

# VOTE 12

## Transport

Operational budget	R12 964 809 871
MEC remuneration	R 2 037 129
Total amount to be appropriated	R12 966 847 000
Responsible MEC	MEC for Transport and Community Safety and Liaison
Administering department	Transport
Accounting officer	Head: Transport

### 1. Overview

#### Vision

The department's vision is: *Prosperity through a smart transportation system.*

#### Mission

The department's mission is: *To facilitate the mobility of people and goods by optimising the usage of all modes of transport through an efficient, reliable, integrated, safe, universally accessible and environmentally friendly transportation system.*

#### Strategic outcomes

The Department of Transport (DOT)'s strategic policy direction is to:

- Support economic growth, rural development, socio-economic transformation, poverty alleviation and job creation as the department builds and maintains transport infrastructure.
- Provide safe, integrated, reliable and affordable public transportation systems.
- Create a safe road environment for all road users while managing traffic.

The department strives to achieve this through the following outcomes:

- Good governance.
- Responsive transport infrastructure through improved road network condition and a balanced and equitable road network.
- Integrated, safe and efficient transport.

#### Core functions

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

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

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

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

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

### ***Manage road traffic***

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

### **Legislative and policy mandates**

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

- African Union (AU) Agenda, 2063
- Annual Division of Revenue Act (DORA)
- Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)
- Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
- Construction Industry Development Board Act, 2000 (Act No. 38 of 2000)
- Criminal Procedure Act, 1977 (Act No. 51 of 1977)
- Cross-border Road Transport Act, 1998 (Act No. 4 of 1998)
- Disaster Management Act, 2002 (Act No. 57 of 2002)
- Draft Non-Motorised Transport Policy, December 2008
- Employment Equity Act, 1998 (Act No. 55 of 1998)
- Engineering Profession Act, 2000 (Act No. 46 of 2000)
- Government Immovable Asset Management Act, 2007 (Act No.17 of 2007)
- Integrated Sustainable Rural Development Strategy, November 2005
- Inter-governmental Relations (IGR) Framework Act, 2005 (Act No. 13 of 2005)
- KZN Learner Transport Policy, 1 July 2021
- KZN Provincial Minibus Taxi Act, 1998 (Act No. 4 of 1998). Only Chapter 10 is applicable, as the Act has been repealed
- KZN Provincial Roads Act, 2001 (Act No. 4 of 2001)
- KZN Provincial Supply Chain Management (SCM) Policy Framework, 2006
- KZN Road Traffic Act, 1997 (Act No. 7 of 1997)
- KZN White Paper on Freight Transport Policy, October 2004
- Local Roads for Rural Development in KZN, March 1997
- National Environmental Management Act, 1998 (Act No. 108 of 1998)
- National Freight Logistics Strategy, October 2005
- National Land Transport Act, 2009 (Act No. 5 of 2009)
- National Land Transport Strategic Framework, 2017-2022
- National Learner Transport Policy, June 2015
- National Policy Framework for Women's Empowerment and Gender Equality (Gender Policy Framework), 2000
- National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 Of 2008) and associated Regulations
- National Road Safety Strategy, 2016-2030
- National Road Traffic Act, 1996 (Act No. 93 of 1996)
- National Standards Act, 2008 (Act No. 8 of 2008)
- National Strategic Plan on Gender-Based Violence and Femicide, 2020
- National Youth Policy 2020-2030, October 2020
- Occupational Health and Safety Amendment Act, 1993 (Act No. 181 of 1993)

- Preferential Procurement Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000) and revised regulations dated 16 January 2023
- Project and Construction Management Act, 2000 (Act No. 48 of 2000)
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)
- Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)
- Promotion of Equality and Prevention of Unfair Discrimination, 2000 (Act No. 4 of 2000)
- Protection of Personal Information Act, 2013
- Provincial Spatial Economic Development Strategy, October 2006
- Public Finance Management Act (PFMA) (Act No. 1 of 1999, as amended) and Treasury Regulations
- Public Service Act, 1994 (Act No. 103 of 1994) and Regulations
- Public Transport Strategy and Action Plan, 2007
- Road Infrastructure Strategic Framework for South Africa, October 2006
- Road Traffic Act, 1989 (Act No. 29 of 1989)
- Road Traffic Management Corporation Act, 1999 (Act No. 20 of 1999)
- Road Transportation Act, 1977 (Act No. 74 of 1977)
- Rural Transport Strategy for South Africa, 2007
- Skills Development Act (Act No. 97 of 1998)
- Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) (SPLUMA)
- The Construction Regulations, 2014, Gazette 37305 to the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993)
- The National Water Amendment Act, 2014 (Act No. 27 of 2014) and the accompanying Draft Regulations Regarding the Procedural Requirements for Licence Applications in terms of Section 26(1)(k) of the National Water Act, 1998 (Act No. 36 of 1998)
- White Paper on National Transport Policy, 1996
- White Paper on the Rights of Persons with Disabilities, March 2016

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

The department's activities are directly aligned to the NDP's main objective of eliminating poverty and reducing inequality by 2030 and the five priorities of inclusive social and economic development, sustainable investment and growth, decent jobs and sustainable livelihoods, a capable development state, and expanding opportunities. The department is aligned to three priority statements of the MTSF, namely a capable, ethical developmental state, economic transformation and job creation with cross-cutting focus areas (women, youth, people living with disabilities), and spatial integration, human settlements and local government. The alignment is reflected in three outcome statements of good governance, responsive transport infrastructure, and integrated, safe efficient and sustainable transport.

The department's activities in infrastructure delivery and maintenance, as well as transportation services, are cross-cutting and it is acknowledged that there must be considerable capital investment in road infrastructure to support the NDP and MTSF priorities. Hence, there is significant investment and budget allocation in existing infrastructure maintenance and repairs, upgrades and additions to existing infrastructure, as well as rehabilitations, renovations and refurbishments to existing infrastructure. Examples of projects are listed under *Transport infrastructure* in the section: Outlook for the 2023/24 financial year.

## **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.

### **Transport infrastructure**

Programme 2: Transport Infrastructure contains the bulk of the department's budget (about 70 per cent). The department continued to experience challenges with spending the allocated budget for this programme, which impacted negatively on the department's planned infrastructure projects. These challenges include the suspension of the Vukuzakhe Emerging Contractor Development Programme, contractors experiencing financial difficulties, two contracts declared irregular by the A-G in 2019/20 meaning that the department could not use these contracts to implement projects, challenges with access to quarries due to stoppage of work by local *Amakhosi*, among others.

The department discontinued the use of all period contracts that were declared irregular by A-G, and the new period contracts were advertised in June 2021. However, on evaluating the contracts, it was discovered that some of the SCM processes had irregularities resulting in a decision to cancel all of the contracts and to restart the tender process. After several engagements between SCM and the Infrastructure team, they finalised the specifications of the replacement contracts and they were submitted to the Bid Specification Committee (BSC) and the Bid Adjudication Committee (BAC) for approval. The following panels have since been advertised:

- Panel of capital consultants closing date was 14 June 2022.
- Panel of contractors for the construction and maintenance of various roads and structures closing date was 06 July 2022
- Panel of district consultants closing date was 03 August 2022
- The capital consultants' and contractors' panel of service providers was completed by BEC, and is being adjudicated by BAC. The district consultants' panel is on hold due to court interdicts and the department is awaiting court judgement.

With the issues with quarries relating to *Amakhosi*, in early 2022, the department received an indication that the Department of Mineral Resources and Energy (DMRE) was unhappy with the state of quarries in the province. In addition, *Amakhosi* in certain parts of KZN were of the view that the quarry material belongs to them since it is on their land. The department procured the services of a quarry rehabilitation service provider. The department has taken a decision to include the purchase of quarry material on all bid documents for all new and re-gravelling tender documents to include an allowance for the procurement of gravel material from commercial sources.

The department is also participating in various other contracts from the Northwest Department of Public Works and Roads for reseal, fog spray, regravelling, patchwork and rehabilitation, the Independent Development Trust (IDT) in respect of a professional service providers' contract and the Tshwane Department of Transport for an automated pothole repair and patching machine.

Furthermore, the department's budget was impacted by the April 2022 flood disaster, which resulted in the department reprioritising a significant portion of its budget towards repairs relating to the flood damage. In this regard, R924.080 million of the equitable share allocation was reprioritised within Programme 2, against *Buildings and other fixed structures* from construction and rehabilitation projects including various roads and bridges, namely P494 in King Cetshwayo, L1063 in Zululand, P520 and P395 in Ugu, Willowfontein Road in uMgungundlovu, P179 in uThukela District, P30 and P288 in Okhahlamba, P236 in Jozini Local Municipality, P234 in Nongoma, the Umkomazi River Bridge in eThekweni, uMfolozi River Bridge in King Cetshwayo and Bhanda Box Culvert and Mhlalane Pedestrian Bridge in uMgungundlovu, among others. These projects were mostly at project initiation and feasibility (stage 1), concept and preliminary design (stage 2) and design development (stage 3) stages. The projects were planned for implementation in 2022/23, but were deferred to a later period. The funds were moved to *Goods and services* within Programme 2 to provide for flood disaster projects including betterment and re-gravelling, blacktop patching, wash-away repairs, pipe installation and headwalls, as well as reinstatement of approach-gabions, etc., in areas including the eThekweni Metro, Pietermaritzburg, Ladysmith, Vryheid, Ulundi, Port Shepstone, Newcastle, KwaDukuza, Ixopo, Hluhluwe, Estcourt, Eshowe and Dundee.

In addition, the department received approval from the National Department of Transport (NDOT) to amend the provisions of the Provincial Roads Maintenance grant (PRMG) to allow the department to use R1.029 billion of the grant allocation of R2.721 billion towards repairs to roads damaged during the April

2022 flood disaster. The movement was within Programme 2, and within *Goods and services*. The funds were reprioritised from bundled (packaged or grouped projects relating to maintenance projects undertaken at regions) maintenance projects towards the implementation of single projects, such as betterment and re-gravelling, blacktop patching, blading and reseal projects.

Also, an amount of R957.638 million of the equitable share allocation was reprioritised within Programme 2, and within *Goods and services* from routine, safety and special projects towards April 2022 flood disaster repair projects, such as betterment and re-gravelling, blacktop patching, wash-away repairs, pipe installation and headwalls, as well as reinstatement of approach-gabions, etc.

Thus, the department reprioritised approximately R2.911 billion towards the flood response, in addition to the additional funding of R589.300 million allocated by National Treasury against the PRMG to the department towards repairs to roads damaged by the April 2022 floods. The department has 749 projects across province in all four regions. The department has placed 291 orders with a value of R1.590 billion, consisting of 413 roads projects to be completed. The total payment as at the end of January 2022 was R673.660 million. The department finalised the evaluations and adjudications in August 2022 and orders were issued in August 2022 and September 2022. In addition, 336 projects with a value of R1.440 billion are in various stages of the SCM processes. It is anticipated that the SCM processes for these 336 projects will be completed by the end of February 2023.

Despite all of the challenges, some progress was made in 2022/23 in respect of the following projects:

- Upgrade of P16-3 which commences at Qhudeneni and ends at Silutshana, and comprises 44.8 kilometres of gravel road between Greytown in the uMvoti Local Municipality and Maphumulo in the Nkandla Local Municipality. The project is under construction and involves the upgrade from 28.2 kilometres to 33.8 kilometres. The project was due for completion in September 2022 but, due to slow progress by the contractor, it was delayed and is at 95 per cent complete and is anticipated to be fully complete in February 2023.
- Upgrade of D1252, located in the Mqedandaba Village in Estcourt, in the Inkosi Langalibalele Local Municipality. The road serves the Mqedandaba community, and will provide access to schools, a clinic, a shopping centre and farms. The project entails the upgrade of gravel roads to blacktop from zero to 3.92 kilometres. The project was completed in November 2022 and is in the defect liability period.
- Upgrade of P303 from 8.50 kilometres to 14.24 kilometres, located between Makateeskop and Braunschweig in the eDumbe Local Municipality. The road is 31.28 kilometres in length. This road serves the communities of the surrounding villages and farms by providing access to a clinic, a provincial hospital, farms, schools, etc., and is anticipated to be completed by the end of 2022/23.

#### ***Vehicular bridges***

- Construction of the Nzinga Vehicle River Bridge over the Nzinga River in the iMpendle Local Municipality is complete. The bridge will encourage economic development, and also promote pedestrian safety, especially for school children, the elderly, and the general public. The project reached practical completion in November 2022.
- Construction of D69 Klein Boesman River Bridge located in the Zwelisha Village in Estcourt, in the uThukela District Municipality, is in progress. The bridge will provide access to a school, mobile clinics, a police station and pension pay points. The construction is currently at 50 per cent complete and is anticipated to be completed in March 2023.
- Construction of D1263 Okhombe River Bridge, located in Bergville, in the uThukela District Municipality. This bridge will serve two communities and will provide access to schools, mobile clinics, churches, and pension pay points. The construction is currently at 62 per cent complete and the bridge is anticipated to be complete in December 2023.

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

The provision of public transport services in the province is one of the core mandates of the department. The department continued to provide public transport services in respect of the subsidised bus contracts in the province. In June 2020, service providers launched an urgent application seeking an order against the

department to extend old order contracts relating to subsidised public transport as per addendums which were concluded between the service providers and the department. The contracts were extended on a yearly basis without inviting the services through an open tender process. The extension of these contracts and the concluded negotiated contracts in terms of Section 41 of the National Land Transport Act, 2009, were found to be irregular by the A-G in 2018/19 for failure to follow proper tender processes and, as such, the department had to prepare and invite the services through an open tender process. The hearing was in December 2020 and the matter was adjourned to March 2021. In 2021/22, the department intended to go out to tender for new contracts to enhance the objectives of its transformation agenda of the industry. However, the process could not proceed because of a court interdict. The current operators took the department to court to stop the process of going to tender because they are opposing transformation initiatives (such as ensuring that the participation of black South African-owned bus operators is increased to at least 50 per cent of the subsidised public transport contracts) within the public transport operations. The department is bound by a court order issued in August 2021 to extend the contracts effective from 01 October 2022 due to expire 31 March 2023. The matter is still in court and the department awaits the court proceedings on the matter.

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

The department continued to administer the learner transport services on behalf of DOE. The department appointed new service providers who were given a contract duration of five years, and operations commenced on 01 July 2020. Currently, there are 73 933 learners and 402 schools that benefit from the learner transport services.

The budget for 2022/23 was R459.871 million, as an additional R204.865 million was allocated to the original budget of R255.006 million during the 2022/23 budget process by Provincial Treasury. As per the December IYM, the department had spent R416.407 million of the total allocation of R459.871 million and is projecting a balanced budget at the end of the year.

#### ***Law enforcement***

The Integrated 365 Traffic Law Enforcement Plan was implemented in 2022/23 in conjunction with other law enforcement agencies with the objective of reducing crashes and fatalities. Additionally, due to the high prevalence of heavy motor vehicle crashes, intervention plans were implemented for the N2 Pongola route, the R34/R66 Vryheid to Richards Bay route and the N3 Cedara to Cato Ridge route. The intervention plans largely entail a traffic intervention plan put in place since September 2022 and involved eight national traffic police from the Road Traffic Management Corporation (RTMC) deployed to the province to assist with traffic interventions. Also, multi-disciplinary operations, comprising KZN Road Traffic Inspectorate (RTI), the South African Police Services (SAPS), the South African National Defence Force (SANDF), as well as other law enforcement agencies, are being undertaken. In addition, a satellite traffic centre has been put in place on the N2 Pongola from October 2022 and the routes are monitored on a 24/7 basis. Furthermore, monthly awareness campaigns at the entry and exit points to the province focusing on Van Reenen's pass, Mooi River, Golela and Caribbean Estate have been put in place. Campaigns are conducted in partnership with the N3 Toll Concession, South African National Roads Agency SOC Ltd (SANRAL), law enforcement and private partnerships with the National Trucking Wellness and eye clinics. Also, continuous education campaigns are being conducted at truck stops on the N2 and N3, both in the evenings and in the early hours of the morning before the truckers leave their overnight destination.

Also, two additional average speed over distance sites were commissioned on the N2 between Illovo River Bridge and Park Rynie, and a fixed site on the N2 south bound to the King Shaka International Airport route. The objective is to reduce the incidents of speeding to lessen the number of road accidents.

In line with the fourth Industrial Revolution, the department piloted 20 Personal Officer Mobile Devices for use in the Pietermaritzburg area in 2021/22. The devices electronically capture information related to drivers and vehicles during roadblocks, speed enforcements and road accidents. The use of mobile devices will see the department digitise manual forms, thus improving reporting requirements in terms of performance targets. The successful implementation of the pilot project in 2022/23 will lead to the implementation of these mobile devices across the province at the end of the first quarter of 2023/24.

The department experienced challenges relating to taxi violence, caused by the invasion of routes and increased prevalence of illegal taxi operators (without valid operating licences). This resulted in taxi murders which was difficult to control as a result of a shortage of pool vehicles. Also contributing to inadequate resolution of these matters was poor workplace infrastructure at Mkondeni and the former Traffic Training College, difficulties in sourcing a state attorney to respond to letters of demands timeously, as well as lack of proper security of the pounds, which are directly linked to taxi violence. It is difficult for the department to respond to call for operations in instances where there is no pounding facility to impound illegal operating taxis. Also, the poor condition of most pound facilities, such as the facilities at Port Shepstone, Empangeni, Ixopo, Mountain Rise and Dundee, contributed to the challenges. The department will focus on fast-tracking the processes to procure services for maintenance and repairs to pounding facilities, as well as proper security services specifically for pounding areas.

### ***Road safety***

The Road Safety directorate's mandate is to improve road user behaviour by creating awareness on the dangers of irresponsible road usage and by encouraging road user involvement. Roads are a shared public space and are constructed to meet the mobility needs of communities in a safe, and protected environment, hence the application of laws and regulations by government is essential. The department intensified road safety activities in partnership with internal and external stakeholders, such as the Communications Public and Freight Transport, RTI units, Transportation Committees, district municipalities and the Metro, KZN Liquor Authority, Road Accident Fund, Home Affairs, SANRAL, etc.

The department conducted interactive road safety talks at schools and centres of learning to improve road user behaviour by creating awareness on the dangers of irresponsible road usage, and encouraged road user involvement. The target of 579 schools across the province will be achieved by the end of 2022/23. The awareness campaigns are grouped into four categories and focus on road user behaviour in driver distraction, seatbelts and child restraints, vulnerable road users and social gatherings. The categories of awareness campaigns translate to 1 764 activities. By the end of the third quarter, 1 182 activities were completed and the department will reach its target at the end of the year.

To extend the road safety reach in identified hazardous locations, the following community radio stations are currently broadcasting road safety information, namely Radio Ikwezi in the uMzinyathi District, Radio uMgungundlovu in the uMgungundlovu District, Radio Newcastle in the Amajuba District, Radio Nqubeko in the uThukela District, Radio Maputaland in the uMkhanyakude District and Radio Nongoma in the Zululand District.

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

The department created 43 390 job opportunities and 1 527 904 employment days, which equates to 6 643 full-time equivalents by the third quarter of 2022/23. The department retained 41 000 Zibambele participants who continued to provide routine road maintenance.

The department implemented Phase 2 of the Vukay'bambe Routine Road Maintenance (VRRM) programme in November 2022, during which 6 000 young people were employed for a period of 24 months in various district municipalities in the province. This is an expansion of the programme from the previous target of 3 200 young people employed in the first phase of the programme. The type of work performed by the EPWP participants includes construction road works and routine road maintenance activities such as installation of road studs, guardrails, gabions, signs, markers, clearing and grubbing, grass cutting along the road verge, pothole patching, road safety assistance, pipe de-silting and pipe installation. The VRRM is funded by the EPWP Integrated Grant for Provinces (R44 million) and the equitable share (R209 million). The department employs 1 233 people from the EPWP Integrated Grant for Provinces, and employs 4 767 people from its equitable share.

The department, in partnership with the National Department of Public Works and Infrastructure (NDPWI) and the SANDF implemented the construction of the Bailey Bridge project, aimed at attracting 1 920 EPWP participants in the construction of vehicular bridges across the province. By the end of the third quarter, an accumulative total of 650 work opportunities was created on the Bailey Bridge programme. Phase 1 of the project consisted of the construction of 14 Bailey Bridges and took two years to complete from 2020/21 to 2021/22, at a cost of R109.880 million. With Phase 2, the department is

constructing 24 Bailey Bridges in the Mkhambathini, Vryheid, Ndwedwe, iMpendle, uMvoti, eThekweni Metro areas, etc. By the end of the third quarter, an amount of R186.010 million was paid in this regard. The total cost of the construction of these 24 Bailey Bridges is R292.267 million, and the balance of R106.257 million is still to be paid for Phase 2. The Bailey Bridge project was expected to be completed by March 2023 but, due to challenges, the completion date was extended to late 2023/24. Some of the challenges include insufficient construction plant, lack of construction materials, late appointments of artisans, clerks, EPWP participants, shortage of tools, shortage of construction plant operators, failure to provide ablution facilities and drinking water by municipalities, inclement weather and poor management and movement of construction plant by SANDF. To resolve these challenges, the department is providing additional construction plant and operators in other bridge construction sites. Also, SANDF has acquired more operators from their military base in Pretoria. In addition, ablution facilities with chemical toilets were hired by NDPWI, and EPWP participants have been appointed to start working in all sites. The department ordered tools and materials required in bulk.

As part of maximising employment opportunities, the department implements the National Youth Service programme on various capital projects, such as the upgrade of P714 where 130 young people are being trained on the National Certificate: Construction Roadworks, National Certificate: Construction Health and Safety, National Certificate: Construction Contracting NQF Level 03, and the upgrade of P179 where 40 young people are being trained on National Certificate: Construction and Civil Building NQF Level 03.

### **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, as well as briefly looking at challenges and proposed new developments. The bulk of the budget is for the construction of roads, and the maintenance of the provincial road network. In 2023/24, the department will continue with construction and maintenance projects, the provision of subsidised bus services and learner transport services and undertaking of law enforcement campaigns to promote road safety.

The strategic focus for the department changed from one that concentrated on roads only, to a vision that also embraces other modes of transport, which include aviation, maritime, rail, and pipeline. One of the department's mandates and core functions is to promote accessibility and the safe, affordable movement of people, goods and services, and the pipeline is a mode of transportation for goods such as biofuels, liquid petroleum and oil. Some of these goods and products are currently transported on the road network (impacting negatively on the road network condition and at a high risk to the public and environment in cases of crashes) and the pipeline is an alternative and safer mode of transportation for such goods.

The widening of focus will contribute positively to the department being an enabler to improving the lives of citizens through the provision of safe transportation, especially as the province tries to rebuild its economy following the devastating Covid-19 pandemic, the July 2021 unrests, as well as the April 2022 flood disaster. As at the end of January 2023, the budget still concentrates on roads only, and not the other modes of transport.

With regard to the department's organisational structure, two workshop sessions were held with management in June 2022 leading to a pre-consultation with the OTP in July 2022 and DPSA in August 2022. With the changes in MECs within the department, the new MEC was briefed on the organisational structure in October 2022 to consider his comments, with a follow-up meeting held with the MEC in November 2022. Organised labour was consulted in December 2022 and they requested to consult their members. A follow-up meeting with organised labour was held in January 2023, and they requested an extension as they had not yet consulted their members. Also, delays with the finalisation of the organisational structure was due to aligning the organisational structure to the District Development Model (DDM) before re-submitting the structure to the DPSA for approval. This has not been finalised. The department is undergoing a process of reviewing the organisational structure in order to align it to the new strategic direction of expanding its focus from just roads to include other modes of transport, namely maritime, rail, pipeline and aviation. While expanding its focus to other modes of transport, the department will align its operational framework to the DDM. The new timelines to finalise the organisational structure are as follows:



- Follow-up consultation with organised labour on 28 February 2023.
- Formal consultation with Provincial Treasury and OTP on 30 March 2023.
- Formal consultation with the DPSA through the OTP on 15 April 2023.

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

The department will continue to use Operation KuShunquthuli and the African Renaissance Road Upgrading Programme (ARRUP) to focus on road infrastructure development in rural areas. The department will continue with the construction of roads to link rural communities to provincial hubs of activity, to achieve the strategic goal of providing access and mobility within the province.

