy Regulator of South Africa (NERSA) audit findings on maintenance expenditure and development of implementation plans in accordance with audit recommendations. Also, 16 municipalities were supported with the implementation of the Electricity Master Plan (EMP) through technical support on implementation of electricity infrastructure projects. The remaining eight municipalities were also supported.

Traditional institutional management

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

- The department supported the implementation of seven guidelines and workshopped these guidelines for adoption by six Local Houses of Khoisan and Traditional Leadership. The guidelines related to the implementation of the conduct for *Izinduna*, exhumation and reburial of human remains, procedure for periodic headcount of *Izinduna* and *Amakhosi*, tools of trade for traditional leaders, procedure to determine the number of *Izinduna* in traditional communities, recognition and remuneration of *Izinduna*, and participation of traditional leaders in disaster management processes. Also, the guideline on the support to deceased *Amakhosi* families was developed and workshopped in Local Houses of Khoisan and Traditional Leadership, but has not been implemented, as at February 2023.
- The department processed 27 traditional leadership succession disputes and conducted quarterly information sharing sessions on conflict management with *Amakhosi* in six districts. Also, the department supported the conclusion of eight *Amakhosi* recognitions within 18 months of the *Ubukhosi* position becoming vacant, along with updating their family trees.
- The department had planned to transfer R55 million to the Independent Electorate Commission (IEC) in respect of the Traditional Council (TC) elections that were expected to take place in December 2022. The department postponed the elections to March 2023, due to the IEC no longer undertaking the elections on behalf of the department. The IEC indicated that it has no authorised involvement with the administration of elections of TCs and cannot facilitate the elections. The department will undertake the elections itself and has started a process of appointing a service provider to assist it to undertake the elections. However, as at February 2023, the department is unsure if the elections will proceed as planned due to an appeal that took place on 8 February 2023 and, as at 15 February 2023, the outcome of the appeal is reserved and awaiting the tribunal. It is hoped that the appeal will be resolved and the election processes will start in early March 2023 but, due to the delays, the elections are likely to be undertaken in early 2023/24.
- In terms of the remuneration of *Izinduna*, a database of *Izinduna* is updated through monthly headcounts. The headcounts are conducted with the assistance of district offices and *Amakhosi*. As at the end of December 2022, the department paid 2 925 *Izinduna* at a total cost of R270.530 million. The department was allocated R164.110 million by Provincial Treasury to assist with the payment of stipends to *Izinduna*. The department allocated R202.208 million, hence the total budget for *Izinduna* in 2022/23 is R366.318 million.

3. Outlook for the 2023/24 financial year

Section 3 looks at the key focus areas of 2023/24, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

In 2023/24, the department will continue to co-ordinate spheres of government, support local government to promote good governance and enhance financial management in municipalities for improved service delivery, as well as provide support and build the capacity of traditional institutions. The department will also ensure the development of guidelines and procedures to regulate traditional government.

Local governance

The department will continue to co-ordinate support, promote good governance and enhance financial management in municipalities. The main focus for 2023/24 will be on:

- The implementation of the DDM with the focus on One Budget, One Plan for district municipalities. This is an ongoing project as the DDM is a national programme implemented across the country.
- Providing support to municipalities in the development of IDPs through capacity building sessions, workshops, IDP forums and assessments. This is an annual exercise undertaken by the department.
- Assisting all 54 municipalities in developing and implementing a Performance Management System (PMS) to manage and measure institutional performance. The PMS targets will be in line with the priorities, objectives and indicators contained in each municipality's IDP. The department will be assisting all 54 municipalities. This is an ongoing programme to support municipalities with performance management as it is audited by the A-G annually and has an impact on the audit opinion of municipalities (predetermined objectives).
- Assisting municipalities with plans to reduce UIFW. This is an ongoing project until all municipalities no longer have UIFW, as the aim of the programme is to eradicate UIFW.
- Supporting municipalities with functional municipal oversight processes in respect of Section 80 Committees (Mayoral Committee Clusters, Mayoral Committees, oversight and standing committees) reporting to EXCO, EXCO reporting to Council in terms of Section 44 of the Municipal Systems Act, and Section 79 Committees reporting to Council in terms of the Municipal Structures Act. This is an annual exercise undertaken by the department.
- Providing support to municipalities by contracting and deploying governance and finance experts to municipalities to assist with the required skills, such as financial management, planning, human resources, among others. The department determines which municipality to support through their audit outcomes and the support is dependent on the availability of funding in the department.

Development and planning

The NDP stipulates that, for the country to support its long-term economic objectives and development goals, South Africa needs to focus on investing in basic services, such as electricity, water, sanitation, telecommunications and public transport. The main focus for 2023/24 will be to:

- Continue to map data in respect of climate related incidents and Municipal Schemes (a GIS map which plots where disaster incidents take place), to enhance the province's response to climate change. The department will procure an integrated disaster communication system to feed warnings to disaster centres in the province over the 2023/24 MTEF. The project commenced in 2017/18 but was put on hold for further research into finding a proper system, benchmarking, etc., in order to get a system that is effective for the province. It was then restarted in 2022/23.
- Monitor the implementation of service delivery programmes relating to electricity, water and sanitation, indigent policies, as well as operational and maintenance plans. The department provides support to municipalities to ensure that they implement business plans and achieve the milestones set therein. If the milestones are not achieved, the department will recover the unspent grants in line with the transfer manual.
- Support municipalities with the implementation of the EAMF in respect of maintenance and quarterly reporting to client forums, such as NERSA and Eskom. The department will put remedial action plans into place for those that are not compliant.

- Implement seven Water Master Plan Intervention programmes in WSAs, including the water resource programme, water reticulation programme, water treatment, bulk distribution and storage, conservation water demand management programme, financial sustainability and revenue and enhancement programme, operations and maintenance programme, human resources development programme, etc.
- Monitor municipalities on the review of their WSDPs to enhance existing municipal WSDPs, in collaboration with the DWS through WSDP review meetings. The department will put remedial actions plans into place for those municipalities that are not compliant.
- Support municipalities with the implementation of the EMP. This plan refers to licensed electricity distributors supported on project implementation of the EMP, through monthly meetings, reporting on budget expenditure and set timeframes. The current access to electricity in KZN is 93.8 per cent. The cost to address the backlog is estimated at R2.270 billion. The department has R30 million to cater for hotspots in 2023/24. The areas to be covered in 2023/24 include the uMkhanyakude, Ugu, Amajuba District Municipalities, and Msunduzi Local Municipality.

Traditional institutional management

Traditional institutional governance remains central in supporting and building the capacity of traditional institutions. The main focus for 2023/24 will be to:

- Enhance traditional institutional governance by dealing with disputes, undertaking the recognition of *Amakhosi*, providing support to deceased *Amakhosi* families and participating in municipal councils.
- Update family trees and digitise the information for storage.
- Undertake the recognition of *Amakhosi* and *Amabamba bukhosi* within the stipulated time-frames.
- Resolve emerging disputes and profile *Izizwe* (tribes) on customary law as a way of promoting a cultural and customary way of life.
- Support the Provincial and Local Houses of Khoisan and Traditional Leadership and TCs to ensure that they are functioning efficiently.
- Over the 2023/24 MTEF, the department has budgeted to pay 2 972 *Izinduna* with a budget of R367.047 million in 2023/24, 3 025 *Izinduna* with a budget of R384.768 million in 2024/25 and 3 025 *Izinduna* with a budget of R396.974 million in 2025/26, in line with the number of *Izigodi*. The provincial allocation in this regard is R171.331 million in 2023/24, R179.041 million in 2024/25 and R187.062 million, and the difference is allocated from within the department's budget.

It should be noted that the department was allocated a once-off amount of R631.083 million in 2023/24 to settle the backpay amount owed to *Izinduna* in this province. These funds are specifically and exclusively allocated and may, therefore, not be used for any other purpose. It should be noted that the amount requested by the department was fully allocated. The department indicated that 3 004 *Izinduna* qualified. This is broken down to 2 229 that are currently on the system and 775 that have been terminated (thus are no longer on the system). This excluded 75 *Izinduna* with issues, and the department indicated that the backpay of R16.556 million will be funded internally once the issues have been resolved.

The verification undertaken by the department considered the accurate number of *Izinduna* present in each financial year (from November 2013/14 to April 2016/17), through conducting physical headcounts in their district offices with the assistance of *Amakhosi*. Each *Induna* was requested to bring their identification document to the offices to be verified. Also, the department liaised with the A-G and received the outcome of their verification processes through a computer-assisted audit tool. The department used signed appointment letters from *Amakhosi* and PERSAL reports to calculate the cost owed to *Izinduna*. The department expects to effect this payment of backpay early in 2023/24.

4. Reprioritisation

The following main reprioritisation was undertaken over the 2023/24 MTEF:

- Amounts of R13.509 million in 2023/24 and R7.562 million in 2024/25 were reprioritised from Programme 2: Local Governance mainly from *Goods and services* due to the funding for the security

of municipal representatives' function that was moved to Programme 1: Administration as the Security Manager that oversees this function falls under Programme 1. This is a shifting of funds as the purpose of the funds stays the same.

- An amount of R36.609 million was reprioritised from Programme 3: Development and Planning against *Buildings and other fixed structures* in 2024/25 due to Community Service Centres (CSCs) projects that were postponed to a future period to cater for other priority projects within the department, as explained below.
- Amounts of R34.202 million in 2023/24 and R33.089 million in 2024/25 were reprioritised from Programme 4: Traditional Institutional Management mainly against *Goods and services* in respect of operating payments relating to vacancies of 455 *Izinduna*. Once these vacancies are filled, the department will undertake internal reprioritisation to top up the budget for *Izinduna* in-year. The funds moved mainly relate to the department's portion of the budget for *Izinduna* and not the allocation from Provincial Treasury, which is specifically and exclusively allocated.

The total amounts of R47.711 million in 2023/24 and R77.260 million in 2024/25 were moved as follows:

- R40.478 million in 2023/24 and R77.260 million in 2024/25 were moved to Programme 1, mainly against *Goods and services*, to fund the improvement of the department's Information and Communication Technology (ICT) systems. This includes developing an IT strategy that will be aligned with the departmental strategy, and establishing a detailed security operating model and governance environment for the fourth Resolution ICT architecture that will include the implementation of Information Security International Standards, as well as governance structures as per the DPSA Corporate Governance of ICT Policy Framework. The funds also cater for the ICT operational costs for the department, which were under-budgeted for. Also, the funds for the provision of security of municipal representatives was moved from Programme 2 to Programme 1, as explained.
- R7.233 million in 2023/24 was moved to Programme 3 against *Goods and services* in respect of provision toward the restoration of water supply in the Ugu, Amajuba and uMkhanyakude District Municipalities and for electrical engineering and project management services toward the provision of sustainable electricity supply within the Msunduzi Local Municipality. These projects are for 24 months and commenced in 2022/23, where the department committed R58 million in total. A total of R105 million has been committed in 2023/24.

5. Procurement

The department uses a manual requisition and ordering system, which ensures compliance to SCM practices in line with financial and SCM delegations of the department. With the amended Preferential Procurement Policy Framework Act regulations of 2022 taking effect in January 2023, the department has also amended its SCM policy to be in line with the revised regulations to ensure that all future procurement is in line with the relevant and updated regulations.

The department will continue to implement government policies on procurement in order to maximise the current budget allocation. The major procurement to be undertaken continues to include the support to municipalities in the form of financial expert's appointments to assist municipalities with positive audit outcomes, appointment of governance experts to ensure good governance in municipalities and appointment of administrators to assist with sound administration within the municipalities.

The department will procure water and electricity infrastructure and will comply with relevant prescripts. The provision of electrification projects will be undertaken in the uMkhanyakude, Ugu and Amajuba District Municipalities, as well as Msunduzi Local Municipality as part of the department's 2023/24 procurement plan in line with the prescripts. Also, some construction, rehabilitation and refurbishment of CSCs will continue in the province. There is continuous support by the Provincial Disaster Management Centre (PDMC) to provide relief to disaster stricken communities in the form of blankets, food parcels, plastic sheeting and relief boxes. Other major procurement relates to the department's support in the procurement of a service provider to assist with the TC elections. The elections were intended to be undertaken in March 2023 but, due to an appeal, they are likely to be undertaken in early 2023/24.

6. Receipts and financing

6.1 Summary of receipts

Table 11.1 indicates the sources of funding for Vote 11 over the seven-year period from 2019/20 to 2025/26. The table also compares actual and budgeted receipts against actual and budgeted payments. The department receives a provincial allocation in the form of an equitable share, and national conditional grant allocation in respect of the EPWP Integrated Grant for Provinces. The EPWP Integrated Grant for Provinces is incentive driven and allocations are based on previous year's performance.

Table 11.1 shows that there is average growth of 3.17 per cent over the 2023/24 MTEF period. The equitable share grows by 4.48 per cent in the outer year of the MTEF as per National Treasury guidelines. However, the growth was to some extent mitigated by the 2023/24 MTEF budget cuts, which are detailed later.

Table 11.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Equitable share	1 786 021	1 416 965	1 779 557	1 818 040	1 818 040	1 818 040	2 441 053	1 917 588	1 996 410
Conditional grants	3 858	2 777	1 994	1 993	1 993	1 993	1 960	-	-
EPWP Integrated Grant for Provinces	3 858	2 777	1 994	1 993	1 993	1 993	1 960	-	-
Total receipts	1 789 879	1 419 742	1 781 551	1 820 033	1 820 033	1 820 033	2 443 013	1 917 588	1 996 410
Total payments	1 966 799	1 513 868	1 781 877	1 820 033	1 820 033	1 820 033	2 443 013	1 917 588	1 996 410
Surplus/(Deficit) before financing	(176 920)	(94 126)	(326)	-	-	-	-	-	-
Financing									
of which									
Provincial roll-over	70 009	24 182	-	-	-	-	-	-	-
Provincial cash resources	96 562	70 000	9 000	-	-	-	-	-	-
Suspension to future year	35 000	-	-	-	-	-	-	-	-
Surplus/(Deficit) after financing	24 651	56	8 674	-	-	-	-	-	-

In 2019/20, the department received R35 million, being the funds that were suspended from 2018/19 in respect of the TC elections scheduled at the time to take place in December 2019, but were later postponed to 2022/23.

The department was allocated an additional R9.642 million against the equitable share in 2019/20, R9.889 million in 2020/21 and R10.333 million in 2021/22 with carry-through, for strengthening the province's support interventions in municipalities in terms of Section 139 of the Constitution.

The department's equitable share was cut by R634 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.

The department was allocated equitable share roll-overs amounting to R70.009 million from 2018/19 to 2019/20 in respect of the following:

- R675 000 was approved as a roll-over by National Treasury in respect of the Provincial Disaster Recovery grant (PDRG) for the refurbishment of seven CSCs and two houses for *Amakhosi* which were damaged by storms. It should be noted that the department requested a roll-over of R10.615 million in this regard. However, only R675 000 was approved by National Treasury, and the balance of R9.940 million was surrendered to the National Revenue Fund.
- R49.334 million of the equitable share roll-over was approved in respect of the purchase of equipment for municipalities under the Operation Khawuleza intervention. The equipment includes waste trucks, water tankers, vacuum sewerage tankers, etc.
- R20 million was rolled over for transfer to the Municipal Infrastructure Support Agent (MISA) to assist the Abaqulusi Local Municipality with support in respect of Section 139 of the Constitution for an intervention for water and electricity.

The department was allocated a net amount of R96.562 million from provincial cash resources as follows:

- R100.562 million was allocated toward the water, sanitation and electricity backlog study as mandated by the Cabinet *Lekgotla* in August 2018, as well as by the Honourable Premier in his SOPA pronouncement in June 2019.
- This amount was offset by R4 million suspended from the department's budget in respect of infrastructure work to be undertaken with regard to His Majesty, the King's palace. This was allocated to OTP.

The department under-spent the 2019/20 budget by R24.651 million mainly due to the following:

- Non-completion of work by service providers in respect of the water, sanitation and electricity backlog study amounting to R24.182 million.
- The department only spent R288 000 of the R675 000 roll-over in respect of the PDRG for the refurbishment of seven CSCs and two houses for *Amakhosi* which were damaged by storms on 10 October 2017, with under-spending of R387 000 as professional fees could not be fully paid until all projects reached close-out stage. The projects were largely delayed due to COGTA procurement processes being cancelled and the projects were handed over to DOPW for implementation. A roll-over was requested in this regard, but National Treasury did not approve the roll-over.
- Also contributing was the late receipt of invoices for the construction of the Matimatolo CSC. The invoices were not received on time for processing before year-end.
- There were also lower than budgeted consultants' costs with regard to the TC boundaries (*Izigodi*) project.

In 2020/21, an amount of R24.182 million of the equitable share was rolled over from 2019/20 in respect of the water, sanitation and electricity backlog study. In addition, the department received an additional R70 million from provincial cash resources toward the drilling and equipping of boreholes programme.

Also in 2020/21, the Covid-19 pandemic resulted in the department's budget being reduced by R408.164 million, and this was formalised in the Special Adjustments Estimate, with the funds allocated toward the provincial Covid-19 response. Also, the department's budget was cut by R51.240 million under Programme 1 against *Compensation of employees* in the Second Adjustments Estimate. This relates to the provision made for the 2020 cost of living adjustment, and this cut was effected by National Treasury as this matter was in court and was unlikely to be resolved before the end of the financial year.

The department minimally under-spent the 2020/21 budget by R56 000 due to reduced travelling costs by officials within the department, especially during the initial stages of the national lockdown.

In 2021/22, the department received provincial cash resources of R9 million to cater for the cost of repairing infrastructure damaged during the unrests that took place in the province in July 2021. The department under-spent the 2021/22 budget by R8.674 million against *Buildings and other fixed structures*, largely in respect of this additional R9 million allocated for repairs to infrastructure damaged during the July 2021 unrest. The additional funding was to cater for the five CSCs that were vandalised and looted. According to the department, the funds were only received late in September 2021 and DOPW did not approve the use of emergency procurement toward project implementation. The department was dependent on DOPW for the procurement, and was only able to spend R326 000 by year-end.

In 2022/23, the department's budget remained unchanged from the Main to the Adjusted Appropriation and the department is projecting a balanced budget at the end of 2022/23 as per the December IYM.

The department implemented the National Treasury baseline cuts of R23.905 million, R47.716 million and R54.106 million over the 2020/21 MTEF and cuts of R234.807 million, R317.719 million and R331.389 million over the 2021/22 MTEF, as detailed in the 2022/23 *EPRE*. Also, over the 2023/24 MTEF, the department's budget was cut by R23.184 million, R9.375 million and R16.504 million as a result of data updates of the PES formula, as well as downward revisions to the own revenue projections. The budget for the Vote as a whole shows a decreasing trend in the two outer years of the 2023/24 MTEF, due to the once-off allocation in 2023/24 in respect of the payment for *Izinduna*, as mentioned.

