

VOTE 6

Provincial Treasury

Operational budget	R676 872 871
Remuneration of the MEC	R 2 037 129
Total amount to be appropriated	R678 910 000
Responsible Executive Authority	MEC for Finance
Administering department	Provincial Treasury
Accounting officer	Head: Provincial Treasury

1. Overview

Vision

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

Mission

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

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

Strategic outcomes

The outcomes of the department are as follows:

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

Core functions

The core functions of the department include the following:

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

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

Legislative mandate

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

- The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
- Public Finance Management Act (PFMA) (Act No. 1 of 1999, as amended) and Treasury Regulations
- Annual Division of Revenue Act (DORA)
- Borrowing Powers of Provincial Governments Act (Act No. 48 of 1996)
- Government Immovable Asset Management Act (Act No. 19 of 2007)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)
- Municipal Finance Management Act (MFMA) (Act No. 56 of 2003)
- Preferential Procurement Policy Framework Act (PPPFA) (Act No. 5 of 2000) and revised regulations dated 16 January 2023
- Public Audit Act (Act No. 25 of 2004)
- Provincial Tax Regulation Process Act (Act No. 53 of 2001)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Protection of Personal Information Act (Act No. 4 of 2013)
- Skills Development Act (Act No. 97 of 1998)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Provincial Appropriation Acts
- KZN Direct Charges Act, 2002 (Act No. 4 of 2002)

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

The department's activities are directly aligned to the NDP, through the PGDS, and are also aligned to the MTSF. The strategic objectives are aligned to the outcomes of the department and have been incorporated into the APP to ensure strategic alignment. The department mainly contributes to two of the seven priorities, namely:

- Priority 1: A capable, ethical and developmental state.
- Priority 2: Economic transformation and job creation.

During the 2023/24 MTEF, the department will continue to support the development of expertise, develop efficient systems and effective processes to reduce inefficiencies and enhance adherence to ethics and compliance with legislation and building a government that is accountable to its people. The department will also implement programmes that provide assistance and support to provincial departments, public entities and municipalities in improving their financial management and financial operating systems.

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, as well as providing a brief discussion on challenges and new developments.

Sustainable Resource Management

Economic Analysis: Reports to evaluate and monitor economic trends and to support policy formulation were produced. Two research projects were undertaken, namely on the review of the PES formula and the Norms and Standards funding for the DOE. Representation of the department on several steering committees continued, with ongoing technical support provided to the offices of the MEC, HOD and the DDG: Sustainable Resource Management. Informative analysis of the provincial *Socio-economic Review and Outlook (SERO)* was provided.

Infrastructure: Support was provided on infrastructure reporting using the Infrastructure Reporting Model (IRM), the Infrastructure Delivery Management System (IDMS) and the KZN Infrastructure Master Plan for all provincial infrastructure projects. Reports were produced on IDMS oversight monitoring and performance assessment in respect of provincial departments. The deployment of the Infrastructure Crack Team continued to be a priority. Projects such as the physical condition assessment and compilation of the Generally Recognised Accounting Practice (GRAP) compliant Immovable Asset Registers at eight municipalities were awarded but were cancelled due to the change in Instruction Note No. 3 of 2021/22 from National Treasury. The Accounting Officers are accountable for variation orders beyond 20 per cent, whereas previously these had to come to Provincial Treasury for recommendation.

Public Finance: Monitoring the spending and revenue collection of departments and public entities against budget continued in 2022/23, with the aim of keeping provincial spending within budget. The Provincial Executive Council was continuously kept informed of the province's budget performance. The 2022/23 *Adjusted Estimates of Provincial Revenue and Expenditure (AEPRE)* and 2023/24 *EPRE* were prepared, as is the norm every year. Departments' and public entities' adherence to the cost-cutting measures continued to be monitored.

Public Private Partnerships: Technical and legal advice in support of all provincial PPPs continued to be provided as regulated by the National Treasury guidelines.