The department is still experiencing challenges from 2019/20 regarding the suspension of the Vukuzakhe Emerging Contractor Development Programme, and the two contracts that were declared irregular by the A-G resulting in the department not being able to use these contracts to implement projects. In this regard, the department advertised the contractor panel bid and received 2 860 bids. The SCM administrative compliance process started on 7 July 2022 and ended on 20 September 2022. The bid evaluation started on 18 August 2022 and is still in progress. The BEC has fully evaluated (captured and reviewed) 485 bids and 2 251 bids have gone through the first round (capturing) of evaluation by the BEC. The department is envisaging completing the bid evaluation by the end of 2022/23 with the intention to use this panel for road projects from 2023/24.

The department will continue with the upgrading and rehabilitation of the provincial road network to improve and prolong the lifespan of the network. The following are some of the projects to be undertaken in 2023/24:

- Upgrade of Main Road P123 in the Gqumeni area under the Harry Gwala District Municipality, which serves as a link between the communities of Bhulwa and Gqumeni. The department has prioritised the upgrade of 7.172 kilometres from gravel to blacktop to improve the standard of the road, improve access to facilities and ensure the safety of all road users. The project will be implemented through a turnkey contract, where a consortium will be appointed to design and upgrade the road and then hand over the completed road to the department.
- Upgrade of Main Road P113, south east of Ixopo in the uBuhlebezwe Local Municipality. The department has prioritised the upgrade of the road from gravel to blacktop standards to improve safety and access. The project entails the upgrading of 33.80 kilometres of road and the construction of two structures (one major culvert and one vehicular bridge). The scope of Phase 1 entails the upgrade of 5.54 kilometres in 2023/24.
- Upgrade of Main Road P714 Phase 2 (from 8 kilometres to 18 kilometres) is located within the iLembe District Municipality. The road provides access to schools and a clinic and is an important feeder road to the R614 and R102.
- Rehabilitation of Main Road P34-2 from seven kilometres to 22 kilometres and from 20 kilometres to 47 kilometres is planned for in 2023/24 from Dundee to Vryheid with an estimated budget of R841.178 million.

#### ***Pedestrian bridges***

The site identified for the proposed Mvubukazi Pedestrian River Bridge is situated on the Mvubukazi River in Landaupville in the Msunduzi Local Municipality. The overall progress of the project is at 20 per cent and is anticipated to be complete in January 2024.

Construction of the Mhlalane Pedestrian River Bridge over the Mhlalane River in the uMshwathi Local Municipality. The department is currently finalising the draft specification document and the project is anticipated to commence in July 2023 with anticipated completion by February 2024.

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

The department will continue to provide subsidised services in communities in the province in 2023/24. The department is awaiting the proceedings of the court regarding the court interdict that was placed on the department with regard to going out to tender for new contracts to enhance the objectives of its

transformation agenda of the industry. The contracts expired at the end of the third quarter, but they were extended to March 2023 through a court order for the existing operators.

***Learner transport services***

The department will continue to administer the learner transport services programme on behalf of DOE in 2023/24, with a budget of R266.430 million. The programme is composed of 85 contracts spread across twelve districts. The number of schools to be assisted in 2023/24 is 402 schools, with 73 933 learners. This is lower than the 2022/23 allocation, as the top-up amount is only likely to be allocated in the 2023/24 Adjustments Estimate.

***Law enforcement***

The department will be looking into procuring a new Integrated Traffic Contravention Management System (ITCMS) in 2023/24 and will recruit a further 100 trainee traffic officers to strengthen the unit's capacity. The above-mentioned intervention plans will continue into the new year with an increased police visibility to improve driver compliance in high accident zones, as mentioned. The traffic intervention plans have been put in place since September 2022 and involved a contingent of eight national traffic police from the RTMC that have been deployed to the province to assist with traffic interventions. In addition, a satellite traffic centre has been operating on the N2 Pongola since 14 October 2022 and the routes are monitored on a 24/7 basis, among others.

***Road safety***

The department plans to hold interactive road safety talks at schools and centres of learning with the aim of improving road user behaviour by creating awareness on the dangers of irresponsible road usage and by encouraging road user involvement. The four categories of awareness campaigns include driver distraction, seatbelts and child restraints, vulnerable road users and social gatherings to prevent drinking and driving.

The number of pedestrian crossing patrols will be increased to 270 to make provision for crossing points at hazardous locations. To extend the road safety reach in identified hazardous locations, community radio stations will be utilised to ensure broadcast coverage in the 11 district municipalities. In view of the recent spate of road crashes involving truck drivers, a road safety project consisting of the following components will be implemented:

- Social media campaign that utilises departmental online platforms to encourage entries from members of the public for the #RecogniseSafeTruckDrivers campaign. Companies will also be invited to provide motivation on truck drivers who continuously go the extra mile and whose dedication and hard work can be recognised. Truck drivers will be awarded with a road safety resource package.
- Awareness campaigns on obeying the rules of the roads and encouraging safe driver behaviour will be undertaken at truck stops, places of work and during specific targeted enforcement activations.
- Driver wellness on major routes will be conducted in partnership with Trucking Mobile Wellness and the N3 Toll Concession.

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

The EPWP aims to alleviate poverty and to reduce unemployment. This is achieved through provision of work opportunities and project-based training through government infrastructure and non-infrastructure projects and programmes.

For 2023/24, the department plans to create 54 762 work opportunities, and will continue with its poverty alleviation programme, namely the Zibambele contractor programme. The Zibambele workers are women-headed households and are employed to maintain the road network, including gravel roads.

The VRRM programme aims to implement labour-intensive maintenance of provincial roads and other non-infrastructure employment opportunities through the employment of 5 600 participants across all district municipalities.

The department, in partnership with NDPWI and SANDF, will continue to implement the construction of the Bailey Bridge programme, aimed at attracting 1 600 EPWP participants in the construction of

vehicular bridges across the province. As explained, Phase 2 of the construction of the Bailey Bridge project has been delayed but the department is in the process of implementing Phase 3 and, as at February 2023, the department and SANDF are undertaking technical assessments, and construction will commence as soon as Phase 2 is completed in late 2023/24. This programme is funded through the department's equitable share.

As part of maximising employment opportunities, the department will continue to implement the National Youth Service programme when implementing various capital projects such as the upgrade of P714 where 130 young people will be trained on the National Certificate: Construction Roadworks, National Certificate: Construction Health and Safety, National Certificate: Construction Contracting NQF Level 03, and the rehabilitation of P242 where 80 youth will be trained on National Certificate: Construction and Civil Building NQF Level 03.

#### 4. Reprioritisation

The department undertook some reprioritisation over the 2023/24 MTEF within all five programmes. The bulk of the reprioritisation was towards the implementation of the new organisational structure. The department has 3 920 personnel in 2022/23 growing to 6 019 personnel in 2023/24 and the budget increases from R1.766 billion to R2.194 billion. This includes the cost of the new organisational structure, 1.5 per cent pay progression, the carry-through of the 3 per cent cost of living adjustment, etc.

The following explain the reprioritisation undertaken:

- Amounts of R169.619 million in 2023/24 and R179.443 million in 2024/25 were moved from Programme 2, under the sub-programme: Maintenance, against *Goods and services*. The reprioritisation was mainly in respect of contractors' costs due to maintenance projects that have not progressed as anticipated and are going to be undertaken at smaller scale while the contracts are being finalised in 2023/24. This is largely attributed to the two major contracts that were declared irregular by the A-G in the 2019/20 audit process, as explained. These contracts have not been finalised at this stage due to challenges with the administration and evaluation of bids, including administrative irregularities, which resulted in the department cancelling the bids and commencing with a SCM recovery plan for these bids by re-issuing new bids in 2022/23, with the aim of awarding the bids for three years in 2023/24. The funds were moved as follows:
- Amounts of R73.047 million in 2023/24 and R75.813 million in 2024/25 were moved to Programme 1: Administration, against *Compensation of employees* towards the implementation of the proposed organisational structure and *Goods and services* for the departmental project management office (PMO). This is a body or entity assigned various responsibilities related to the centralised and co-ordinated management of projects under its domain. The responsibilities of the PMO can range from providing project management support functions to being responsible for the direct management of the project. Also, the funds were moved against *Goods and services* to cater for property payments that were under-budgeted for in respect of departmental office buildings and *Machinery and equipment* for the procurement of additional motor vehicles.
- Amounts of R813 000 in 2023/24 and R861 000 in 2024/25 were moved to Programme 3: Transport Operations, under the sub-programme: Programme Support Operations, against *Compensation of employees* toward the implementation of the proposed organisational structure.
- Amounts of R93.541 million in 2023/24 and R100.418 million in 2024/25 were moved to Programme 4: Transport Regulation, under the sub-programme: Law Enforcement, against *Compensation of employees* towards the implementation of the proposed organisational structure.
- Amounts of R2.218 million in 2023/24 and R2.351 million in 2024/25 were moved to Programme 5: Community Based Programmes, under the sub-programme: Programme Support Operations, against *Compensation of employees* towards the implementation of the proposed organisational structure.

In addition to the above, the department undertook further reprioritisation within programmes.

## 5. Procurement

With the amended PPPFA regulations of 2022 taking effect in January 2023, the department 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 implementation of the preferential procurement policy will allow the department to make a significant contribution to the improvement of the living standards of the citizens of the province, in particular, those that are identified as vulnerable groups, which include women, youth, people with disabilities and military veterans. The policy also addresses how procurement spend can target specific Reconstruction and Development Programme goals.

The department will implement the Inclusive Growth, Unity and Economic Liberation of Africans (IGULA) radical socio-economic transformation programme, which houses all socio-economic transformation initiatives relating to the department, and entails implementing procurement reforms to achieve empowerment targets for the youth.

## 6. Receipts and financing

### 6.1 Summary of receipts

Table 12.1 gives the sources of funding of Vote 12 over the seven-year period 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 equitable share, and national conditional grant allocations for the maintenance and construction of road infrastructure, the subsidisation of bus transport in the province and creating job opportunities through EPWP projects. The conditional grants received over the period are the PRMG, the Public Transport Operations grant (PTOG) and the EPWP Integrated Grant for Provinces. The PRMG increases by R185 million in 2023/24 (relating to the April 2022 flood disaster repairs) and R110.229 million in 2025/26 to cater for inflationary growth. The PTOG receives an increase of R63.992 million in 2025/26 only, and the EPWP Integrated Grant for Provinces receives an allocation of R69.897 million in 2023/24. It should be noted that a portion of the PRMG allocation, amounting to R293.531 million in 2023/24, is earmarked for flood and storm disasters that occurred during 2020, which resulted in damage to roads. Also, a portion of the EPWP Integrated Grant for Provinces funding was allocated to *Buildings and other fixed structures* from 2022/23 and this continues to 2023/24 due to the nature of the projects undertaken. This is allowed in terms of the grant framework. Also, the department shifted a portion of the PRMG allocation from *Goods and services* to *Buildings and other fixed structures* from the 2022/23 Adjusted Appropriation onward, in line with the DORA provision that allows the department to use 25 per cent of the PRMG allocation for capital projects, and this is continued over the 2023/24 MTEF.

Also, with regard to the PRMG, the department was allocated an additional R575.101 million in 2023/24 only. The allocation from National Treasury is to address the backlog in refurbishment of provincial roads and for the building of modular steel bridges (rural bridges) under the Welisizwe Rural Programme. Of this amount, R385.101 million is allocated for rehabilitation, and the balance of R190 million is for the construction of 17 Bailey Bridges. It is also indicated that the funding for the rural bridges for the outer two years of the MTEF is not allocated to provinces at this point, to allow more provinces to make submissions for their rural bridges' projects. NDOT and NDPWI will work together to determine the allocations in the outer years in the next budget process.

Table 12.1 shows that there is generally steady growth in the department's budget over the period. The increase in the 2022/23 Adjusted Appropriation was due to a once-off allocation in respect of the PRMG toward repairs to roads damaged during the April 2022 floods. The increase over the 2023/24 MTEF in comparison to the 2022/23 Main Appropriation is due to the additional allocation in respect of the PRMG and the PTOG in 2025/26, as indicated above, additional funds allocated in respect of the cost of living adjustment carry-through of 3 per cent, as well as inflationary increments. The increase was to some extent mitigated by the 2023/24 MTEF budget cuts.

Table 12.1 : 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	7 714 519	5 534 495	7 879 020	8 376 532	8 366 449	8 366 449	8 135 256	8 591 283	8 945 253
Conditional grants	3 122 557	3 152 805	3 478 698	4 098 264	4 687 564	4 687 564	4 831 591	3 888 873	4 063 094
Provincial Roads Maintenance grant	1 882 781	1 843 325	2 090 534	2 720 678	3 309 978	3 309 978	3 394 685	2 460 472	2 570 701
Public Transport Operations grant	1 168 099	1 246 362	1 314 912	1 309 303	1 309 303	1 309 303	1 367 009	1 428 401	1 492 393
EPWP Integrated Grant for Provinces	71 677	63 118	73 252	68 283	68 283	68 283	69 897	-	-
<b>Total receipts</b>	<b>10 837 076</b>	<b>8 687 300</b>	<b>11 357 718</b>	<b>12 474 796</b>	<b>13 054 013</b>	<b>13 054 013</b>	<b>12 966 847</b>	<b>12 480 156</b>	<b>13 008 347</b>
<b>Total payments</b>	<b>9 317 572</b>	<b>8 811 778</b>	<b>11 573 364</b>	<b>12 474 796</b>	<b>13 054 013</b>	<b>13 054 013</b>	<b>12 966 847</b>	<b>12 480 156</b>	<b>13 008 347</b>
Surplus/(Deficit) before financing	1 519 504	(124 478)	(215 646)	-	-	-	-	-	-
Financing									
of which									
Provincial roll-overs	2 469	-	-	-	-	-	-	-	-
Provincial cash resources	130 000	550 630	-	-	-	-	-	-	-
Suspension to future year	-	(414 000)	214 000	-	-	-	-	-	-
<b>Surplus/(Deficit) after financing</b>	<b>1 651 973</b>	<b>12 152</b>	<b>(1 646)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

In the 2019/20 Adjustments Estimate, the department received an additional amount of R130 million to cater for the shortfall in respect of existing learner transport services. In addition, the department received a roll-over of R2.469 million from 2018/19 in respect of the EPWP Integrated Grant for Provinces. This amount is reflected against provincial roll-overs, as the funds were not surrendered to National Treasury.

At the end of 2019/20, the department substantially under-spent by R1.652 billion. This under-spending was mainly against Programme 2, as follows:

- *Goods and services* was under-spent as a result of delays affecting maintenance projects in respect of betterment and gravelling, as well as blading of gravel roads. This resulted from the suspension of the Vukuzakhe Emerging Contractor Development Programme. Also, there was poor performance by some contractors who faced financial difficulties and thus did not deliver on project milestones. In addition, there were challenges with access to quarries due to stoppage of work by local *Amakhosi*.
- *Buildings and other fixed structures* was substantially under-spent attributed to contracts that were terminated due to non-performance by contractors, change in the scope of work because additional earthworks needed to be done as a result of changes in designs during construction, delays in issuing tenders due to appeals, SCM related challenges, as well as contractors facing financial difficulties, etc.

In 2020/21, the department received additional funding of R136.630 million from provincial cash resources for the learner transport services pressures. Also, in the 2020/21 Adjustments Estimate, the department received provincial cash resources of R414 million in respect of infrastructure projects and the learner transport services. Of this amount, R200 million was suspended from the department and used for other provincial priorities. The balance of R214 million, which was also suspended to 2021/22, was in respect of the learner transport services allocated to the department to cater for Covid-19 hygiene and social distancing requirements. These funds were allocated in the Special Adjustments Estimate, and were suspended in the 2020/21 Second Adjustments Estimate for allocation back to the department in 2021/22. Also, in 2020/21, an amount of R400 million was suspended from the department in the Third Adjustments Estimate. Of the R400 million, an amount of R100 million was suspended to assist DOE, and the balance of R300 million was suspended from the department.

The department under-spent its 2020/21 budget by R12.152 million under Programme 3, against *Transfers and subsidies to: Public corporations and private enterprises* in respect of the PTOG relating to the provision of bus subsidies. The lower than budgeted expenditure at the end of the year was because, in the initial stages of the national lockdown, only essential workers were transported. Furthermore, buses were instructed to reduce their maximum capacity to 70 per cent to ensure social distancing requirements in order to curb the spread of Covid-19.

In 2021/22, the department received an amount of R214 million from provincial cash resources for the learner transport services pressures and this amount was suspended from 2020/21, as explained. Also, in the 2021/22 Adjusted Appropriation, an amount of R25 million was suspended to EDTEA for the upgrade of the Mkhuze airport terminal building in the uMkhanyakude District Municipality. This was reduced from the department's equitable share. The department slightly over-spent its budget in 2021/22 by

R1.646 million against *Buildings and other fixed structures* due to accrued expenditure from 2020/21 and various refurbishment and rehabilitation projects fast-tracked in 2021/22.

In 2022/23, the department received additional conditional grant funding of R589.300 million in respect of the PRMG from National Treasury, toward repairs to roads damaged during the April 2022 floods. This additional funding was to some extent offset by the suspension of R10.083 million from the department to EDTEA towards the upgrade of the Mkhuze airport terminal building in the uMkhanyakude District Municipality.

The department projects to break-even at the end of the year in the December IYM, but this projection does not appear realistic based on its spending at the end of the third quarter, with under-spending likely, and this will be reviewed by the department.

The 2023/24 MTEF budget provides for the carry-through allocations of construction and maintenance projects, provision of learner transport services and bus subsidisation, continuation of the computerised licence testing project, law enforcement and road safety campaigns, among others.

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 R104.206 million, R42.143 million and R74.180 million as a result of the 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 an increasing trend with a slight dip in 2024/25 due to once-off funding in 2023/24 with regard to the PRMG, and the EPWP Integrated Grant for Provinces being allocated up to 2023/24 only, at this stage.

## 6.2 Departmental receipts collection

Table 12.2 indicates the estimated departmental receipts for Vote 12. Details of departmental receipts are presented in *Annexure – Vote 12: Transport*. Table 12.2 shows a general increase in the total amount of revenue collected by the department over the seven-year period.

**Table 12.2 : 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	1 866 422	2 014 375	2 103 961	2 110 040	2 110 040	2 153 012	2 201 629	2 289 694	2 392 272
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	1 866 422	2 014 375	2 103 961	2 110 040	2 110 040	2 153 012	2 201 629	2 289 694	2 392 272
Sale of goods and services other than capital assets	89 345	56 564	75 360	71 083	71 083	99 368	74 921	74 921	78 277
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	24 687	22 614	69 647	42 134	42 134	62 797	44 409	44 409	46 399
Interest, dividends and rent on land	103	86	65	150	150	211	158	158	165
Sale of capital assets	3 895	-	-	1 694	1 694	1 694	1 769	1 769	1 848
Transaction in financial assets and liabilities	2 942	10 949	11 407	2 018	2 018	13 992	2 107	2 107	2 201
<b>Total</b>	<b>1 987 394</b>	<b>2 104 588</b>	<b>2 260 440</b>	<b>2 227 119</b>	<b>2 227 119</b>	<b>2 331 074</b>	<b>2 324 993</b>	<b>2 413 058</b>	<b>2 521 162</b>

*Tax receipts (Motor vehicle licences)* is collected in terms of the Road Traffic Act. These receipts remain the largest contributor of revenue to the provincial fiscus. Revenue growth over the 2023/24 MTEF is related to the growth in vehicle population, such as motor vehicles and minibuses. The department decided to keep licence fees constant, as per agreement with Provincial Treasury, to enhance the competitiveness of the provincial tariff. It must be noted that agency fees paid to registering authorities for the collection of licence fees on behalf of the department are collected against this category.

*Sale of goods and services other than capital assets* consists of motor vehicle registration, sale of personalised and specific number plates, applications for learners' and drivers' licences, as well as the registration of classification of vehicles, such as abnormal loads and special vehicles. Additional to these revenue sources are boarding fees, course fees related to the Traffic Training College, commission on PERSAL deductions, etc. The low collection in 2020/21 and 2021/22 was due to the national lockdown

regulations and working capacity being decreased. Also, the declining trend is due to miscellaneous fees such as learners' licence fees which have remained unchanged for more than ten years, but these are controlled by the National Minister of Transport. The revenue collection in the 2022/23 Revised Estimate is due to the higher than anticipated receipts from applications for learners' and drivers' licence fees. The budget over the MTEF shows conservative growth, due to the erratic nature of this source.

*Fines, penalties and forfeits* largely reflects the collection of traffic fines resulting from road transgressions. The current trend relates to the unpredictable nature of this category as it depends on the public paying fines. Also, offenders sometimes negotiate the fine amount with the Department of Justice and some fines are cancelled by the court. Conservative growth is expected over the 2023/24 MTEF, as it is difficult to budget for this source.

*Interest, dividends and rent on land* is derived mainly from interest on staff debts. This revenue budget grows gradually over the MTEF due to its unpredictable nature.

*Sale of capital assets* reflects revenue from the sale of redundant vehicles and mechanical plant. The 2023/24 MTEF budget growth was determined in line with the department's asset disposal policy.

*Transactions in financial assets and liabilities* reflects monies received from recoveries from previous years' expenditure such as staff debts, breached bursary contracts, over-payment to suppliers, etc. The volatile revenue trend over the seven-year period is due to the erratic nature of this source.

### 6.3 Agency funding

Tables 12.3 and 12.4 present details of agency funding that is received by the department.

**Table 12.3 : Details of agency receipts**

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
Agency receipt	15 860	15 860	10 601	-	10 601	-	-	-	-
RTMC	15 619	15 619	10 601	-	10 601	-	-	-	-
eThekweni Metro	241	241	-	-	-	-	-	-	-
<b>Total</b>	<b>15 860</b>	<b>15 860</b>	<b>10 601</b>	<b>-</b>	<b>10 601</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Agency receipt	-	5 259	-	-	10 601	-	-	-	-
RTMC	-	5 018	-	-	10 601	-	-	-	-
eThekweni Metro	-	241	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>5 259</b>	<b>-</b>	<b>-</b>	<b>10 601</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The department received R40 million from RTMC in the latter part of 2014/15 in respect of the road safety improvement programme for the improvement of road safety and law enforcement campaigns due to the high level of accidents on the roads. To date, the department has spent a total of R29.399 million and has a balance of R10.601 million rolled over to 2022/23, which is anticipated to be spent by 2022/23.

Also, the department received R18.536 million from the eThekweni Metro for provincial public transport infrastructure for the construction of taxi ranks, toward the latter part of 2013/14 for spending from 2014/15 onward. The department spent the full allocation by the end of 2020/21.

## 7. Payment summary

This section summarises the payments and budget estimates for the Vote in terms of programmes and economic classification.

Details of the economic classification per programme are presented in *Annexure – Vote 12: Transport*.

## 7.1 Key assumptions

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

- All inflation related increases are based on CPI projections.
- 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 19.2 per cent growth (R333.352 million) in 2023/24 (as based on the 2022/23 Adjusted Appropriation), 6.1 per cent (R126.830 million) in 2024/25 and 4.8 per cent (R105.220 million) in 2025/26. The high growth in 2023/24 is to provide for filling 2 099 critical vacant posts. The increase in 2024/25 and 2025/26 is to allow for a 4.5 per cent growth plus the 1.5 per cent for pay progression. The department plans to fill the 2 099 vacant posts over the 2023/24 MTEF in a staggered approach. With the review of the organisational structure not yet being finalised, the department has not determined how many posts it can fill in a given year. This will be determined in-year. The reprioritisation of funds to *Compensation of employees* for the new organisational structure has also impacted on the growth rates.

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

Table 12.5 shows amendments to the provincial and equitable share funding received over the 2021/22, 2022/23 and 2023/24 MTEF periods, and excludes conditional grant funding. Carry-through allocations for the outer year (i.e. 2025/26) are based on the incremental percentage used in the 2023/24 MTEF.