With regard to the once-off amount of R631.083 million from National Treasury in 2023/24 only in respect of the payment for *Izinduna*, a meeting will be held between Provincial Treasury and the

department to discuss the payment process, as well as the internal controls in place to ensure that these funds are spent correctly. It should also be noted that these funds are specifically and exclusively allocated and may, therefore, not be used for any other purpose. The department was allocated R1.960 million for the EPWP Integrated Grant for Provinces in 2023/24.

6.2 Departmental receipts collection

Table 11.2 reflects departmental receipts for the period 2019/20 to 2025/26. Details of these receipts are presented in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Table 11.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	1 554	1 519	1 574	2 336	2 336	1 613	2 438	2 548	2 662
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	80	871	1 463	63	63	89	66	69	72
Sale of capital assets	-	1 506	-	1 500	1 500	2 580	1 600	1 634	1 707
Transactions in financial assets and liabilities	3 146	31 423	7 021	1 400	1 400	1 400	1 462	1 528	1 596
Total	4 780	35 319	10 058	5 299	5 299	5 682	5 566	5 779	6 037

Sale of goods and services other than capital assets derives its revenue from commission on PERSAL deductions such as insurance premiums and garnishee orders, sale of maps and publications, parking fees, tender fees and rental from officials occupying state houses. The fluctuating trend from 2019/20 to 2025/26 is due to the unpredictable nature of this source. The budget over the MTEF remains high as it is based on the 2022/23 Main Appropriation, rather than the previous years' collections.

Interest, dividends and rent on land relates to interest derived from staff debts. The revenue trend is very volatile due to the uncertain nature of this source as it depends on the outstanding debts and the interest rate charged. The MTEF budget is very conservative, due to the unpredictable nature of this source.

Sale of capital assets relates to the sale of redundant assets such as motor vehicles and old office equipment. The high collection in the 2022/23 Revised Estimate is related to an auction of redundant motor vehicles. Revenue from this source is very difficult to budget for as it relies on the volume of fleet and the performance of the auction, hence the budget grows gradually over the 2023/24 MTEF.

Transactions in financial assets and liabilities includes the recovery of staff debts such as breached bursary contracts and refunds related to previous years' expenditure. The high collection in 2020/21 includes the refund of R27.364 million from the IEC in respect of the TC elections that were to take place in February 2020 but were postponed, as mentioned, as well as a refund of R2.223 million from the Department of International Relations and Co-operation for international travel not undertaken by the department in 2019/20. The revenue budget shows conservative growth over the 2023/24 MTEF due to the unpredictable nature of this category.

6.3 Donor and agency funding - Nil

7. Payment summary

Section 7 reflects payments and budgeted estimates for programmes and economic classifications. Details are given in Section 9, as well as *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

7.1 Key assumptions

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

- All inflation related increases are based on CPI projections.

- Over the 2023/24 MTEF, National Treasury has provided provinces with the budget for the carry-through of the 3 per cent cost of living adjustment which was implemented in 2022/23.
- In terms of *Compensation of employees*, the department made provision for a 12 per cent growth (R73.987 million) in 2023/24 (as based on the 2022/23 Adjusted Appropriation), 5.7 per cent (R47.313 million) in 2024/25 and 2.3 per cent (R20.436 million) in 2025/26. The high growth in 2023/24 is to provide for filling critical vacant posts. The increase in 2024/25 allows for a 4.5 per cent growth plus the 1.5 per cent for pay progression. The low increase in 2025/26 is sufficient for the 1.5 per cent pay progression, and will be reviewed in the next budget process. The department plans to fill 210 vacant posts in 2023/24 and 11 vacant posts in 2025/26.

7.2 Amendments to provincial and equitable share funding: 2021/22 to 2023/24 MTEF

Table 11.3 shows amendments to the provincial and equitable share funding over the 2021/22, 2022/23 and 2023/24 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2025/26) are based on the incremental percentage used in the 2023/24 MTEF.

Table 11.3 : Summary of amendments to provincial and equitable share allocations for the 2021/22 to 2023/24 MTEF

R thousand	2021/22	2022/23	2023/24	2024/25	2025/26
2021/22 MTEF period	(177 444)	(232 807)	(307 930)	(321 876)	(336 386)
Fiscal Consolidation budget cut	(48 790)	(51 426)	(93 008)	(97 193)	(101 547)
Compensation of employees budget cut (wage freeze and fiscal consolidation)	(120 321)	(172 531)	(212 784)	(222 359)	(232 321)
Municipal interventions funds moved to Vote 6:Provincial Treasury	(10 333)	(10 850)	(11 327)	(11 837)	(12 367)
Adjustment to outer year	-	-	7 189	7 513	7 850
District Champion of OSS/DDM responsibilities	2 000	2 000	2 000	2 000	2 000
2022/23 MTEF period			-	-	-
2023/24 MTEF period			(23 184)	1 939	(5 060)
Cost of living adjustment carry-through (3%)			-	11 314	11 444
PES data update and own revenue reduction			(23 184)	(9 375)	(16 504)
Izinduna backpay			631 083	-	-
Total	(177 444)	(232 807)	(331 114)	(319 937)	(341 446)

Over the 2021/22 MTEF, the department implemented the National Treasury baseline cuts as shown in the table. Reductions made to the provincial equitable share include a combination of freezing salary increases, as well as additional reductions implemented to support fiscal consolidation, with these cuts weighted heavily toward reductions in *Compensation of employees* and *Goods and services*. The budget cuts were thus made to the planned spending levels of provinces over the medium term to account mainly for *Compensation of employees*' reductions, while there are also additional reductions in order to support fiscal consolidation. Furthermore, funds were moved from the department to Vote 6: Provincial Treasury in respect of the municipal intervention allocation. Also, the department was allocated additional funds in respect of the baseline adjustment and the District Champion of OSS/DDM responsibilities, with carry-through, as shown in the Table 12.3.

In the 2022/23 MTEF, there were no changes to the department's allocation.

Over the 2023/24 MTEF, the department received additional allocations of R11.314 million in 2024/25 and R11.444 million in 2025/26 relating to the 3 per cent cost of living adjustment carry-through from National Treasury. Also, the department was allocated an amount of R631.083 million from National Treasury in 2023/24 only, to the settle the backpay amount owed to *Izinduna* in this province. The additional allocations are to some extent mitigated by the 2023/24 MTEF budget cuts implemented by National Treasury amounting to R23.184 million in 2023/24, R9.375 million in 2024/25 and R16.504 million in 2025/26 in line with the PES data update and own revenue reduction. The budget cuts were effected against Programmes 2, 3 and 4, against *Goods and services*, *Buildings and other fixed structures* and *Machinery and equipment*. The budget cuts will result in the department scaling down on some water and electricity projects and CSC projects implemented, and reducing the procurement of stationery for all departmental officials, etc.

7.3 Summary by programme and economic classification

The services rendered by the department are categorised under four programmes. The department received approval from National Treasury in June 2018 to deviate slightly from the uniform budget structure for the

COGTA sector and this deviation continues to be in place. Tables 11.4 and 11.5 provide a summary of the Vote's payments and budgeted estimates over the seven-year period, by programme and economic classification, respectively.

Table 11.4 : Summary of payments and estimates by programme: Co-operative Governance and Traditional Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
1. Administration	420 978	363 772	462 748	398 689	410 451	418 851	454 095	489 265	475 700
2. Local Governance	317 429	302 261	313 542	359 511	334 164	334 164	322 551	343 559	373 377
3. Development and Planning	599 574	302 505	494 918	423 074	476 525	478 218	434 051	465 981	508 652
4. Traditional Institutional Management	628 818	545 330	510 669	638 759	598 893	588 800	1 232 316	618 783	638 681
Total	1 966 799	1 513 868	1 781 877	1 820 033	1 820 033	1 820 033	2 443 013	1 917 588	1 996 410

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	1 522 213	1 328 607	1 429 962	1 561 022	1 559 934	1 558 869	2 346 901	1 802 400	1 907 485
Compensation of employees	693 065	706 163	729 258	793 714	736 695	750 778	824 765	872 078	892 514
Goods and services	829 063	622 436	700 257	767 308	823 154	808 006	1 522 136	930 322	1 014 971
Interest and rent on land	85	8	447	-	85	85	-	-	-
Transfers and subsidies to:	369 436	38 830	231 248	144 480	190 180	191 242	24 670	45 790	11 363
Provinces and municipalities	222 819	491	188 504	81 701	181 770	181 583	16 600	37 470	920
Departmental agencies and accounts	67 000	-	13 000	55 000	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	1 280	1 280	1 280
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	29 000	-	-	-	-	-	-	-	-
Non-profit institutions	37 343	26 082	19 820	250	250	250	250	250	250
Households	13 274	12 257	9 924	7 529	8 160	9 409	6 540	6 790	8 913
Payments for capital assets	75 150	144 711	108 902	114 531	69 915	69 915	71 442	69 398	77 562
Buildings and other fixed structures	11 455	99 383	79 528	92 100	26 932	24 667	39 969	37 267	54 241
Machinery and equipment	63 663	36 433	16 403	22 431	31 469	33 734	15 131	8 694	8 941
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	32	8 895	12 971	-	11 514	11 514	16 342	23 437	14 380
Payments for financial assets	-	1 720	11 765	-	4	7	-	-	-
Total	1 966 799	1 513 868	1 781 877	1 820 033	1 820 033	1 820 033	2 443 013	1 917 588	1 996 410

Programme 1 provides for the improvement of the department's ICT systems, and the maintenance and upgrading of various departmental buildings. The increase in the 2022/23 Adjusted Appropriation was due to funds moved to *Goods and services* in respect of the increase in the cost of leasing official buildings, higher than anticipated municipal services costs, the increase in fleet services costs due to additional water tankers purchased, increases in fuel prices, advertising costs, SITA costs, as well as legal costs for the appointment of attorneys to assist with grant recoveries from municipalities. Also, funds were moved to *Machinery and equipment* for the procurement of motor vehicles for the departmental fleet that was under-budgeted for. The high 2022/23 Revised Estimate was due to the procurement of additional fleet vehicles, due to age (seven years and more). Programme 1 reflects a fluctuating trend over the 2023/24 MTEF and the growth caters for the improvement of the department's ICT systems, and the maintenance and upgrading of various departmental buildings, as some costs are once-off. The decrease in 2025/26 is in line with the purchase of Microsoft software licences, which fluctuates in line with the order for three years. Over the 2023/24 MTEF, Programme 1 provides for the filling of 84 critical vacant posts, including Chief Director: Monitoring and Evaluation, Director: ICT, Deputy Director: Security Services, Deputy Director: CFO Support, Deputy Director: Budget Planning, Deputy Director: Evaluation, Deputy Director: Strategic Planning, among others. The department has sufficient growth to fill these vacant posts and has budgeted for the 1.5 per cent pay progression and the carry-through of the 3 per cent cost of living adjustment over the MTEF. Programme 1 was not affected by the 2023/24 MTEF budget cuts.

Programme 2 caters for the training of municipal councillors, governance and financial experts, municipal administrators, and community outreach programmes (including *Izimbizo* and community dialogues with ward committees as part of the Back to Basics campaigns), among others. The decrease in the 2022/23 Adjusted Appropriation was due to savings from *Goods and services* moved from various projects that were unlikely to be implemented/fully implemented in the year, including legal shared services, review of

municipal organograms, IDPs, councillor training, various departmental events, close protection services for administrators not appointed, as well as reduced travel and subsistence costs. Programme 2 reflects an increasing trend over the 2023/24 MTEF. The decrease in 2023/24 is due to the 2023/24 MTEF budget cuts, effected under this programme only in 2023/24 against *Goods and services* in respect of consultants' costs impacting on the governance and financial experts that will be scaled down. Over the MTEF, the budget provides for the filling of 95 vacant posts, namely six Director: Local Government Champions posts, Director: CDWs and Rapid Response, Deputy Director: Capacity Building Strategy, Deputy Director: Capacity Operations and Implementation, Deputy Director: IGR, Deputy Director: IDP, among others. The department has sufficient growth to fill all vacant posts and has budgeted for the 1.5 per cent pay progression and the carry-through of the 3 per cent cost of living adjustment over the MTEF.

Programme 3 caters for various projects such as disaster management, nodal plans, implementation of spatial equity norms and standards, the Spatial Development Framework (SDF) support, Geospatial Land Register and Development Application Management System programmes, Small Town Rehabilitation, Massification and Corridor Development programmes, etc. The increase in the 2022/23 Adjusted Appropriation and Revised Estimate mainly relates to funds moved to *Goods and services* and *Transfers and subsidies to: Provinces and municipalities* for the implementation of service delivery projects by municipalities. These include water intervention projects, Small Town Rehabilitation projects, as well as Massification projects, etc. The decrease in the programme in the first two years of the MTEF is attributed to the 2023/24 MTEF budget cuts implemented. The budget cuts effected against this programme will have a negative impact on projects such as the Small Town Rehabilitation programme and disaster management projects. These projects will be scaled down. The MTEF allocations provide for the maintenance, refurbishment, rehabilitation, and construction of CSCs and *Imizi Yezizwe*, such as the Xaba, Zulu, and Hlomindleni CSCs, continuation of priority water service delivery interventions in terms of the Water Master Plan, and electrification projects. Also, provision was made for the N2 South and SMART City development project (also known as N2 Eastern Seaboard SMART African City Corridor) being undertaken by the department in various municipalities, namely eThekweni, Ugu, Ray Nkonyeni, uMdoni, uMzumbe, uMuziwabantu, Harry Gwala, uMzimkhulu, uBuhlebezwe, Greater Kokstad and Dr Nkosazana Dlamini Zuma. The department is undertaking the project in association with EDTEA. The project commenced in 2022/23, and will be undertaken over a period of two years, and includes the Geospatial Land Register, the development of an Application Management System, the implementation of spatial equity norms and standards, nodal plans, Corridor Development, support to disaster management centres, among others. The 2023/24 budget provides for the filling of 43 vacant posts, namely Chief Director: LED, two Director: Survey Services Land Use Management posts, two Deputy Director: Survey Services Land Use Management posts, Deputy Director: Chief Town and Regional Planner (OSD), Chief Director: Municipal Infrastructure, Deputy Director: Disaster Management Operations, among others. The department has sufficient growth to fill all vacant posts and has budgeted for the 1.5 per cent pay progression and the carry-through of the 3 per cent cost of living adjustment over the MTEF.

Programme 4 caters for the recognition and installation of *Amakhosi*, capacity building programmes for *Amakhosi* and the remuneration of *Izinduna*, etc. The decrease in the 2022/23 Adjusted Appropriation was mainly due to savings moved from *Compensation of employees* as a result of the non-filling of vacant posts and funds moved from *Transfers and subsidies to: Departmental agencies and accounts* in respect of the IEC relating to lower than budgeted TC election costs. The growth over the MTEF was to some extent mitigated by the 2023/24 MTEF budget cuts effected against *Goods and services* in respect of operating payments relating to 455 *Izinduna* vacancies. According to the department, if the process of filling the vacancies is fast-tracked and posts are filled, it will undertake reprioritisation in-year to top the budget up. The high 2023/24 allocation includes R631.083 million backpay owed to *Izinduna* in this province, as explained. The 2023/24 MTEF allocations cater for the planned filling of vacant posts, the remuneration of *Izinduna*, support to traditional institutions, installation and recognition of *Amakhosi*, dispute resolutions, among others. The 2023/24 budget provides for the filling of 41 critical vacant posts, including Deputy Directors: Dispute Resolution, Deputy Director: Traditional Governance, Director: Secretariat/Head Researcher-Commission, Deputy Directors: Research Commission, among others. The department has sufficient growth to fill all vacant posts and has budgeted for the 1.5 per cent pay progression and the carry-through of the 3 per cent cost of living adjustment over the MTEF.

Compensation of employees reflects healthy growth over the 2023/24 MTEF period. The growth caters for the filling of 221 vacant posts, the carry-through of the 3 per cent cost of living adjustment, etc. The decrease in the 2022/23 Adjusted Appropriation was due to the non-filling of vacant posts as a result of lengthy internal recruitment processes, as well as resignations, deaths and retirements. The high 2023/24 Revised Estimate is due to the implementation of the pay progression to contract employees who met the requirements and qualified for pay progression in line with the Employee Performance Management Policy, with backpay from 2012. This category shows growth of 9.9 per cent from the 2022/23 Revised Estimate to 2023/24. Also, there is an increase of 5.7 per cent in 2024/25 and 2.7 per cent in 2025/26. The budget provides for the planned filling of 210 critical vacant posts in 2023/24 and 11 critical vacant posts in 2025/26, as mentioned. The department has sufficient growth to fill vacant posts and has budgeted for the 1.5 per cent pay progression over the MTEF.

Goods and services fluctuates over the period. This category caters for projects such as nodal plans, implementation of spatial equity norms and standards, the SDF support, Geospatial Land Register and Development Application Management System programmes, Small Town Rehabilitation, Massification and the Corridor Development programmes, among others. The increase in the 2022/23 Adjusted Appropriation was toward the water and electrification projects in various municipalities, the increase in the cost of leasing official buildings and in respect of the TC elections, as explained. This category caters for the payment of *Izinduna* and the department has budgeted to pay 2 972 *Izinduna* with a budget of R367.047 million in 2023/24, 3 025 *Izinduna* with a budget of R384.768 million in 2024/25 and 3 025 *Izinduna* with a budget of R396.974 million in 2025/26, in line with the number of *Izigodi*. The high 2023/24 allocation includes R631.083 million backpay owed to *Izinduna* in this province, as explained. This category also houses the budget for the EPWP Integrated Grant for Provinces. The grant allocation has reduced slightly in 2023/24 in comparison to 2022/23 due to the incentive nature of the grant. The grant is allocated annually and, hence no funds are allocated in the two outer years of the 2023/24 MTEF, at this stage. The budget over the MTEF includes additional funds allocated for the strengthening of the province's support interventions in municipalities placed under administration in terms of Section 139 of the Constitution, and for projects under the Small Town Rehabilitation, Corridor Development and the Massification programmes, water and electrification projects, the SMART City development project, among others. This category was impacted by the 2023/24 MTEF budget cuts, with a portion of these cuts effected against consultants' costs impacting on the governance and financial experts and Small Town Rehabilitation programme, as well as Disaster Management projects that will be scaled down.

Interest and rent on land caters for penalties and interest paid by the department. The 2022/23 Adjusted Appropriation reflects R85 000 in respect of payment made to the South African Revenue Services (SARS) related to an amended SARS reconciliation for the previous year that resulted in interest charged against the department.