Financial Governance

Asset and Liabilities Management: Support was offered to departments in respect of payroll tax and banking functions, with a risk analysis conducted to identify any non-compliance with tax and banking legislation. All departmental bank balances were monitored on a daily basis to ensure effective cash flow management. Excess funds were invested with the South African Reserve Bank (SARB) to ensure maximum interest earned.

Supply Chain Management: The department continued to conduct routine compliance assessments in departments, municipalities and public entities to ensure compliance with all relevant SCM prescripts and to enhance the level of compliance, governance and accountability in the province. Support interventions were identified and training was provided where necessary. The department continued to receive complaints and conducted investigations where required, serving as a vigilant watchdog for perceived irregularities. Capacity building interventions were conducted in the SCM components of public sector institutions which had unfavourable audit outcomes. In line with relevant legislative prescripts and National Treasury requirements, policy reviews were conducted and practice notes and circulars were updated. The focus of the unit shifted in April when the Provincial Executive Council resolved that pre-award assessments should be undertaken for all procurement relating to disaster expenditure over R1 million in value. This resulted in assessments being undertaken in order to reduce the risk of irregular expenditure. Furthermore, departments were required to report on their expenditure which was in turn reported bi-weekly to the Provincial Executive Council. In December, the revised Preferential Procurement Regulations were issued and workshops were held in each district with the aim of guiding organs of state with regard to the amendments required to their individual SCM policies before 16 January 2023. A guideline was developed to further advise institutions in this regard.

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

Accounting Services: Financial management support was provided to departments and public entities to enhance their financial accounting and asset management reporting to improve audit outcomes. Financial management support included the review of interim and annual financial statements for public entities, the deployment of officials to assist departments with asset management, the provision of assistance with updating the supporting working papers of disclosure notes to the annual financial statements, as well as technical guidance. The department continued to play a significant role in the audit readiness support project to enhance financial management of departments and public entities. Support to suppliers to resolve payment disputes continued, as well as the Condonation of Irregular Expenditure Project.

The department is an accredited South African Institute of Chartered Accountants (SAICA) training office that currently runs a three-year training programme, accepting graduates that were recipients of the Thuthuka Education Upliftment Fund (TEUF), who upon completion will be eligible for registration as Chartered Accountants (CAs). The programme was initiated in an attempt to address the scarcity of black CAs in the province, with the intention of improving the financial management constituency. After successful completion of the training contract, participants are then allowed entry into the Management Development Programme, which runs for a further three years. Through this initiative, the department has since produced 11 registered CAs and one eligible CA. Moreover, there are currently ten trainees completing their SAICA training contracts, with four in their third year of training, three in second year and three who are currently at first year level.

Norms and Standards: Financial management standard operating procedures were developed as guidelines for implementation within departments, and support relating to policy development and review was provided to eight public entities, namely Ezemvelo KZN Wildlife, KZN Tourism Authority, KZN Sharks Board, Richards Bay Industrial Development Zone, KZN Amafa and Research Institute, Agri-business Development Agency, KZN Film Commission and Trade and Investment KZN. Also, 13 provincial departments and eight public entities were assessed for compliance with financial norms and standards.

Support and Interlinked Financial Systems: Support continued to be provided for financial systems, such as BAS and HardCat in the province. System technical support was provided on PERSAL, while the OTP handled the functionality and policy implementation. The process of implementing the LOGIS system in all the departments commenced due to interface shortcomings of the HardCat system with BAS.

Internal Audit

Assurance Services: Risk based audits were conducted across all departments. Transversal focus areas were covered, such as asset management, as well as other processes within core services of departments. Greater focus was given to reviewing key financial processes with audits being conducted on key account reconciliations, audit improvement strategies, and conducting A-G follow-up assessments. The Provincial Internal Audit Framework was presented to and approved by the Provincial Executive Council in 2021/22, and is currently being implemented in 2022/23. The unit performed an essential role in value for money assessments of infrastructure repairs undertaken as a result of the April 2022 floods. This required a review of the audit plan as resources had to be re-directed in this regard. The Infrastructure Crack Team under Programme 2: Sustainable Resource Management assisted in the technical aspects of the work.