**Table 12.5 : 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
<b>2021/22 MTEF period</b>	<b>(343 375)</b>	<b>(473 749)</b>	<b>(1 000 231)</b>	<b>(1 045 331)</b>	<b>(1 092 251)</b>
Fiscal consolidation budget cut	(319 793)	(337 072)	(609 619)	(637 052)	(665 592)
COE budget cut (wage freeze and fiscal consolidation)	(239 582)	(343 542)	(423 693)	(442 759)	(462 595)
Learner transport services - funds suspended from 2020/21	214 000	-	-	-	-
Allocation for shortfall in learner transport services	-	204 865	-	-	-
Adjustment to outer year	-	-	31 081	32 480	33 935
District Champion of OSS/DDM responsibilities	2 000	2 000	2 000	2 000	2 000
<b>2022/23 MTEF period</b>			-	-	-
<b>2023/24 MTEF period</b>			<b>(104 206)</b>	<b>(18 955)</b>	<b>(50 724)</b>
Cost of living adjustment carry-through (3%)			-	23 188	23 456
PES data update and own revenue reduction			(104 206)	(42 143)	(74 180)
<b>Total</b>	<b>(343 375)</b>	<b>(473 749)</b>	<b>(1 104 437)</b>	<b>(1 064 286)</b>	<b>(1 142 975)</b>

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 were also additional reductions in order to support fiscal consolidation.

In the 2021/22 MTEF, the following adjustments were made:

- R214 million and R204.865 million were allocated in 2021/22 and 2022/23, only, in respect of learner transport services to cater for the shortfall in the budget.
- R319.793 million, R337.072 million and R609.619 million were cut over the 2021/22 MTEF in respect of the fiscal consolidation cuts.
- R239.582 million, R343.542 million and R423.693 million were cut over the 2021/22 MTEF in respect of the *Compensation of employees*' budget cut (wage freeze and fiscal consolidation). It should be noted that the entire budget cut against *Compensation of employees* was not effected against the category because it would have had a negative impact on the current staff establishment, as well as plans to fill some critical vacant posts. Parts of the budget cut were made against *Goods and services* and *Buildings and other fixed structures*.



- R31.081 million was allocated in 2023/24 relating to an adjustment made to the outer year, with carry-through.
- R2 million in each year of the 2021/22 MTEF was allocated toward the district champion of OSS/DDM responsibilities.

In the 2022/23 MTEF, no adjustment was made to the department's budget.

Over the 2023/24 MTEF, the department received additional allocations of R23.188 million in 2024/25 and R23.456 million in 2025/26 relating to the 3 per cent cost of living adjustment carry-through from National Treasury against Programmes 1 and 2. Also over the MTEF, the department implemented the National Treasury baseline cuts of R104.206 million in 2023/24, R42.143 million in 2024/25 and R74.180 million in 2025/26 in line with the PES data update and own revenue reduction. The budget cuts were effected entirely under Programme 2, against *Buildings and other fixed structures*, and the implications of this are discussed later.

### 7.3 Summary by programme and economic classification

The services rendered by the department are categorised under five programmes, which are largely aligned to the uniform budget and programme structure of the Transport sector. The department's mission is to provide the public with integrated and accessible road and public transport infrastructure and to promote road and public transport safety, through the interaction of these five programmes.

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

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

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	434 037	446 674	456 758	529 062	589 407	589 407	656 381	708 585	740 577
2. Transport Infrastructure	6 115 422	5 785 616	8 181 960	8 947 003	9 484 758	9 209 163	9 297 001	8 619 903	8 970 482
3. Transport Operations	1 812 121	1 684 521	1 938 780	1 942 542	1 962 459	2 195 302	1 815 045	1 896 621	1 981 603
4. Transport Regulation	926 398	877 091	957 896	1 013 995	986 195	986 195	1 152 152	1 206 667	1 262 785
5. Community Based Programmes	29 594	17 876	37 970	42 194	31 194	73 946	46 268	48 380	52 900
<b>Total</b>	<b>9 317 572</b>	<b>8 811 778</b>	<b>11 573 364</b>	<b>12 474 796</b>	<b>13 054 013</b>	<b>13 054 013</b>	<b>12 966 847</b>	<b>12 480 156</b>	<b>13 008 347</b>

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

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
<b>Current payments</b>	<b>5 639 056</b>	<b>5 214 552</b>	<b>6 082 709</b>	<b>6 982 930</b>	<b>8 174 614</b>	<b>7 941 645</b>	<b>6 800 841</b>	<b>6 649 009</b>	<b>7 039 786</b>
Compensation of employees	1 490 716	1 454 394	1 557 087	1 733 983	1 733 913	1 766 400	2 067 265	2 194 095	2 299 315
Goods and services	4 148 340	3 760 158	4 525 619	5 248 947	6 440 701	6 175 245	4 733 576	4 454 914	4 740 471
Interest and rent on land	-	-	3	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>1 425 802</b>	<b>1 280 706</b>	<b>1 463 937</b>	<b>1 369 138</b>	<b>1 404 498</b>	<b>1 637 341</b>	<b>1 435 053</b>	<b>1 499 236</b>	<b>1 566 406</b>
Provinces and municipalities	5 904	7 339	10 835	7 073	41 326	41 326	11 870	12 352	12 908
Departmental agencies and accounts	5 251	3 966	4 135	6 808	5 262	5 262	7 108	7 428	7 761
Foreign education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	1 382 096	1 233 733	1 401 107	1 309 303	1 309 303	1 542 146	1 367 009	1 428 401	1 492 393
Non-profit institutions	16 017	16 517	27 162	26 542	26 542	26 542	26 654	27 673	28 913
Households	16 534	19 151	20 698	19 412	22 065	22 065	22 412	23 382	24 431
<b>Payments for capital assets</b>	<b>2 251 831</b>	<b>2 316 041</b>	<b>4 024 139</b>	<b>4 122 728</b>	<b>3 474 260</b>	<b>3 474 261</b>	<b>4 730 953</b>	<b>4 331 911</b>	<b>4 402 155</b>
Buildings and other fixed structures	1 965 472	2 175 040	3 671 632	3 929 909	3 116 441	3 116 441	4 530 957	4 122 911	4 183 788
Machinery and equipment	285 240	141 001	351 352	190 588	356 596	356 596	198 706	207 652	216 959
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1 119	-	1 155	2 231	1 223	1 224	1 290	1 348	1 408
<b>Payments for financial assets</b>	<b>883</b>	<b>479</b>	<b>2 579</b>	<b>-</b>	<b>641</b>	<b>766</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>9 317 572</b>	<b>8 811 778</b>	<b>11 573 364</b>	<b>12 474 796</b>	<b>13 054 013</b>	<b>13 054 013</b>	<b>12 966 847</b>	<b>12 480 156</b>	<b>13 008 347</b>

The expenditure and budget reflect a slight fluctuation over the period under review. The low amounts in 2019/20 and 2020/21 were mainly attributed to the substantial under-spending in 2019/20, as well as the budget cuts in 2020/21, respectively. The growth from 2021/22 onward is mainly inflationary, with once-off allocations to the equitable share for learner transport services, and additional allocations to the

conditional grants. The growth over the MTEF was to some extent mitigated by the 2023/24 MTEF budget cuts. The high 2023/24 amount compared to 2024/25 is attributed to additional once-off funding in respect of the PRMG, and the EPWP Integrated Grant for Provinces being allocated up to 2023/24.

Programme 1 reflects steady growth over the period and caters for the maintenance and rehabilitation of departmental buildings, lease payments, SITA costs, the purchase of departmental fleet, the implementation of IT governance programmes such as the Electronic Content Management (ECM) system, the Government Wide Enterprise Architecture (GWEA) project, etc. The increase in the 2022/23 Adjusted Appropriation catered for an increase in computer services' costs due to repairs undertaken relating to some network points and Telkom lines that were damaged during the April 2022 flood disaster in the department's regional offices, including the RTI station in Rossburgh, the Ladysmith regional office and the Newcastle cost centre, as well as technical support provided to the departmental IT unit. The growth over the 2023/24 MTEF is mainly due to the reprioritisation undertaken, as explained, and a portion of the additional funds was allocated in the two outer years of the MTEF in respect of the cost of living adjustment carry-through from National Treasury. This programme was not affected by the 2023/24 MTEF budget cuts. In terms of *Compensation of employees*, the department plans to fill 149 critical vacant posts over the 2023/24 MTEF, and this includes the Chief Financial Officer, Director: Supply Chain Management, Administrative Officer: Administrative Support Services, Deputy Director: Administrative Support Services, Assistant Director: Employment Equity, Senior Human Resource Practitioner, Human Resource Officer, etc.

Programme 2 reflects a fluctuating trend over the seven-year period, with 2019/20 and 2020/21 showing substantially lower spending due to under-spending and budget cuts, respectively. The low spending in 2019/20 relates to the significant under-spending due to procurement and other challenges detailed earlier. The reduction in 2020/21 was due to the budget cuts effected toward the provincial response to the Covid-19 pandemic. The increase in the 2022/23 Adjusted Appropriation relates to additional funding allocated in respect of the PRMG received from National Treasury towards repairs to roads damaged during the April 2022 floods. Programme 2 houses the PRMG and the EPWP Integrated Grant for Provinces. The PRMG was allocated amounts of R607.161 million and R433.049 million over the 2022/23 MTEF, with a portion amounting to R490.025 million and R293.531 million in 2022/23 and 2023/24, respectively, earmarked for disasters that occurred during 2019 and 2020 which resulted in damage to roads. Over the 2023/24 MTEF, the PRMG sees an increase of R185 million in 2023/24 for the carry-through costs associated with repairs of provincial roads that were damaged by the April 2022 floods. Furthermore, the PRMG receives additional funding of R575.101 million in 2023/24 to address the backlog in refurbishment of provincial roads and for the building of modular steel bridges. Of this amount, R385.101 million is allocated for rehabilitation, and the balance of R190 million is for the construction of 17 Bailey Bridges. Also, the outer years provides for inflationary growth of R110.229 million against the PRMG. The EPWP Integrated Grant for Provinces was allocated R69.897 million in 2023/24, based on the previous year's performance data. The EPWP Integrated Grant for Provinces is allocated annually and, hence, there is no budget in the two outer years of the 2023/24 MTEF, at this stage. These allocations explain why 2023/24 is far higher than 2024/25. The programme was impacted on by the 2023/24 MTEF budget cuts implemented entirely against this programme, against *Buildings and other fixed structures*, and this will affect various planned construction projects to be undertaken. The department will defer the projects to a later stage. Also, the reprioritisation from this programme over the MTEF impacted on the growth. The MTEF allocations cater mainly for maintenance and construction projects, and the filling of vacant posts. In line with the proposed structure, the department is anticipating to fill 1 140 critical vacant posts over the 2023/24 MTEF in this programme. Some of the vacant posts within the programme include Road Workers, Drivers, Driver Operators, Administrative Clerks, Cleaners, Chief Engineers, Engineer Technicians, Production Engineers, Quality Controllers, etc. A portion of the carry-through of the 3 per cent cost of living adjustment was allocated to this programme.

Programme 3's budget mainly consists of the PTOG allocation, which is used for the payment of bus subsidies to bus operators. The programme also caters for the learner transport services function. The high amount in 2019/20 was attributed to funds reprioritised from Programmes 2 and 4, to cater for the spending pressures in respect of the PTOG, which has been under-funded since inception, as well as higher re-negotiated fees for bus subsidies paid to bus operators, which were also linked to labour and fuel

indices. This explains the decrease in 2020/21. Contributing to the decrease in 2020/21, was that the grant was under-spent, because, in the initial stages of the national lockdown, only essential workers were transported. Furthermore, buses were instructed to reduce to 70 per cent of their maximum capacity to ensure social distancing in order to curb the spread of Covid-19. The increase in 2021/22 was due to the services with regard to the bus operations returning to some form of normality resulting in pressures from the under-funding of the grant since its inception, as well as the increase in fuel indices, among others. This also explains the increase in the 2022/23 Revised Estimate. The grant is a Schedule 4 grant (supplementary grant), and the department must absorb the resultant spending pressures from its equitable share. As the top-up on the grant from the department's equitable share is done in-year, this explains the reduction in the two outer years of the 2023/24 MTEF, while the growth in 2025/26 is due to additional funding of R63.992 million in respect of the PTOG to cater for inflationary increments. Also note that the increase from 2019/20 to 2022/23 included top-up funding for learner transport services, which caters for the shortfall in respect of existing learner transport services. The top-up for 2023/24 has not been allocated, as they are usually allocated in-year in the Adjustments Estimate process. The MTEF budget will continue to cater for bus subsidisation, learner transport services, filling of vacant posts, research and development of the public and freight transportation framework for the province, etc. In line with the proposed structure, the department is anticipating to fill 24 critical vacant posts over the 2023/24 MTEF in this programme. Some of the vacant posts in this programme include Senior Administrative Clerks, Chairperson: Pre-adjudication and four Members: Pre-adjudication, etc. This programme was not affected by the 2023/24 MTEF budget cuts. The additional funding for the carry-through of the 3 per cent cost of living adjustment was not allocated to this programme, but the department has catered for the carry-through costs.

Programme 4 reflects a fluctuating trend over the seven-year period, relating to an increase in law enforcement and road safety campaigns. As this programme includes provision for traffic officers, the bulk of the expenditure and budget relates to personnel costs. The decrease in 2020/21 was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic. The decrease in the 2022/23 Adjusted Appropriation was in respect of funds moved to Programme 1 within *Machinery and equipment* in respect of Law Enforcement fleet and services. The growth over the MTEF is mainly due to reprioritisation to this programme for the new organisational structure, as explained, as well as inflationary increments. The MTEF allocations cater for the maintenance and improvement of the computerised licence testing system, law enforcement and road safety campaigns, provision for traffic officers, and the filling of vacant posts. The department plans to fill 768 critical vacant posts over the 2023/24 MTEF in line with the new organisational structure and these include Administrative Clerks, Senior Provincial Inspectors: Traffic, Principal Provincial Inspectors: Traffic, General Workers, etc. This programme was not affected by the 2023/24 MTEF budget cuts. The additional funding for the carry-through of the 3 per cent cost of living adjustment was not allocated to this programme, but the department has catered for the carry-through costs.

Programme 5: Community Based Programmes reflects fluctuating growth over the period. The decrease in 2020/21 was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic. The increase in the 2022/23 Revised Estimate relates to higher than budgeted expenditure in respect of the appointment of VRRM participants to undertake drain cleaning and verge maintenance, blacktop patching and rut repair activities. The growth over the 2023/24 MTEF in comparison to the 2022/23 Main Appropriation is mainly inflationary, and includes minor reprioritisation undertaken to this programme to provide for the new organisational structure, as explained. The allocations over the MTEF cater for filling vacant posts, the mentorship and accredited training programmes for developing contractors and learnership programmes, the developmental programme for the Vukuzakhe Emerging Contractor Development Programme, among others. The department plans to fill 18 critical vacant posts. These posts include Engineering Technician Controller Grade 1, Deputy Director: EPWP Inter-Governmental Co-ordination, Assistant Director: EPWP Training, Deputy Director: EPWP Monitoring and Evaluation, etc. This programme was not affected by the 2023/24 MTEF budget cuts. The additional funding for the carry-through of the 3 per cent cost of living adjustment was not allocated to this programme, but the department has catered for the carry-through cost.

*Compensation of employees* shows a largely steady increase over the seven-year period and this can be attributed to the filling of various vacant posts, as well as the annual wage adjustments, pay progression, performance bonuses, etc. The substantial decrease in 2020/21 was due to the budget cuts in respect of the provincial response to the Covid-19 pandemic. The increase in the 2022/23 Revised Estimate can be ascribed to overtime payment mainly for Technicians, Road Workers, Engineer Candidates and Technicians, Cleaners, Driver Operators, Handymen, Administrative Officers, Artisans, Administrative Clerks under Programme 2 and RTI, Special Operations, and Public Transport Enforcement Services (PTES) under Programme 4. This is in line with DPSA circular – Adjustment of the determination and directive on working time, 2019. The adjustment to the overtime rates was backdated to 1 July 2019 and the under-payments of overtime were programmatically adjusted, and this was not budgeted for. This category has been impacted on by slower than anticipated filling of vacant posts due to lengthy internal recruitment processes, difficulty in finding suitable candidates, high staff turnover, internal promotions, which resulted in further vacancies, as well as delays with the alignment of the structure to the DDM, as explained. The department catered for 3 920 personnel in its 2022/23 budget and this grows to 6 019 personnel over the 2023/24 MTEF, indicating some 2 099 vacant posts that are budgeted to be filled over the MTEF, in a staggered basis. The 6 019 posts are in line with the proposed structure which is yet to be approved. *Compensation of employees* shows a growth of 19.2 per cent (R333.352 million) in 2023/24 (as based on the 2022/23 Adjusted Appropriation), 6.1 per cent (R126.830 million) in 2024/25 and 4.8 per cent (R105.220 million) in 2025/26. The high growth in 2023/24 caters for filling critical vacant posts on the proposed structure and the carry-through of the 3 per cent cost of living adjustment. The increase in 2024/25 and 2025/26 is to allow for a 4.5 per cent growth plus the 1.5 per cent for pay progression.

*Goods and services* caters mainly for the maintenance of the provincial road network, learner transport services, road safety awareness campaigns, among others. The category reflects a generally steady increase from 2021/22 onward. The substantial decrease in 2020/21 was in respect of the budget cuts toward the provincial response to the Covid-19 pandemic. The increase in the 2022/23 Adjusted Appropriation can be ascribed to funds reprioritised from *Buildings and other fixed structures* in respect of flood disaster projects, as indicated earlier. Also, the category included additional funding in respect of the PRMG received from National Treasury towards repairs to roads damaged during the April 2022 floods. This category houses the PRMG and the EPWP Integrated Grant for Provinces. The bulk of the allocations for these two grants are allocated to this category, while portions of the grants were allocated to *Buildings and other fixed structures*. The PRMG increases in 2023/24 and 2025/26, as explained. The decrease over the MTEF is mainly due to reprioritisation from this category, as mentioned. Also, the top-up for the learner transport services has not been allocated for 2023/24. The once-off allocations in respect of the PRMG and the EPWP Integrated Grant to Provinces being allocated up to 2023/24 account for the high amount in 2023/24 compared to 2024/25. The 2023/24 MTEF budget will continue to cater for road maintenance projects, road safety campaigns, learner transport services, among others.

*Transfers and subsidies to: Provinces and municipalities* relates to the payment of motor vehicle licences. The high 2022/23 Adjusted Appropriation mainly relates to the R30 million transferred towards the development of the integrated public transport intermodal facility in Port Shepstone in the Ray Nkonyeni Municipality. The increase also included accrued expenditure from 2021/22 in respect of licences for mechanical plant, such as crane trucks, tractors, platform trucks, tipper trucks, motor graders, water tankers, service wagons, etc. These are once-off and explain the drop from the 2023/24 Adjusted Appropriation to 2023/24, whereafter there is inflationary growth over the 2023/24 MTEF.

*Transfers and subsidies to: Departmental agencies and accounts* relates to the payment to the Construction Education and Training Authority (CETA) and the Transport Education and Training Authority (TETA) levies in terms of the Skills Development Act. The fluctuation over the period is linked to the filling of posts. The growth over the 2023/24 MTEF is mainly inflationary and is linked to the personnel budget.

*Transfers and subsidies to: Public corporations and private enterprises* relates to the PTOG. The decrease in 2020/21 was due to the under-spending of the grant in the initial stages of the national lockdown, as only essential workers were transported. Furthermore, buses were instructed to reduce to 70 per cent of their maximum capacity to ensure social distancing in order to curb the spread of Covid-19. The increase

in the 2022/23 Revised Estimate is attributed to pressures against the PTOG due to under-funding of the grant, as mentioned under Programme 3. The growth over the MTEF is inflationary and the grant also receives an additional once-off inflationary adjustment of R63.992 million in 2025/26.

*Transfers and subsidies to: Non-profit institutions* is in respect of operational costs for South African Taxi Council (SANTACO) and the KZN Bus Council (KWANABUCO) as per the MOAs signed between the department and the organisations. The transfer to SANTACO is for support in respect of rental, water, lights and maintenance of the 16 offices. In terms of KWANABUCO, the funds are for the improvement of governance structures in the bus industry, and for supporting developmental programmes identified by the organisation in line with the departmental vision, such as empowerment of women and youth to operate a public transport business. The growth over the MTEF is inflationary.

*Transfers and subsidies to: Households* caters mainly for staff exit costs, external bursaries, land expropriation, as well as injury on duty and claims against the state. The fluctuation is due to the unpredictable nature of these items. The increase in the 2022/23 Adjusted Appropriation relates to higher than budgeted staff exit costs and external bursaries. The growth over the MTEF is inflationary.

*Buildings and other fixed structures* caters for road construction (access, gravel, blacktop), upgrades and additions, rehabilitation and refurbishment work. The decrease in the 2022/23 Adjusted Appropriation was due to funds reprioritised from construction and rehabilitation projects to *Goods and services* in respect of flood disaster projects, as indicated earlier, as well as due to slow implementation of construction projects. This was due to upgrade and new projects (upgrade and bridge construction) that were not undertaken. The delay was mainly in respect of two major contracts that were declared irregular by the A-G in the 2019/20 audit process, as explained. The growth over the 2023/24 MTEF is mainly inflationary, and includes portions of the PRMG and the EPWP Integrated Grant for Provinces relating to rehabilitation and new projects, as explained earlier. The growth was to some extent mitigated by the 2023/24 MTEF budget cuts implemented entirely against the category, and this will impact on rehabilitation projects to be undertaken, as these projects will have to be deferred to a future period. The once-off funding allocated up to 2023/24 in respect of the PRMG and the EPWP Integrated Grant to Provinces accounts for the high amount in 2023/24 in comparison to the two outer years of the MTEF.

*Machinery and equipment* provides for the purchase of vehicles, trucks and mechanical plant, such as graders and tractors, and office and computer equipment. The low 2020/21 amount was due to the budget cuts effected toward the provincial response to the Covid-19 pandemic. Invoices pertaining to 2020/21 in respect of mechanical plant were paid in 2021/22, and this explains the high amount in 2021/22. Similarly, some 2021/22 invoices were paid in 2022/23 and this explains the increase in the 2022/23 Adjusted Appropriation and Revised Estimate. This also explains the low amounts over the 2023/24 MTEF. The MTEF budget continues to cater for the procurement of new and replacement mechanical plant, motor vehicles, office and computer equipment, etc.

*Software and other intangible assets* relates to the purchase and renewal of software packages such as Microsoft, WinNuwei, SmartWorx Viva data collection, Civil Engineering Designer (CED), etc. There was no expenditure in 2020/21 due to the budget cuts effected against this category. The 2023/24 MTEF allocations are for the purchase of new and renewal of licences for these software packages.

*Payments for financial assets* is mainly in respect of claims (removal of vehicles) against the state, dishonoured cheques, salary over-payments, write-off of irrecoverable staff debts, among others. The fluctuation is due to the unpredictable nature of these items. This category is not usually budgeted for due to its uncertain nature, hence there are no allocations over the 2023/24 MTEF.

## 7.4 Summary of conditional grant payments and estimates

Tables 12.8 and 12.9 provide a summary of the conditional grant payments and budgeted estimates over the seven-year period, by grant name and economic classification, respectively. Detailed information on the conditional grants is presented in the *Annexure – Vote 12: Transport*. Note that the historical figures in Tables 12.8 and 12.9 reflect actual expenditure per grant, and should not be compared to those figures reflected in Table 12.1, which represents the actual receipts for each grant.