Transfers and subsidies to: Provinces and municipalities fluctuates over the period, mainly due to the spending patterns of municipalities, and caters for various projects under the Disaster Management, Corridor Development, Small Town Rehabilitation and Massification programmes, among others. The substantial increase in the 2022/23 Adjusted Appropriation was due to funds that were moved for the implementation of service delivery projects in the province by municipalities. These include water intervention projects, as well as Small Town Rehabilitation and Massification projects (including electricity projects). The allocations in the first two years of the 2023/24 MTEF cater for the Small Town Rehabilitation programme in respect of the construction and upgrading of storm water infrastructure in uMdoni, construction of a mechanical and multipurpose workshop in Mtubatuba, construction of a trading facility in uMshwathi, bulk services and rehabilitation of the Bergville industrial park in Okhahlamba, as well as the construction of a one-stop-shop for SMMEs in Greater Kokstad. The allocation under this category is reviewed in-year and annually. This is because the department usually budgets for projects under *Goods and services* and then shifts the funds to *Transfers and subsidies to: Provinces and municipalities* during the Adjustments Estimate for transfer to municipalities, after an annual departmental exercise indicates that the municipalities have the necessary capacity to deliver on the projects themselves.

Transfers and subsidies to: Departmental agencies and accounts caters for various once-off projects. The amount in 2019/20 includes the R20 million transferred to MISA to assist the AbaQulusi Local

Municipality with support in respect of Section 139 of the Constitution for an intervention required for water and electricity. The amount of R13 million in 2021/22 was mainly in respect of the transfer to the Agri-business Development Agency (ADA) for the construction of the KwaXolo greenhouse tunnel, as well as additional hydroponic tunnels and open field irrigation on a farm in Bulwer. The 2022/23 allocation relates to the transfer to the IEC for the TC elections, which was moved to *Goods and services* during the 2022/23 Adjustments Estimate because the department will be using a service provider to undertake the elections as the IEC is not able to undertake the elections, as explained. The amounts are once-off, hence there are no allocations over the MTEF.

The 2023/24 MTEF allocations against *Transfers and subsidies to: Higher education institutions* will be utilised on a programme of action to improve the resilience of human settlements through improved spatial planning and land use management in the province. The transfer is in partnership with the University of KwaZulu-Natal, where four post-doctoral academic experts will be contracted to undertake the project. The project aims to provide diagnostic case studies on the April 2022 flood disaster, recommend areas to address in the provincial guidelines, and provide provincial protocol and a guiding framework for Land Use Schemes and zoning of vulnerable areas, among others.

With regard to *Transfers and subsidies to: Public corporations and private enterprises*, the 2019/20 expenditure was mainly in respect of the transfer of R29 million to the uMhlathuze Water Board for the Skhemelele water supply project in uMkhanyakude as part of the water intervention programme which provided for the construction of a water storage facility, a new water distribution network and a booster pump in uMkhanyakude. The amount was once-off, hence there are no allocations from 2020/21 onward.

Transfers and subsidies to: Non-profit institutions mainly relates to the traditional levies and trust account in the prior years. The amounts are usually determined at the end of the financial year, and hence are not yet included from 2022/23 onwards. The amounts in 2022/23 and over the 2023/24 MTEF relate to transfer to the Tembe Trust Account in support of the Umthayi Amarula festival to celebrate the first fruits of the marula fruits, which are brewed into a traditional beer by all households within the Tembe Traditional Community, and this is presented to the *Inkosi* at his residence in the form of a colourful festival.

Transfers and subsidies to: Households fluctuates over the period due to staff exit costs, as well as bursaries to external students. The increase in the 2022/23 Adjusted Appropriation and Revised Estimate was in respect of higher than budgeted staff exit costs. The MTEF provides for external bursaries and staff exit costs. The decrease over the MTEF relates to the number of bursaries reduced in line with the number of qualifying applications.

Buildings and other fixed structures fluctuates over the period and relates to the construction and rehabilitation of CSCs and *Imizi Yezizwe*. The substantial decrease in the 2022/23 Adjusted Appropriation was attributed to lengthy approval processes by DOPW's Bid Adjudication Committee (BAC) in respect of the construction of new and the rehabilitation of existing CSCs. Also, construction delays were attributed to the National Treasury instruction to stop all bid advertisements which delayed the bid advertisements for various CSCs projects. The savings also relate to the reprioritisation of funds from the borehole programme and construction of district offices in Ixopo and Dundee. The reprioritisation was due to lengthy SCM processes in undertaking these projects and, hence, they will not be implemented in 2022/23. The MTEF allocations provide for the construction of CSCs and *Imizi Yezizwe*, such as the Xaba, Zulu, and Hlomindleni CSCs, as well as the continuation of priority water service delivery interventions in line with the Water Master Plan. A portion of the 2023/24 MTEF budget cuts were effected against this category, and the department will need to scale down on the number of new CSC projects implemented.

Machinery and equipment caters for departmental fleet, computer and office equipment, among others. The increase in the 2022/23 Adjusted Appropriation was in respect of the procurement of furniture and equipment for the various TCs, procurement of motor vehicles for the departmental fleet and land survey equipment, which were under-budgeted for. The 2023/24 MTEF allocations also cater for the procurement of the communication system which will be used by the PDMC and mapping of disaster incidents data, among others, as well as the purchase and replacement of office furniture and computer equipment. The

decrease over the MTEF relates to a portion of the 2023/24 budget cuts being implemented against this category, meaning that the department will need to scale down on office equipment to be procured.

Software and other intangible assets caters for the maintenance and upgrade of existing software, such as the GIS software upgrade. The substantial increase from 2020/21 relates to funds shifted from *Goods and services* (computer services) to correctly reflect the budget for software. This was due to a SCOA classification review. According to the department, a review of the SCOA classification indicated that software licences purchased over 12 months should be classified as capital. Hence, this amendment was undertaken to correct the classification. The licences are in respect of the Environmental Systems Research Institute (ESRI) licence, Mimecast licence, Exinda licence, Symantec licence and Secure Sockets Layer (SSL) licence.

Payments for financial assets in 2020/21 was in respect of write-offs of staff debts (mainly in respect of salary over-payments for both officials and *Izinduna*) who have passed away, and these debts are older than five years. The amount in 2021/22 relates to debts written off and clearing of suspense accounts that were identified as irrecoverable.

7.4 Summary of conditional grant payments and estimates

Tables 11.6 and 11.7 summarise conditional grant payments and budgeted estimates over the seven-year period, by grant name and economic classification, respectively.

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

Note that the historical figures in Tables 11.6 and 11.7 reflect actual expenditure per grant, and should not be compared to those figures reflected in Table 11.1, which represent the actual receipts for each grant.

Table 11.6 : Summary of conditional grant payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
EPWP Integrated Grant for Provinces	3 858	2 777	1 994	1 993	1 993	1 993	1 960	-	-
Provincial Disaster Recovery grant	288	-	-	-	-	-	-	-	-
Total	4 146	2 777	1 994	1 993	1 993	1 993	1 960	-	-

Table 11.7 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	3 858	2 777	1 994	1 993	1 993	1 993	1 960	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	3 858	2 777	1 994	1 993	1 993	1 993	1 960	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	288	-	-	-	-	-	-	-	-
Buildings and other fixed structures	288	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 146	2 777	1 994	1 993	1 993	1 993	1 960	-	-

EPWP Integrated Grant for Provinces: Funds were allocated to Programme 3, against *Goods and services* in respect of this grant, and are utilised for the appointment of EPWP learnerships. The EPWP learnerships relate to the Municipal In-Service Programme (MISP), which seeks to bridge the youth skills

gap identified. The objectives of the MISP are to create jobs and training opportunities for the unemployed youth across various sectors, to ensure participation of youth in community service delivery, and also to provide in-service training opportunities for youth in TVET colleges to complete their qualifications. The grant is allocated annually, and is based on the previous year's performance, and hence no funds are allocated in the two outer years of the 2023/24 MTEF, at this stage. The department funded its learnership initiatives using both the EPWP Integrated Grant for Provinces and the equitable share. The department will appoint 250 learners in 2023/24 using the EPWP Integrated Grant for Provinces. Also, the department will use its equitable share allocation to appoint an additional 250 learners.

Provincial Disaster Recovery grant: Funds in 2019/20 were allocated to Programme 3, and against *Buildings and other fixed structures* and were in respect of the refurbishment of seven CSCs and two houses for *Amakhosi* which were damaged by storms in October 2017. The department received R11.328 million in 2018/19 but, due to delays with the re-construction of the seven CSCs, only R713 000 was spent in 2018/19. As such, the department requested a roll-over of R10.615 million in this regard from 2018/19 to 2019/20, but only R675 000 was approved by National Treasury as the funds were not committed. The department then only spent R288 000 in 2019/20, and the balance was surrendered.

7.5 Summary of infrastructure payments and estimates

Table 11.8 summarises the infrastructure expenditure and estimates relating to the department. Further detailed information on infrastructure is provided in the 2023/24 *Estimates of Capital Expenditure (ECE)*. The infrastructure expenditure reflects a fluctuating trend over the period.

Table 11.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Existing infrastructure assets	288	14 692	15 619	41 583	24 301	22 764	38 120	38 167	39 300
Maintenance and repair: Current	-	2 613	5 368	10 583	6 877	8 356	17 251	18 000	14 300
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	288	12 079	10 251	31 000	17 424	14 408	20 869	20 167	25 000
New infrastructure assets: Capital	11 167	87 304	69 277	61 100	9 508	10 259	19 100	17 100	29 241
Infrastructure transfers	270 620	-	201 020	78 000	179 100	179 100	15 700	36 560	-
Infrastructure transfers: Current	21 450	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	249 170	-	201 020	78 000	179 100	179 100	15 700	36 560	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	16 141	12 800	30 329	24 528	25 910	23 676	29 004	29 794	31 737
Non infrastructure¹	12 254	13 012	17 115	22 112	22 112	22 112	23 238	23 448	23 755
Total	310 470	127 808	333 360	227 323	260 931	257 911	125 162	145 069	124 033
<i>Capital infrastructure</i>	<i>260 625</i>	<i>99 383</i>	<i>280 548</i>	<i>170 100</i>	<i>206 032</i>	<i>203 767</i>	<i>55 669</i>	<i>73 827</i>	<i>54 241</i>
<i>Current infrastructure</i>	<i>37 591</i>	<i>15 413</i>	<i>35 697</i>	<i>35 111</i>	<i>32 787</i>	<i>32 032</i>	<i>46 255</i>	<i>47 794</i>	<i>46 037</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

Maintenance and repair: Current caters for the maintenance of infrastructure, including *Imizi Yezizwe*, CSCs and TC buildings. The 2022/23 Adjusted Appropriation was reduced due to savings from the maintenance of departmental buildings such as Wadley house. The 2023/24 MTEF allocations cater for maintenance and upgrading of departmental buildings. The high amounts over the 2023/24 MTEF cater for the maintenance of various district offices, including renovations of the Mayville building, day-to-day maintenance of all departmental buildings, current renovations and refurbishments at Wadley house, waterproofing to the roof at the Mayville building, among others.

Refurbishment and rehabilitation: Capital caters for the refurbishment and renovation of existing CSCs and Traditional Administrative Centres (TACs) infrastructure. The fluctuations are in line with progress in renovating various CSCs. The decrease in the 2022/23 Adjusted Appropriation was due to lengthy approval processes by DOPW's BAC in respect of the rehabilitation of CSCs. Also, construction delays were attributed to the National Treasury's instruction to stop all bid advertisements which delayed the bid advertisements for various CSC projects in the first few months of the year. The budget over the MTEF caters for the rehabilitation and refurbishment of various projects, including the Mhlungwini, Mngomezulu Kholweni, Amakhuze TACs, among others.

New infrastructure assets: Capital caters mainly for the construction of CSCs and *Imizi Yezizwe*, TACs, as well as drilling and equipping of boreholes. The category fluctuates due to the nature of the construction

activities. The substantial decrease in the 2022/23 Adjusted Appropriation was due to reprioritisation of funds from the borehole programme and the construction of district offices in Ixopo and Dundee. The reprioritisation was due to lengthy SCM processes in undertaking these projects, and these projects will not be undertaken in 2022/23. The 2023/24 MTEF allocations cater for the construction of the Ixopo CSC and departmental offices, uMzinyathi CSC and departmental offices, Hlomindleni park home (used as offices for various units such as the Survey Services unit) and ablution, Xaba park home and ablution, Mkwanyana park home and Mavela TAC, etc. This category was impacted by the 2023/24 MTEF budget cuts implemented and the department will scale down on the number of new CSCs projects implemented. The department is reviewing its project list in this regard.

With regard to the *Infrastructure transfers: Current*, the amount in 2019/20 relates to the correction of reporting on all capital and current transfers to municipalities, as these transfers were only reported on from 2019/20.

Infrastructure transfers: Capital caters for transfers to various municipalities for infrastructure projects such as the construction of TSCs and CSCs, and Small Town Rehabilitation programmes, among others. The high spending in 2019/20 was in respect of a transfer to MISA to assist the AbaQulusi Local Municipality with support in respect of Section 139 of the Constitution for an intervention required for water and electricity, as mentioned. Also, various transfers were made to municipalities to implement developmental projects under the Small Town Rehabilitation, Massification and the Rural LED programmes, as well as construction of the Mvozane CSC in the Maphumulo Municipality. There were no transfers to municipalities in 2020/21 due to the budget cuts. The amount in 2021/22 was in respect of the transfer to ADA for the construction of the KwaXolo greenhouse tunnel, as well as additional hydroponic tunnels and open field irrigation on a farm in Bulwer, and for projects under the Small Town Rehabilitation, water intervention programme and the Massification and electrification programmes. The increase in the 2022/23 Adjusted Appropriation was for the implementation by municipalities of service delivery projects in the province. These include water intervention projects, Small Town Rehabilitation, as well as Massification projects. The 2023/24 MTEF allocations cater for implementation of Small Town Rehabilitation projects, including the construction and upgrading of storm water infrastructure in uMdoni, the construction of a mechanical and multipurpose workshop in Mtubatuba, the construction of a trading facility in uMshwathi, bulk services and rehabilitation of the Bergville industrial park in Okhahlamba and the construction of a one-stop-shop for SMMEs in Greater Kokstad. As explained, the department usually budgets for further projects under *Goods and services* and then shifts the funds to *Transfers and subsidies to: Provinces and municipalities* during the Adjustments Estimate for transfer to municipalities, after an annual departmental exercise indicates that the municipalities have the necessary capacity to deliver on the particular projects themselves.

Infrastructure: Leases caters for the buildings leased by the department. The increase in the 2022/23 Adjusted Appropriation was for invoices that were processed from the previous financial year, and lease increases for official buildings, such as Southern Life Plaza, as well as offices in uMzinyathi, iLembe and Richards Bay. The allocations over the MTEF provide for building leases such as Southern Life Plaza, uMzinyathi District office, Amajuba District office, among others.

Non infrastructure is in respect of the personnel budget and tools of trade used in the completion of all infrastructure projects. The allocations over the MTEF provide for the costs associated with infrastructure projects, such as personnel and capital equipment, as well as subsistence and travel costs.

7.6 Summary of Public Private Partnerships – Nil

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

Table 11.9 shows transfers made by the department to public entities that are listed in terms of Schedule 3 of the PFMA, as well as other entities.

The public entity ADA does not fall under the auspices of the department, but was merely used as an implementing agent.

Table 11.9 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PMFA) and other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Transfers to public entities		-	-	13 000	-	-	-	-	-	-
ADA	3.3: LED	-	-	13 000	-	-	-	-	-	-
Transfers to other entities		99 000	-	-	58 000	3 000	3 000	-	-	-
uMhlathuze Water Board	3.4: Municipal Infra.	29 000	-	-	-	-	-	-	-	-
MISA	3.4: Municipal Infra.	20 000	-	-	-	-	-	-	-	-
uMhlozinga DDA	3.4: Municipal Infra.	3 000	-	-	-	-	-	-	-	-
IEC	4.2: Trad. Resource Admin.	47 000	-	-	55 000	-	-	-	-	-
uThukela DDA	3.3: LED	-	-	-	3 000	3 000	3 000	-	-	-
Total		99 000	-	13 000	58 000	3 000	3 000	-	-	-

The once-off amount in 2021/22 was in respect of the transfer of R13 million made to ADA for the construction of the KwaXolo greenhouse tunnel, as well as additional hydroponic tunnels and open field irrigation on a farm in Bulwer, as explained.

In 2019/20, an amount of R29 million was transferred to the uMhlathuze Water Board for the Skhemelele water supply project in uMkhanyakude as part of the water intervention programme which provided for the construction of a water storage facility, a new water distribution network and a booster pump in uMkhanyakude. The amount was once-off, hence there are no allocations from 2020/21 onward.

Also in 2019/20, an amount of R20 million was rolled over for transfer to MISA to assist the AbaQulusi Local Municipality with support in respect of Section 139 of the Constitution for an intervention for water and electricity.

Further in 2019/20, an amount of R3 million was transferred to the uMhlozinga District Development Agency (DDA) in the uMkhanyakude District Municipality to operationalise the implementation of the RASET programme. The department provides support to DDAs through RASET training sessions, and by convening provincial DDA forums and holding engagements with municipalities to enable them to drive the LED programmes.

A once-off amount of R47 million against the IEC in 2019/20 was in respect of TC elections which were expected to take place in February 2020 but were postponed due to political issues with *Amakhosi*, and will now be held in 2022/23. This accounts for the allocation of R55 million in the 2022/23 Main Appropriation. However, the IEC will no longer undertake the elections on behalf of the department and hence the funds were shifted to *Goods and services* as the department will appoint a service provider to undertake the elections on their behalf, as explained.

In 2022/23, the department budgeted to transfer R3 million to the uThukela DDA in the uThukela District Municipality to operationalise the implementation of the Rural LED programme.

7.8 Transfers to local government

Table 11.10 details the transfers to local government, summarised according to categories A, B and C. Table 11.11 provides the departmental transfers to local government by grant name.

Detailed information on the departmental transfers to local government by transfer/grant type, category and municipality is given in *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

Transfers to local government exclude funds in respect of motor vehicle licences and the uMhlozinga and uThukela DDAs. These funds will not be transferred to any municipality, hence the amounts are not reflected in Tables 11.10 and 11.11.