Table 12.8 : Summary of conditional grants 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
Provincial Roads Maintenance grant	1 882 781	1 843 325	2 090 534	2 720 678	3 306 978	3 306 978	3 394 685	2 460 472	2 570 701
Public Transport Operations grant	1 168 099	1 233 733	1 314 912	1 309 303	1 309 303	1 309 303	1 367 009	1 428 401	1 492 393
EPWP Integrated Grant for Provinces	74 146	63 118	73 252	68 283	68 283	68 283	69 897	-	-
<b>Total</b>	<b>3 125 026</b>	<b>3 140 176</b>	<b>3 478 698</b>	<b>4 098 264</b>	<b>4 684 564</b>	<b>4 684 564</b>	<b>4 831 591</b>	<b>3 888 873</b>	<b>4 063 094</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22		2022/23		2023/24	2024/25	2025/26
<b>Current payments</b>	<b>1 956 927</b>	<b>1 906 443</b>	<b>2 163 786</b>	<b>2 764 561</b>	<b>2 966 629</b>	<b>2 966 629</b>	<b>2 342 009</b>	<b>1 927 900</b>	<b>2 098 764</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	1 956 927	1 906 443	2 163 786	2 764 561	2 966 629	2 966 629	2 342 009	1 927 900	2 098 764
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>1 168 099</b>	<b>1 233 733</b>	<b>1 314 912</b>	<b>1 309 303</b>	<b>1 309 303</b>	<b>1 309 303</b>	<b>1 367 009</b>	<b>1 428 401</b>	<b>1 492 393</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	1 168 099	1 233 733	1 314 912	1 309 303	1 309 303	1 309 303	1 367 009	1 428 401	1 492 393
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24 400</b>	<b>408 632</b>	<b>408 632</b>	<b>1 122 573</b>	<b>532 572</b>	<b>471 937</b>
Buildings and other fixed structures	-	-	-	24 400	408 632	408 632	1 122 573	532 572	471 937
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 125 026</b>	<b>3 140 176</b>	<b>3 478 698</b>	<b>4 098 264</b>	<b>4 684 564</b>	<b>4 684 564</b>	<b>4 831 591</b>	<b>3 888 873</b>	<b>4 063 094</b>

It should be noted that a portion of the EPWP Integrated Grant for Provinces was allocated against *Buildings and other fixed structures* in 2022/23 due to the nature of the projects to be undertaken. This is continued over the 2023/24 MTEF. Also, in the 2022/23 Adjusted Appropriation, the department shifted a portion of the PRMG from *Goods and services* to *Buildings and other fixed structures* in line with the DORA provision that allows the department to use 25 per cent of the PRMG allocation for rehabilitation projects as opposed to only for maintenance projects, and this is continued over the 2023/24 MTEF.

The conditional grant allocation reflects a fluctuating trend over the period, as explained per grant:

- The *Provincial Roads Maintenance grant* is allocated under Programme 2, mainly against *Goods and services* and, from the 2022/23 Adjusted Appropriation onward, a portion of the grant was allocated to *Buildings and other fixed structures*, as explained. The grant thus relates to the maintenance, as well as the rehabilitation of road infrastructure. The grant was cut by R314.503 million in 2020/21 as part of national government's Covid-19 budget reprioritisation to source the R100 billion being cut from national departments. This explains the low 2020/21 amount. The increase in 2022/23 relates to additional funding of R589.300 million in respect of the PRMG received from National Treasury, which was allocated to the department towards repairs to roads damaged by the April 2022 floods. The funds were allocated against *Goods and services*. As explained, the PRMG was allocated amounts of R607.161 million and R433.049 million over the 2022/23 MTEF, of which R490.025 million and R293.531 million in 2022/23 and 2023/24, respectively, was earmarked for disasters that occurred during 2019 and 2020 which resulted in damage to roads. Over the 2023/24 MTEF, the PRMG sees an increase of R185 million in 2023/24 for the carry-through costs associated with repairs of provincial roads that were damaged by the April 2022 floods. Also, with regard to the PRMG, the department was allocated an additional R575.101 million in 2023/24, only, to address the backlog in refurbishment of provincial roads and for the building of modular steel bridges under the Welisizwe Rural Programme. Of this amount, R385.101 million is allocated for rehabilitation, and the balance of R190 million is for the construction of 17 Bailey Bridges. It is also indicated that the funding for the rural bridges for the outer two years of the MTEF is not allocated to provinces at this point, to allow more provinces to make submissions for their rural bridges' projects. NDOT and NDPWI will work together to determine

the allocations in the outer years in the next budget process. Also, the grant shows inflationary growth of R110.229 million in 2025/26. No additional allocation was made in 2024/25 against the grant, hence the low growth in that year.

- The *Public Transport Operations grant* is allocated to Programme 3, against *Transfers and subsidies to: Public corporations and private enterprises* for the payment of bus subsidies to bus operators. The grant receives an additional allocation of R63.992 million in 2025/26 in respect of an inflationary adjustment. The grant is used for the subsidisation of public transport services.
- The *EPWP Integrated Grant for Provinces* is allocated to Programme 2, against *Goods and services and Buildings and other fixed structures* from 2022/23, as discussed earlier. The funds are utilised for the creation of EPWP job opportunities through road maintenance and construction projects. This grant is allocated on an annual basis, hence no funds are allocated in the two outer years of the 2023/24 MTEF, at this stage. The fluctuations over the period are largely based on the performance of the grant and effective reporting in previous years. The department will use the grant allocation to create 833 jobs in 2023/24, while the equitable share will fund the creation of 4 767 jobs.

## 7.5 Summary of infrastructure payments and estimates

Table 12.10 presents a summary of infrastructure payments and estimates by category for the Vote. A more detailed list of projects can be found in the *2023/24 Estimates of Capital Expenditure (ECE)*.

Table 12.10 : 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
<b>Existing infrastructure assets</b>	<b>3 700 543</b>	<b>3 887 496</b>	<b>5 501 047</b>	<b>6 757 993</b>	<b>6 944 914</b>	<b>6 348 264</b>	<b>6 172 600</b>	<b>5 583 888</b>	<b>5 804 598</b>
Maintenance and repair: Current	2 119 386	1 928 091	2 177 182	3 243 584	4 451 352	3 908 214	2 512 608	2 139 601	2 319 980
Upgrades and additions: Capital	810 697	642 103	1 407 167	1 526 328	994 481	940 969	1 209 191	1 560 316	1 621 032
Refurbishment and rehabilitation: Capital	770 460	1 317 302	1 916 698	1 988 081	1 499 081	1 499 081	2 450 801	1 883 971	1 863 586
<b>New infrastructure assets: Capital</b>	<b>384 315</b>	<b>215 635</b>	<b>347 767</b>	<b>415 500</b>	<b>622 879</b>	<b>676 391</b>	<b>870 965</b>	<b>678 624</b>	<b>699 170</b>
<b>Infrastructure transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30 000</b>	<b>30 000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	30 000	30 000	-	-	-
<b>Infrastructure payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Infrastructure: Leases	2 719	8 159	439	3 059	3 059	3 059	3 194	3 338	3 488
<b>Non infrastructure<sup>1</sup></b>	<b>1 760 279</b>	<b>1 466 185</b>	<b>2 119 184</b>	<b>1 559 237</b>	<b>1 709 237</b>	<b>2 200 207</b>	<b>2 051 027</b>	<b>2 143 628</b>	<b>2 241 134</b>
<b>Total</b>	<b>5 847 856</b>	<b>5 577 475</b>	<b>7 968 437</b>	<b>8 735 789</b>	<b>9 310 089</b>	<b>9 257 921</b>	<b>9 097 786</b>	<b>8 409 478</b>	<b>8 748 390</b>
<i>Capital infrastructure</i>	1 965 472	2 175 040	3 671 632	3 929 909	3 146 441	3 146 441	4 530 957	4 122 911	4 183 788
<i>Current infrastructure<sup>2</sup></i>	2 122 105	1 936 250	2 177 621	3 246 643	4 454 411	3 911 273	2 515 802	2 142 939	2 323 468

Notes:

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

2. Total of *Current infrastructure* and *Non infrastructure* is more than total *Goods and services* in some years, as it includes salaries of staff in all 4 regions that do maintenance work, etc.

*Maintenance and repair: Current* caters for routine, preventative, mechanical and other maintenance. The reduction in 2020/21 relates to the budget cuts toward the provincial response to the Covid-19 pandemic. The increase in the 2022/23 Adjusted Appropriation was in respect of funds reprioritised within Programme 2, from *Upgrades and additions: Capital* and *Refurbishment and rehabilitation: Capital* to this category in respect of flood disaster projects. Also, the increase was due to the additional funds allocated in respect of the PRMG received from National Treasury towards repairs to roads damaged by the April 2022 floods. This category also includes a portion of the PRMG and the EPWP Integrated Grant for Provinces. The PRMG was increased by R789.799 million, R607.161 million and R433.049 million over the 2022/23 MTEF due to the incentive nature of the grant, and the full amount was allocated to this category. However, a portion amounting to R490.025 million and R293.531 million in 2022/23 and 2023/24, respectively, was earmarked for disasters that occurred during 2019 and 2020, which resulted in damage to roads. In the 2023/24 MTEF, the PRMG receives an increase of R185 million in 2023/24 for the carry-through costs associated with repairs of provincial roads that were damaged by the April 2022 floods. Also, there was an additional allocation of R110.229 million in 2025/26 in respect of an inflationary increment. The EPWP Integrated Grant for Provinces was allocated R69.897 million in 2023/24 and this allocation is based on the previous year's performance data. The EPWP Integrated Grant for Provinces is allocated annually and, hence there is no budget in the two outer years of the 2023/24 MTEF, at this stage. This explains the low amount in 2024/25. Also, portions of the allocations for these two grants were moved to *Refurbishment and rehabilitation: Capital* for capital projects, and this further

explains the lower growth over the MTEF in comparison to the 2022/23 Main Appropriation. The 2023/24 MTEF caters for maintenance projects undertaken across the province, mainly reseal projects such as the reseal of District Road D48 (from 14 kilometres to 25.70 kilometres in the Alfred Duma Local Municipality), reseal of Main Road P49-1 (from zero to 10 kilometres in the AbaQulusi Local Municipality), tarring of Main Road P49-2 (from 11 kilometres to 16 kilometres in the Ulundi Local Municipality), reseal of Main Road P30 (from 2 kilometres to 33.99 kilometres in the Okhahlamba Local Municipality), among others.

*Upgrades and additions: Capital* caters for the upgrading of gravel roads to surfaced roads. The decrease in 2020/21 relates to the budget cuts toward the provincial response to the Covid-19 pandemic. The decrease in the 2022/23 Adjusted Appropriation and a further decrease in the Revised Estimate was due to upgrade projects that were terminated as a result of non-performance by contractors, changes in the scope of work, delays in the issuing of orders, as well as contractors experiencing financial difficulties. The funds were reprioritised to *New infrastructure assets: Capital* for the construction of 24 Bailey Bridges and to *Maintenance and repair: Current* in respect of flood disaster projects. The low amount in 2023/24 was due to further reprioritisation in this regard. The growth in the two outer years of the MTEF is inflationary. As indicated earlier, a portion of R24.400 million in 2022/23 and R20.900 million in 2023/24 of the EPWP Integrated Grant for Provinces funding was allocated to this category to undertake the upgrade of Main Roads P179 in the Estcourt area and P714 in the Ndwedwe Local Municipality, among others. The MTEF allocations cater for various projects, including the upgrade of District Road D135 (from 4 kilometres to 10 kilometres in the uMlalazi Local Municipality), upgrade of Main Road P549 (from 25 kilometres to 55 kilometres in the uMvoti Local Municipality), upgrade of District Road D1867 (from 8.8 kilometres to 17.5 kilometres in the uPhongolo Local Municipality), upgrade of Main Road P429 (from 28.70 kilometres to 46 kilometres in the Dr. Nkosazana Dlamini Zuma Municipality), etc.

*Refurbishment and rehabilitation: Capital* relates to the rehabilitation and refurbishment of roads. The erratic trend is attributed to the nature of the investments. The low expenditure in 2019/20 was due to delays with various rehabilitation projects. The reduction in the 2022/23 Adjusted Appropriation and the Revised Estimate can be attributed to slow spending in respect of rehabilitation projects that were not undertaken, due to unresolved issues from 2019/20 and 2020/21 that affected the commencement of projects, as mentioned. This category now houses a portion of the PRMG from the 2022/23 Adjusted Appropriation onward. This is line with DORA, where the department is allowed to use 25 per cent of the PRMG allocation for capital projects. The high 2023/24 amount is attributed to the additional R385.101 million allocated in respect of the PRMG to address the backlog in refurbishment of provincial roads. This explains the decrease in the two outer years of the MTEF. The MTEF allocations are in line with the department's plans and anticipated progress with projects, and provide for the rehabilitation of Main Road P395 (from zero to 25 kilometres in the Ray Nkonyeni Local Municipality), rehabilitation, widening and re-alignment of Main Road P236 (from 6.2 kilometres to 14 kilometres in the uPhongolo Local Municipality), rehabilitation of Main Road P14-2 (from 24.60 kilometres to 51 kilometres in the Mpofana Local Municipality), rehabilitation of Main Road P34-5 (from zero to 10 kilometres in the iMpindle Local Municipality), rehabilitation of Main Road P237 (from 16 kilometres to 18 kilometres in the Mtubatuba Local Municipality), among others. The MTEF allocations were to some extent mitigated by the 2023/24 MTEF budget cuts which were implemented entirely against this category and this impacted on some rehabilitation projects to be undertaken, which will be deferred to a future period.

*New infrastructure assets: Capital* fluctuates over the period and includes the construction of access roads (to clinics and schools) and bridges (vehicular and pedestrian). The decrease in 2020/21 relates to the budget cuts toward the provincial response to the Covid-19 pandemic. The increase in the 2022/23 Adjusted Appropriation and the Revised Estimate relates to funds reprioritised for the construction of 24 Bailey Bridges in the Mkhambathini, Vryheid, Ndwedwe, iMpindle, uMvoti, eThekweni Metro areas, etc. This explains the increase over the MTEF. The high 2023/24 allocation relates to a portion of the PRMG (R190 million), allocated for the building of 17 Bailey Bridges, as explained. This explains the decrease in the two outer years of the MTEF. Various projects will be undertaken over the MTEF, including the construction of the Mvuzane River Bridge on District Road D873 in the Ulundi Local Municipality, construction of the Mbabane River Bridge in the Dannhauser Local Municipality, construction of the Mgazi causeway on Local Road L2299 in the uMzimkhulu Local Municipality, construction of the Lufafa



Pedestrian Bridge in the uMzimkhulu Local Municipality, construction and widening of Buffels River Bridge on Main Road P36-1 in the Nquthu Local Municipality, among others.

*Infrastructure transfers: Capital* caters for the transfer towards the development of the integrated public transport intermodal facility in Port Shepstone in the Ray Nkonyeni Municipality. This was once-off in 2022/23 and thus no funds are allocated over the MTEF.

*Infrastructure: Leases* caters for the payment of leases for departmental buildings such as the Provincial Regulatory Entity (PRE) office accommodation in Msunduzi, PRE Mbazwana Regional office in uMhlabuyalingana, Alverstone Repeater Site in Mkhambathini, Van Reenen Repeater Site in Alfred Duma, etc. The category reflects steady growth. The high expenditure in 2020/21 was in respect of higher than budgeted lease costs of departmental buildings and partly due to the payment of 2021/22 invoices in that year. The growth over the 2023/24 MTEF is inflationary.

*Non infrastructure* includes the mechanical plant budget, operational expenditure and administration in relation to maintenance of infrastructure, such as salaries for all four regions and other overhead costs. The category shows a fluctuating trend attributed to the nature of items catered for, such as the purchase of mechanical plant. The decrease in 2020/21 relates to the budget cuts toward the provincial response to the Covid-19 pandemic. The increase in the 2022/23 Adjusted Appropriation and the Revised Estimate was in respect of accrued expenditure from 2021/22 for mechanical plant, including crane trucks, tractors, platform trucks, tipper trucks, motor graders, water tankers, service wagons, etc. The increase over the 2023/24 MTEF is mainly due to inflationary increments and includes funds for the management and oversight of maintenance and construction projects.

## 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 12.11 reflects departmental transfers to public entities and other entities. It should be noted that the department does not transfer funds to any public entity.

**Table 12.11 : 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	Adjusted	Revised	Medium-term Estimates		
		2019/20	2020/21	2021/22	Appropriation	Appropriation	Estimate	2023/24	2024/25	2025/26
						2022/23				
<b>Transfers to public entities</b>		-	-	-	-	-	-	-	-	-
<b>Transfers to other entities</b>		1 398 113	1 250 250	1 428 269	1 335 845	1 335 845	1 568 541	1 393 663	1 456 254	1 521 494
Bus operators	3.2: Public Transport Services	1 382 096	1 233 733	1 401 107	1 309 303	1 309 303	1 542 146	1 367 009	1 428 401	1 492 393
KWANABUCO	3.2: Public Transport Services	-	-	4 209	4 000	4 000	4 000	4 000	4 180	4 367
SANTACO	4.3: Operator Licences and Permits	16 017	16 517	22 953	22 542	22 542	22 395	22 654	23 673	24 734
<b>Total</b>		<b>1 398 113</b>	<b>1 250 250</b>	<b>1 428 269</b>	<b>1 335 845</b>	<b>1 335 845</b>	<b>1 568 541</b>	<b>1 393 663</b>	<b>1 456 254</b>	<b>1 521 494</b>

The expenditure and budget against bus operators increases steadily over the period and this relates to the PTOG for the payment of bus subsidies to operators. Spending in 2019/20 and 2021/22 was high due to over-spending against the grant as a result of the under-funding of the grant from inception and higher re-negotiated fees and fuel price increases. The department used its equitable share funding to offset the pressures. As such, the expenditure in the prior years is higher than the grant amounts in those years. However, in 2020/21 the category was under-spent because, in the initial stages of the national lockdown, only essential workers were transported and buses were instructed to reduce their maximum capacity to 70 per cent to ensure social distancing in order to curb the spread of Covid-19, as explained. The grant is reflecting pressure in the 2022/23 Revised Estimate due to the under-funding of the grant from inception and higher re-negotiated fees and fuel price increases. The grant is a supplementary grant, and the department will absorb the resultant spending pressures from its equitable share. The growth over the 2023/24 MTEF is inflationary and the growth in 2025/26 is due to additional funding of R63.992 million to cater for inflationary increments.

The amounts from 2021/22 against KWANABUCO are in respect of operational costs as per the MOA signed between the department and the organisation, as explained. The department transfers the funds based on invoices received from the organisation.

The amounts in respect of SANTACO are for operational costs as per the MOA signed between the department and the organisation, as discussed. The department transfers the funds based on invoices received from the organisation.

## 7.8 Transfers to local government

Table 12.12 details the transfers to local government, summarised according to categories A, B and C. Table 12.13 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 12: Transport*.

Transfers to local government exclude funds in respect of motor vehicle licences. These funds will not be transferred to any municipality, hence the amounts are not reflected in Tables 12.12 and 12.13.

**Table 12.12 : 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	-	-	-	-	30 000	30 000	-	-	-
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	30 000	30 000	-	-	-

**Table 12.13 : 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
	Int. public transport facility 3.1: Prog. Support Operations	-	-	-	-	30 000	30 000	-	-	-
<b>Total</b>		-	-	-	-	30 000	30 000	-	-	-

In the 2022/23 Adjusted Appropriation, funds were moved to *Transfers and subsidies to: Provinces and municipalities* under Programme 3 towards the development of the integrated public transport intermodal facility in Port Shepstone in the Ray Nkonyeni Municipality. NDOT and the department signed a MOU in 2007 to implement the project in two phases. Phase 1 was for service design and planning and Phase 2 was for the construction of the facility. In March 2008, the department commenced with Phase 1, which was completed in 2009/10. In June 2011, the department proceeded with packaging all work done to secure a property developer for Phase 2. In 2013, the department then took a decision to hand over the project to the Ray Nkonyeni Municipality in order to fast-track the project and an MOU was signed between the department and the municipality. The total cost of the project was R50 million, of which the department had paid R28 million by 2016. The municipality has appointed a property developer and indicated to the department that it requires the balance of R22 million with an escalation factor of R8 million to complete the project.

## 7.9 Transfers and subsidies

Table 12.14 gives a summary of *Transfers and subsidies* by programme and main category.

The category reflects a fluctuating trend over the period, as explained in the paragraphs before and after the table.

*Households* under all programmes caters for staff exit costs, claims against the state, injury on duty, as well as external bursaries. The growth over the 2023/24 MTEF is inflationary.

*Provinces and municipalities* against Programmes 1 to 4 relates to the payment of motor vehicle and mechanical plant licences.

In Programme 1, *Departmental agencies and accounts* caters for payments to CETA and TETA. The fluctuations are linked to the filling of posts.

Table 12.14 : 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
<b>1. Administration</b>	<b>12 620</b>	<b>12 675</b>	<b>10 850</b>	<b>13 694</b>	<b>13 694</b>	<b>13 694</b>	<b>15 369</b>	<b>16 062</b>	<b>16 784</b>
Provinces and municipalities	115	63	136	102	247	247	265	278	292
Motor vehicle licences	115	63	136	102	247	247	265	278	292
Departmental agencies and accounts	5 251	3 966	4 135	6 808	5 262	5 262	7 108	7 428	7 761
CETA and TETA (Skills dev. levies)	5 251	3 966	4 135	6 808	5 262	5 262	7 108	7 428	7 761
Households	7 254	8 646	6 579	6 784	8 185	8 185	7 996	8 356	8 731
Staff exit costs	1 085	2 406	2 482	2 142	2 142	2 075	2 236	2 337	2 442
External bursaries	6 169	6 240	4 097	4 642	6 043	6 110	5 760	6 019	6 289
<b>2. Transport Infrastructure</b>	<b>12 704</b>	<b>13 415</b>	<b>17 445</b>	<b>14 594</b>	<b>18 734</b>	<b>16 522</b>	<b>19 046</b>	<b>19 812</b>	<b>20 701</b>
Provinces and municipalities	5 126	6 621	9 850	6 177	10 177	7 965	10 652	11 078	11 575
Motor vehicle licences	5 126	6 621	9 850	6 177	10 177	7 965	10 652	11 078	11 575
Households	7 578	6 794	7 595	8 417	8 557	8 557	8 394	8 734	9 126
Staff exit costs	7 488	6 599	7 553	6 469	6 646	6 713	8 294	8 630	9 018
Claims against the state, land expr., injury on duty, etc.	90	195	42	1 948	1 911	1 844	100	104	108
<b>3. Transport Operations</b>	<b>1 382 097</b>	<b>1 233 834</b>	<b>1 406 455</b>	<b>1 313 368</b>	<b>1 343 492</b>	<b>1 576 335</b>	<b>1 371 009</b>	<b>1 432 401</b>	<b>1 496 572</b>
Provinces and municipalities	1	1	-	14	30 014	30 014	-	-	-
Motor vehicle licences	1	1	-	14	14	14	-	-	-
Integrated public transport intermodal facility	-	-	-	-	30 000	30 000	-	-	-
Public corporations and private enterprises	1 382 096	1 233 733	1 401 107	1 309 303	1 309 303	1 542 146	1 367 009	1 428 401	1 492 393
Bus operators (PTOG)	1 382 096	1 233 733	1 401 107	1 309 303	1 309 303	1 542 146	1 367 009	1 428 401	1 492 393
Non-profit institutions	-	-	4 209	4 000	4 000	4 000	4 000	4 000	4 179
KWANABUCO	-	-	4 209	4 000	4 000	4 000	4 000	4 000	4 179
Households	-	100	1 139	51	175	175	-	-	-
Staff exit costs	-	100	517	-	175	175	-	-	-
Injury on duty	-	-	622	51	-	-	-	-	-
<b>4. Transport Regulation</b>	<b>18 303</b>	<b>20 782</b>	<b>29 187</b>	<b>27 482</b>	<b>28 516</b>	<b>30 728</b>	<b>29 629</b>	<b>30 961</b>	<b>32 349</b>
Provinces and municipalities	662	654	849	780	888	3 100	953	996	1 041
Motor vehicle licences	662	654	849	780	888	3 100	953	996	1 041
Non-profit institutions	16 017	16 517	22 953	22 542	22 542	22 542	22 654	23 673	24 734
SANTACO	16 017	16 517	22 953	22 542	22 542	22 542	22 654	23 673	24 734
Households	1 624	3 611	5 385	4 160	5 086	5 086	6 022	6 292	6 574
Staff exit costs	1 624	2 100	5 385	4 160	5 086	5 086	6 022	6 292	6 574
Injury on duty	-	1 511	-	-	-	-	-	-	-
<b>5. Community Based Programmes</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62</b>	<b>62</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	78	-	-	-	62	62	-	-	-
Staff exit costs	78	-	-	-	62	62	-	-	-
<b>Total</b>	<b>1 425 802</b>	<b>1 280 706</b>	<b>1 463 937</b>	<b>1 369 138</b>	<b>1 404 498</b>	<b>1 637 341</b>	<b>1 435 053</b>	<b>1 499 236</b>	<b>1 566 406</b>

Under Programme 3, the following are noted:

- *Provinces and municipalities* relates to funds transferred towards the development of the integrated public transport intermodal facility in Port Shepstone in the Ray Nkonyeni Municipality, as indicated.
- *Public corporations and private enterprises* is in respect of bus operators relating to the PTOG for the payment of bus subsidies. The increase in the 2022/23 Revised Estimate can be attributed to the under-funding of the grant since its inception, as well as the increase in fuel indices, among others. The department will absorb the resultant spending pressures from its equitable share. The growth over the 2023/24 MTEF is inflationary and the growth in 2025/26 is due to additional funding of R63.992 million to cater for inflationary increments.
- *Non-profit institutions* includes the transfer to KWANABUCO in respect of operational costs as per the MOA signed between the department and the organisation, as explained.

In Programme 4, *Non-profit institutions* caters for the transfer to SANTACO for the payment of rental, water, lights and maintenance of 16 offices, as discussed.

## 8. Programme description

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

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

## 8.1 Programme 1: Administration

The purpose of this programme is to provide overall management and administrative, strategic, financial and corporate support services in order to ensure that the department delivers on its mandate in an integrated, efficient, effective and sustainable manner. This includes goods and services utilised for governance, management, research and administration, as well as for general office services such as cleaning and security services. Tables 12.15 and 12.16 summarise payments and budgeted estimates relating to Programme 1 from 2019/20 to 2025/26.

**Table 12.15 : 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	10 789	14 686	11 565	20 878	17 885	17 885	21 109	21 923	22 905
2. Management of the Department	7 281	5 611	6 227	23 953	13 503	13 503	20 480	21 118	22 064
3. Corporate Support	377 456	400 013	415 193	444 258	533 046	533 046	573 854	622 761	650 908
4. Departmental Strategy	38 511	26 364	23 773	39 973	24 973	24 973	40 938	42 783	44 700
<b>Total</b>	<b>434 037</b>	<b>446 674</b>	<b>456 758</b>	<b>529 062</b>	<b>589 407</b>	<b>589 407</b>	<b>656 381</b>	<b>708 585</b>	<b>740 577</b>

**Table 12.16 : 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
<b>Current payments</b>	<b>394 679</b>	<b>418 353</b>	<b>404 517</b>	<b>446 050</b>	<b>478 298</b>	<b>478 298</b>	<b>543 031</b>	<b>592 379</b>	<b>621 399</b>
Compensation of employees	155 620	152 825	166 606	193 020	193 020	175 103	210 989	243 902	255 073
Goods and services	239 059	265 528	237 908	253 030	285 278	303 195	332 042	348 477	366 326
Interest and rent on land	-	-	3	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>12 620</b>	<b>12 675</b>	<b>10 850</b>	<b>13 694</b>	<b>13 694</b>	<b>13 694</b>	<b>15 369</b>	<b>16 062</b>	<b>16 784</b>
Provinces and municipalities	115	63	136	102	247	247	265	278	292
Departmental agencies and accounts	5 251	3 966	4 135	6 808	5 262	5 262	7 108	7 428	7 761
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7 254	8 646	6 579	6 784	8 185	8 185	7 996	8 356	8 731
<b>Payments for capital assets</b>	<b>26 734</b>	<b>15 624</b>	<b>41 275</b>	<b>69 318</b>	<b>97 118</b>	<b>97 118</b>	<b>97 981</b>	<b>100 144</b>	<b>102 394</b>
Buildings and other fixed structures	1 891	4 007	6 777	50 000	35 000	35 000	50 000	50 000	50 000
Machinery and equipment	24 835	11 617	34 498	19 318	62 118	62 118	47 981	50 144	52 394
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	8	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>4</b>	<b>22</b>	<b>116</b>	<b>-</b>	<b>297</b>	<b>297</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>434 037</b>	<b>446 674</b>	<b>456 758</b>	<b>529 062</b>	<b>589 407</b>	<b>589 407</b>	<b>656 381</b>	<b>708 585</b>	<b>740 577</b>

In 2020/21, a portion of the department's budget cuts were effected under Programme 1 under all sub-programmes against *Compensation of employees*, *Goods and services* and *Machinery and equipment*. Furthermore, Programme 1 was subjected to the fiscal consolidation budget cuts over the 2021/22 MTEF against *Compensation of employees* and *Goods and services* across all sub-programmes, but mainly affecting the Corporate Support sub-programme. This programme was not affected by the 2023/24 MTEF budget cuts. The department allocated a portion of the carry-through of the 3 per cent cost of living adjustment under this programme under the sub-programme: Corporate Support, and provision was made for the remaining three sub-programmes.

The sub-programme: Office of the MEC provides for the effective and efficient rendering of support services including correspondence, management, secretarial and administrative services, as well as the co-ordination of responses to parliamentary questions. The decrease in the 2022/23 Adjusted Appropriation is in respect of MEC special projects like service excellence award that were not undertaken due to constant change in MECs. The growth over the 2023/24 MTEF is inflationary, and includes R2 million allocated per annum from 2021/22 onward toward the district champion of OSS/DDM responsibilities. The budget caters for MEC's events, fleet services, filling of critical vacant posts, travel and subsistence, among others.

The sub-programme: Management of the Department relates to the rendering of effective and efficient support services to the HOD. In addition, this sub-programme caters for legal advisory support services,

strategic human resource management, financial services, risk management, as well as the management and implementation of organisational development services. The decrease in the 2022/23 Adjusted Appropriation was due to funds reprioritised in respect of reduced travel and subsistence and the graduate internship programme that was incorrectly allocated against this sub-programme. The amounts over the 2023/24 MTEF cater for consultants' costs in respect of the implementation of IGULA radical socio-economic transformation programme, which houses all socio-economic transformation initiatives relating to the department, and entails implementing procurement reforms to achieve empowerment targets for the youth. Also, the budget over the MTEF caters for the filling of critical vacant posts in line with the new organisational structure, audit costs, legal costs, among others.

The Corporate Support sub-programme includes payments to SITA for implementing IT governance systems, such as the ECM system and the GWEA project. In addition, the sub-programme caters for the maintenance of departmental buildings, and the purchase of departmental fleet (excluding mechanical plant), among others. The increase in the 2022/23 Adjusted Appropriation was in respect of an increase in computer services' costs due to repairs undertaken relating to some network points and Telkom lines that were damaged during the April 2022 flood disaster, technical support provided to the departmental IT unit, external audit costs, property payments and vehicles ordered from 2021/22, among others. The growth over the 2023/24 MTEF is due to the reprioritisation undertaken from Programme 2 towards the implementation of the new organisational structure, as well as inflationary increments. The budget caters for the procurement of new and replacement departmental fleet, the replacement of computer equipment, ongoing refurbishment of departmental buildings, continuous implementation of IT governance processes (computer services), property payments, among others.

The sub-programme: Departmental Strategy provides for the facilitation of the departmental strategic planning processes, and the development, monitoring and evaluation of the overall performance management system of the department. This sub-programme also caters for the preparation of the department's APP and Strategic Plan, QPR, monitoring and evaluation functions, among others. The decrease in the 2022/23 Adjusted Appropriation was due to slow progress with the filling of vacant posts and reduced travel and subsistence, among others. The growth over the 2023/24 MTEF is inflationary, and caters for the change management programme (consultants' costs), travel and subsistence, filling of critical vacant posts, preparation and printing of the APP, among others.

*Compensation of employees* reflects a fairly steady increase. As explained, in line with the new organisational structure, there are 149 vacant posts in respect of Programme 1, and these are planned to be filled over the MTEF. The healthy growth over the MTEF, with growth of 9.3 per cent, 15.6 per cent and 4.6 per cent, respectively, is mainly inflation related, as well as the reprioritisation from Programme 2 toward the new organisational structure. The growth also caters for the 1.5 per cent pay progression and a portion of the carry-through of the 3 per cent cost of living adjustment was allocated to this category.

*Goods and services* shows a fairly steady upward trend over the period. This category provides for the maintenance of departmental buildings, SITA costs, communication costs, audit fees, travel agency fees, employee bursaries, legal costs and fleet services, among others. The growth over the MTEF is mainly inflationary and caters for the district champion of OSS/DDM responsibilities' events, computer services, the IGULA radical socio-economic transformation programme, property payments, among others.

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

*Transfers and subsidies to: Departmental agencies and accounts* relates to the payments to CETA and TETA in respect of the levies in terms of the Skills Development Act. The growth over the MTEF is inflationary related and linked to personnel costs.

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

*Buildings and other fixed structures* is in respect of the upgrade of departmental buildings across the province. The decrease in the 2022/23 Adjusted Appropriation was due to slower than anticipated progress with the refurbishment of the Thembaletu building and the rehabilitation and reconfiguration of the Motor Licensing Bureau in Hyslop Road in Pietermaritzburg, among others. The substantial increases in 2022/23 and over the MTEF are for projects including the refurbishment of the Thembaletu building and

the rehabilitation and reconfiguration of the Motor Licensing Bureau in Hyslop Road in Pietermaritzburg, among others. These are both big projects and hence will continue over the 2023/24 MTEF.

*Machinery and equipment* caters mainly for the purchase of new and replacement computer and office equipment, vehicles, etc., that are damaged or obsolete, as well as equipment for new staff. The substantial increase in the 2022/23 Adjusted Appropriation was in respect of the funds shifted to correctly place the budget for fleet and services from Programme 1, as well as vehicles ordered from 2021/22, which were delivered and paid for in 2022/23. The 2023/24 MTEF amounts are inflationary related and cater for additional departmental fleet.

*Software and other intangible assets* relates to computer software licences, such as Microsoft. The department is not anticipating purchases or renewals over the MTEF, but this will be reviewed in-year.

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

## 8.2 Programme 2: Transport Infrastructure

The purpose of this programme is to promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and economic growth. This programme includes all expenditure of a current and capital nature relating to the planning, design, construction, rehabilitation, maintenance and repair of all infrastructure, supporting all modes of transport. Tables 12.17 and 12.18 summarise the payments and budgeted estimates relating to Programme 2 for 2019/20 to 2025/26.

The programme houses the PRMG and the EPWP Integrated Grant for Provinces, which is allocated up to 2023/24, as the grant is allocated on an annual basis based on the previous year's performance. The programme reflects a decrease in 2019/20 and 2020/21, but increases from 2021/22 onward. The full 2023/24 MTEF budget cuts were implemented against Programme 2, under the construction sub-programme, against *Buildings and other fixed structures*.

**Table 12.17 : Summary of payments and estimates by sub-programme: Transport Infrastructure**

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. Programme Support Infrastructure	802 565	655 420	728 184	741 741	720 196	720 196	748 261	782 370	817 420
2. Infrastructure Planning	20 461	20 924	32 930	36 703	32 703	32 703	38 318	40 041	41 835
3. Infrastructure Design	43 819	45 688	45 128	49 853	53 853	53 853	54 671	56 691	59 231
4. Construction	1 957 697	2 171 118	3 664 855	3 879 909	3 081 441	2 858 014	4 480 957	4 072 911	4 133 788
5. Maintenance	3 290 880	2 892 466	3 710 863	4 238 797	5 596 565	5 544 397	3 974 794	3 667 890	3 918 208
<b>Total</b>	<b>6 115 422</b>	<b>5 785 616</b>	<b>8 181 960</b>	<b>8 947 003</b>	<b>9 484 758</b>	<b>9 209 163</b>	<b>9 297 001</b>	<b>8 619 903</b>	<b>8 970 482</b>

**Table 12.18 : Summary of payments and estimates by economic classification: Transport Infrastructure**

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
<b>Current payments</b>	<b>3 925 564</b>	<b>3 476 916</b>	<b>4 183 291</b>	<b>4 908 935</b>	<b>6 090 733</b>	<b>5 818 157</b>	<b>4 648 156</b>	<b>4 371 640</b>	<b>4 653 485</b>
Compensation of employees	653 401	645 241	696 379	824 669	824 661	846 952	964 834	1 010 352	1 057 872
Goods and services	3 272 163	2 831 675	3 486 912	4 084 266	5 266 072	4 971 205	3 683 322	3 361 288	3 595 613
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>12 704</b>	<b>13 415</b>	<b>17 445</b>	<b>14 594</b>	<b>18 734</b>	<b>16 522</b>	<b>19 046</b>	<b>19 812</b>	<b>20 701</b>
Provinces and municipalities	5 126	6 621	9 850	6 177	10 177	7 965	10 652	11 078	11 575
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7 578	6 794	7 595	8 417	8 557	8 557	8 394	8 734	9 126
<b>Payments for capital assets</b>	<b>2 176 275</b>	<b>2 294 857</b>	<b>3 980 988</b>	<b>4 023 474</b>	<b>3 375 006</b>	<b>3 374 089</b>	<b>4 629 799</b>	<b>4 228 451</b>	<b>4 296 296</b>
Buildings and other fixed structures	1 963 581	2 171 033	3 664 855	3 879 909	3 081 441	3 081 441	4 480 957	4 072 911	4 133 788
Machinery and equipment	211 583	123 824	314 978	141 334	292 342	291 424	147 552	154 192	161 100
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1 111	-	1 155	2 231	1 223	1 224	1 290	1 348	1 408
<b>Payments for financial assets</b>	<b>879</b>	<b>428</b>	<b>236</b>	<b>-</b>	<b>285</b>	<b>395</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>6 115 422</b>	<b>5 785 616</b>	<b>8 181 960</b>	<b>8 947 003</b>	<b>9 484 758</b>	<b>9 209 163</b>	<b>9 297 001</b>	<b>8 619 903</b>	<b>8 970 482</b>

In 2020/21, a portion of the department's budget cuts was effected against Programme 2 under all sub-programmes, against *Compensation of employees, Goods and services, Buildings and other fixed structures* and *Machinery and equipment*. In addition, Programme 2 was subjected to the fiscal consolidation cuts over the 2021/22 MTEF against *Compensation of employees, Goods and services* and *Buildings and other fixed structures* across all sub-programmes. The full 2023/24 MTEF budget cuts were effected against the sub-programme: Construction in Programme 2, against *Buildings and other fixed structures*. As explained, the budget cuts will affect various planned construction projects to be undertaken. The department will defer the projects to a later stage. Also, a portion of the carry-through of the 3 per cent cost of living adjustment was allocated to this programme under the sub-programme: Maintenance and provision was made by the department for the other sub-programmes.

The sub-programme: Programme Support Infrastructure caters for the provision of operational support to programme managers, support staff and all related costs (including travel and subsistence), administrative support with regard to road proclamations and financial matters, as well as planning and design of construction projects for all regions. The sub-programme also provides for integrated network planning, route identification, environmental planning, land use management and technical support. The department appoints consultants to ensure that the delivery of infrastructure is according to agreed quality standards, timelines and budget and this is where the bulk of the budget for this sub-programme is allocated. In addition, the sub-programme addresses system deficiencies and challenges within the delivery system, which includes preparing high level reports, innovative process design, monitoring and evaluation, training workshops, among others. The decrease in the 2022/23 Adjusted Appropriation was due to funds reprioritised in respect of computer services' costs relating to the Project Management Information System development that were inadvertently budgeted for but were paid for in the previous financial year. The funds were moved in respect of flood disaster projects. The growth over the 2023/24 MTEF is inflation related and caters for the filling of vacant posts, consultancy services to ensure that the delivery of infrastructure is according to agreed quality standards, timelines and budget, as well as computer services, fleet services, etc.

The Infrastructure Planning sub-programme relates to the promotion and improvement of safe transport infrastructure, the facilitation of road safety audits on all roads to ensure safe traffic and people movement, the provision of data collection services, as well as research to provide management information for the provincial road network (such as road condition, traffic counts and accident data). The growth over the 2023/24 MTEF is inflation related and caters for the filling of vacant posts, consultancy services relating to the provision of data collection services, research to provide management information for the provincial road network, training and development, among others.

The Infrastructure Design sub-programme provides for the design of road and transport infrastructure, including all necessary support functions such as Environmental Impact Assessments, Traffic Impact Assessments, surveys, land expropriation, material investigations and testing. The sub-programme also caters for CED software, used by infrastructure professionals to maintain consistent data and processes. The growth over the 2023/24 MTEF is inflation related and caters for the filling of vacant posts, computer services, fleet services, travel and subsistence, among others.

The Construction sub-programme caters for all road construction, upgrade and rehabilitation projects. The substantial decrease in the 2022/23 Adjusted Appropriation was mainly due to funds reprioritised from construction and rehabilitation projects, towards flood disaster projects, as discussed earlier. The further reduction in the Revised Estimate can be attributed to slow progress with construction projects. The high 2023/24 amount is attributed to the additional R575.101 million allocated in respect of the PRMG to address the backlog in refurbishment of provincial roads and the construction of 17 Bailey Bridges. This explains the decrease in the two outer years of the MTEF. The growth over the 2023/24 MTEF caters for various projects, including the construction of new gravel roads, new blacktop roads, new causeways, new pedestrian and vehicle bridges, as well as inflationary increments. However, the growth was to some extent mitigated by effecting the full 2023/24 MTEF budget cuts against this sub-programme. These budget cuts will result in projects being deferred to a later period. As explained earlier, portions of the PRMG and the EPWP Integrated Grant for Provinces were allocated to this sub-programme from 2022/23 onward in respect of capital projects. This explains the growth over the MTEF which caters for various rehabilitation, upgrade and new infrastructure projects. The trend in this sub-programme also explains the

trend in *Buildings and other fixed structures*, where details of projects to be undertaken is also provided. Some of the projects to be undertaken include the upgrade of District Road D1841 Greenfield (from 10.24 kilometres to 17 kilometres) in the Jozini Local Municipality, Main Road P161 (from zero to 20.67 kilometres) in the Msinga Local Municipality, Local Road L1063 (from zero to 5 kilometres) in the Ulundi Local Municipality, among others.

The sub-programme: Maintenance caters mainly for the maintenance of the provincial road network. This includes preventative, routine and emergency maintenance. The allocation against this sub-programme also includes the bulk of the PRMG and the EPWP Integrated Grant for Provinces. The PRMG sees an increase of R789.799 million, R607.161 million and R433.049 million over the 2022/23 MTEF due to the incentive nature of the grant, with amounts of R490.025 million and R293.531 million in 2022/23 and 2023/24, respectively, being earmarked for disasters that occurred during 2019 and 2020 where there were floods and storms, which resulted in damage to roads. The grant allocation is used for preventative road maintenance projects across the province. Also, a portion of the EPWP Integrated Grant for Provinces was allocated to this sub-programme in 2022/23 and 2023/24. The grant is allocated annually and it is based on the previous year's performance. The substantial growth in the 2022/23 Adjusted Appropriation was due to funds reprioritised toward flood disaster projects, as discussed. The decrease over the MTEF can be attributed to the carry-through of the 2021/22 MTEF budget cuts, as the bulk of the budget cuts were effected against this sub-programme at the time, with carry-through. Also, the high 2023/24 and 2025/26 amounts in comparison to 2024/25 can be attributed to additional allocations being made to the PRMG, as well as the EPWP Integrated Grant for Provinces funding being allocated up to 2023/24 only. The projects that will be undertaken over the MTEF include routine maintenance, re-gravelling and reseals, blacktop patching, road safety and special maintenance. The trend in this sub-programme also largely explains the trend against *Goods and services* for the programme as a whole. Some of the projects to be undertaken include the reseal of Main Roads P603 (from 16 kilometres to 26 kilometres) in the Greater Kokstad Local Municipality, P422 (from 4 kilometres to 14 kilometres in the Dr. Nkosazana Dlamini Zuma Local Municipality, etc. Also included are some of the roads that were affected by the 2019 and 2020 disasters and are in the process of being repaired, namely Main Roads P258 at eMondlo and P487 at Ezwathi in the Abaqulusi Local Municipality, Main Road P47/4 at Ndundulu in the Mthonjaneni Local Municipality, District Road D135 at Mabhudla to Kwakhoza in the uMlalazi Local Municipality, District Road D1706 at Mashona and Local Road L1228 at Mpungose in the Ulundi Local Municipality, Local Road L2836 at Mpukunyoni and Main Road P348 at Gunjaneni in the Big Five Hlabisa Local Municipality, etc.

*Compensation of employees* reflects a steady increase. The department had budgeted to fill 1 140 critical vacant posts but is undertaking a review to determine which of the vacant posts will be filled over the MTEF. The category shows growth of 17 per cent, 4.7 per cent and 4.7 per cent over the MTEF, respectively. The MTEF growth also caters for the 1.5 per cent pay progression. Funds were reprioritised from *Goods and services* and *Buildings and other fixed structures* within Programme 2 toward the implementation of the proposed organisational structure. This is mainly because the department wants to reduce the use of consultants toward in-house personnel in the new organisational structure model. Also, it should be noted that, during the 2023/24 MTEC process, the department moved funds from *Compensation of employees* to *Goods and services* to retain the funds as a reserve to be used to fund the final proposed structure once all the engagements with OTP and the DPSA have been finalised. As such, a portion of the reprioritisation pertains to funds moving back to *Compensation of employees*. Also, a portion of the carry-through of the 3 per cent cost of living adjustment was allocated to this programme.

*Transfers and subsidies to: Provinces and municipalities* relates to the payment of mechanical plant licences, relating to crane trucks, tractors, platform trucks, tipper trucks, motor graders, water tankers, service wagons, etc.

*Transfers and subsidies to: Households* caters mainly for staff exit costs, claims against the state, land expropriations and injury on duty.

*Machinery and equipment* provides for the purchase of trucks and mechanical plant, such as graders and tractors. The MTEF caters for the purchase of replacement and additional trucks and mechanical plant to be used in road maintenance. The budget is based on obsolete plant that needs to be replaced, as well as the minimum internal plant that each depot should have in order to service the provincial network.



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

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

## Service delivery measures – Transport Infrastructure

Table 12.19 illustrates some of the main service delivery measures pertaining to Programme 2. The performance indicators provided comply fully with the customised measures for the Transport sector.

**Table 12.19 : Service delivery measures – Transport Infrastructure**

Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2022/23	2023/24	2024/25	2025/26
2. Transport Infrastructure						
2.1	Infrastructure planning	• No. of consolidated infrastructure plans developed	1	1	1	1
		• No. of kilometres of surfaced roads visually assessed as per the applicable TMH manual	4 330	4 330	4 330	4 330
		• No. of kilometres of gravel roads visually assessed as per the applicable TMH manual	8 336	8 336	8 336	8 336
2.2	Construction	• No. of kilometres of gravel roads upgraded to surfaced roads	183	105	240	243
		• No. of square metres of surfaced roads rehabilitated	1 800 000	1 386 810	2 134 244	1 951 960
		• No. of kilometres of new gravel access roads constructed	50	23	51	54
		• No. of square metres of non-motorised transport facility constructed	30 000	29 465	198 932	148 110
		• No. of new major vehicle bridges constructed	10	5	18	11
		• No. of new pedestrian bridges constructed	2	4	1	-
		• No. of bailey bridges constructed	24	24	16	16
2.3	Maintenance	• No. of square metres of surfaced roads resealed	650 000	1 006 590	293 722	150 000
		• No. of kilometres of gravel roads re-gravelled	1 600	1 070	1 358	1 506
		• No. of square metres of blacktop patching (including pothole repairs)	500 000	295 925	372 062	373 202
		• No. of kilometres of gravel roads bladed	90 000	62 830	70 010	77 687
		• No. of contractors participating in the National Contractor Development Programme (NCDP)	-	264	264	264

## 8.3 Programme 3: Transport Operations

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

The main functions of this programme include the development of policies and plans for public and freight transport service and supporting infrastructure, the regulation of public and freight transport services, and the enforcement of legislation in respect of public transport. This includes all costs involved in public transport management and service delivery including the planning, and co-ordination of the operators in the transport industry.

Tables 12.20 and 12.21 summarise payments and estimates relating to Programme 3 for the period 2019/20 to 2025/26.