Table 11.10 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Category A	-	-	-	-	-	-	-	-	-
Category B	140 625	-	72 720	73 000	101 100	101 100	15 700	36 560	-
Category C	77 995	-	115 300	5 000	77 000	77 000	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	218 620	-	188 020	78 000	178 100	178 100	15 700	36 560	-

Table 11.11 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Dev. Planning and Shared Serv	2.5: Mun. Perf. Mon., Rep. & Eval.	4 350	-	-	-	-	-	-	-	-
Municipal Excellence awards	2.5: Mun. Perf. Mon., Rep. & Eval.	-	-	-	-	2 000	2 000	-	-	-
Schemes Support programme	3.1: Spatial Planning	6 050	-	-	-	-	-	-	-	-
Spatial Dev. Framework Support	3.1: Spatial Planning	4 450	-	-	-	-	-	-	-	-
Building Plans Info. Mgt System	3.1: Spatial Planning	2 500	-	-	-	-	-	-	-	-
Geospatial Database Development	3.1: Spatial Planning	1 500	-	-	-	-	-	-	-	-
GIS Functionality	3.1: Spatial Planning	2 600	-	-	-	-	-	-	-	-
Corridor Development programme	3.3: LED	5 000	-	-	11 200	11 200	11 200	-	-	-
Small Town Rehabilitation programme	3.3: LED	66 500	-	33 920	45 800	67 900	67 900	15 700	36 560	-
Construction of TSCs and CSCs	3.3: LED	17 000	-	-	-	-	-	-	-	-
CSC Infrastructure Support	3.3: LED	-	-	7 500	-	-	-	-	-	-
Co-operative support for LED	3.3: LED	-	-	-	-	10 000	10 000	-	-	-
Massification prog (incl. elec. projects)	3.4: Mun. Infra.	86 670	-	22 600	5 000	20 000	20 000	-	-	-
Water intervention programme	3.4: Mun. Infra.	-	-	124 000	-	57 000	57 000	-	-	-
Disaster Management projects	3.5: Disaster Mgt.	22 000	-	-	16 000	10 000	10 000	-	-	-
Total		218 620	-	188 020	78 000	178 100	178 100	15 700	36 560	-

The fluctuation in transfers to local government is attributed to the spending patterns of municipalities, and caters mainly for projects under the Corridor, Massification and the Small Town Rehabilitation programmes, as well as water intervention programme, among others.

No funds were transferred in 2020/21 due to spending pressures within the department resulting from the budget cuts effected toward the provincial response to the Covid-19 pandemic.

In the 2022/23 Adjusted Appropriation, funds were moved to *Transfers and subsidies to: Provinces and municipalities* for implementing service delivery projects in municipalities, such as Small Town Rehabilitation, water intervention and the Massification programmes.

The 2023/24 MTEF allocations cater for service delivery projects under the Small Town Rehabilitation programme in respect of the construction and upgrading of storm water infrastructure in uMdoni, Mtubatuba, uMshwathi and Okhahlamba. The department usually budgets for various projects under *Goods and services* in the budget process, to be shifted to *Transfers and subsidies to: Provinces and municipalities* in-year, after an annual departmental exercise indicates that municipalities have the necessary capacity to deliver on the particular projects themselves. However, the department has been able to identify some municipalities with capacity to deliver on certain projects in 2023/24 and 2024/25, thus they have budgeted for these projects as transfers under *Transfers and subsidies to: Provinces and municipalities*. A portion of the budget whereby such municipalities have not yet been identified is still under *Goods and services*, and will be shifted in-year.

7.9 Transfers and subsidies

Table 11.12 gives a summary of *Transfers and subsidies* expenditure and estimates at an item level for each programme of the department. Details are provided in the paragraphs before and after the table. *Transfers and subsidies* fluctuates over the period due to various projects undertaken at different times.

- *Transfers and subsidies* under Programme 1 fluctuates over the seven-year period due to the following:
 - *Provinces and municipalities* relates to the payment of motor vehicle licences.
 - *Households* caters for the payment of staff exit costs, external bursaries and claims against the state. Also included is the uMsekeli Municipal Support Services pensioners' medical aid obligation.
- *Transfers and subsidies* under Programme 2 fluctuates over the seven-year period due to the following:
 - There is no spending against *Provinces and municipalities* in 2020/21 and 2021/22 due to budget cuts in response to the Covid-19 pandemic, as well as non- and/or slow spending by a number of municipalities. The amount in 2022/23 relates to the Municipal Excellence Awards to support municipalities that budgeted more than the National Treasury norm of 8 per cent on repairs and maintenance based on the property, plant and equipment budget for 2021/22, and taking into account how much of the repairs and maintenance budget was spent. There are no amounts allocated over the MTEF in this regard as this is an annual event and the municipalities are determined in-year during the Adjustments Estimate.
 - *Households* caters mainly for the payment of staff exit costs.

Table 11.12 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
1. Administration	9 960	8 710	7 457	7 400	6 592	6 749	6 240	6 725	9 008
Provinces and municipalities	1 199	491	484	701	670	483	900	910	920
Motor vehicle licences	1 199	491	484	701	670	483	900	910	920
Households	8 761	8 219	6 973	6 699	5 922	6 266	5 340	5 815	8 088
Staff exit costs	4 011	6 238	4 973	3 125	3 640	4 123	3 470	3 230	3 274
Bursaries and claims against the state	4 750	1 981	2 000	3 574	2 282	2 143	1 870	2 585	4 814
2. Local Governance	6 711	1 181	753	180	2 316	2 387	550	350	200
Provinces and municipalities	4 350	-	-	-	2 000	2 000	-	-	-
Municipal excellence award	-	-	-	-	2 000	2 000	-	-	-
Dev. Planning and Shared Services	4 350	-	-	-	-	-	-	-	-
Households	2 361	1 181	753	180	316	387	550	350	200
Staff exit costs	2 361	1 181	753	180	316	387	550	350	200
3. Development and Planning	267 416	1 190	202 132	81 050	180 743	181 359	17 030	37 890	1 330
Provinces and municipalities	217 270	-	188 020	81 000	179 100	179 100	15 700	36 560	-
Building Plan Information Man System	2 500	-	-	-	-	-	-	-	-
Construction of TSCs and CSCs	17 000	-	-	-	-	-	-	-	-
Corridor Development programme	5 000	-	-	11 200	11 200	11 200	-	-	-
Disaster Management programme	22 000	-	-	16 000	10 000	10 000	-	-	-
Geospatial Database Development	1 500	-	-	-	-	-	-	-	-
GIS Functionality	2 600	-	-	-	-	-	-	-	-
Massification prog (incl. elec. projects)	86 670	-	22 600	5 000	20 000	20 000	-	-	-
CSC Infrastructure Support	-	-	7 500	-	-	-	-	-	-
Co-operative support for LED	-	-	-	-	10 000	10 000	-	-	-
Schemes Support programme	6 050	-	-	-	-	-	-	-	-
Small Town Rehabilitation programme	66 500	-	33 920	45 800	67 900	67 900	15 700	36 560	-
Spatial Dev. Framework Support	4 450	-	-	-	-	-	-	-	-
Water Intervention programme	-	-	124 000	-	57 000	57 000	-	-	-
uThukela DDA	-	-	-	3 000	3 000	3 000	-	-	-
uMhlozinga DDA	3 000	-	-	-	-	-	-	-	-
Departmental agencies and accounts	20 000	-	13 000	-	-	-	-	-	-
ADA	-	-	13 000	-	-	-	-	-	-
MISA	20 000	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	1 280	1 280	1 280
Public corporations and private enterprises	29 000	-	-	-	-	-	-	-	-
uMhlathuze Water Board	29 000	-	-	-	-	-	-	-	-
Households	1 146	1 190	1 112	50	1 643	2 259	50	50	50
Staff exit costs	1 146	1 190	1 112	50	1 643	2 259	50	50	50
4. Traditional Institutional Management	85 349	27 749	20 906	55 850	529	747	850	825	825
Departmental agencies and accounts	47 000	-	-	55 000	-	-	-	-	-
TC elections (IEC)	47 000	-	-	55 000	-	-	-	-	-
Non-profit institutions	37 343	26 082	19 820	250	250	250	250	250	250
Traditional levies and trust account	37 343	26 082	19 820	-	-	-	-	-	-
Tembe Trust Account	-	-	200	250	250	250	250	250	250
Households	1 006	1 667	1 086	600	279	497	600	575	575
Staff exit costs	1 006	1 667	1 029	600	279	415	600	575	575
Claims against the state	-	-	57	-	-	82	-	-	-
Total	369 436	38 830	231 248	144 480	190 180	191 242	24 670	45 790	11 363

- *Transfers and subsidies* under Programme 3 shows significant fluctuations due to the following:
 - *Provinces and municipalities* represents municipal projects under the Corridor, Small Town Rehabilitation, Massification and Schemes Support programmes, nodal plans, etc. The category fluctuates in line with various projects undertaken. The amounts in 2019/20, 2021/22 and 2022/23 are for various projects. No funds were transferred in 2020/21 due to the budget cuts in response to the Covid-19 pandemic, as well as non and/or slow spending by a number of municipalities. The amounts in the first two years of the MTEF are in respect of the Small Town Rehabilitation programme. Details of transfers to local government are given in Section 7.8.
 - *Departmental agencies and accounts* relates to the transfer of R20 million in 2019/20 to MISA to assist the Abaqulusi Local Municipality with support in respect of Section 139 of the Constitution for an intervention required for water and electricity. The transfer of R13 million to ADA in 2021/22 was in respect of the construction of the KwaXolo greenhouse tunnel, as well as additional hydroponic tunnels and open field irrigation on a farm in Bulwer.
 - *Public corporations and private enterprises* relates to a once-off transfer to the uMhlathuze Water Board in 2019/20 for the water intervention programme which provides for the construction of a water storage facility, new water distribution network and a booster pump in uMkhanyakude.

- *Transfers and subsidies to: Higher education institutions* relates to funds to be transferred to the University of KwaZulu-Natal for a programme of action to improve the resilience of human settlements through improved spatial planning and land use management in the province.
- *Households* caters for the payment of staff exit costs.
- *Transfers and subsidies* under Programme 4 are as follows:
 - *Departmental agencies and accounts* relates to the transfer to the IEC for the TC elections. As mentioned, the IEC will no longer undertake the elections on behalf of the department and, hence, the funds were shifted to *Goods and services* for the department to appoint a service provider to undertake the elections on their behalf.
 - *Non-profit institutions* relates to the transfer in respect of the traditional levies and trust account that was moved from the various economic categories within Programme 4. There are no amounts in 2022/23 and over the MTEF as the amounts for the traditional levies and trust account are only determined at the end of the year, when expenditure has been incurred. The amounts from 2021/22 and over the MTEF against the Tembe Trust Account relate to donations to support the Umthayi Amarula Festival, as explained.
 - *Households* caters for staff exit costs and claims against the state (third party claim for car damage).

8. Programme description

The services rendered by the department are categorised under four programmes. Details are given in the *Annexure – Vote 11: Co-operative Governance and Traditional Affairs*.

The department received approval from National Treasury in June 2018 to deviate slightly from the uniform budget and programme structure for the sector, and the deviation is as follows:

- The sub-programme: Rural Development Facilitation from Programme 4 was incorporated into Programme 3.
- The sub-programme: Traditional Land Administration was shifted within Programme 4 and was incorporated into the sub-programme: Traditional Resource Administration.
- The sub-programme: IDP Co-ordination was shifted within Programme 2 and was incorporated to the sub-programme Municipal Performance, Monitoring, Reporting and Evaluation.

8.1 Programme 1: Administration

This programme comprises all support services within the department, the Office of the MEC and all special projects.

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

Tables 11.13 and 11.14 illustrate a summary of payments and estimates for the financial years 2019/20 to 2025/26 relating to Programme 1.

In 2020/21, a portion of the department's budget cuts were effected under Programme 1 under all sub-programmes against *Compensation of employees*. Furthermore, Programme 1 was subjected to the fiscal consolidation cuts over the 2021/22 MTEF against *Compensation of employees*, *Goods and services* and *Transfers and subsidies to: Households* across all sub-programmes, but mainly affecting the Corporate Services sub-programme. However, this programme was not affected by the 2023/24 MTEF budget cuts.

Table 11.13 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
1. Office of the MEC	18 602	12 716	14 442	14 812	16 707	17 386	15 383	16 022	16 582
2. Corporate Services	402 376	351 056	448 306	383 877	393 744	401 465	438 712	473 243	459 118
Total	420 978	363 772	462 748	398 689	410 451	418 851	454 095	489 265	475 700

Table 11.14 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	382 574	312 260	415 307	384 954	383 395	388 749	425 791	454 449	447 671
Compensation of employees	182 303	170 403	174 761	183 191	170 837	176 551	196 293	205 856	207 954
Goods and services	200 186	141 849	240 099	201 763	212 473	212 113	229 498	248 593	239 717
Interest and rent on land	85	8	447	-	85	85	-	-	-
Transfers and subsidies to:	9 960	8 710	7 457	7 400	6 592	6 749	6 240	6 725	9 008
Provinces and municipalities	1 199	491	484	701	670	483	900	910	920
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	8 761	8 219	6 973	6 699	5 922	6 266	5 340	5 815	8 088
Payments for capital assets	28 444	42 797	28 219	6 335	20 460	23 346	22 064	28 091	19 021
Buildings and other fixed structures	148	-	-	-	-	-	-	-	-
Machinery and equipment	28 296	33 902	15 248	6 335	8 946	11 832	5 722	4 654	4 641
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	8 895	12 971	-	11 514	11 514	16 342	23 437	14 380
Payments for financial assets	-	5	11 765	-	4	7	-	-	-
Total	420 978	363 772	462 748	398 689	410 451	418 851	454 095	489 265	475 700

The sub-programme: Office of the MEC provides for the printing of the departmental APP, budget speech, Section 131 of the MFMA report, annual report, OSS initiatives, as well as filling of critical vacant posts. The fluctuating trend is in line with projects undertaken and the filling of critical vacant posts. The slightly high 2022/23 Revised Estimate is due to the implementation of the pay progression to contract employees who met the requirements and qualified for pay progression with backpay from 2012, as explained. The growth over the 2023/24 MTEF in comparison to the 2022/23 Main Appropriation can be attributed to inflationary growth.

The sub-programme: Corporate Services houses the bulk of Programme 1's budget and provides for the department's ICT system, maintenance of departmental buildings, financial management, and auxiliary services, among others. The increase in the 2022/23 Adjusted Appropriation was due to funds moved from Programme 2 to this sub-programme against *Goods and services*, to cater for the increase in the cost of leasing official buildings, higher than anticipated municipal services costs, the increase in fleet services costs due to additional water tankers purchased, increases in fuel prices, advertising costs, SITA costs, as well as legal costs for the appointment of attorneys to assist with grant recoveries from municipalities. The 2023/24 MTEF allocations also cater for the department's ICT system, SITA costs, maintenance and upgrading of departmental buildings, among others. The increase over the MTEF is due to reprioritisation to this programme for the improvement of the department's ICT systems, including developing an IT strategy that will be aligned with the departmental strategy, as explained, as well as inflationary growth. The increase also includes the movement of the provision of security of municipal representatives from Programme 2 to this sub-programme. The dip from 2024/25 to 2025/26 relates to the renewal cycle of the software licences which are due for renewal in 2024/25 and will not be renewed for the next three years.

Compensation of employees increases over the MTEF period, and provides for the filling of critical vacant posts, among others. *Compensation of employees* shows an increase of 14.9 per cent from the 2022/23 Adjusted Appropriation to 2023/24, growth of 4.9 per cent in 2024/25 and growth of 1 per cent in 2025/26, which is low and will be reviewed in the next budget process. The department plans to fill 84 critical vacant posts under this programme, and the budget caters for the 1.5 per cent pay progression and the carry-through of the 3 per cent cost of living adjustment over the MTEF.

Goods and services fluctuates over the MTEF period due to once-off projects in 2021/22 such as the Microsoft migration, as well as the ESRI licence project. The increase in the 2022/23 Adjusted Appropriation pertains to the increase in various costs, as explained at sub-programme level. The MTEF budget provides for the implementation of various maintenance and repair projects, advertising costs and the running costs for the departmental fleet, SITA, ICT, among others. The 2023/24 MTEF growth is due to the reprioritisation undertaken for the improvement of the department's ICT systems, the movement of

the provision of security of municipal representatives from Programme 2, as well as inflationary growth. The dip from 2024/25 to 2025/26 relates to a reduction against computer services and property payment which will be reviewed in the next budget process.

Interest and rent on land relates to an amended SARS reconciliation for the previous year that resulted in interest charged against the department, and hence is not budgeted for over the MTEF.

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

Transfers and subsidies to: Households provides for staff exit costs, external bursaries, claims against the state, and the uMsekeli Municipal Support Services pensioners' medical aid obligation, as explained. The MTEF allocations are in this regard.

The once-off amount against *Buildings and other fixed structures* in 2019/20 was in respect of the construction of a guard house at the uThukela district office.

Machinery and equipment provides for the purchase of new and replacement vehicles and computer equipment.

Software and other intangible assets caters for the maintenance and upgrade of existing software, such as the GIS software upgrade. The substantial increase from 2020/21 relates to funds shifted from *Goods and services* to correctly reflect the budget for software, as explained. The high 2024/25 amount compared to 2022/23 and the outer year is due to the renewal cycle of the software licences which are due to be renewed in 2024/25.

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

8.2 Programme 2: Local Governance

The purpose of the programme is to co-ordinate, support, promote and enhance governance, administration and public participation in local government.

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

Tables 11.15 and 11.16 illustrate a summary of payments and estimates for 2019/20 to 2025/26 relating to Programme 2.

In 2020/21, a portion of the department's budget cuts were effected under Programme 2 under all sub-programmes against *Compensation of employees*.

In addition, Programme 2 was subjected to the fiscal consolidation cuts over the 2021/22 MTEF against *Compensation of employees*, *Goods and services*, *Transfers and subsidies to: Provinces and municipalities*, as well as *Machinery and equipment* across all sub-programmes, except the sub-programme: Municipal Finance.

Also, Programme 2 was affected by the 2023/24 MTEF budget cuts under the sub-programme: Municipal Finance, against *Goods and services*.