**Table 12.20 : Summary of payments and estimates by sub-programme: Transport Operations**

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
1. Programme Support Operations	18 921	21 039	29 696	50 239	70 176	70 176	52 584	55 139	57 623
2. Public Transport Services	1 730 605	1 626 301	1 865 524	1 789 542	1 789 542	2 022 385	1 655 291	1 729 491	1 806 972
3. Transport Safety and Compliance	62 595	37 181	43 560	102 761	102 741	102 741	107 170	111 991	117 008
<b>Total</b>	<b>1 812 121</b>	<b>1 684 521</b>	<b>1 938 780</b>	<b>1 942 542</b>	<b>1 962 459</b>	<b>2 195 302</b>	<b>1 815 045</b>	<b>1 896 621</b>	<b>1 981 603</b>

Table 12.21 : Summary of payments and estimates by economic classification: Transport Operations

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
<b>Current payments</b>	<b>429 994</b>	<b>450 682</b>	<b>532 202</b>	<b>628 965</b>	<b>618 758</b>	<b>618 758</b>	<b>443 928</b>	<b>464 107</b>	<b>484 913</b>
Compensation of employees	39 239	35 468	38 478	54 873	54 873	43 437	56 597	59 156	61 819
Goods and services	390 755	415 214	493 724	574 092	563 885	575 321	387 331	404 951	423 094
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>1 382 097</b>	<b>1 233 834</b>	<b>1 406 455</b>	<b>1 313 368</b>	<b>1 343 492</b>	<b>1 576 335</b>	<b>1 371 009</b>	<b>1 432 401</b>	<b>1 496 572</b>
Provinces and municipalities	1	1	-	14	30 014	30 014	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	1 382 096	1 233 733	1 401 107	1 309 303	1 309 303	1 542 146	1 367 009	1 428 401	1 492 393
Non-profit institutions	-	-	4 209	4 000	4 000	4 000	4 000	4 000	4 179
Households	-	100	1 139	51	175	175	-	-	-
<b>Payments for capital assets</b>	<b>30</b>	<b>-</b>	<b>58</b>	<b>209</b>	<b>209</b>	<b>209</b>	<b>108</b>	<b>113</b>	<b>118</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	30	-	58	209	209	209	108	113	118
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>5</b>	<b>65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 812 121</b>	<b>1 684 521</b>	<b>1 938 780</b>	<b>1 942 542</b>	<b>1 962 459</b>	<b>2 195 302</b>	<b>1 815 045</b>	<b>1 896 621</b>	<b>1 981 603</b>

In 2020/21, a portion of the department's budget cuts were effected under Programme 3 against all sub-programmes in *Compensation of employees*, *Goods and services* and *Machinery and equipment*. In addition, Programme 3 was subjected to parts of the fiscal consolidation cuts over the 2021/22 MTEF against *Compensation of employees* and *Goods and services*, across two sub-programmes, with the exception of the Public Transport Services sub-programme. Programme 3 was not affected by the 2023/24 MTEF budget cuts. Funding for the carry-through of the 3 per cent cost of living adjustment was not allocated to this programme, but the department has catered for the carry-through costs.

The sub-programme: Programme Support Operations caters for operational support to the programme managers, the support staff and all related costs (including travel and subsistence). The reduction in the 2022/23 Adjusted Appropriation was attributed to funds reprioritised to *Transfers and subsidies to: Provinces and municipalities* towards the development of the integrated public transport intermodal facility in Port Shepstone in the Ray Nkonyeni Municipality, as explained earlier. The growth over the MTEF is inflationary and provides for the continued roll-out of the fleet tracking system as new and replacement vehicles are purchased, property payments, travel and subsistence, among others.

The sub-programme: Public Transport Services mainly caters for the PTOG payments in respect of bus subsidies to bus operators, as well as learner transport services. The high 2021/22 amount was due to the over-expenditure against the grant, as a result of the grant being under-funded, as well as increase in fuel prices, and the subsidies are linked to escalations, including fuel indices, as previously explained. This explains the substantial increase in the 2022/23 Revised Estimate. The department will use its equitable share to offset the pressures. The amount in 2022/23 includes additional funds of R204.865 million allocated by Provincial Treasury for the learner transport services to cater for a shortfall in respect of existing learner transport services, as discussed. This explains the low growth in 2023/24, as the additional funds in respect of the learner transport services have not been allocated beyond 2022/23, at this stage. The department has a budget of R459.871 million in 2022/23 for learner transport services, and this caters for 73 933 learners and 402 schools. The budget for 2023/24 is currently R266.430 million. The growth in 2024/25 and 2025/26 is mainly inflationary and includes additional funding of R63.992 million in respect of the PTOG in the outer year. The MTEF budget caters for the subsidisation of bus subsidies, learner transport services, filling of vacant posts, among others.

The sub-programme: Transport Safety and Compliance caters for the management, co-ordination and facilitation of transport safety and compliance in all modes of transport with regard to related legislation, regulations and policies, monitoring of public transport operators in terms of national and provincial legislation to ensure safety of commuters, safety education and awareness, training and development of operators to enable them to provide the required level of service delivery, etc. The substantial increase in

2022/23 and over the MTEF is to cater for additional road safety awareness programmes due to high road carnages, school crossing patrol services, road safety research, inflationary increment, etc.

*Compensation of employees* reflects a steady increase, ascribed to the carry-through costs of the above-budget wage agreements, annual salary increases and inflationary adjustments. The department budgeted to 24 critical vacant posts over the MTEF, and is undertaking a review to determine which of the vacant posts will be filled. The category shows growth of 3.1 per cent, 4.5 per cent and 4.5 per cent over the MTEF, respectively. The MTEF growth also caters for the 1.5 per cent pay progression. The department undertook minor reprioritisation from Programme 2 to this category towards the implementation of the new organisational structure. The department has made provision for the carry-through of the 3 per cent cost of living adjustment.

*Goods and services* caters for various public transport activities, such as road safety events and campaigns, the development of the public and freight transportation framework and departmental events and road safety programmes. The high amount in 2022/23 is in respect of additional funds for learner transport services. The additional funds for learner transport services over the MTEF have not been allocated, at this stage, and this explains the decrease.

*Transfers and subsidies to: Provinces and municipalities* in the 2022/23 Adjusted Appropriation relates to funds towards the development of the integrated public transport intermodal facility in Port Shepstone in the Ray Nkonyeni Municipality, as explained earlier. This is once-off and, as such, there are no allocations over the MTEF.

*Transfers and subsidies to: Public corporations and private enterprises* caters purely for the transfer to bus operators in terms of the PTOG. The category under-spent in 2020/21 because, in the initial stages of the lockdown, only essential workers were transported, as indicated. The high amount in the 2022/23 Revised Estimate relates to over-expenditure against the grant, due to the grant being under-funded, as well as increases in fuel prices, as previously explained. The department will fund the pressure from its equitable share. The PTOG was allocated an additional R63.992 million in 2025/26 to provide for an inflationary adjustment.

*Transfers and subsidies to: Non-profit institutions* caters for transfer to KWANABUCO in respect of operational costs as per the MOA signed between the department and the organisation, as explained.

*Transfers and subsidies to: Households* is in respect of claims against the state (such as injury on duty).

*Machinery and equipment* caters for the replacement of computer and office equipment, etc., and the growth over the MTEF appears adequate for the planned new appointments.

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

### Service delivery measures – Transport Operations

Table 12.22 illustrates some of the main service delivery measures applicable to Programme 3. The performance indicators comply fully with the customised measures for the Transport sector.

**Table 12.22 : Service delivery measures – Transport Operations**

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2022/23	2023/24	2024/25	2025/26
<b>3. Transport Operations</b>					
3.1 Public Transport Services	<ul style="list-style-type: none"> <li>No. of routes subsidised</li> <li>No. of kilometres of public transport subsidised</li> <li>No. of public transport trips subsidised</li> <li>Subsidy per passenger</li> <li>No. of schools receiving transport services</li> </ul>	2 074 41 620 660 1 191 196 R34 402	2 074 41 620 660 1 191 196 R35 402	2 074 41 620 660 1 191 196 R36 402	2 074 41 620 660 1 191 196 R36 402

## 8.4 Programme 4: Transport Regulation

The purpose of Programme 4 is to ensure the provision of a safe transport environment through the regulation of traffic on public infrastructure, law enforcement, implementation of road safety education and awareness programmes and the registration and licensing of vehicles and drivers.

Tables 12.23 and 12.24 summarise payments and estimates relating to Programme 4 for the period 2019/20 to 2025/26.

**Table 12.23 : Summary of payments and estimates by sub-programme: Transport Regulation**

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. Programme Support Regulation	8 000	10 212	6 289	11 627	11 622	3 766	12 139	12 685	13 253
2. Transport Administration and Licensing	137 290	176 877	225 404	167 714	221 719	237 163	175 093	182 973	191 170
3. Operator Licences and Permits	61 500	50 686	65 650	77 576	77 723	70 135	80 989	84 633	88 425
4. Law Enforcement	719 608	639 316	660 553	757 078	675 131	675 131	883 931	926 376	969 937
<b>Total</b>	<b>926 398</b>	<b>877 091</b>	<b>957 896</b>	<b>1 013 995</b>	<b>986 195</b>	<b>986 195</b>	<b>1 152 152</b>	<b>1 206 667</b>	<b>1 262 785</b>

**Table 12.24 : Summary of payments and estimates by economic classification: Transport Regulation**

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
<b>Current payments</b>	<b>859 360</b>	<b>850 725</b>	<b>924 729</b>	<b>956 846</b>	<b>955 753</b>	<b>953 541</b>	<b>1 119 458</b>	<b>1 172 503</b>	<b>1 227 089</b>
Compensation of employees	632 352	609 540	636 421	643 963	643 963	660 589	813 551	858 400	898 915
Goods and services	227 008	241 185	288 308	312 883	311 790	292 952	305 907	314 103	328 174
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>18 303</b>	<b>20 782</b>	<b>29 187</b>	<b>27 482</b>	<b>28 516</b>	<b>30 728</b>	<b>29 629</b>	<b>30 961</b>	<b>32 349</b>
Provinces and municipalities	662	654	849	780	888	3 100	953	996	1 041
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	16 017	16 517	22 953	22 542	22 542	22 542	22 654	23 673	24 734
Households	1 624	3 611	5 385	4 160	5 086	5 086	6 022	6 292	6 574
<b>Payments for capital assets</b>	<b>48 735</b>	<b>5 560</b>	<b>1 818</b>	<b>29 667</b>	<b>1 867</b>	<b>1 867</b>	<b>3 065</b>	<b>3 203</b>	<b>3 347</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	48 735	5 560	1 818	29 667	1 867	1 867	3 065	3 203	3 347
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>24</b>	<b>2 162</b>	<b>-</b>	<b>59</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>926 398</b>	<b>877 091</b>	<b>957 896</b>	<b>1 013 995</b>	<b>986 195</b>	<b>986 195</b>	<b>1 152 152</b>	<b>1 206 667</b>	<b>1 262 785</b>

In 2020/21, a portion of the department's budget cuts were effected under Programme 4 under all sub-programmes against all sub-programmes against *Compensation of employees*, *Goods and services* and *Machinery and equipment*. 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. Programme 4 was not affected by the 2023/24 MTEF budget cuts. Funding for the carry-through of the 3 per cent cost of living adjustment was not allocated to this programme, but the department has catered for the carry-through costs.

The Programme Support Regulation sub-programme caters for operational support to the programme managers, the support staff and all related costs (including travel and subsistence). The sub-programme also caters for travel and subsistence for board members for the various community liaison structures such as the Rural Roads Transport Forums (RRTFs), the Community Road Safety Councils (CRSCs) and the Public Participation Associations (PPAs), etc., that report to the department. The substantial decrease in the 2022/23 Revised Estimate is attributed to a reduction against travel and subsistence due to unfilled vacant posts. The sub-programme shows an increasing trend over the period. The growth over the 2023/24 MTEF is inflationary related and caters for studies to be undertaken to ascertain the economic viability of public transport routes in the province to inform the issuing of public transport operating licences, provision made for the procurement of printing paper for post offices and municipal offices that are agents of the department, provision for motor vehicle licensing to the public on behalf of the department, as well as the filling of critical vacant posts, etc.

The sub-programme: Transport Administration and Licensing facilitates and administers the effective functioning of motor transport services, such as the registration and licensing of vehicles and drivers. The increase in the 2022/23 Adjusted Appropriation and a further increase in the Revised Estimate was in respect of administrative fees relating to commission paid to registering authorities for the collection of motor vehicle licences on behalf of the department. The costs have not been determined over the 2023/24 MTEF, hence the low amounts. These amounts will be allocated in-year if necessary, dependent on the agency fees collected under the department's revenue collection. The growth over the MTEF compared to the 2022/23 Main Appropriation is mainly inflationary, and provides for the filling of critical vacant posts, administrative fees in respect of registration and licensing of vehicles and drivers, property payments, stationery and printing, among others.

The sub-programme: Operator Licences and Permits caters for the statutory boards in the department relating to public transport and their expenditure, the salaries of staff who issue permits/operator licences in terms of the Public Transport Licensing Board and the Taxi Registrar, all costs involved in the processing and issuing of operator licences and permits, costs related to PRE, as well as costs related to the issuing of permits for abnormal loads, and the transport of hazardous goods. The department decentralised the consolidated public transport regulation processes of the PRE in 2013/14 to regions in order to allow the lodging of applications for operating licences and permits for the public transport operators in the province to be more accessible. The growth over the 2023/24 MTEF caters for the filling of vacant posts, travel and subsistence costs, property payments, operating payments, among others.

The sub-programme: Law Enforcement manages the PTES and facilitates road traffic management through the employment of traffic officers who deal with law enforcement on roads, such as roadblocks, weighbridges, control of traffic, patrolling, screening, etc. This sub-programme also caters for the Traffic Training College that undertakes the theoretical and practical training of traffic officers. The substantial decrease in the 2022/23 Adjusted Appropriation can be attributed to lower than budgeted consumable supplies, stationery, printing and office supplies, operating leases, property payments and travel and subsistence costs towards the payment of administrative fees relating to commission paid to registering authorities for the collection of motor vehicle licences on behalf of the department. The growth over the MTEF is inflationary related and caters for the filling of vacant posts, purchase of computer equipment, office equipment, stationery and printing, motor vehicles for law enforcement officers, fleet services, operating leases, property payments, as well as provision for the ITCMS, which is used for sections on the N2 and N3 routes. This is a traffic management and law enforcement integrated solution which includes camera network management, weigh-in-motion and weighbridge management, traffic offence processing, traffic management reporting, remote monitoring and fine recovery, monitoring of law enforcement and road safety.

*Compensation of employees* reflects steady growth, and caters for the carry-through costs of the above-budget wage agreements and inflationary adjustments. The department has 768 critical vacant posts in respect of Programme 4 and is undertaking a review to determine which posts will be filled over the MTEF. *Compensation of employees* shows growth of 26.3 per cent, 5.5 per cent and 4.7 per cent, respectively, over the MTEF. The growth is partially attributed to the reprioritisation towards the implementation of the new organisational structure, as well as inflationary increment and also caters for the 1.5 per cent pay progression. Provision was made for the carry-through of the 3 per cent cost of living adjustment.

*Goods and services* caters for vehicle registration and licensing of vehicles and drivers, as well as law enforcement and road safety campaigns, administrative fees relating to commission paid to registering authorities for the collection of motor vehicle licences on behalf of the department, etc. The MTEF budget caters for vehicle registration and licensing, learner and driver testing and licensing services to the public, stationery and printing supplies, administrative fees, ITCMS services, travel and subsistence, property payments, operating leases, among others.

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

*Transfers and subsidies to: Non-profit institutions* is in respect of operational costs for SANTACO as per the MOA signed between the department and the organisation, as explained.

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

*Machinery and equipment* caters for computer equipment, as well as specialised equipment for vehicles including traffic cameras, blue lights, two way radios, etc., designed for traffic officers. The department shifted funds to Programme 1 within *Machinery and equipment* to correctly place the budget for Law Enforcement fleet and services, and this explains the substantial reduction in the 2022/23 Adjusted Appropriation. The amounts over the MTEF cater for specialised equipment for vehicles including traffic cameras, blue lights, two way radios, etc., designed for traffic officers, among others.

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

## Service delivery measures – Transport Regulation

Table 12.25 illustrates the main service delivery measures relating to Programme 4.

The performance indicators comply fully with the customised performance indicators for the Transport sector.

**Table 12.25 : Service delivery measures – Transport Regulation**

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2022/23	2023/24	2024/25	2025/26	
<b>4. Transport Regulation</b>						
4.1 Transport Administration and Licensing	<ul style="list-style-type: none"> <li>No. of licence compliance inspections conducted</li> <li>No. of hazardous locations audited</li> </ul>	1 244 10	1 257 10	1 271 10	1 271 10	
4.2 Operator Licence and Permits	<ul style="list-style-type: none"> <li>No. of speed operations conducted</li> </ul>	13 764	15 410	15 410	15 410	
4.3 Traffic Law Enforcement	<ul style="list-style-type: none"> <li>No. of vehicles weighed</li> <li>No. of drunken operations conducted</li> <li>No. of vehicles stopped and checked</li> <li>No. of pedestrian operations conducted</li> <li>No. of road safety awareness interventions conducted</li> <li>No. of schools involved in road safety education</li> <li>No. of crossing patrols provided</li> <li>No. of hazardous locations audited</li> <li>No. of multi-disciplinary enforcement operations</li> <li>No. of goal directed enforcement of public transport (Operation Shanela) undertaken</li> </ul>	121 000 431 834 900 200 4 579 220 10 1 086 880	133 100 474 918 310 200 4 608 230 10 1 194 880	146 410 521 1 010 140 200 4 638 230 10 1 313 880	146 410 521 1 010 140 200 4 638 230 10 1 313 880	

## 8.5 Programme 5: Community Based Programmes

The purpose of this programme is to direct and manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors.

Tables 12.26 and 12.27 summarise payments and estimates relating to Programme 5 for the financial years 2019/20 to 2025/26.

**Table 12.26 : Summary of payments and estimates by sub-programme: Community Based Programmes**

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. Programme Support Community Based	12 307	8 801	14 004	14 343	14 343	12 999	18 236	19 089	22 297
2. Community Development	295	18	18	1 112	1 112	1 112	1 161	1 213	1 267
3. Innovation and Empowerment	16 518	8 813	3 968	19 594	8 594	9 938	19 412	20 284	21 193
4. EPWP Co-ordination and Monitoring	474	244	19 980	7 145	7 145	49 897	7 459	7 794	8 143
<b>Total</b>	<b>29 594</b>	<b>17 876</b>	<b>37 970</b>	<b>42 194</b>	<b>31 194</b>	<b>73 946</b>	<b>46 268</b>	<b>48 380</b>	<b>52 900</b>

Table 12.27 : Summary of payments and estimates by economic classification: Community Based Programmes

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
<b>Current payments</b>	<b>29 459</b>	<b>17 876</b>	<b>37 970</b>	<b>42 134</b>	<b>31 072</b>	<b>72 891</b>	<b>46 268</b>	<b>48 380</b>	<b>52 900</b>
Compensation of employees	10 104	11 320	19 203	17 458	17 396	40 319	21 294	22 285	25 636
Goods and services	19 355	6 556	18 767	24 676	13 676	32 572	24 974	26 095	27 264
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62</b>	<b>62</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	78	-	-	-	62	62	-	-	-
<b>Payments for capital assets</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>60</b>	<b>60</b>	<b>978</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	57	-	-	60	60	978	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>29 594</b>	<b>17 876</b>	<b>37 970</b>	<b>42 194</b>	<b>31 194</b>	<b>73 946</b>	<b>46 268</b>	<b>48 380</b>	<b>52 900</b>

In 2020/21, a portion of the department's budget cuts was effected under Programme 5 under all sub-programmes and against *Compensation of employees*, *Goods and services* and *Machinery and equipment*. However, Programme 5 was subjected to parts of the fiscal consolidation budget cuts over the 2021/22 MTEF against *Compensation of employees* and *Goods and services* across all sub-programmes. Programme 5 was not affected by the 2023/24 MTEF budget cuts. Funding for the carry-through of the 3 per cent cost of living adjustment was not allocated to this programme, but the department has catered for the carry-through costs.

The sub-programme: Programme Support Community Based provides for the operational support to the programme manager, the support staff and all related costs (including office accommodation). The growth over the 2023/24 is mainly inflationary, and caters for the filling of vacant posts, contractors' costs appointed to undertake community support programmes, travel and subsistence, among others.

The sub-programme: Community Development caters for community development programmes, such as the capacitation of Zibambele contractors, to bring about the development and empowerment of impoverished communities, as well as liaison through community based structures. The sub-programme also provides for VRRM programme, which is a programme that appoints unemployed youth to undertake maintenance projects. The department appointed 2 917 young people in 2022/23 in various district municipalities throughout the province, and this explains the increase in the budget from 2022/23 onward. The department plans to retain the 41 000 Zibambele and 5 600 VRRM participants in 2023/24.

The sub-programme: Innovation and Empowerment caters for contractor development, including the pothole patching pilot programme, mentorship and training programmes for Vukuzakhe contractors, as well as learnerships. The substantial reprioritisation in the 2022/23 Adjusted Appropriation related to slower than anticipated progress with regard to the programme support, mentorship and training for the departmental contractor development programme. The amounts over the 2023/24 MTEF include provision for the contractor development programmes, travel and subsistence, as well as inflationary adjustments, among others.

The EPWP Co-ordination and Monitoring sub-programme caters for costs related to the management and co-ordination of the EPWP programme. The increase in the 2022/23 Revised Estimate was due to misallocation of expenditure in respect of the VRRM participants who undertook drain cleaning and verge maintenance, blacktop patching and rut repair activities. The expenditure will be journalised to Programme 2. The allocations from 2023/24 onward cater for these programmes, as well as an inflationary adjustment.

*Compensation of employees* reflects an increasing trend attributed to filling vacant posts, carry-through costs of the above-budget wage agreements and inflationary adjustments, etc. The department has 18

critical vacant posts in respect of Programme 5. *Compensation of employees* shows an increase of 22.4 per cent, 4.7 per cent and 15 per cent over the MTEF. The department has made provision for the 1.5 per cent pay progression. Also, the growth is attributed to some reprioritisation to this category from Programme 2 towards the implementation of the new organisational structure. Provision was made for the carry-through of the 3 per cent cost of living adjustment.

*Goods and services* relates to the development and training of Vukuzakhe and Zibambeke contractors, as well as the VRRM programme for unemployed youth who undertake road maintenance work for the department. The increase in the 2022/23 Revised Estimate relates to higher than budgeted expenditure in respect of the appointment of VRRM participants to undertake drain cleaning and verge maintenance, blacktop patching and rut repair activities. The allocations from 2023/24 onward cater for consultants' costs in respect of the mentorship and accredited training programmes for developing contractors and learnership programmes, as these training programmes are outsourced. The management and co-ordination of EPWP is managed in-house.

*Transfers and subsidies to: Households* in 2019/20 and 2022/23 was in respect of staff exit costs.

*Machinery and equipment* caters for the replacement of computer equipment, vehicles, etc., that are damaged or obsolete.

*Payments for financial assets* in the 2022/23 Revised Estimate relates to the write-off of irrecoverable staff debts.

## Service delivery measures – Community Based Programmes

Table 12.28 reflects the main service delivery measures relevant to Programme 5. The performance indicators comply fully with the customised measures for the Transport sector.

**Table 12.28 : Service delivery measures – Community Based Programmes**

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2022/23	2023/24	2024/25	2025/26	
<b>5. Community Based Programmes</b>						
5.1 Community Development	No. of Zibambeke participants employed	41 000	41 000	41 001	41 001	
	No. of small businesses trained	300	800	1 000	1 000	
5.2 EPWP Co-ordination and Monitoring	No. of jobs created	52 154	54 762	54 763	54 763	
	No. of Full-Time Equivalents (FTEs)	20 302	21 335	21 336	21 336	
	No. of youth employed (18-35)	28 684	30 119	30 120	30 120	
	No. of women employed	31 292	32 857	32 858	32 858	
	No. of people living with disabilities employed	1 043	1 095	1 096	1 096	
	No. of employment days created	4 669 460	4 907 050	4 887 211	4 887 211	
	No. of jobs created through the VRRM programme	3 298	3 298	3 298	3 298	

## 10. Other programme information

### 10.1 Personnel numbers and costs

Table 12.29 provides detail of the department's approved establishment and personnel numbers, per level and programme, as well as a breakdown of employees' dispensation classification.

The department is in the process of obtaining approval for the implementation of a proposed new organisational structure from the DPSA, and has based the personnel numbers on the proposed new structure. The department reprioritised funds mainly from *Goods and services* and *Buildings and other fixed structures* toward the implementation of the new structure. The department personnel numbers grow from 3 920 personnel to 6 019 personnel on the new structure and the budget grows from R1.766 billion to R2.067 billion in 2023/24, which provides for the cost of the new structure, the 1.5 per cent pay progression, carry-through of the 3 per cent cost of living adjustment, etc.



In line with the new organisational structure, the department has 2 099 critical vacant posts and all these are budgeted for. Various factors affect the filling of posts within the department, including lengthy internal recruitment processes and resignations, delays with approval of the organisational structure, etc. As such, the department will review its *Compensation of employees* budget in-year in 2023/24, taking into account progress made with the filling of posts.

Table 12.29 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimate						Average annual growth over MTEF 2022/23 - 2025/26		
	2019/20		2020/21		2021/22		2022/23				2023/24		2024/25		2025/26		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs	Filled posts	Addit. posts	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs			
<b>R thousands</b>																			
<b>Salary level</b>																			
1 – 7	3 035	1 051 846	2 907	897 321	2 623	923 860	2 840	-	2 840	1 063 494	4 480	1 258 065	4 480	1 328 305	4 480	1 392 614	16.4%	9.4%	60.5%
8 – 10	498	229 578	593	343 833	577	402 905	740	-	740	423 725	885	494 995	885	526 358	885	550 957	6.1%	9.1%	24.0%
11 – 12	124	117 056	137	125 628	135	130 309	116	-	116	171 381	222	206 059	222	219 593	222	230 005	24.2%	10.3%	9.9%
13 – 16	41	68 511	45	62 204	37	76 253	39	-	39	76 784	57	81 970	57	90 321	57	94 698	13.5%	7.2%	4.2%
Other	325	23 725	267	25 408	185	23 760	-	185	185	31 016	375	26 176	375	29 518	375	31 041	26.6%	0.0%	1.5%
<b>Total</b>	<b>4 023</b>	<b>1 490 716</b>	<b>3 949</b>	<b>1 454 394</b>	<b>3 557</b>	<b>1 557 087</b>	<b>3 735</b>	<b>185</b>	<b>3 920</b>	<b>1 766 400</b>	<b>6 019</b>	<b>2 067 265</b>	<b>6 019</b>	<b>2 194 095</b>	<b>6 019</b>	<b>2 299 315</b>	<b>15.4%</b>	<b>9.2%</b>	<b>100.0%</b>
<b>Programme</b>																			
1. Administration	609	155 620	551	152 825	425	166 606	445	135	580	175 103	729	210 989	729	243 902	729	255 073	7.9%	13.4%	10.8%
2. Transport Infrastructure	1 936	653 401	1 950	645 241	1 754	696 379	1 911	50	1 961	846 952	3 101	964 834	3 101	1 010 352	3 101	1 057 872	16.5%	7.7%	46.6%
3. Transport Operations	76	39 239	77	35 468	70	38 478	72	-	72	43 437	96	56 597	96	59 156	96	61 819	10.1%	12.5%	2.6%
4. Transport Regulation	1 382	632 352	1 352	609 540	1 287	636 421	1 284	-	1 284	660 589	2 052	813 551	2 052	858 400	2 052	898 915	16.9%	10.8%	38.6%
5. Community Based Programmes	20	10 104	19	11 320	21	19 203	23	-	23	40 319	41	21 294	41	22 285	41	25 636	21.3%	(14.0%)	1.4%
<b>Total</b>	<b>4 023</b>	<b>1 490 716</b>	<b>3 949</b>	<b>1 454 394</b>	<b>3 557</b>	<b>1 557 087</b>	<b>3 735</b>	<b>185</b>	<b>3 920</b>	<b>1 766 400</b>	<b>6 019</b>	<b>2 067 265</b>	<b>6 019</b>	<b>2 194 095</b>	<b>6 019</b>	<b>2 299 315</b>	<b>15.4%</b>	<b>9.2%</b>	<b>100.0%</b>
<b>Employee dispensation classification</b>																			
PSA appointees not covered by OSDs	3 195	1 313 098	3 178	1 275 093	2 858	1 285 580	3 216	-	3 216	1 311 642	4 612	1 597 775	4 612	1 701 314	4 612	1 784 257	12.8%	10.8%	76.6%
Legal Professionals	3	1 909	3	1 909	9	6 424	9	-	9	6 908	5	7 227	5	7 552	5	7 890	(17.8%)	4.5%	0.4%
Engineering prof. and related	500	151 984	501	151 984	505	241 323	510	-	510	416 834	1 027	436 087	1 027	455 711	1 027	476 127	26.3%	4.5%	21.5%
Others (interns, EPWP, learnerships)	325	23 725	267	25 408	185	23 760	-	185	185	31 016	375	26 176	375	29 518	375	31 041	26.6%	0.0%	1.5%
<b>Total</b>	<b>4 023</b>	<b>1 490 716</b>	<b>3 949</b>	<b>1 454 394</b>	<b>3 557</b>	<b>1 557 087</b>	<b>3 735</b>	<b>185</b>	<b>3 920</b>	<b>1 766 400</b>	<b>6 019</b>	<b>2 067 265</b>	<b>6 019</b>	<b>2 194 095</b>	<b>6 019</b>	<b>2 299 315</b>	<b>15.4%</b>	<b>9.2%</b>	<b>100.0%</b>

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

The personnel numbers decreased in 2020/21 due to the non-filling of posts as a result of the Covid-19 pandemic related delays impacting on recruitment processes. Also, retirements, resignations, deaths, etc., contributed to the low personnel number in that year. In the 2023/24 budget process, the department budgeted for the full organisational structure, with the anticipation that approval of the proposed organisational structure will be granted by the DPSA. The department consulted with the DPSA for this approval, and discussion is continuing between the two departments. The department has been requested to align the structure to the DDM. The department is undertaking this exercise and aims to complete it early in 2023/24.

The department's personnel numbers grow from 3 920 personnel in 2022/23 to 6 019 personnel in 2023/24 indicating some 2 099 vacant posts. As explained, the department provided for an increase of 19.2 per cent, 24.2 per cent and 11.2 per cent over the 2023/24 MTEF, respectively. The growth caters for the 1.5 per cent pay progression, the new organisational structure, as well as the carry-through of the 3 per cent cost of living adjustment.

The category *Others – Interns, EPWP, learnerships, etc.*, includes contract workers, interns, learnerships totalling 325 in 2022/23 and increased to 375 over the MTEF.

## 10.2 Training

Table 12.30 gives a summary of spending and information on training for the period 2019/20 to 2025/26. The department's training budget reflects an erratic trend over the period, and caters for in-house and external training and capacity building. The allocations over the 2023/24 MTEF are in line with the department's training and development needs.

The training in Programme 1 relates to administrative functions. The training in Programme 2 is in respect project management and community liaison training for staff members. Under Programme 3, the training is in respect of safety and compliance, such as road safety education, including pedestrian safety. The training under Programme 4 includes the costs for the Traffic Training College and the Technical Training Centre in respect of the training of traffic officers, and the training under Programme 5 relates to the Zibambele and Vukuzakhe emerging contractors in respect of the maintenance of the provincial roads.

The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. To facilitate this process, the department is affiliated to the line function TETA and CETA and, as such, makes contribution to these organisations. Table 12.30 reflects costs as per the

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

The department will undertake in-house training where applicable, as well as prioritise training needs

**Table 12.30 : Information on training: Transport**

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
Number of staff	4 023	3 949	3 557	5 919	3 920	3 920	6 019	6 019	6 019
Number of personnel trained	2 380	2 619	2 883	3 172	3 172	3 172	3 172	3 172	3 172
of which									
Male	1 158	1 274	1 403	1 544	1 544	1 544	1 544	1 544	1 544
Female	1 222	1 345	1 480	1 628	1 628	1 628	1 628	1 628	1 628
Number of training opportunities	2 380	2 619	2 882	3 171	3 171	3 171	3 171	3 171	3 171
of which									
Tertiary	-	-	-	-	-	-	-	-	-
Workshops	1 285	1 414	1 556	1 712	1 712	1 712	1 712	1 712	1 712
Seminars	-	-	-	-	-	-	-	-	-
Other	1 095	1 205	1 326	1 459	1 459	1 459	1 459	1 459	1 459
Number of bursaries offered	48	50	50	50	50	50	50	50	50
Number of interns appointed	209	208	210	210	210	210	210	210	210
Number of learnerships appointed	50	50	50	50	50	50	50	50	50
Number of days spent on training	200	220	242	266	266	266	266	266	266
<b>Payments on training by programme</b>									
1. Administration	732	216	143	458	458	181	478	499	521
2. Transport Infrastructure	9 299	2 183	540	10 279	10 279	10 839	8 958	11 989	12 526
3. Transport Operations	-	45	312	244	244	244	-	-	-
4. Transport Regulation	172	32	-	166	166	210	173	181	189
5. Community Based Programmes	-	-	-	16	16	-	-	-	-
<b>Total</b>	<b>10 203</b>	<b>2 476</b>	<b>995</b>	<b>11 163</b>	<b>11 163</b>	<b>11 474</b>	<b>9 609</b>	<b>12 669</b>	<b>13 236</b>

## ANNEXURE – VOTE 12: TRANSPORT

Table 12.A : Details of departmental receipts: Transport

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
<b>Tax receipts</b>	<b>1 866 422</b>	<b>2 014 375</b>	<b>2 103 961</b>	<b>2 110 040</b>	<b>2 110 040</b>	<b>2 153 012</b>	<b>2 201 629</b>	<b>2 289 694</b>	<b>2 392 272</b>
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	1 866 422	2 014 375	2 103 961	2 110 040	2 110 040	2 153 012	2 201 629	2 289 694	2 392 272
<b>Sale of goods and services other than capital assets</b>	<b>89 345</b>	<b>56 564</b>	<b>75 360</b>	<b>71 083</b>	<b>71 083</b>	<b>99 368</b>	<b>74 921</b>	<b>74 921</b>	<b>78 277</b>
Sale of goods and services produced by department (excluding capital assets)	89 345	56 564	75 360	71 083	71 083	99 368	74 921	74 921	78 277
Sale by market establishments	5 974	5 541	5 138	6 635	6 635	4 875	6 993	6 993	7 306
Administrative fees	78 396	47 921	63 654	57 753	57 753	90 638	60 872	60 872	63 599
Other sales	4 975	3 102	6 568	6 695	6 695	3 845	7 056	7 056	7 372
Of which									
Commission	1 185	1 193	1 191	1 229	1 229	1 205	1 295	1 295	1 353
Boarding services	1 567	1 363	1 274	1 875	1 875	1 245	1 976	1 976	2 065
Course fees	661	321	1 417	401	401	1 324	423	423	442
Tender documents	2 620	225	2 686	760	760	63	801	801	837
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	10	-	-	-
<b>Transfers received from:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
<b>Fines, penalties and forfeits</b>	<b>24 687</b>	<b>22 614</b>	<b>69 647</b>	<b>42 134</b>	<b>42 134</b>	<b>62 797</b>	<b>44 409</b>	<b>44 409</b>	<b>46 399</b>
<b>Interest, dividends and rent on land</b>	<b>103</b>	<b>86</b>	<b>65</b>	<b>150</b>	<b>150</b>	<b>211</b>	<b>158</b>	<b>158</b>	<b>165</b>
Interest	9	14	31	9	9	211	9	9	9
Dividends	35	-	34	41	41	-	43	43	45
Rent on land	59	72	-	100	100	-	106	106	111
<b>Sale of capital assets</b>	<b>3 895</b>	<b>-</b>	<b>-</b>	<b>1 694</b>	<b>1 694</b>	<b>1 694</b>	<b>1 769</b>	<b>1 769</b>	<b>1 848</b>
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	3 895	-	-	1 694	1 694	1 694	1 769	1 769	1 848
<b>Transactions in financial assets and liabilities</b>	<b>2 942</b>	<b>10 949</b>	<b>11 407</b>	<b>2 018</b>	<b>2 018</b>	<b>13 992</b>	<b>2 107</b>	<b>2 107</b>	<b>2 201</b>
<b>Total</b>	<b>1 987 394</b>	<b>2 104 588</b>	<b>2 260 440</b>	<b>2 227 119</b>	<b>2 227 119</b>	<b>2 331 074</b>	<b>2 324 993</b>	<b>2 413 058</b>	<b>2 521 162</b>

# Estimates of Provincial Revenue and Expenditure

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
<b>Current payments</b>	<b>5 639 056</b>	<b>5 214 552</b>	<b>6 082 709</b>	<b>6 982 930</b>	<b>8 174 614</b>	<b>8 174 488</b>	<b>6 800 841</b>	<b>6 649 009</b>	<b>7 039 786</b>
Compensation of employees	1 490 716	1 454 394	1 557 087	1 733 983	1 733 913	1 766 400	2 067 265	2 194 095	2 299 315
Salaries and wages	1 285 537	1 244 992	1 337 041	1 433 052	1 432 982	1 543 402	1 688 150	1 790 697	1 877 889
Social contributions	205 179	209 402	220 046	300 931	300 931	222 998	379 115	403 398	421 426
Goods and services	4 148 340	3 760 158	4 525 619	5 248 947	6 440 701	6 408 088	4 733 576	4 454 914	4 740 471
Administrative fees	2 098	49 759	89 891	3 717	62 717	90 145	3 908	4 086	4 267
Advertising	7 849	2 080	4 899	10 610	8 058	7 994	7 170	7 494	7 831
Minor assets	2 722	2 714	5 436	5 257	5 257	7 651	6 441	6 729	7 030
Audit cost: External	14 213	10 720	11 243	16 052	32 601	27 823	16 293	16 801	17 553
Bursaries: Employees	1 045	612	2 150	1 466	2 018	2 018	2 409	2 517	2 630
Catering: Departmental activities	3 551	506	1 010	5 076	5 076	5 192	5 205	5 439	5 683
Communication (G&S)	31 961	13 640	29 487	37 754	31 428	38 186	32 924	34 405	35 948
Computer services	189 198	198 987	151 167	138 753	133 719	125 198	187 854	195 693	206 698
Cons. & prof serv: Business and advisory services	783 880	694 216	896 634	792 196	753 110	754 290	867 143	909 904	950 670
Infrastructure and planning	93 519	94 574	51 028	77 179	77 179	77 381	80 430	84 049	87 814
Laboratory services	161	483	627	414	414	711	392	410	428
Scientific and technological services	-	-	-	-	-	905	-	-	-
Legal services	19 576	10 047	18 108	18 693	17 520	18 390	26 047	27 272	28 494
Contractors	1 965 191	1 711 073	2 139 247	2 828 810	3 827 473	3 718 182	2 353 849	1 941 851	2 113 357
Agency and support / outsourced services	2 596	695	4 723	1 833	89 828	122 709	38 144	62 759	65 570
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	227 728	193 029	250 089	245 637	280 615	332 190	264 173	276 059	288 426
Housing	-	-	-	-	-	64	-	-	-
Inventory: Clothing material and accessories	9 604	4 774	16 730	10 864	28 956	32 719	11 333	11 843	12 373
Inventory: Farming supplies	-	-	-	-	-	2	-	-	-
Inventory: Food and food supplies	387	259	153	613	613	2 383	239	249	260
Inventory: Chemicals, fuel, oil, gas, wood and coal	84 670	52 975	42 548	89 910	136 634	136 709	93 866	98 090	102 484
Inventory: Learner and teacher support material	-	-	-	243	243	223	-	-	-
Inventory: Materials and supplies	21 613	24 585	26 762	26 186	38 975	41 975	27 046	26 670	27 865
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	29	-	-	22	22	22	-	-	-
Consumable supplies	4 442	13 092	10 355	20 698	13 198	11 896	12 057	12 600	13 165
Consumable: Stationery, printing and office supplies	22 982	9 111	12 711	34 646	23 095	16 122	16 622	16 752	17 501
Operating leases	57 028	58 505	52 173	93 313	65 455	60 188	61 281	64 038	66 908
Property payments	163 036	158 100	177 410	198 675	230 474	215 155	217 990	227 848	237 283
Transport provided: Departmental activity	350 273	390 027	457 069	465 216	462 999	461 965	268 391	280 468	293 033
Travel and subsistence	58 980	51 988	58 410	96 986	80 084	62 555	97 298	101 561	106 110
Training and development	10 203	2 476	995	11 163	11 163	11 474	9 609	12 669	13 236
Operating payments	7 335	6 077	10 670	5 452	9 264	9 020	14 205	14 845	15 510
Venues and facilities	11 593	3 857	2 531	10 484	10 951	15 256	10 339	10 814	11 299
Rental and hiring	877	1 197	1 363	1 029	1 562	1 395	918	999	1 045
Interest and rent on land	-	-	3	-	-	-	-	-	-
Interest	-	-	3	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 425 802</b>	<b>1 280 706</b>	<b>1 463 937</b>	<b>1 369 138</b>	<b>1 404 498</b>	<b>1 637 341</b>	<b>1 435 053</b>	<b>1 499 236</b>	<b>1 566 406</b>
Provinces and municipalities	5 904	7 339	10 835	7 073	41 326	41 326	11 870	12 352	12 908
Provinces	5 904	7 339	10 835	7 073	11 326	11 326	11 870	12 352	12 908
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	5 904	7 339	10 835	7 073	11 326	11 326	11 870	12 352	12 908
Municipalities	-	-	-	-	30 000	30 000	-	-	-
Municipal agencies and funds	-	-	-	-	30 000	30 000	-	-	-
Departmental agencies and accounts	5 251	3 966	4 135	6 808	5 262	5 262	7 108	7 428	7 761
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	5 251	3 966	4 135	6 808	5 262	5 262	7 108	7 428	7 761
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	1 382 096	1 233 733	1 401 107	1 309 303	1 309 303	1 542 146	1 367 009	1 428 401	1 492 393
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	1 382 096	1 233 733	1 401 107	1 309 303	1 309 303	1 542 146	1 367 009	1 428 401	1 492 393
Subsidies on production	1 382 096	1 233 733	1 401 107	1 309 303	1 309 303	1 542 146	1 367 009	1 428 401	1 492 393
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	16 017	16 517	27 162	26 542	26 542	26 542	26 654	27 673	28 913
Households	16 534	19 151	20 698	19 412	22 065	22 065	22 412	23 382	24 431
Social benefits	10 275	11 205	15 937	12 771	14 111	14 111	16 552	17 259	18 034
Other transfers to households	6 259	7 946	4 761	6 641	7 954	7 954	5 860	6 123	6 397
<b>Payments for capital assets</b>	<b>2 251 831</b>	<b>2 316 041</b>	<b>4 024 139</b>	<b>4 122 728</b>	<b>3 474 260</b>	<b>3 241 418</b>	<b>4 730 953</b>	<b>4 331 911</b>	<b>4 402 155</b>
Buildings and other fixed structures	1 965 472	2 175 040	3 671 632	3 929 909	3 116 441	2 883 598	4 530 957	4 122 911	4 183 788
Buildings	42 334	35 629	29 457	76 703	35 000	35 000	73 941	75 018	76 139
Other fixed structures	1 923 138	2 139 411	3 642 175	3 853 206	3 081 441	2 848 598	4 457 016	4 047 893	4 107 649
Machinery and equipment	285 240	141 001	351 352	190 588	356 596	356 596	198 706	207 652	216 959
Transport equipment	73 453	22 305	191 208	93 731	170 246	102 682	97 855	102 259	106 841
Other machinery and equipment	211 787	118 696	160 144	96 857	186 350	253 914	100 851	105 393	110 118
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1 119	-	1 155	2 231	1 223	1 224	1 290	1 348	1 408
<b>Payments for financial assets</b>	<b>883</b>	<b>479</b>	<b>2 579</b>	<b>-</b>	<b>641</b>	<b>766</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>9 317 572</b>	<b>8 811 778</b>	<b>11 573 364</b>	<b>12 474 796</b>	<b>13 054 013</b>	<b>13 054 013</b>	<b>12 966 847</b>	<b>12 480 156</b>	<b>13 008 347</b>