Table 11.15 : Summary of payments and estimates by sub-programme: Local Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
1. Municipal Administration	71 578	54 035	53 387	82 467	59 109	56 497	55 750	57 237	71 481
2. Municipal Finance	18 066	45 708	41 088	42 334	47 992	47 866	30 505	35 778	37 578
3. Public Participation	191 593	165 349	180 640	183 083	181 054	184 018	185 433	195 289	199 958
4. Capacity Development	11 183	10 473	9 103	14 269	10 121	9 318	10 313	11 858	12 037
5. Municipal Perf., Monitoring, Reporting and Evaluation	25 009	26 696	29 324	37 358	35 888	36 465	40 550	43 397	52 323
Total	317 429	302 261	313 542	359 511	334 164	334 164	322 551	343 559	373 377

Table 11.16 : Summary of payments and estimates by economic classification: Local Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	309 917	300 304	312 242	358 854	331 085	331 274	321 539	342 839	372 987
Compensation of employees	244 720	242 377	252 747	262 488	259 177	265 484	271 352	284 199	295 074
Goods and services	65 197	57 927	59 495	96 366	71 908	65 790	50 187	58 640	77 913
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	6 711	1 181	753	180	2 316	2 387	550	350	200
Provinces and municipalities	4 350	-	-	-	2 000	2 000	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 361	1 181	753	180	316	387	550	350	200
Payments for capital assets	801	776	547	477	763	503	462	370	190
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	801	776	547	477	763	503	462	370	190
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	317 429	302 261	313 542	359 511	334 164	334 164	322 551	343 559	373 377

The sub-programme: Municipal Administration provides oversight and functionality of IGR structures (such as MINMEC, MUNIMEC, Municipal IGR fora, etc.), enforcement of legislation and policy in local government, as well as the implementation of integrity management programmes in municipalities. The substantial decrease in the 2022/23 Adjusted Appropriation against *Goods and services* was mainly due to various projects that were unlikely to be implemented/fully implemented, namely legal shared services, review of municipal organograms, IDPs, councillor training, various departmental events, close protection services for administrators not appointed, as well as reduced travel and subsistence costs. The reduction over the 2023/24 MTEF was due to reprioritisation undertaken from the sub-programme to Programme 1 in respect of the movement of the provision for security of municipal representatives, as explained. The allocations over the MTEF cater for the training of municipal councillors, community outreach programmes, forensic investigations to be undertaken, as well as the appointment of municipal administrators as approved by the Provincial Executive Council.

The sub-programme: Municipal Finance includes the financial experts' clean audit programme and special intervention projects, such as financial interventions in affected municipalities, etc. Also, the sub-programme assists with attending to irregular and wasteful expenditure and audit outcomes of the municipalities. The decrease over the 2023/24 MTEF was due to budget cuts effected, as well as reprioritisation from the sub-programme, and these reductions will impact on the appointment of governance and financial experts that will be scaled down. The MTEF caters for municipal projects, such as the development and maintenance of Indigent Registers for municipalities, used for keeping record of all households that qualify for free basic services, financial experts' clean audit programme, planned filling of critical vacant posts, etc. The substantial decrease from 2022/23 to 2023/24 is attributed to the 2023/24 MTEF budget cuts which were far higher in the first year of the MTEF than in the two outer years.

The sub-programme: Public Participation houses the bulk of the budget of Programme 2 and provides for cell phone contracts, travel and subsistence and furniture for CDWs, in order to improve their work and reporting. The sub-programme also provides for the deployment of skilled professionals and administrators in municipalities, as well as the provision of support to OSS in addressing service delivery needs of the communities, particularly communities in remote and rural areas, among others. The MTEF provides for various community outreach programmes and public participation projects in municipalities. These projects involve *Izimbizo* and community dialogues with ward committees as part of the Back to Basics campaigns. Over the MTEF, the department will also monitor and support municipalities to promote participation in community-based local governance processes, respond to community concerns, establish youth units, as well as implement gender-based violence and femicide responsive programmes, among others. The growth over the MTEF is mainly inflationary.

The main function of the sub-programme: Capacity Development is to ensure the development and implementation of a comprehensive capacity building strategy for local government and traditional institutions. The decrease over the MTEF relates to reprioritisation from this sub-programme, and the allocations cater for accredited councillor training, capacity building (skills audit), LED capacity building and women councillor training in areas of need, such as financial and project management.

The sub-programme: Municipal Performance, Monitoring, Reporting and Evaluation relates to strategic planning support to municipalities, with a focus on development planning, capacity building and the review and development of IDPs in various municipalities. The MTEF growth is mainly inflationary and the allocations are to support municipalities to improve their standard of service delivery and governance through the improvement of PMS in municipalities, municipal service awards, travel and subsistence costs, etc.

Compensation of employees reflects an increasing trend over the period, and provides for the filling of vacant posts, among others. The category shows an increase of 4.7 per cent from the 2022/23 Adjusted Appropriation to 2023/24, growth of 4.7 per cent in 2024/25 and growth of 3.8 per cent in 2025/26. The increase in 2023/24 is due to the implementation of the pay progression to contract employees who met the requirements and qualified for pay progression in line with the Employee Performance Management Policy, with backpay from 2012. Over the MTEF, the budget provides for the filling of 95 critical vacant posts, as well as the 1.5 per cent pay progression and the carry-through of the 3 per cent cost of living adjustment.

Goods and services provides mainly for the deployment of additional skilled professionals and administrators in municipalities, cell phone contracts for CDWs, laptops, travel and subsistence and furniture, etc. There is inflationary growth over the MTEF and the allocations provide for the financial experts' clean audit programme and special intervention projects, such as financial interventions in affected municipalities, etc., improving standards of service delivery and governance in municipalities, the capacity building skills audit project in municipalities, among others. A portion of the 2023/24 MTEF cuts was effected against this category, accounting for the dip from 2022/23 to 2023/24, as explained.

The allocation in the 2022/23 Adjusted Appropriation against *Transfers and subsidies to: Provinces and municipalities* is in respect of the Municipal Excellence Awards. There are no allocations over the MTEF, at this stage, and this be reviewed in-year.

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

Machinery and equipment caters for furniture and office and computer equipment for the filling of critical posts, as well as new and replacement vehicles. The MTEF allocations are in line with the department's project plan and cater for the replacement of laptops, desktops and purchase of computer equipment for new staff.

Service delivery measures: Local Governance

Table 11.17 illustrates the main service delivery measures pertaining to Programme 2. The performance indicators provided fully comply with the customised measures for the COGTA sector. The table includes both sector and non-sector measures.

Table 11.17 : Service delivery measures: Local Governance

Outputs	Performance indicators	Estimated Performance	Medium-term targets		
		2022/23	2023/24	2024/25	2025/26
2.1	Municipal Governance and Administration				
2.1.1	Municipal Administration support provided to municipalities	42	54	54	54
2.1.2	Oversight structures functional	54	54	54	54
2.1.3	Municipalities under intervention monitored in line with the municipal turnaround plans	100%	100%	100%	100%

Table 11.17 : Service delivery measures: Local Governance

Outputs	Performance indicators	Estimated Performance	Medium-term targets			
		2022/23	2023/24	2024/25	2025/26	
2.2	Municipal Finance					
2.2.1	Reduction of UIFW in municipalities	• No. of municipalities supported to reduce UIFW	54	54	54	54
2.2.2	Municipalities achieving unqualified audit outcomes	• No. of municipalities supported to achieve unqualified audit outcomes	54	54	54	54
2.2.3	Support municipalities with reduction of Eskom debt	• No. of municipalities supported with the reduction of Eskom debt	3	3	3	3
2.2.4	Support municipalities with reduction in consumer debt through active citizen participation	• No. of municipalities supported with the reduction of consumer debt	54	54	54	54
2.2.5	Reduction in government debt	• No. of municipalities supported to reduce government debt	54	54	54	54
2.2.6	Section 131 reports of the MFMA submitted	• No. of reports submitted on state of municipal finance in terms of Section 131 of the MFMA	1	1	1	1
2.2.7	Municipalities guided to comply with MPRA	• No. of municipalities guided to comply with the MPRA	44	44	44	44
2.2.8	Municipalities monitored on the implementation of indigent policies	• No. of municipalities monitored on the implementation of indigent policies	53	53	53	53
2.3	Public Participation					
2.3.1	Ward committees functional	• No. of municipalities supported with functional ward committees	44	44	44	44
2.3.2	War rooms functional	• No. of war-rooms with CDWs functional	320	320	320	320
2.3.3	Municipal RRTs functional	• No. of municipal RRTs functional	44	44	44	44
2.3.4	Municipalities monitored on the implementation of GBVF responsive programmes	• No. of municipalities monitored on the implementation of GBVF responsive programmes	54	54	54	54
2.3.5	Municipalities supported to promote participation in community-based local governance processes	• No. of municipalities supported to promote participation in community-based local governance processes	54	54	54	54
2.3.6	Municipalities supported to respond to community concerns	• No. of municipalities supported to respond to community concerns	44	44	44	44
2.3.7	Municipalities supported with the establishment of youth units	• No. of municipalities supported with the establishment of youth units	54	54	54	54
2.4	Capacity Building					
2.4.1	Capacity building strategy developed and implemented	• No. of integrated capacity building strategy for local government implemented	1	1	1	1
2.4.2	Capacity building interventions conducted in municipalities	• No. of capacity building interventions conducted in municipalities	16	16	16	16
2.5	Municipal Performance Monitoring, Reporting and Evaluation					
2.5.1	Municipalities supported with performance management systems	• No. of municipalities supported to institutionalise performance management systems	41	54	54	54
2.5.2	Municipal performance reports compiled	• No. of Section 47 reports compiled as prescribed by the MSA	-	1	1	1
2.5.3	Municipal evaluations conducted	• No. of evaluation studies conducted	1	1	1	1
2.5.4	Quarterly municipal performance assessments conducted in monitoring implementation of municipal IDPs and SDBIPs	• No. of municipalities assessed on municipal performance	54	54	54	54
2.5.5	Municipalities monitored on the implementation of municipal support and intervention plans	• No. of municipalities monitored on the implementation of municipal support and intervention plans	54	-	-	-
2.5.6	Municipal individual performance analysis reports compiled	• Municipal individual performance analysis reports compiled	1	-	-	-
2.6	Intergovernmental Relations					
2.6.1	Districts and metro development hubs operational	• No. of districts and metro development hubs operational	11	11	11	11
2.6.2	Technical clusters supported	• No. of Provincial Stakeholder Forums facilitated	8	8	8	8
2.7	IDP Co-ordination					
2.7.1	Municipal IDPs aligned to One Plans (District Development Plans)	• No. of municipalities supported to align their IDPs to national, provincial and district priorities	54	54	54	54
2.7.2	Traditional Authorities supported to participate in IDP process	• No. of municipalities supported to ensure participation of Traditional Authorities into the IDP process	11	11	11	11
2.7.3	Municipalities with legally compliant IDPs	• No. of municipalities with legally compliant IDPs	54	54	54	54

8.3 Programme 3: Development and Planning

The purpose of this programme is to promote informed integrated planning and development in the province. This programme largely conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector. Tables 11.18 and 11.19 illustrate a summary of payments and estimates for 2019/20 to 2025/26.

Table 11.18 : Summary of payments and estimates by sub-programme: Development and Planning

Table 10: Summary of payments and estimates by sub-programme for capital and planning									
R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
1. Spatial Planning	44 728	25 464	27 254	33 780	30 830	30 217	44 543	46 537	45 203
2. Land Use Management	30 252	27 414	25 120	26 551	27 488	28 103	28 111	30 328	30 754
3. Local Economic Development	179 204	88 697	145 261	193 869	189 248	185 307	158 902	186 001	203 077
4. Municipal Infrastructure	297 264	143 903	266 240	116 291	181 295	188 752	142 749	135 953	160 128
5. Disaster Management	48 126	17 027	31 043	52 583	47 664	45 839	59 746	67 162	69 490
Total	599 574	302 505	494 918	423 074	476 525	478 218	434 051	465 981	508 652

Table 11.19 : Summary of payments and estimates by economic classification: Development and Planning

Table 1.1.10 : Summary of payments and estimates by economic classification: Development and Planning									
	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	286 894	200 523	212 708	236 105	253 944	257 371	375 185	390 254	452 511
Compensation of employees	114 798	136 478	145 993	163 170	141 733	142 234	180 790	195 772	198 718
Goods and services	172 096	64 045	66 715	72 935	112 211	115 137	194 395	194 482	253 793
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	267 416	1 190	202 132	81 050	180 743	181 359	17 030	37 890	1 330
Provinces and municipalities	217 270	-	188 020	81 000	179 100	179 100	15 700	36 560	-
Departmental agencies and accounts	20 000	-	13 000	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	1 280	1 280	1 280
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	29 000	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 146	1 190	1 112	50	1 643	2 259	50	50	50
Payments for capital assets	45 264	100 792	80 078	105 919	41 838	39 488	41 836	37 837	54 811
Buildings and other fixed structures	11 307	99 383	79 528	92 100	26 932	24 667	39 969	37 267	54 241
Machinery and equipment	33 925	1 409	550	13 819	14 906	14 821	1 867	570	570
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	32	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	599 574	302 505	494 918	423 074	476 525	478 218	434 051	465 981	508 652

In 2020/21, a portion of the department's budget cuts were effected under Programme 3 under all sub-programmes against *Compensation of employees* and *Goods and services*. In addition, Programme 3 was subjected to the fiscal consolidation cuts over the 2021/22 MTEF against *Compensation of employees*, *Goods and services*, *Transfers and subsidies to: Provinces and municipalities*, as well as *Software and other intangible assets* across all sub-programmes, with the exception of Municipal Infrastructure. The 2023/24 MTEF budget cuts were effected against the sub-programmes: Local Economic Development and Disaster Management against *Buildings and other fixed structures* and *Machinery and equipment*. The 2023/24 MTEF budget cuts implemented will have a negative impact on projects such as the Small Town Rehabilitation programme and disaster management projects. These projects will be scaled down. Also the department will reduce the procurement of stationery for all departmental officials, etc.

The sub-programme: Spatial Planning caters for Schemes Support (housing schemes in support of home-ownership) and SDF support in municipalities. The increase from 2022/23 Main Appropriation to 2023/24 can be attributed to reprioritisation to the sub-programme to cater for the filling of vacant posts, travel and subsistence, etc. The MTEF growth is mainly inflationary and the allocations are in line with spending on various municipal projects, such as the Schemes Support, SDF support, nodal plans, Building Plans Information Management System, Geospatial Database Development, Contacts and Address Database and GIS Functionality, among others.

The sub-programme: Land Use Management caters for projects such as the town settlement formalisation support, support to municipalities with the implementation of SPLUMA, development of provincial norms and standards, development planning legislation, as well as the remuneration of board members dealing

with appeals, such as the Town Planning Appeals Board and the KZN PDA Tribunal Appeals Board. The MTEF growth is mainly inflationary and caters for projects such as record keeping for municipalities for SPLUMA, SPLUMA processes and the Sustainable Development Goal localisation framework.

The sub-programme: Local Economic Development caters for transfers undertaken for the Small Town Rehabilitation programme such as taxi rank upgrades and pothole repairs, for development initiatives, for support to CSCs for effective functionality and provision of infrastructure for *Imizi Yezizwe*. The decrease over the 2023/24 MTEF relates to the budget cuts effected, as well as reprioritisation from this sub-programme and mainly to Programme 1, as explained. The budget cuts and reprioritisation will result in scaling down the number of projects undertaken under the Small Town Rehabilitation programme. The MTEF allocations cater for the Corridor Development, Small Town Rehabilitation and LED programmes, among others, for the implementation of service delivery projects including a trading facility for the informal economy, constructing and upgrading storm water infrastructure, constructing and installing street lights and robots, among others.

The sub-programme: Municipal Infrastructure supports municipalities in service delivery utilising various IGR fora, in improving delivery and maintenance of basic water services, production and maintenance of energy sources, etc. The substantial increase in the 2022/23 Adjusted Appropriation and Revised Estimate relates to provision for water and electrification projects being implemented by the department for various municipalities, namely Ugu, Amajuba and uMkhanyakude for water intervention, and Msunduzi for electrical support infrastructure, as well as service delivery projects to be implemented by municipalities. These include water intervention projects, Small Town Rehabilitation projects, as well as Massification projects. Also, funds were moved in respect of the hiring of 25 water tankers for the eThekweni Metro, and the Ugu, iLembe and Msunduzi Municipalities, to provide aid to the disaster management relief efforts. These projects account for the decrease from 2022/23 to 2023/24. The decrease over the 2023/24 MTEF relates to reprioritisation from this sub-programme to Programme 1 and other sub-programmes such as the Land Use Management. The reprioritisation will result in the scaling down of water and electricity and CSC projects, as indicated. The MTEF budget provides for operational and maintenance plans, increasing water connections to low income housing communities, among others.

The sub-programme: Disaster Management caters for Disaster Risk Management planning, holding Provincial and Municipal Disaster Management Advisory Forums, among others. The MTEF budget provides for support to disaster management centres, as well as procurement of an integrated disaster communication system to feed warnings to disaster centres in the province, with this project continuing over the 2023/24 MTEF, as explained, among others. The growth over the MTEF relates to reprioritisation to the programme and inflation increases, and the allocations will support municipalities with regard to fire brigade services, to maintain functional disaster management centres, among others. The growth was to some extent mitigated by the budget cuts effected against this sub-programme, and the department will need to scale down on its support to disaster management centres in municipalities as a result of the cuts.

Compensation of employees shows growth over the period and provides for the filling of posts, among others. The MTEF allocations show growth of 27.6 per cent from the 2022/23 Adjusted Appropriation to 2023/24, an increase of 8.3 per cent in 2024/25 and an increase of 1.5 per cent in 2025/26. The increase over the MTEF caters for the filling of 43 critical vacant posts, as explained. The department has sufficient growth to fill all vacant posts and has budgeted for the 1.5 per cent pay progression and the carry-through of the 3 per cent cost of living adjustment over the MTEF.

Goods and services relates to various projects undertaken. The category caters for projects relating to the Small Town Rehabilitation, Massification, Corridor Development, water intervention programme, nodal Plans, implementation of spatial equity norms and standards, the SDF support, Geospatial Land Register and Development Application Management System programmes, among others. The department usually budgets for these programmes against this category and the funds are shifted to *Transfers and subsidies to: Provinces and municipalities* in-year after an annual exercise indicates that the municipalities have the necessary capacity to deliver on the particular projects themselves. As such, funds were shifted from this category during the 2022/23 Adjustments Estimate to *Transfers and subsidies to: Provinces and municipalities* in respect of the Small Town Rehabilitation, Massification and water intervention programme. The increase in the 2022/23 Adjusted Appropriation was toward the water and electrification

projects being implemented by the department for various municipalities, namely Ugu, Amajuba and uMkhanyakude for water intervention and Msunduzi for electrical support infrastructure. Also, the funds were for the hiring of 25 water tankers for the eThekweni Metro, and the Ugu, iLembe and Msunduzi Municipalities, to provide aid to the disaster management relief efforts. The increase from 2022/23 to 2023/24 is mainly due to the fact that the department is yet to identify and shift funds to municipalities that have the necessary capacity to undertake projects. The allocations over the MTEF are in respect of the restoration of dependable water supply in the Ugu, Amajuba and uMkhanyakude District Municipalities and for electrical engineering and project management services toward the provision of sustainable electricity supply in the Msunduzi Local Municipality, among other. The growth is also inflation related.