Table 12.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	2022/23			2023/24	2024/25	2025/26
<b>Current payments</b>	<b>394 679</b>	<b>418 353</b>	<b>404 517</b>	<b>446 050</b>	<b>478 298</b>	<b>478 298</b>	<b>543 031</b>	<b>592 379</b>	<b>621 399</b>
Compensation of employees	155 620	152 825	166 606	193 020	193 020	175 103	210 989	243 902	255 073
Salaries and wages	135 686	132 983	139 163	163 812	163 812	152 472	163 276	193 496	202 453
Social contributions	19 934	19 842	27 443	29 208	29 208	22 631	47 713	50 406	52 620
Goods and services	239 059	265 528	237 908	253 030	285 278	303 195	332 042	348 477	366 326
Administrative fees	407	786	768	1 378	1 378	1 378	1 423	1 487	1 553
Advertising	5 151	1 880	2 269	4 353	1 801	1 801	2 535	2 649	2 768
Minor assets	274	534	227	533	533	2 072	532	555	580
Audit cost: External	11 282	10 640	11 243	16 052	32 601	27 823	16 293	16 801	17 553
Bursaries: Employees	1 045	612	2 150	1 466	2 018	2 018	2 409	2 517	2 630
Catering: Departmental activities	717	78	139	411	411	422	430	449	469
Communication (G&S)	8 866	3 938	17 210	10 943	10 943	15 775	11 144	11 645	12 167
Computer services	73 932	150 751	104 565	83 127	95 623	95 623	132 434	138 394	146 831
Cons. & prof serv: Business and advisory services	23 007	16 124	8 881	21 901	6 755	10 974	25 446	26 434	27 619
Infrastructure and planning	-	-	-	-	-	202	-	-	-
Laboratory services	-	-	-	-	-	268	-	-	-
Scientific and technological services	-	-	-	-	-	905	-	-	-
Legal services	17 829	3 877	6 620	12 927	12 630	15 729	12 496	13 111	13 699
Contractors	15 623	9 317	12 627	13 127	13 127	10 681	19 735	20 488	21 406
Agency and support / outsourced services	2 596	615	3 304	1 698	16 844	27 982	13 059	15 607	16 306
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	12 384	6 259	10 763	10 858	10 858	8 859	12 340	12 895	13 473
Housing	-	-	-	-	-	64	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	437	-	-	-
Inventory: Farming supplies	-	-	-	-	-	2	-	-	-
Inventory: Food and food supplies	95	36	-	63	63	1 788	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	75	-	-	-
Inventory: Learner and teacher support material	-	-	-	243	243	223	-	-	-
Inventory: Materials and supplies	370	147	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	21	-	-	-	-	-	-	-	-
Consumable supplies	1 306	7 428	1 556	8 606	1 106	959	3 602	3 764	3 932
Consumable: Stationery, printing and office supplies	1 885	521	1 095	1 604	1 604	635	1 864	1 947	2 035
Operating leases	8 126	16 295	8 184	14 825	9 825	9 526	9 921	10 367	10 831
Property payments	41 593	29 985	35 807	34 169	55 169	55 169	49 886	52 131	54 466
Transport provided: Departmental activity	686	-	-	254	254	-	-	-	-
Travel and subsistence	6 528	5 007	6 519	12 303	7 401	8 873	11 125	11 626	12 147
Training and development	732	216	143	458	458	181	478	499	521
Operating payments	2 931	482	3 838	1 080	1 982	1 734	4 314	4 509	4 711
Venues and facilities	1 571	-	-	651	1 651	1 017	576	602	629
Rental and hiring	102	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	3	-	-	-	-	-	-
Interest	-	-	3	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>12 620</b>	<b>12 675</b>	<b>10 850</b>	<b>13 694</b>	<b>13 694</b>	<b>13 694</b>	<b>15 369</b>	<b>16 062</b>	<b>16 784</b>
Provinces and municipalities	115	63	136	102	247	247	265	278	292
Provinces	115	63	136	102	247	247	265	278	292
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	115	63	136	102	247	247	265	278	292
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	5 251	3 966	4 135	6 808	5 262	5 262	7 108	7 428	7 761
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	5 251	3 966	4 135	6 808	5 262	5 262	7 108	7 428	7 761
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7 254	8 646	6 579	6 784	8 185	8 185	7 996	8 356	8 731
Social benefits	1 085	2 406	2 482	2 142	2 142	2 075	2 236	2 337	2 442
Other transfers to households	6 169	6 240	4 097	4 642	6 043	6 110	5 760	6 019	6 289
<b>Payments for capital assets</b>	<b>26 734</b>	<b>15 624</b>	<b>41 275</b>	<b>69 318</b>	<b>97 118</b>	<b>97 118</b>	<b>97 981</b>	<b>100 144</b>	<b>102 394</b>
Buildings and other fixed structures	1 891	4 007	6 777	50 000	35 000	35 000	50 000	50 000	50 000
Buildings	1 891	4 007	6 777	50 000	35 000	35 000	50 000	50 000	50 000
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	24 835	11 617	34 498	19 318	62 118	62 118	47 981	50 144	52 394
Transport equipment	-	9 477	28 622	9 000	42 118	21 024	37 303	38 982	40 729
Other machinery and equipment	24 835	2 140	5 876	10 318	20 000	41 094	10 678	11 162	11 665
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	8	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>4</b>	<b>22</b>	<b>116</b>	<b>-</b>	<b>297</b>	<b>297</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>434 037</b>	<b>446 674</b>	<b>456 758</b>	<b>529 062</b>	<b>589 407</b>	<b>589 407</b>	<b>656 381</b>	<b>708 585</b>	<b>740 577</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
<b>Current payments</b>	<b>3 925 564</b>	<b>3 476 916</b>	<b>4 183 291</b>	<b>4 908 935</b>	<b>6 090 733</b>	<b>5 818 157</b>	<b>4 648 156</b>	<b>4 371 640</b>	<b>4 653 485</b>
Compensation of employees	653 401	645 241	696 379	824 669	824 661	846 952	964 834	1 010 352	1 057 872
Salaries and wages	567 460	556 774	605 667	675 610	675 602	752 196	780 912	815 410	854 197
Social contributions	85 941	88 467	90 712	149 059	149 059	94 756	183 922	194 942	203 675
Goods and services	3 272 163	2 831 675	3 486 912	4 084 266	5 266 072	4 971 205	3 683 322	3 361 288	3 595 613
Administrative fees	728	654	940	931	931	1 337	1 087	1 136	1 186
Advertising	1 002	34	1 663	3 292	3 292	3 225	1 465	1 531	1 600
Minor assets	774	1 686	3 952	4 292	4 292	5 099	4 480	4 681	4 891
Audit cost: External	59	80	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	136	15	21	301	301	392	255	266	278
Communication (G&S)	7 366	5 214	5 206	8 261	7 984	7 984	5 848	6 111	6 386
Computer services	81 536	20 644	9 788	23 463	1 918	1 867	3 068	2 815	2 941
Cons. & prof serv: Business and advisory services	728 294	650 070	861 877	688 747	684 607	683 904	755 128	792 534	828 039
Infrastructure and planning	93 519	94 574	51 028	77 040	77 040	77 040	80 430	84 049	87 814
Laboratory services	156	483	627	414	414	443	392	410	428
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	165	1 601	2 339	1 516	1 516	1 516	2 628	2 746	2 869
Contractors	1 927 893	1 700 700	2 120 429	2 778 214	3 795 141	3 448 313	2 297 501	1 888 675	2 057 798
Agency and support / outsourced services	-	80	5	135	72 984	72 984	25 085	47 152	49 264
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	186 063	149 524	198 595	180 706	224 734	278 317	194 022	202 752	211 835
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	9 498	4 388	15 484	8 841	23 292	23 292	9 230	9 645	10 077
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	182	159	113	504	504	504	193	202	211
Inventory: Chemicals, fuel, oil, gas, wood and coal	84 676	52 978	42 550	89 910	136 634	136 634	93 866	98 090	102 484
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	20 870	24 240	26 603	26 088	38 877	41 871	26 912	26 530	27 719
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	(9)	-	-	-	-	-	-	-	-
Consumable supplies	2 347	4 747	6 453	8 496	8 496	8 496	6 840	7 148	7 468
Consumable: Stationery, printing and office supplies	3 144	2 541	3 610	5 140	5 140	5 136	5 356	4 980	5 202
Operating leases	497	-	3 011	17 832	6 974	6 973	5 212	5 446	5 692
Property payments	78 508	83 827	98 829	97 442	108 300	108 300	101 106	105 658	109 620
Transport provided: Departmental activity	89	-	-	107	107	107	-	-	-
Travel and subsistence	33 482	29 629	32 368	48 862	48 862	38 716	52 011	54 352	56 787
Training and development	9 299	2 183	540	10 279	10 279	10 839	8 958	11 989	12 526
Operating payments	1 456	1 593	689	2 233	2 233	2 233	2 041	2 133	2 229
Venues and facilities	11	-	-	559	559	4 997	-	-	-
Rental and hiring	422	31	192	661	661	686	208	257	269
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>12 704</b>	<b>13 415</b>	<b>17 445</b>	<b>14 594</b>	<b>18 734</b>	<b>16 522</b>	<b>19 046</b>	<b>19 812</b>	<b>20 701</b>
Provinces and municipalities	5 126	6 621	9 850	6 177	10 177	7 965	10 652	11 078	11 575
Provinces	5 126	6 621	9 850	6 177	10 177	7 965	10 652	11 078	11 575
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	5 126	6 621	9 850	6 177	10 177	7 965	10 652	11 078	11 575
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7 578	6 794	7 595	8 417	8 557	8 557	8 394	8 734	9 126
Social benefits	7 488	6 599	7 553	6 469	6 646	6 713	8 294	8 630	9 018
Other transfers to households	90	195	42	1 948	1 911	1 844	100	104	108
<b>Payments for capital assets</b>	<b>2 176 275</b>	<b>2 294 857</b>	<b>3 980 988</b>	<b>4 023 474</b>	<b>3 375 006</b>	<b>3 374 089</b>	<b>4 629 799</b>	<b>4 228 451</b>	<b>4 296 296</b>
Buildings and other fixed structures	1 963 581	2 171 033	3 664 855	3 879 909	3 081 441	3 081 441	4 480 957	4 072 911	4 133 788
Buildings	40 443	31 622	22 680	26 703	-	-	23 941	25 018	26 139
Other fixed structures	1 923 138	2 139 411	3 642 175	3 853 206	3 081 441	3 081 441	4 457 016	4 047 893	4 107 649
Machinery and equipment	211 583	123 824	314 978	141 334	292 342	291 424	147 552	154 192	161 100
Transport equipment	27 473	7 887	162 586	58 000	128 128	81 658	60 552	63 277	66 112
Other machinery and equipment	184 110	115 937	152 392	83 334	164 214	209 766	87 000	90 915	94 988
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	1 111	-	1 155	2 231	1 223	1 224	1 290	1 348	1 408
<b>Payments for financial assets</b>	<b>879</b>	<b>428</b>	<b>236</b>	<b>-</b>	<b>285</b>	<b>395</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>6 115 422</b>	<b>5 785 616</b>	<b>8 181 960</b>	<b>8 947 003</b>	<b>9 484 758</b>	<b>9 209 163</b>	<b>9 297 001</b>	<b>8 619 903</b>	<b>8 970 482</b>

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

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
<b>Current payments</b>	<b>429 994</b>	<b>450 682</b>	<b>532 202</b>	<b>628 965</b>	<b>618 758</b>	<b>618 758</b>	<b>443 928</b>	<b>464 107</b>	<b>484 913</b>
Compensation of employees	39 239	35 468	38 478	54 873	54 873	43 437	56 597	59 156	61 819
Salaries and wages	34 999	31 213	34 208	46 493	46 493	39 154	46 166	48 160	50 331
Social contributions	4 240	4 255	4 270	8 380	8 380	4 283	10 431	10 996	11 488
Goods and services	390 755	415 214	493 724	574 092	563 885	575 321	387 331	404 951	423 094
Administrative fees	195	198	177	275	275	279	241	252	263
Advertising	1 631	166	875	2 926	2 926	2 926	3 055	3 193	3 336
Minor assets	146	18	93	8	8	19	110	115	120
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	2 694	405	818	4 324	4 324	4 324	4 484	4 686	4 896
Communication (G&S)	7 957	693	595	8 043	3 087	7 963	8 362	8 738	9 129
Computer services	-	-	18 037	-	4 891	14 519	5 000	5 000	5 224
Cons. & prof serv: Business and advisory services	11 126	15 609	8 032	53 074	42 991	42 948	55 009	57 485	60 437
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	97	2 022	1 280	645	909	1 145	2 081	2 175	2 272
Contractors	2 703	-	981	18 749	18 485	22 388	20 393	21 311	22 266
Agency and support / outsourced services	-	-	-	-	-	104	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	5	2	2	309	309	309	299	312	326
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	320	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	11	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	(6)	(3)	(2)	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	10	-	-	23	23	23	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	107	18	130	774	774	774	808	844	882
Consumable: Stationery, printing and office supplies	507	66	599	1 203	1 203	1 203	1 086	1 135	1 186
Operating leases	87	-	-	49	49	49	-	-	-
Property payments	605	41	32	7 083	7 034	766	3 071	3 255	3 401
Transport provided: Departmental activity	349 498	389 966	457 069	461 645	461 645	461 645	268 391	280 468	293 033
Travel and subsistence	4 247	3 071	3 038	6 012	6 012	4 677	6 319	6 603	6 899
Training and development	-	45	312	244	244	244	-	-	-
Operating payments	279	154	-	201	201	201	166	173	181
Venues and facilities	8 764	2 743	1 630	8 173	8 173	8 173	8 320	8 704	9 094
Rental and hiring	92	-	26	322	322	322	136	142	149
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 382 097</b>	<b>1 233 834</b>	<b>1 406 455</b>	<b>1 313 368</b>	<b>1 343 492</b>	<b>1 576 335</b>	<b>1 371 009</b>	<b>1 432 401</b>	<b>1 496 572</b>
Provinces and municipalities	1	1	-	14	30 014	30 014	-	-	-
Provinces	1	1	-	14	14	14	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1	1	-	14	14	14	-	-	-
Municipalities	-	-	-	-	30 000	30 000	-	-	-
Municipalities	-	-	-	-	30 000	30 000	-	-	-
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	1 382 096	1 233 733	1 401 107	1 309 303	1 309 303	1 542 146	1 367 009	1 428 401	1 492 393
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	1 382 096	1 233 733	1 401 107	1 309 303	1 309 303	1 542 146	1 367 009	1 428 401	1 492 393
Subsidies on production	1 382 096	1 233 733	1 401 107	1 309 303	1 309 303	1 542 146	1 367 009	1 428 401	1 492 393
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	4 209	4 000	4 000	4 000	4 000	4 000	4 179
Households	-	100	1 139	51	175	175	-	-	-
Social benefits	-	100	517	-	175	175	-	-	-
Other transfers to households	-	-	622	51	-	-	-	-	-
<b>Payments for capital assets</b>	<b>30</b>	<b>-</b>	<b>58</b>	<b>209</b>	<b>209</b>	<b>209</b>	<b>108</b>	<b>113</b>	<b>118</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	30	-	58	209	209	209	108	113	118
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	30	-	58	209	209	209	108	113	118
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>5</b>	<b>65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 812 121</b>	<b>1 684 521</b>	<b>1 938 780</b>	<b>1 942 542</b>	<b>1 962 459</b>	<b>2 195 302</b>	<b>1 815 045</b>	<b>1 896 621</b>	<b>1 981 603</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
<b>Current payments</b>	<b>859 360</b>	<b>850 725</b>	<b>924 729</b>	<b>956 846</b>	<b>955 753</b>	<b>953 541</b>	<b>1 119 458</b>	<b>1 172 503</b>	<b>1 227 089</b>
Compensation of employees	632 352	609 540	636 421	643 963	643 963	660 589	813 551	858 400	898 915
Salaries and wages	538 689	514 076	540 342	531 897	531 897	561 126	679 847	715 449	749 559
Social contributions	93 663	95 464	96 079	112 066	112 066	99 463	133 704	142 951	149 356
Goods and services	227 008	241 185	288 308	312 883	311 790	292 952	305 907	314 103	328 174
Administrative fees	638	48 045	87 960	781	59 781	87 086	1 095	1 145	1 196
Advertising	65	-	92	27	27	38	115	121	127
Minor assets	1 528	476	1 164	424	424	461	1 319	1 378	1 439
Audit cost: External	2 872	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	4	8	18	5	5	13	20	21	22
Communication (G&S)	7 772	3 795	6 476	10 403	9 310	6 409	7 570	7 911	8 266
Computer services	33 136	27 154	18 777	31 287	31 287	13 189	47 352	49 484	51 702
Cons. & prof serv: Business and advisory services	7 331	7 932	8 176	12 613	9 803	13 614	10 037	10 489	10 960
Infrastructure and planning	-	-	-	139	139	139	-	-	-
Laboratory services	5	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 485	2 547	7 869	3 605	2 465	-	8 842	9 240	9 654
Contractors	17 269	1 027	646	18 701	701	797	16 200	11 356	11 865
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	29 275	37 244	40 729	53 721	44 671	44 671	57 512	60 100	62 792
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	106	153	8	2 023	5 664	5 669	2 103	2 198	2 296
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	99	64	40	46	46	91	46	47	49
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	363	198	119	75	75	81	134	140	146
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	17	-	-	22	22	22	-	-	-
Consumable supplies	682	899	730	2 822	2 822	1 010	807	844	883
Consumable: Stationery, printing and office supplies	17 441	5 983	7 407	26 692	15 141	9 145	8 316	8 690	9 078
Operating leases	48 318	42 210	40 978	60 437	48 437	43 528	46 148	48 225	50 385
Property payments	42 330	44 247	42 742	59 971	59 971	50 920	63 927	66 804	69 796
Transport provided: Departmental activity	-	61	-	213	213	213	-	-	-
Travel and subsistence	12 176	12 982	16 188	25 671	14 671	9 361	24 490	25 591	26 737
Training and development	172	32	-	166	166	210	173	181	189
Operating payments	2 669	3 848	6 143	1 892	4 802	4 829	7 684	8 030	8 389
Venues and facilities	994	1 114	901	1 101	568	1 069	1 443	1 508	1 576
Rental and hiring	261	1 166	1 145	46	579	387	574	600	627
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>18 303</b>	<b>20 782</b>	<b>29 187</b>	<b>27 482</b>	<b>28 516</b>	<b>30 728</b>	<b>29 629</b>	<b>30 961</b>	<b>32 349</b>
Provinces and municipalities	662	654	849	780	888	3 100	953	996	1 041
Provinces	662	654	849	780	888	3 100	953	996	1 041
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	662	654	849	780	888	3 100	953	996	1 041
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	16 017	16 517	22 953	22 542	22 542	22 542	22 654	23 673	24 734
Households	1 624	3 611	5 385	4 160	5 086	5 086	6 022	6 292	6 574
Social benefits	1 624	2 100	5 385	4 160	5 086	5 086	6 022	6 292	6 574
Other transfers to households	-	1 511	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>48 735</b>	<b>5 560</b>	<b>1 818</b>	<b>29 667</b>	<b>1 867</b>	<b>1 867</b>	<b>3 065</b>	<b>3 203</b>	<b>3 347</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	48 735	5 560	1 818	29 667	1 867	1 867	3 065	3 203	3 347
Transport equipment	45 980	4 941	-	26 731	-	-	-	-	-
Other machinery and equipment	2 755	619	1 818	2 936	1 867	1 867	3 065	3 203	3 347
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>24</b>	<b>2 162</b>	<b>-</b>	<b>59</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>926 398</b>	<b>877 091</b>	<b>957 896</b>	<b>1 013 995</b>	<b>986 195</b>	<b>986 195</b>	<b>1 152 152</b>	<b>1 206 667</b>	<b>1 262 785</b>



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

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
<b>Current payments</b>	<b>29 459</b>	<b>17 876</b>	<b>37 970</b>	<b>42 134</b>	<b>31 072</b>	<b>72 891</b>	<b>46 268</b>	<b>48 380</b>	<b>52 900</b>
Compensation of employees	10 104	11 320	19 203	17 458	17 396	40 319	21 294	22 285	25 636
Salaries and wages	8 703	9 946	17 661	15 240	15 178	38 454	17 949	18 182	21 349
Social contributions	1 401	1 374	1 542	2 218	2 218	1 865	3 345	4 103	4 287
Goods and services	19 355	6 556	18 767	24 676	13 676	32 572	24 974	26 095	27 264
Administrative fees	130	76	46	352	352	65	62	66	69
Advertising	-	-	-	12	12	4	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	14	35	35	41	16	17	18
Communication (G&S)	-	-	-	104	104	55	-	-	-
Computer services	594	438	-	876	-	-	-	-	-
Cons. & prof serv: Business and advisory services	14 122	4 481	9 668	15 861	8 954	2 850	21 523	22 602	23 615
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	1 703	29	4 564	19	19	3 160	20	21	22
Agency and support / outsourced services	-	-	1 414	-	-	21 639	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	1	-	-	43	43	34	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	233	1 238	-	-	3 001	-	-	-
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	-	-	40	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	1 486	-	-	657	-	-	-
Consumable: Stationery, printing and office supplies	5	-	-	7	7	3	-	-	-
Operating leases	-	-	-	170	170	112	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	2 997	780	-	-	-	-
Travel and subsistence	2 547	1 299	297	4 138	3 138	928	3 353	3 389	3 540
Training and development	-	-	-	16	16	-	-	-	-
Operating payments	-	-	-	46	46	23	-	-	-
Venues and facilities	253	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62</b>	<b>62</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	78	-	-	-	62	62	-	-	-
Social benefits	78	-	-	-	62	62	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>60</b>	<b>60</b>	<b>978</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	57	-	-	60	60	978	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	57	-	-	60	60	978	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>29 594</b>	<b>17 876</b>	<b>37 970</b>	<b>42 194</b>	<b>31 194</b>	<b>73 946</b>	<b>46 268</b>	<b>48 380</b>	<b>52 900</b>

Table 12.H : 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	2022/23			2023/24	2024/25	2025/26
<b>Current payments</b>	<b>1 956 927</b>	<b>1 906 443</b>	<b>2 163 786</b>	<b>2 764 561</b>	<b>2 966 629</b>	<b>2 966 629</b>	<b>2 342 009</b>	<b>1 927 900</b>	<b>2 098 764</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
<b>Goods and services</b>	<b>1 956 927</b>	<b>1 906 443</b>	<b>2 163 786</b>	<b>2 764 561</b>	<b>2 966 629</b>	<b>2 966 629</b>	<b>2 342 009</b>	<b>1 927 900</b>	<b>2 098 764</b>
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons. & prof serv: Business and advisory services	-	-	-	5 383	5 383	5 383	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	1 956 927	1 906 443	2 163 786	2 759 178	2 961 246	2 961 246	2 337 012	1 927 900	2 098 764
Agency and support / outsourced services	-	-	-	-	-	-	4 997	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including 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	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 168 099</b>	<b>1 233 733</b>	<b>1 314 912</b>	<b>1 309 303</b>	<b>1 309 303</b>	<b>1 309 303</b>	<b>1 367 009</b>	<b>1 428 401</b>	<b>1 492 393</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	1 168 099	1 233 733	1 314 912	1 309 303	1 309 303	1 309 303	1 367 009	1 428 401	1 492 393
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	1 168 099	1 233 733	1 314 912	1 309 303	1 309 303	1 309 303	1 367 009	1 428 401	1 492 393
Subsidies on production	1 168 099	1 233 733	1 314 912	1 309 303	1 309 303	1 309 303	1 367 009	1 428 401	1 492 393
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24 400</b>	<b>408 632</b>	<b>408 632</b>	<b>1 122 573</b>	<b>532 572</b>	<b>471 937</b>
Buildings and other fixed structures	-	-	-	24 400	408 632	408 632	1 122 573	532 572	471 937
Buildings	-	-	-	24 400	408 632	408 632	1 122 573	532 572	471 937
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 125 026</b>	<b>3 140 176</b>	<b>3 478 698</b>	<b>4 098 264</b>	<b>4 684 564</b>	<b>4 684 564</b>	<b>4 831 591</b>	<b>3 888 873</b>	<b>4 063 094</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
<b>Current payments</b>	<b>1 882 781</b>	<b>1 843 325</b>	<b>2 090 534</b>	<b>2 720 678</b>	<b>2 922 746</b>	<b>2 922 746</b>	<b>2 293 012</b>	<b>1 927 900</b>	<b>2 098 764</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	1 882 781	1 843 325	2 090 534	2 720 678	2 922 746	2 922 746	2 293 012	1 927 900	2 098 764
Contractors	1 882 781	1 843 325	2 090 534	2 720 678	2 922 746	2 922 746	2 293 012	1 927 900	2 098 764
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>384 232</b>	<b>384 232</b>	<b>1 101 673</b>	<b>532 572</b>	<b>471 937</b>
Buildings and other fixed structures	-	-	-	-	384 232	384 232	1 101 673	532 572	471 937
Other fixed structures	-	-	-	-	384 232	384 232	1 101 673	532 572	471 937
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 882 781</b>	<b>1 843 325</b>	<b>2 090 534</b>	<b>2 720 678</b>	<b>3 306 978</b>	<b>3 306 978</b>	<b>3 394 685</b>	<b>2 460 472</b>	<b>2 570 701</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
<b>Current payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 168 099</b>	<b>1 233 733</b>	<b>1 314 912</b>	<b>1 309 303</b>	<b>1 309 303</b>	<b>1 309 303</b>	<b>1 367 009</b>	<b>1 428 401</b>	<b>1 492 393</b>
Public corporations and private enterprises	1 168 099	1 233 733	1 314 912	1 309 303	1 309 303	1 309 303	1 367 009	1 428 401	1 492 393
Private enterprises	1 168 099	1 233 733	1 314 912	1 309 303	1 309 303	1 309 303	1 367 009	1 428 401	1 492 393
Subsidies on production	1 168 099	1 233 733	1 314 912	1 309 303	1 309 303	1 309 303	1 367 009	1 428 401	1 492 393
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 168 099</b>	<b>1 233 733</b>	<b>1 314 912</b>	<b>1 309 303</b>	<b>1 309 303</b>	<b>1 309 303</b>	<b>1 367 009</b>	<b>1 428 401</b>	<b>1 492 393</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
<b>Current payments</b>	<b>74 146</b>	<b>63 118</b>	<b>73 252</b>	<b>43 883</b>	<b>43 883</b>	<b>43 883</b>	<b>48 997</b>	<b>-</b>	<b>-</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	74 146	63 118	73 252	43 883	43 883	43 883	48 997	-	-
Cons. & prof serv: Business and advisory services	-	-	-	5 383	5 383	5 383	-	-	-
Contractors	74 146	63 118	73 252	38 500	38 500	38 500	44 000	-	-
Agency and support / outsourced services	-	-	-	-	-	-	4 997	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24 400</b>	<b>24 400</b>	<b>24 400</b>	<b>20 900</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	24 400	24 400	24 400	20 900	-	-
Other fixed structures	-	-	-	24 400	24 400	24 400	20 900	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>74 146</b>	<b>63 118</b>	<b>73 252</b>	<b>68 283</b>	<b>68 283</b>	<b>68 283</b>	<b>69 897</b>	<b>-</b>	<b>-</b>

**Table 12.L : Summary of transfers to local government: Integrated public transport intermodal facility**

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
<b>A KZN2000 eThekweni</b>	-	-	-	-	-	-	-	-	-
<b>Total: Ugu Municipalities</b>	-	-	-	-	30 000	30 000	-	-	-
B KZN212 uMdoni	-	-	-	-	-	-	-	-	-
B KZN213 uMzombe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	-	-	-	30 000	30 000	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uMgungundlovu Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 iMpindle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uThukela Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	-	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	-	-	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uMzinyathi Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN241 eNdumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nquthu	-	-	-	-	-	-	-	-	-
B KZN244 uMsinga	-	-	-	-	-	-	-	-	-
B KZN245 uMvoti	-	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Amajuba Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN252 Newcastle	-	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Zululand Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 AbaQulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uMkhanyakude Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN271 uMhlabyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: King Cetshwayo Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN281 uMfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: iLembe Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Harry Gwala Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 uBuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	-	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
<b>Unallocated</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	30 000	30 000	-	-	-