Transfers and subsidies to: Provinces and municipalities caters for the Small Town Rehabilitation, Corridor Development and Massification programmes, among others, which are originally budgeted for under *Goods and services*, as explained. The fluctuating trend is in line with the transfers to the municipalities. The increase in the 2022/23 Adjusted Appropriation was for the implementation of service delivery projects to be implemented by municipalities. These include water intervention projects, Small Town Rehabilitation projects, as well as Massification projects, as explained. The allocations in 2023/24 and 2024/25 cater for various projects relating to the Small Town Rehabilitation programme, as indicated. The department usually budgets for various service delivery projects under *Goods and services* during the budget process, to be shifted to *Transfers and subsidies to: Provinces and municipalities* in-year, after an annual departmental exercise. The bulk of the budget in respect of which municipalities have not yet been identified is still under *Goods and services*.

Transfers and subsidies to: Departmental agencies and accounts shows no allocations over the MTEF.

The 2023/24 MTEF allocations against *Transfers and subsidies to: Higher education institutions* will be utilised on a programme of action to improve the resilience of human settlements through improved spatial planning and land use management in the province, as explained.

Transfers and subsidies to: Public corporations and private enterprises shows no budget over the MTEF.

Transfers and subsidies to: Households caters mainly for staff exit costs. The increase in the 2022/23 Adjusted Appropriation and Revised Estimate relates to funds moved to this category in respect of higher than budgeted staff exit costs.

Buildings and other fixed structures provides for the construction and rehabilitation of CSCs and houses for Amakhosi, among others. The substantial decrease in the 2022/23 Adjusted Appropriation was attributed to lengthy approval processes by DOPW's BAC in respect of the construction of new and the rehabilitation of existing CSCs. Also, delays were attributed to the National Treasury instruction to stop all bid advertisements, as mentioned. The MTEF allocations are in line with the department's project list and cater for projects such as the rehabilitation and refurbishment of various projects, including the Mhlungwini, Mngomezulu Kholweni, Amakhuze TACs, among others. Also, the funds are for the construction of the Ixopo CSC and departmental offices, uMzinyathi CSC and departmental offices, Hlomindleni park home and ablution, Xaba park home and ablution, Mkwanyana park home and Mavela TAC, etc. A portion of the 2023/24 MTEF budgets cuts was effected against this category and this will impact on the number of water and electricity and CSCs projects undertaken. The projects to be undertaken will be scaled down.

Machinery and equipment caters for office and computer equipment. The high amount in 2019/20 related to the purchase of equipment for municipalities under Operation Khawuleza. The increase in 2022/23 was in respect of a communication system for the PDMC in Mkondeni. This communication system is an integrated and adaptable system that aims to provide for information exchange between all relevant stakeholders in the three spheres of government, in communities and in the private sector through a variety of communication mechanisms and media. The funds were for the procurement of conference audio-visual equipment for the PDMC in-house boardrooms. The increase in 2022/23 is in respect of the purchase of office and computer equipment for existing and newly appointed staff, as well as the procurement of an integrated disaster communication system, which will be used by the PMDC and mapping of disaster incidents data, as explained, among others. A portion of the 2023/24 MTEF budgets cuts was effected against this category and this will impact on the number of office equipment procured.

Service delivery measures: Development and Planning

Table 11.20 gives the main service delivery measures pertaining to Programme 3. The performance indicators provided do not comply fully with the customised measures for the COGTA sector, and are currently being reviewed by the department. The table includes both sector and non-sector measures. The word “New” in the 2022/23 Estimated performance illustrates that the indicator did not exist in 2022/23 and that it is a new indicator from 2023/24 onward. The department extensively reviewed their outputs over the MTEF and, as such, there are new outputs.

Table 11.20 : Service delivery measures: Development and Planning

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2022/23	2023/24	2024/25	2025/26	
3.1 Spatial Planning						
3.1.1	Provincial SDFs monitored for implementation	• No. of provincial SDFs monitored for implementation	1	1	1	1
3.1.2	Municipalities supported with the implementation of SDFs	• No. of municipalities supported with the implementation of SDFs	54	54	54	54
3.1.3	Municipalities supported with the implementation of Land Use Schemes	• No. of municipalities supported with the implementation of Land Use Schemes	44	44	44	44
3.1.4	Districts/ Metro monitored on the implementation of One Plans	• No. of Districts/ Metro monitored on the implementation of One Plans	11	11	11	11
3.2 Development Information Services						
3.2.1	Provincial Integrated Land Information System implemented	• No. of functional Integrated Land Information Systems implemented	1	1	1	1
3.2.2	Institutional GIS capacity strengthened	• No. of institutional GIS capacity strengthening programmes implemented	3	4	4	4
3.3 Land Use Management						
3.3.1	Co-ordinated awareness programmes on the importance and impact of land use management and planning	• No. of awareness programmes on the importance and impact of land use management and planning conducted	3	4	4	4
3.3.2	Municipalities supported to implement an effective Land Use Management system	• No. of municipalities supported to implement an effective Land Use Management system	44	44	44	44
3.3.3	Provincial Land Use Management and Development protocols developed	• No. of Provincial Land Use Management and Development protocols developed	1	1	-	-
3.4.1 Local Economic Development (Special initiatives)						
3.4.1.1	Support functionality of DDAs	• No. of DDAs supported to achieve 80% functionality	7	10	10	10
3.4.1.2	Monitor implementation of municipal LED strategies	• No. of municipal LED strategies monitored for implementation	54	54	54	54
3.4.1.3	Municipalities supported to implement the Provincial Small Town Revitalisation Strategy	• No. of municipalities supported to implement the Provincial Small Town Revitalisation Strategy	3	3	1	1
3.4.1.4	Municipalities supported to develop partnership strategies for project implementation	• No. of municipalities supported to develop partnership strategies for project implementation	4	4	4	4
3.4.1.5	Municipalities monitored on the implementation of District Economic Recovery Plans	• No. of municipalities monitored on the implementation of District Economic Recovery Plans	11	11	11	11
3.4.2 Local Economic Development (CSCs)						
3.4.2.1	CSCs rehabilitated/ maintained	• No. of identified CSCs rehabilitated/ maintained	8	8	8	8
3.4.2.2	New CSCs at construction phase	• No. of CSCs at construction phase	4	2	4	4
3.4.2.3	Identified <i>Imizi Yezizwe</i> maintained	• % of identified <i>Imizi Yezizwe</i> maintained	100%	-	-	-
3.4.2.4	<i>Imizi Yezizwe</i> rehabilitated/ maintained	• No. of identified <i>Imizi Yezizwe</i> at construction phase	New	6	-	-
3.4.2.5	Municipalities and TCs supported with functionality	• No. of municipalities supported with Grade 1 CSCs functionality	23	23	23	23
		• No. of TCs supported with Grade 2 CSCs functionality	30	30	30	30
3.4.3 Local Economic Development (EPWP)						
3.4.3.1	Increase participation in public employment programmes	• No. of EPWP work opportunities created	1 000	500	500	500
3.4.4 Local Economic Development (CWP)						
3.4.4.1	Work opportunities reported through CWP	• No. of work opportunities reported through CWP	45 000	45 000	45 000	45 000

Table 11.20 : Service delivery measures: Development and Planning

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2022/23	2023/24	2024/25	2025/26	
3.5	Municipal Infrastructure					
3.5.1	Infrastructure co-ordinating structures functional (water, sanitation task team, electricity task team, MIG forum)	• No. of infrastructure co-ordinating structures achieving 80% functionality	2	2	2	2
3.5.2	Water Service Authorities monitored on implementation of operation and maintenance	• No. of Water Service Authorities monitored on implementation of operation and maintenance	14	14	14	14
3.5.3	Municipalities supported to increase provision of basic level of sanitation services	• % of MIG funded sanitation projects monitored for implementation	100%	100%	100%	100%
3.5.4	Municipalities supported with the implementation of electrification programmes	• No. of municipalities supported with the implementation of electrification programmes	15	32	15	15
3.5.5	Reduction in delays in water use licences approval	• % of water use licence applications monitored for approval	100%	100%	100%	100%
3.5.6	Bulk water supply projects monitored for implementation	• % of regional bulk infrastructure projects monitored for implementation	100%	100%	100%	100%
3.5.7	Alternative water resource supplies provided to municipalities	• No. of alternative water resource supply programmes implemented in municipalities	2	2	2	2
3.5.8	Districts monitored on the spending of national grants	• No. of districts monitored on the spending of national grants	10	10	10	10
3.5.9	Municipalities supported with the implementation of the EAMF	• No. of municipalities supported with the implementation of the EAMF	24	24	24	24
3.5.10	Municipalities monitored on the implementation of infrastructure delivery programmes	• No. of municipalities monitored on the implementation of infrastructure delivery programmes	53	53	53	53
3.5.11	Water Master Plan Intervention programmes implemented	• No. of Water Master Plan Intervention programmes implemented	7	7	7	7
3.5.12	Municipalities monitored on the review of Water Service Development Plans	• No. of municipalities monitored on the review of Water Service Development Plans	13	13	13	13
3.5.13	Municipalities supported with the implementation of the EMP	• No. of municipalities supported with the implementation of the EMP	24	24	24	24
3.5.14	Municipalities supported with MIG planning	• No. of municipalities supported with MIG planning	-	51	51	51
3.5.15	Priority disaster areas supported with provision of water tankers	• % of priority disaster areas supported with the provision of water tankers	100%	-	-	-
3.5.16	Identified waste water treatment plants rehabilitated	• % of identified waste water treatment plants rehabilitated	100%	-	-	-
3.5.17	Municipalities supported towards MIG project registration	• % of municipalities supported towards MIG project registration	New	100%	100%	100%
3.5.18	WSAs supported in the planning and implementation of WSIG and RBIG	• % of WSAs supported in the planning and implementation of WSIG and RBIG	New	100%	100%	100%
3.5.19	COGTA infrastructure transfers and in-house projects monitored	• % of COGTA infrastructure transfers and in-house projects monitored	New	100%	100%	100%
3.6	Disaster Management					
3.6.1	Municipalities supported to maintain functional disaster management centres	• No. of municipalities supported to maintain functional disaster management centres	11	11	11	11
3.6.2	Disaster management advisory forums held	• No. provincial disaster management advisory forums held	4	4	4	4
3.6.3	Municipalities supported on fire brigade services	• No. of municipalities supported on fire brigade services	11	11	11	11
3.6.4	Districts and Metro supported with the development of disaster management policies	• No. of districts and metro supported with the development of disaster management policies	11	11	11	11
3.6.5	Municipalities supported to develop/review disaster management plans incorporating climate change adaptation	• No. of municipalities supported to develop/review disaster management plans incorporating climate change adaptation	11	11	11	11
3.6.6	Disaster emergency recovery grants monitored	• % disaster emergency recovery grants monitored	100%	100%	100%	100%
3.6.7	Disaster Management Summit facilitated	• No. of Disaster Management Summits facilitated	1	-	-	-
3.6.8	Contingency plan developed to manage future disasters	• No. of contingency plans developed to manage future disasters	1	-	-	-
3.6.9	Integrated communication systems procured	• No. of integrated communication systems procured	1	-	-	-
3.6.10	Flood preparedness plans developed	• No. of flood preparedness plans developed	1	-	-	-

8.4 Programme 4: Traditional Institutional Management

The purpose of this programme is to support and enhance the capacity of TCs. This programme largely conforms to the uniform budget and programme structure for the Co-operative Governance and Traditional Affairs sector.

Tables 11.21 and 11.22 illustrate a summary of payments and estimates for 2019/20 to 2025/26 relating to Programme 4.

The amount of R47 million in 2019/20 against *Transfers and subsidies to: Departmental agencies and accounts* was a correction of expenditure moved from *Transfers and subsidies to: Non-profit institutions*. As such, the two categories will not tie back to the 2022/23 EPRE.

Table 11.21 : Summary of payments and estimates by sub-programme: Traditional Institutional Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
1. Traditional Institutional Administration	552 844	471 476	442 622	550 229	509 676	501 384	1 145 074	530 322	548 043
2. Traditional Resource Administration	75 974	73 854	68 047	88 530	89 217	87 416	87 242	88 461	90 638
Total	628 818	545 330	510 669	638 759	598 893	588 800	1 232 316	618 783	638 681

Table 11.22 : Summary of payments and estimates by economic classification: Traditional Institutional Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
Current payments	542 828	515 520	489 705	581 109	591 510	581 475	1 224 386	614 858	634 316
Compensation of employees	151 244	156 905	155 757	184 865	164 948	166 509	176 330	186 251	190 768
Goods and services	391 584	358 615	333 948	396 244	426 562	414 966	1 048 056	428 607	443 548
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	85 349	27 749	20 906	55 850	529	747	850	825	825
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	47 000	-	-	55 000	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	37 343	26 082	19 820	250	250	250	250	250	250
Households	1 006	1 667	1 086	600	279	497	600	575	575
Payments for capital assets	641	346	58	1 800	6 854	6 578	7 080	3 100	3 540
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	641	346	58	1 800	6 854	6 578	7 080	3 100	3 540
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	1 715	-	-	-	-	-	-	-
Total	628 818	545 330	510 669	638 759	598 893	588 800	1 232 316	618 783	638 681

In 2020/21, a portion of the department's budget cuts were effected under Programme 4 under all sub-programmes against *Compensation of employees*. Also, Programme 4 was subjected to the fiscal consolidation cuts over the 2021/22 MTEF against *Compensation of employees* and *Goods and services* across all sub-programmes. The 2023/24 MTEF budget cuts were effected against the sub-programme: Traditional Institutional Administration against *Goods and services* in respect of operating payments. The department will reduce the procurement of office supplies such as stationery.

The sub-programme: Traditional Institutional Administration provides for the remuneration of *Izinduna*, support to traditional institutions and the TC elections, installation and recognition of *Amakhosi*, dispute resolutions, among others. The reduction in the 2022/23 Adjusted Appropriation was due to funds reprioritised from the TC elections budget as it was lower than the budgeted amount the non-filling of vacant posts due to lengthy internal recruitment processes, as well as resignations, deaths and retirements. Over the 2023/24 MTEF, the department has budgeted to pay 2 972 *Izinduna* with a budget of R367.047 million in 2023/24, 3 025 *Izinduna* with a budget of R384.768 million in 2024/25 and 3 025 *Izinduna* with a budget of R396.974 million in 2025/26, in line with the number of *Izigodi*, and the budget is inclusive of the provincial allocation of R171.331 million in 2023/24, R179.041 million in 2024/25 and R187.062 million. The substantial increase in 2023/24 is attributed to the once-off amount of R631.083 million allocated from National Treasury to settle the backpay amount owed to the *Izinduna* in

this province, and this accounts for the decrease from 2023/24 to 2024/25. The reduction in the two outer years of the MTEF can be attributed to reprioritisation from this sub-programme and the 2023/24 MTEF budget cuts effected. As explained above, the reprioritisation was in respect of operating payments relating to vacancies of 455 *Izinduna*. Once these vacancies are filled, the department will undertake internal reprioritisation to top up the budget for *Izinduna* in-year. Also, the department will reduce the procurement of office supplies such as stationery to absorb the budget cuts.

The sub-programme: Traditional Resource Administration caters for the implementation of financial controls in municipalities and capacity building programmes for *Amakhosi*. The slight decrease over the MTEF was due to reprioritisation from this sub-programme to Programme 1. The MTEF allocations provide for various initiatives, including a knowledge sharing seminar between Traditional Leaders and experts in various fields, research and capacity building programmes, among others.

Compensation of employees caters for the filling of posts, among others. The reduction in the 2022/23 Adjusted Appropriation was due to delays with the filling of vacant posts, as well as resignations and retirements of staff, as explained. The MTEF allocations show an increase of 5.9 per cent in 2023/24, 6.3 per cent in 2024/25 and 2.4 per cent in 2025/26. The allocations over the MTEF cater for the filling of 41 critical vacant posts, as explained. The department has sufficient growth to fill all vacant posts and has budgeted for the 1.5 per cent pay progression and the carry-through of the 3 per cent cost of living adjustment over the MTEF.

Goods and services relates to the sitting allowance of TC members, dispute resolutions, capacity building programmes, installation and recognition of *Amakhosi*, stipends for *Izinduna*, among others. The increase in the 2022/23 Adjusted Appropriation was due to funds shifted from *Transfers and subsidies to: Departmental agencies and accounts* to *Goods and services* in respect of the TC elections that are going to be undertaken by a service provider to assist the department to undertake the elections in March 2023, as explained, and no longer by the IEC as initially planned. The high 2023/24 amount is attributed to the once-off R631.083 million allocated from National Treasury to settle the backpay amount owed to the *Izinduna* in this province. A portion of the 2023/24 MTEF budget cuts were effected against this category, and the department will reduce the procurement of office supplies such as stationery. As explained above, the reprioritisation from this category was in respect of operating payments relating to vacancies of 455 *Izinduna*. Once these vacancies are filled, the department will undertake internal reprioritisation to top up the budget for *Izinduna* in-year. The allocations over the 2023/24 MTEF cater for the remuneration of *Izinduna*, support to traditional institutions, installation and recognition of *Amakhosi*, among others.

Transfers and subsidies to: Departmental agencies and accounts relates to the transfer to IEC for the TC elections. As explained, the funds were shifted to *Goods and services* in respect of the TC elections to be undertaken by a service provider.

Transfers and subsidies to: Non-profit institutions relates to expenditure for the traditional levies and trust account moved from the various economic categories within Programme 4, as explained. There is no expenditure in this regard in 2022/23 and over the MTEF as the amounts for the traditional levies and trust account are only determined at the end of the year, when expenditure has been incurred. The amounts against this category from 2022/23 relate to the donations to the Tembe Trust Account in support of the Umthayi Amarula Festival. The purpose of the event is to celebrate the first fruits with respect to the marula fruits, as explained.

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

Machinery and equipment caters for the purchase of office and computer equipment, etc. The increase in the 2022/23 Adjusted Appropriation was for procurement of furniture and equipment for the various TCs which were under-budgeted for. The allocations over the MTEF are for the purchase of new and replacement office and computer equipment, as well as furniture for the department and the TCs.

Payments for financial assets in 2020/21 was in respect of write-offs of staff debts (mainly in respect of salary over-payments for both officials and *Izinduna*) who have passed away, and these debts are older than five years.

Service delivery measures: Traditional Institutional Management

Table 11.23 illustrates the main service delivery measures pertaining to Programme 4. The table includes sector and non-sector measures.

Table 11.23 : Service delivery measures: Traditional Institutional Management

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2022/23	2023/24	2024/25	2025/26	
4.1. Traditional Institutional Administration						
4.1.1	Implementation of guidelines by institutions of traditional leadership monitored	7	5	5	5	
4.1.2	Resolution of succession claims/disputes	100%	100%	100%	100%	
4.1.3	Multi-Sectoral Departmental Dispute Resolution Committee meetings held	4	4	4	4	
4.1.4	<i>Amakhosi</i> recognised	100%	100%	100%	100%	
4.1.5	Family trees updated	100%	100%	100%	100%	
4.1.6	Traditional Affairs Turnaround Strategy implemented	1	1	1	1	
4.1.7	Information sharing sessions on conflict management conducted with <i>Amakhosi</i>	10	12	12	12	
4.2. Traditional Resource Administration						
4.2.1	Functionality of the Provincial and Local House(s) and its sub-committees monitored	1	1	1	11	
		11	11	11	11	
4.2.2	Maintained consolidated database of support given to <i>Amakhosi</i> (Provincial House)	1	1	1	1	
4.2.3	Maintained database of <i>Izinduna</i>	1	1	1	1	
4.2.4	Participation of <i>Amakhosi</i> in municipal councils supported	100%	100%	100%	100%	
4.2.5	Anti GBVF Intervention/campaigns for traditional leadership	2	2	2	2	
4.2.6	TCs supported to perform their functions	307	307	307	307	

9 Other programme information

9.1 Personnel numbers and costs

Table 11.24 provides detail of the department's approved establishment and personnel numbers, per level and programme.

This category includes the payment of CDWs, over the MTEF. The table also gives a breakdown of employees' dispensation classification. Details are provided in the paragraphs below.

Compensation of employees reflects healthy growth over the 2023/24 MTEF period. The growth caters for the filling of 221 vacant posts, among others. This category shows a growth of 12 per cent from the 2022/23 Adjusted Appropriation to 2023/24. Also, there is an increase of 5.7 per cent in 2024/25 and 2.7 per cent in 2025/26. The budget provides for the planned filling of 210 critical vacant posts in 2023/24 and 11 critical vacant posts in 2025/26, as mentioned. The department has sufficient growth to fill all vacant posts and has budgeted for the 1.5 per cent pay progression and the carry-through of the 3 per cent cost of living adjustment over the MTEF.

Others (interns, EPWP, learnerships) includes the CDWs appointed to bridge the gap between government and the community, and strengthen integration and co-ordination of services provided by government and access to these services by communities. These officials are included against the respective salary levels (mainly level 6)

Table 11.24 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2022/23 - 2025/26		
	2019/20		2020/21		2021/22		2022/23				2023/24		2024/25		2025/26				
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Addit. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. growth rate	Costs growth rate	% Costs of Total
R thousands																			
Salary level																			
1 – 7	804	200 930	650	241 460	735	245 193	699	21	720	249 661	817	267 035	817	281 337	822	286 592	4.5%	4.7%	32.5%
8 – 10	211	230 264	174	136 013	225	138 438	236	17	253	151 608	302	162 800	302	174 502	302	178 796	6.1%	5.7%	20.1%
11 – 12	142	106 548	179	148 891	157	145 218	151	8	159	149 102	189	170 047	189	182 098	189	185 648	5.9%	7.6%	20.5%
13 – 16	59	73 329	53	75 258	64	82 914	62	6	68	85 123	76	94 711	76	101 872	82	106 942	6.4%	7.9%	11.7%
Other	711	81 994	1 255	104 541	747	117 495	53	788	841	115 284	867	130 172	867	132 269	867	134 536	1.0%	5.3%	15.2%
Total	1 927	693 065	2 311	706 163	1 928	729 258	1 201	840	2 041	750 778	2 251	824 765	2 251	872 078	2 262	892 514	3.5%	5.9%	100.0%
Programme																			
1. Administration	413	182 303	543	170 403	393	174 761	361	27	388	176 551	472	196 293	472	205 856	472	207 954	6.8%	5.6%	23.5%
2. Local Governance	537	244 720	666	242 377	517	252 747	528	6	534	265 484	576	271 352	576	284 199	587	295 074	3.2%	3.6%	33.6%
3. Development And Planning	555	114 798	666	136 478	590	145 993	190	500	690	142 234	733	180 790	733	195 772	733	198 718	2.0%	11.8%	21.3%
4. Traditional Institutional Management	422	151 244	436	156 905	428	155 757	122	307	429	166 509	470	176 330	470	186 251	470	190 768	3.1%	4.6%	21.6%
Total	1 927	693 065	2 311	706 163	1 928	729 258	1 201	840	2 041	750 778	2 251	824 765	2 251	872 078	2 262	892 514	3.5%	5.9%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	1 191	588 414	1 039	585 338	1 150	579 848	1 113	52	1 165	601 597	1 358	668 628	1 358	712 868	1 369	730 598	5.5%	6.7%	81.3%
PSA appointees still to be covered by OSDs	-	-	-	-	21	20 697	22	-	22	22 675	17	16 783	17	17 386	17	17 647	(8.2%)	(8.0%)	2.3%
Prof. Nurses, Staff Nurses and Nursing Assistants	1	620	1	620	1	718	1	-	1	803	1	821	1	839	1	859	-	2.3%	0.1%
Legal Professionals	4	4 171	6	4 789	4	5 367	7	-	7	4 726	4	4 798	4	4 870	4	4 944	(17.0%)	1.5%	0.6%
Engineering Prof. and related occupations	20	17 866	10	10 875	5	5 133	5	-	5	5 693	4	3 563	4	3 846	4	3 930	(7.2%)	(11.6%)	0.5%
Others such as interns, EPWP, learnerships, etc	711	81 994	1 255	104 541	747	117 495	53	788	841	115 284	867	130 172	867	132 269	867	134 536	1.0%	5.3%	15.2%
Total	1 927	693 065	2 311	706 163	1 928	729 258	1 201	840	2 041	750 778	2 251	824 765	2 251	872 078	2 262	892 514	3.5%	5.9%	100.0%

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

9.2 Training

Table 11.25 gives a summary of departmental spending and information on training per programme over the seven-year period from 2019/20 to 2025/26. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expenses on staff training, to cater for human resource development, and the department meets this requirement.

Table 11.25 : Information on training: Co-operative Governance and Traditional Affairs

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
R thousand									
Number of staff	1 927	2 311	1 928	2 041	2 041	2 041	2 251	2 251	2 262
Number of personnel trained	1 620	-	1 709	1 709	1 709	1 709	1 168	1 168	1 168
of which									
Male	645	-	685	690	690	690	450	450	450
Female	975	-	1 024	1 019	1 019	1 019	718	718	718
Number of training opportunities	101	-	95	107	107	107	116	116	116
of which									
Tertiary	11	-	9	12	12	12	15	15	15
Workshops	23	-	20	24	24	24	27	27	27
Seminars	16	-	15	17	17	17	20	20	20
Other	51	-	51	54	54	54	54	54	54
Number of bursaries offered	84	-	90	90	90	90	90	90	90
Number of interns appointed	100	72	72	72	72	72	52	52	52
Number of learnerships appointed	-	-	-	-	-	-	-	-	-
Number of days spent on training	158	-	140	147	147	147	300	300	300
Payments on training by programme									
1. Administration	962	51	1 088	1 839	1 839	1 537	1 444	1 622	2 123
2. Local Governance	-	-	-	-	-	-	-	-	-
3. Development and Planning	-	-	-	-	-	-	-	-	-
4. Traditional Institutional Management	-	-	-	-	-	-	-	-	-
Total	962	51	1 088	1 839	1 839	1 537	1 444	1 622	2 123

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

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

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	1 554	1 519	1 574	2 336	2 336	1 613	2 438	2 548	2 662
Sale of goods and services produced by department	1 544	1 519	1 569	2 336	2 336	1 613	2 438	2 548	2 662
Sales by market establishments	754	702	678	1 416	1 416	635	1 478	1 545	1 614
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	790	817	891	920	920	978	960	1 003	1 048
Of which									
Commission	530	563	828	623	623	925	650	679	709
Tender documents	240	254	21	282	282	15	294	307	321
Sale: Asset <R5000	-	-	39	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods	10	-	5	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	80	871	1 463	63	63	89	66	69	72
Interest	80	871	1 463	63	63	89	66	69	72
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	1 506	-	1 500	1 500	2 580	1 600	1 634	1 707
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	1 506	-	1 500	1 500	2 580	1 600	1 634	1 707
Transactions in financial assets and liabilities	3 146	31 423	7 021	1 400	1 400	1 400	1 462	1 528	1 596
Total	4 780	35 319	10 058	5 299	5 299	5 682	5 566	5 779	6 037

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23	2022/23	2022/23	2023/24	2024/25	2025/26
Current payments	1 522 213	1 328 607	1 429 962	1 561 022	1 559 934	1 558 869	2 346 901	1 802 400	1 907 485
Compensation of employees	693 065	706 163	729 258	793 714	736 695	750 778	824 765	872 078	892 514
Salaries and wages	612 405	624 672	646 025	704 070	648 573	661 384	728 960	770 913	788 692
Social contributions	80 660	81 491	83 233	89 644	88 122	89 394	95 805	101 165	103 822
Goods and services	829 063	622 436	700 257	767 308	823 154	808 006	1 522 136	930 322	1 014 971
Administrative fees	2 143	476	1 031	3 256	3 063	2 823	3 391	3 559	3 686
Advertising	23 745	7 111	15 074	9 632	11 138	12 523	9 937	10 402	11 372
Minor assets	966	414	598	1 003	1 256	730	751	854	864
Audit cost: External	8 695	6 521	9 427	8 918	8 918	9 071	9 333	9 700	9 846
Bursaries: Employees	152	16	45	50	1 375	1 275	1 000	1 319	1 385
Catering: Departmental activities	2 508	603	759	4 433	3 542	3 067	4 909	5 387	5 605
Communication (G&S)	14 844	10 128	14 611	13 798	16 102	16 381	14 734	15 487	15 980
Computer services	32 128	29 735	52 423	45 793	28 385	29 243	41 967	47 537	43 888
Cons & prof sev: Business and advisory services	127 506	91 902	83 594	112 862	119 195	121 008	179 012	177 774	252 690
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	11 069	7 376	15 204	9 186	13 595	13 851	11 270	13 325	14 383
Contractors	47 385	2 320	12 931	27 896	56 871	43 037	40 011	33 325	37 016
Agency and support / outsourced services	7 101	9 001	9 766	10 150	5 943	5 796	9 000	9 781	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	18 552	15 209	14 960	15 295	23 553	22 361	20 110	21 400	21 376
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	2 636	1 234	4 084	2 000	4 539	4 891	4 500	5 500	5 500
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 682	1 313	3 488	2 500	4 629	3 526	5 000	6 000	6 500
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	27 612	7 158	6 652	5 500	6 946	5 881	8 200	8 000	9 000
Consumable supplies	2 961	1 933	4 339	5 251	2 835	4 014	4 272	7 651	6 381
Consumable: Stationery, printing and office supplies	12 903	5 310	13 234	11 172	6 098	8 085	11 153	13 230	14 544
Operating leases	19 468	15 387	33 467	31 347	30 087	27 656	33 730	34 296	36 459
Property payments	41 591	36 028	48 994	46 356	59 614	56 216	64 176	68 303	65 295
Transport provided: Departmental activity	55	-	-	-	-	-	-	-	-
Travel and subsistence	36 878	11 956	18 240	31 845	47 095	46 299	39 472	44 473	47 326
Training and development	962	51	1 088	1 839	1 839	1 537	1 444	1 622	2 123
Operating payments	385 331	358 340	330 985	367 136	359 599	361 798	1 004 764	391 397	403 648
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	190	2 914	5 263	90	6 937	6 937	-	-	104
Interest and rent on land	85	8	447	-	85	85	-	-	-
Interest	85	8	447	-	85	85	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	369 436	38 830	231 248	144 480	190 180	191 242	24 670	45 790	11 363
Provinces and municipalities	222 819	491	188 504	81 701	181 770	181 583	16 600	37 470	920
Provinces	1 199	491	484	701	670	483	900	910	920
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 199	491	484	701	670	483	900	910	920
Municipalities	221 620	-	188 020	81 000	181 100	181 100	15 700	36 560	-
Municipalities	218 620	-	188 020	78 000	178 100	178 100	15 700	36 560	-
Municipal agencies and funds	3 000	-	-	3 000	3 000	3 000	-	-	-
Departmental agencies and accounts	67 000	-	13 000	55 000	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	67 000	-	13 000	55 000	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	1 280	1 280	1 280
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	29 000	-	-	-	-	-	-	-	-
Public corporations	29 000	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	29 000	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	37 343	26 082	19 820	250	250	250	250	250	250
Households	13 274	12 257	9 924	7 529	8 160	9 409	6 540	6 790	8 913
Social benefits	8 524	10 276	7 867	3 955	5 878	7 184	4 670	4 205	4 099
Other transfers to households	4 750	1 981	2 057	3 574	2 282	2 225	1 870	2 585	4 814
Payments for capital assets	75 150	144 711	108 902	114 531	69 915	69 915	71 442	69 398	77 562
Buildings and other fixed structures	11 455	99 383	79 528	92 100	26 932	24 667	39 969	37 267	54 241
Buildings	11 455	19 787	11 521	57 000	25 924	23 659	39 969	37 267	54 241
Other fixed structures	-	79 596	68 007	35 100	1 008	1 008	-	-	-
Machinery and equipment	63 663	36 433	16 403	22 431	31 469	33 734	15 131	8 694	8 941
Transport equipment	45 462	1 238	3 964	3 465	18 629	21 106	3 070	3 141	4 141
Other machinery and equipment	18 201	35 195	12 439	18 966	12 840	12 628	12 061	5 553	4 800
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	32	8 895	12 971	-	11 514	11 514	16 342	23 437	14 380
Payments for financial assets	-	1 720	11 765	-	4	7	-	-	-
Total	1 966 799	1 513 868	1 781 877	1 820 033	1 820 033	1 820 033	2 443 013	1 917 588	1 996 410

Table 11.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
Current payments	382 574	312 260	415 307	384 954	383 395	388 749	425 791	454 449	447 671
Compensation of employees	182 303	170 403	174 761	183 191	170 837	176 551	196 293	205 856	207 954
Salaries and wages	161 752	150 323	154 312	161 985	148 667	153 880	172 659	181 669	183 767
Social contributions	20 551	20 080	20 449	21 206	22 170	22 671	23 634	24 187	24 187
Goods and services	200 186	141 849	240 099	201 763	212 473	212 113	229 498	248 593	239 717
Administrative fees	1 089	223	689	763	914	824	912	962	1 010
Advertising	23 300	6 933	14 986	8 662	10 950	12 406	9 801	10 266	11 236
Minor assets	199	154	507	278	383	400	412	293	303
Audit cost: External	8 695	6 521	9 427	8 918	8 918	9 071	9 333	9 700	9 846
Bursaries: Employees	152	16	45	50	1 375	1 275	1 000	1 319	1 385
Catering: Departmental activities	469	29	300	202	473	596	463	490	526
Communication (G&S)	7 443	5 451	8 850	7 493	8 283	9 009	7 466	7 870	8 048
Computer services	32 128	29 735	52 423	45 793	28 385	29 243	41 967	47 537	43 888
Cons & prof sev: Business and advisory services	3 179	7 121	16 384	10 984	7 150	7 325	4 617	3 551	3 573
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	11 069	7 376	15 204	7 186	13 595	13 851	10 070	11 075	12 080
Contractors	7 830	1 209	2 002	3 234	3 632	3 999	3 361	4 197	4 540
Agency and support / outsourced services	481	1 471	-	150	-	-	9 000	9 781	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	18 552	15 209	14 960	15 295	23 473	22 361	20 110	21 400	21 376
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	11	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 169	1 857	2 519	2 674	1 919	3 143	2 158	2 675	3 416
Consumable: Stationery, printing and office supplies	11 030	4 830	11 522	9 190	4 705	6 323	8 195	11 129	12 101
Operating leases	17 910	14 047	32 151	26 985	27 774	25 382	29 230	30 024	31 977
Property payments	40 895	36 028	48 984	46 306	57 224	53 826	64 166	68 288	65 280
Transport provided: Departmental activity	55	-	-	-	-	-	-	-	-
Travel and subsistence	12 402	3 509	8 056	5 547	10 429	10 376	5 793	6 414	6 905
Training and development	962	51	1 088	1 839	1 839	1 537	1 444	1 622	2 123
Operating payments	79	79	2	124	1 052	1 166	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	87	-	-	90	-	-	-	-	104
Interest and rent on land	85	8	447	-	85	85	-	-	-
Interest	85	8	447	-	85	85	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	9 960	8 710	7 457	7 400	6 592	6 749	6 240	6 725	9 008
Provinces and municipalities	1 199	491	484	701	670	483	900	910	920
Provinces	1 199	491	484	701	670	483	900	910	920
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 199	491	484	701	670	483	900	910	920
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	8 761	8 219	6 973	6 699	5 922	6 266	5 340	5 815	8 088
Social benefits	4 011	6 238	4 973	3 125	3 640	4 123	3 470	3 230	3 274
Other transfers to households	4 750	1 981	2 000	3 574	2 282	2 143	1 870	2 585	4 814
Payments for capital assets	28 444	42 797	28 219	6 335	20 460	23 346	22 064	28 091	19 021
Buildings and other fixed structures	148	-	-	-	-	-	-	-	-
Buildings	148	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	28 296	33 902	15 248	6 335	8 946	11 832	5 722	4 654	4 641
Transport equipment	26 311	1 238	3 964	3 465	6 493	8 970	3 070	3 141	4 141
Other machinery and equipment	1 985	32 664	11 284	2 870	2 453	2 862	2 652	1 513	500
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	8 895	12 971	-	11 514	11 514	16 342	23 437	14 380
Payments for financial assets	-	5	11 765	-	4	7	-	-	-
Total	420 978	363 772	462 748	398 689	410 451	418 851	454 095	489 265	475 700

Table 11.D : Payments and estimates by economic classification: Local Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	309 917	300 304	312 242	358 854	331 085	331 274	321 539	342 839	372 987
Compensation of employees	244 720	242 377	252 747	262 488	259 177	265 484	271 352	284 199	295 074
Salaries and wages	208 553	205 890	215 562	226 109	221 135	226 510	229 214	239 672	248 768
Social contributions	36 167	36 487	37 185	36 379	38 042	38 974	42 138	44 527	46 306
Goods and services	65 197	57 927	59 495	96 366	71 908	65 790	50 187	58 640	77 913
Administrative fees	680	146	172	634	409	350	578	631	663
Advertising	348	5	17	300	42	54	36	36	36
Minor assets	91	183	86	-	5	1	18	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 645	430	430	1 052	863	530	1 666	1 189	1 194
Communication (G&S)	6 668	4 006	4 570	4 058	4 845	4 236	4 244	4 336	4 465
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	15 342	38 468	26 708	54 956	40 703	37 000	19 162	23 352	39 063
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	20 441	1 011	8 171	13 236	9 869	8 351	15 050	16 450	17 650
Agency and support / outsourced services	6 620	7 530	9 766	10 000	5 943	5 796	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	169	67	928	89	57	1	74	96	105
Consumable: Stationery, printing and office supplies	1 173	350	1 132	676	687	255	678	727	771
Operating leases	593	493	464	1 265	616	685	870	945	1 021
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	10 768	4 578	4 127	9 906	7 689	8 319	7 591	10 663	12 715
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	659	660	1 078	194	180	212	220	215	230
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	1 846	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	6 711	1 181	753	180	2 316	2 387	550	350	200
Provinces and municipalities	4 350	-	-	-	2 000	2 000	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	4 350	-	-	-	2 000	2 000	-	-	-
Municipalities	4 350	-	-	-	2 000	2 000	-	-	-
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	2 361	1 181	753	180	316	387	550	350	200
Social benefits	2 361	1 181	753	180	316	387	550	350	200
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	801	776	547	477	763	503	462	370	190
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	801	776	547	477	763	503	462	370	190
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	801	776	547	477	763	503	462	370	190
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	317 429	302 261	313 542	359 511	334 164	334 164	322 551	343 559	373 377

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23	2022/23	2022/23	2023/24	2024/25	2025/26
Current payments	286 894	200 523	212 708	236 105	253 944	257 371	375 185	390 254	452 511
Compensation of employees	114 798	136 478	145 993	163 170	141 733	142 234	180 790	195 772	198 718
Salaries and wages	103 144	123 762	132 696	149 675	127 557	127 807	164 545	177 834	180 267
Social contributions	11 654	12 716	13 297	13 495	14 176	14 427	16 245	17 938	18 451
Goods and services	172 096	64 045	66 715	72 935	112 211	115 137	194 395	194 482	253 793
Administrative fees	374	107	170	863	402	281	905	939	976
Advertising	97	173	71	-	146	63	100	100	100
Minor assets	580	72	-	292	220	24	164	141	141
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	394	144	29	853	976	711	943	959	1 020
Communication (G&S)	733	671	1 191	1 400	1 009	1 074	1 492	1 532	1 568
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	108 985	46 313	40 502	46 922	71 342	76 683	155 233	150 871	210 054
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	16 129	-	916	3 000	2 184	2 175	3 000	3 000	3 500
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	-	-	-	-	80	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	2 636	1 234	4 084	2 000	4 539	4 891	4 500	5 500	5 500
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 671	1 313	3 488	2 500	4 629	3 526	5 000	6 000	6 500
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	27 612	7 158	6 652	5 500	6 946	5 881	8 200	8 000	9 000
Consumable supplies	623	9	892	1 138	586	606	1 483	2 605	585
Consumable: Stationery, printing and office supplies	700	130	580	868	627	790	876	909	1 165
Operating leases	965	847	852	1 550	947	843	1 641	1 684	1 765
Property payments	696	-	10	40	2 390	2 390	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	9 019	2 505	3 769	5 509	8 115	8 126	10 358	11 742	11 389
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	779	455	92	500	136	136	500	500	530
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	103	2 914	3 417	-	6 937	6 937	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	267 416	1 190	202 132	81 050	180 743	181 359	17 030	37 890	1 330
Provinces and municipalities	217 270	-	188 020	81 000	179 100	179 100	15 700	36 560	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	217 270	-	188 020	81 000	179 100	179 100	15 700	36 560	-
Municipalities	214 270	-	188 020	78 000	176 100	176 100	15 700	36 560	-
Municipal agencies and funds	3 000	-	-	3 000	3 000	3 000	-	-	-
Departmental agencies and accounts	20 000	-	13 000	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	20 000	-	13 000	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	1 280	1 280	1 280
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	29 000	-	-	-	-	-	-	-	-
Public corporations	29 000	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	29 000	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 146	1 190	1 112	50	1 643	2 259	50	50	50
Social benefits	1 146	1 190	1 112	50	1 643	2 259	50	50	50
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	45 264	100 792	80 078	105 919	41 838	39 488	41 836	37 837	54 811
Buildings and other fixed structures	11 307	99 383	79 528	92 100	26 932	24 667	39 969	37 267	54 241
Buildings	11 307	19 787	11 521	57 000	25 924	23 659	39 969	37 267	54 241
Other fixed structures	-	79 596	68 007	35 100	1 008	1 008	-	-	-
Machinery and equipment	33 925	1 409	550	13 819	14 906	14 821	1 867	570	570
Transport equipment	19 151	-	-	-	12 136	12 136	-	-	-
Other machinery and equipment	14 774	1 409	550	13 819	2 770	2 685	1 867	570	570
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	32	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	599 574	302 505	494 918	423 074	476 525	478 218	434 051	465 981	508 652

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23	2022/23	2022/23	2023/24	2024/25	2025/26
Current payments	542 828	515 520	489 705	581 109	591 510	581 475	1 224 386	614 858	634 316
Compensation of employees	151 244	156 905	155 757	184 865	164 948	166 509	176 330	186 251	190 768
Salaries and wages	138 956	144 697	143 455	166 301	151 214	153 187	162 542	171 738	175 890
Social contributions	12 288	12 208	12 302	18 564	13 734	13 322	13 788	14 513	14 878
Goods and services	391 584	358 615	333 948	396 244	426 562	414 966	1 048 056	428 607	443 548
Administrative fees	-	-	-	996	1 338	1 368	996	1 027	1 037
Advertising	-	-	-	670	-	-	-	-	-
Minor assets	96	5	5	433	648	305	157	420	420
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	2 326	1 230	1 230	1 837	2 749	2 865
Communication (G&S)	-	-	-	847	1 965	2 062	1 532	1 749	1 899
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	2 000	-	-	1 200	2 250	2 303
Contractors	2 985	100	1 842	8 426	41 186	28 512	18 600	9 678	11 326
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	1 350	273	264	557	2 275	2 275
Consumable: Stationery, printing and office supplies	-	-	-	438	79	717	1 404	465	507
Operating leases	-	-	-	1 547	750	746	1 989	1 643	1 696
Property payments	-	-	-	10	-	-	10	15	15
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	4 689	1 364	2 288	10 883	20 862	19 478	15 730	15 654	16 317
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	383 814	357 146	329 813	366 318	358 231	360 284	1 004 044	390 682	402 888
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	85 349	27 749	20 906	55 850	529	747	850	825	825
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	47 000	-	-	55 000	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	47 000	-	-	55 000	-	-	-	-	-
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	37 343	26 082	19 820	250	250	250	250	250	250
Households	1 006	1 667	1 086	600	279	497	600	575	575
Social benefits	1 006	1 667	1 029	600	279	415	600	575	575
Other transfers to households	-	-	57	-	-	82	-	-	-
Payments for capital assets	641	346	58	1 800	6 854	6 578	7 080	3 100	3 540
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	641	346	58	1 800	6 854	6 578	7 080	3 100	3 540
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	641	346	58	1 800	6 854	6 578	7 080	3 100	3 540
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	1 715	-	-	-	-	-	-	-
Total	628 818	545 330	510 669	638 759	598 893	588 800	1 232 316	618 783	638 681

Table 11.G : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
Current payments	3 858	2 777	1 994	1 993	1 993	1 993	1 960	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	3 858	2 777	1 994	1 993	1 993	1 993	1 960	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	3 858	2 777	1 994	1 993	1 993	1 993	1 960	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of 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	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	288	-	-	-	-	-	-	-	-
Buildings and other fixed structures	288	-	-	-	-	-	-	-	-
Buildings	288	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 146	2 777	1 994	1 993	1 993	1 993	1 960	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	3 858	2 777	1 994	1 993	1 993	1 993	1 960	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	3 858	2 777	1 994	1 993	1 993	1 993	1 960	-	-
<i>Cons & prof sev: Business and advisory services</i>	3 858	2 777	1 994	1 993	1 993	1 993	1 960	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 858	2 777	1 994	1 993	1 993	1 993	1 960	-	-

Table 11.I : Payments and estimates by economic classification: Provincial Disaster Recovery grant (Prog 3: Development and Planning)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	288	-	-	-	-	-	-	-	-
Buildings and other fixed structures	288	-	-	-	-	-	-	-	-
Buildings	288	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	288	-	-	-	-	-	-	-	-

Table 11.J : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	29 385	-	39 700	8 600	15 200	15 200	3 700	15 000	-
B KZN212 uMdoni	750	-	-	4 000	4 000	4 000	3 700	15 000	-
B KZN213 uMzombe	10 000	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	4 600	4 600	4 600	-	-	-
B KZN216 Ray Nkonyeni	-	-	14 000	-	-	-	-	-	-
C DC21 Ugu District Municipality	18 635	-	25 700	-	6 600	6 600	-	-	-
Total: uMgungundlovu Municipalities	15 550	-	54 920	11 600	64 300	64 300	-	-	-
B KZN221 uMshwathi	-	-	7 500	5 000	5 000	5 000	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	3 000	3 000	-	-	-
B KZN224 iMpendle	1 000	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	15 000	6 600	16 600	16 600	-	-	-
B KZN226 Mkambathini	-	-	14 420	-	14 500	14 500	-	-	-
B KZN227 Richmond	10 500	-	-	-	5 200	5 200	-	-	-
C DC22 uMgungundlovu District Municipality	4 050	-	18 000	-	20 000	20 000	-	-	-
Total: uThukela Municipalities	43 550	-	-	15 900	15 900	15 900	7 100	-	-
B KZN235 Okhahlamba	10 500	-	-	15 900	15 900	15 900	7 100	-	-
B KZN237 iNkosi Langalibalele	-	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	15 500	-	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	17 550	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	7 225	-	9 100	5 000	11 500	11 500	-	-	-
B KZN241 eNdumeni	-	-	1 600	-	-	-	-	-	-
B KZN242 Nquthu	-	-	-	-	-	-	-	-	-
B KZN244 uMsinga	2 325	-	-	-	-	-	-	-	-
B KZN245 uMvoti	800	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	4 100	-	7 500	5 000	11 500	11 500	-	-	-
Total: Amajuba Municipalities	24 460	-	13 800	-	9 900	9 900	-	-	-
B KZN252 Newcastle	20 000	-	8 700	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	4 460	-	5 100	-	9 900	9 900	-	-	-
Total: Zululand Municipalities	22 950	-	-	10 700	13 600	13 600	3 000	5 000	-
B KZN261 eDumbe	19 500	-	-	5 000	10 600	10 600	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	5 700	-	-	3 000	5 000	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	3 450	-	-	-	3 000	3 000	-	-	-
Total: uMkhanyakude Municipalities	14 000	-	11 500	-	10 000	10 000	1 900	6 300	-
B KZN271 uMhlabyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	14 000	-	11 500	-	-	-	1 900	6 300	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	10 000	10 000	-	-	-
Total: King Cetshwayo Municipalities	2 050	-	-	-	500	500	-	-	-
B KZN281 uMfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	-	-	-	500	500	-	-	-
B KZN286 Nkandla	500	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	1 550	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	21 950	-	25 000	8 000	26 000	26 000	-	-	-
B KZN291 Mandeni	750	-	-	-	5 000	5 000	-	-	-
B KZN292 KwaDukuza	5 000	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	8 000	5 000	5 000	-	-	-
B KZN294 Maphumulo	7 000	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	9 200	-	25 000	-	16 000	16 000	-	-	-
Total: Harry Gwala Municipalities	37 500	-	34 000	18 200	11 200	11 200	-	10 260	-
B KZN433 Greater Kokstad	15 500	-	-	-	1 000	1 000	-	10 260	-
B KZN434 uBuhlebezwe	6 500	-	-	5 000	5 000	5 000	-	-	-
B KZN435 uMzimkhulu	-	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	500	-	-	13 200	5 200	5 200	-	-	-
C DC43 Harry Gwala District Municipality	15 000	-	34 000	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	218 620	-	188 020	78 000	178 100	178 100	15 700	36 560	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	28 085	-	6 000	-	-	-	-	-	-
B KZN213 uMzumba	10 000	-	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	-	6 000	-	-	-	-	-	-
C DC21 Ugu District Municipality	18 085	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	15 000	-	10 000	10 000	-	-	-
B KZN225 Msunduzi	-	-	15 000	-	10 000	10 000	-	-	-
Total: uThukela Municipalities	15 000	-	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	15 000	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	4 375	-	1 600	-	-	-	-	-	-
B KZN241 eNdameni	-	-	1 600	-	-	-	-	-	-
B KZN244 uMsinga	1 575	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	2 800	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	22 310	-	-	-	-	-	-	-	-
B KZN252 Newcastle	20 000	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	2 310	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	1 900	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	1 900	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	5 000	10 000	10 000	-	-	-
B KZN291 Mandeni	-	-	-	-	5 000	5 000	-	-	-
B KZN293 Ndwedwe	-	-	-	5 000	5 000	5 000	-	-	-
Total: Harry Gwala Municipalities	15 000	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	15 000	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	86 670	-	22 600	5 000	20 000	20 000	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	10 000	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	10 000	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	7 000	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	7 000	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	17 000	-	-	-	-	-	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	4 600	4 600	4 600	-	-	-
B KZN214 uMuziwabantu	-	-	-	4 600	4 600	4 600	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	6 600	6 600	6 600	-	-	-
B KZN225 Msunduzi	-	-	-	6 600	6 600	6 600	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	5 000	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	5 000	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	5 000	-	-	11 200	11 200	11 200	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	8 000	4 000	4 000	4 000	3 700	15 000	-
B KZN212 uMdoni	-	-	-	4 000	4 000	4 000	3 700	15 000	-
B KZN216 Ray Nkonyeni	-	-	8 000	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	10 000	-	14 420	5 000	27 200	27 200	-	-	-
B KZN221 uMshwathi	-	-	-	5 000	5 000	5 000	-	-	-
B KZN223 Mpofana	-	-	-	-	3 000	3 000	-	-	-
B KZN226 Mkhambathini	-	-	14 420	-	14 000	14 000	-	-	-
B KZN227 Richmond	10 000	-	-	-	5 200	5 200	-	-	-
Total: uThukela Municipalities	3 000	-	-	15 900	15 900	15 900	7 100	-	-
B KZN235 Okhahlamba	-	-	-	15 900	15 900	15 900	7 100	-	-
B KZN238 Alfred Duma	3 000	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	19 500	-	-	10 700	10 600	10 600	3 000	5 000	-
B KZN261 eDumbe	19 500	-	-	5 000	10 600	10 600	-	-	-
B KZN263 Abaqulusi	-	-	-	5 700	-	-	3 000	5 000	-
Total: uMkhanyakude Municipalities	14 000	-	11 500	-	-	-	1 900	6 300	-
B KZN271 uMhlabyalingana	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	14 000	-	11 500	-	-	-	1 900	6 300	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	5 000	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	5 000	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	15 000	-	-	10 200	10 200	10 200	-	10 260	-
B KZN433 Greater Kokstad	15 000	-	-	-	-	-	-	10 260	-
B KZN434 uBuhlebezwe	-	-	-	5 000	5 000	5 000	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	5 200	5 200	5 200	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	66 500	-	33 920	45 800	67 900	67 900	15 700	36 560	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
Total: uThukela Municipalities	14 000	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	12 000	-	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	2 000	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	5 000	5 000	5 000	-	-	-
C DC24 uMzinyathi District Municipality	-	-	-	5 000	5 000	5 000	-	-	-
Total: Amajuba Municipalities	-	-	-	-	5 000	5 000	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	5 000	5 000	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	2 000	-	-	3 000	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	3 000	-	-	-	-	-
C DC29 iLembe District Municipality	2 000	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	6 000	-	-	8 000	-	-	-	-	-
B KZN434 uBuhlebezwe	6 000	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	8 000	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	22 000	-	-	16 000	10 000	10 000	-	-	-

Table 11.P : Transfers to local government - CSC Infrastructure Support

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	7 500	-	-	-	-	-	-
B KZN221 uMshwathi	-	-	7 500	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	7 500	-	-	-	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	550	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	550	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	550	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	550	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	550	-	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	550	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	500	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	500	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	550	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	550	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	550	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	550	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	550	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	550	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	550	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	550	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	4 350	-	-	-	-	-	-	-	-

Table 11.R : Transfers to local government - Water Intervention programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	25 700	-	6 600	6 600	-	-	-
C DC21 Ugu District Municipality	-	-	25 700	-	6 600	6 600	-	-	-
Total: uMgungundlovu Municipalities	-	-	18 000	-	20 000	20 000	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	18 000	-	20 000	20 000	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	7 500	-	6 500	6 500	-	-	-
C DC24 uMzinyathi District Municipality	-	-	7 500	-	6 500	6 500	-	-	-
Total: Amajuba Municipalities	-	-	13 800	-	4 900	4 900	-	-	-
B KZN252 Newcastle	-	-	8 700	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	5 100	-	4 900	4 900	-	-	-
Total: Zululand Municipalities	-	-	-	-	3 000	3 000	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	3 000	3 000	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	25 000	-	16 000	16 000	-	-	-
C DC29 iLembe District Municipality	-	-	25 000	-	16 000	16 000	-	-	-
Total: Harry Gwala Municipalities	-	-	34 000	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	34 000	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	124 000	-	57 000	57 000	-	-	-

Table 11.S : Transfers to local government - Schemes Support programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	750	-	-	-	-	-	-	-	-
B KZN212 uMdoni	750	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	2 500	-	-	-	-	-	-	-	-
B KZN224 iMpendle	1 000	-	-	-	-	-	-	-	-
B KZN227 Richmond	500	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	1 000	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	1 550	-	-	-	-	-	-	-	-
B KZN244 uMsinga	750	-	-	-	-	-	-	-	-
B KZN245 uMvoti	800	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	500	-	-	-	-	-	-	-	-
B KZN286 Nkandla	500	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	750	-	-	-	-	-	-	-	-
B KZN291 Mandeni	750	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	6 050	-	-	-	-	-	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	1 000	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	1 000	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	800	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	800	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	1 000	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	1 000	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	1 000	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	1 000	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	650	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	650	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	4 450	-	-	-	-	-	-	-	-

Table 11.U : Transfers to local government - Municipal Excellence awards

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	500	500	-	-	-
B KZN226 Mkhambathini	-	-	-	-	500	500	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	500	500	-	-	-
B KZN282 uMhlathuze	-	-	-	-	500	500	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	1 000	1 000	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	1 000	1 000	-	-	-
Total	-	-	-	-	2 000	2 000	-	-	-

Table 11.V : Transfers to local government - Co-operative support for LED

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	10 000	10 000	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	10 000	10 000	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	10 000	10 000	-	-	-

Table 11.W : Transfers to local government - Building Information Management Systems

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	1 000	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	500	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	500	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	1 500	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	500	-	-	-	-	-	-	-	-
B KZN434 uBuhlebezwe	500	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	500	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	2 500	-	-	-	-	-	-	-	-

Table 11.X : Transfers to local government - Geospatial Database Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	1 500	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	1 500	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	1 500	-	-	-	-	-	-	-	-

Table 11.Y : Transfers to local government - GIS Functionality

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	1 600	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	1 600	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	1 000	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	1 000	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	2 600	-	-	-	-	-	-	-	-