Risk and Advisory Services: All Votes, excluding the Provincial Legislature, were monitored for compliance with the minimum risk management standards as set by the Provincial Executive Council in 2015. The revised Provincial Risk Management Framework and the Combined Assurance Framework were approved by the Provincial Executive Council and are currently in the implementation phase.

Municipal Finance Management

Municipal Budget: Technical support was provided to delegated municipalities and the preparation of both the tabled and approved budgets was monitored, as was the performance of municipal budgets, which included evaluating mid-year budget and performance assessment reports. The 2021/22 Close-out Report was prepared in respect of all 51 delegated municipalities in terms of Section 71(7) of the MFMA. Electronic copies of the report were shared with National Treasury, the A-G, and Members of the Provincial Legislature.

Municipal Accounting and Reporting: Technical reviews of the 2021/22 AFS were conducted at municipalities, with preliminary results reflecting an improvement in the audit outcomes of several of the municipalities supported.

Municipal Support Programme: Municipal Support Programme projects were conducted in several municipalities. Municipalities were assisted with pre-audit assessments in preparation for the 2021/22 external audit.

Municipal Revenue and Debt Management: The Revenue and Debt Management pilot projects were implemented at two municipalities, namely the uMkhanyakude District Municipality and the eMadlangeni Local Municipality. The pilot projects were aimed at assisting the municipalities with the accuracy and completeness of billing for municipal services.

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 the challenges facing the department, and proposed new developments. The bulk of the department's budget allocation over the 2023/24 MTEF is for financial governance (for general oversight of all departments', municipalities' and public entities' budget processes), internal audit, SCM, as well as support for transversal and interlinked financial systems.

Sustainable Resource Management

Economic Analysis: Economic and public policy research will be undertaken and there will be participation in various academic conferences and workshops. Various research projects will be conducted. The *SERO* for 2024/25 will be prepared. In addition, participation in different technical committees will continue in order to discuss and debate provincial economic policy, fiscal models, catalytic infrastructure projects, and the development of strategic partnerships with other non-governmental institutions.

Infrastructure: Infrastructure planning and delivery performance will continue to be monitored. The IRM will be used to track infrastructure progress and expenditure, while institutionalising the IDMS. The Standard for Infrastructure Procurement and Delivery Management, a component of IDMS that covers the supply chain management system for infrastructure delivery, will continue to be the focus area for all provincial departments to institutionalise. The 2024/25 *Estimates of Capital Expenditure (ECE)* will be prepared to provide project lists that complement the *EPRE* for tabling in the Provincial Legislature. The deployment of the Infrastructure Crack Team will continue to be a priority.

Public Finance: The oversight model of monitoring the spending and revenue collection of departments and public entities against budget will continue in 2023/24. This oversight model will be used with the aim of keeping provincial spending within the provincial budget. In this regard, the Provincial Executive Council and the Finance Portfolio Committee will continue to be kept regularly informed of the province's budget performance so that they can respond speedily if any departments are beginning to show projected over-spending, as it is anticipated that the province will continue to face major spending pressures. The 2023/24 *AEPRE* and 2024/25 *EPRE* will be prepared.

Public Private Partnerships: The unit will continue to oversee and provide support at a provincial and municipal level in line with the PPP project cycle. This will be achieved by ensuring that transaction support is provided to departments, public entities, municipalities and their municipal entities to ensure compliance with the PPP legislative processes. The key project will be the completion of the Inkosi Albert Luthuli Central Hospital bid and contracting process, before handover to the successful bidder.

Financial Governance

Asset and Liabilities Management: Support will continue to be offered to departments in respect of payroll tax and banking functions. Current practices of monitoring all departmental bank balances on a daily basis will be maintained to ensure effective cash flow management, which continues to be a serious challenge with spending patterns being misaligned to the cash received in tranches from National Treasury. Excess funds will be invested with the SARB to ensure maximum interest is earned.

Supply Chain Management: Compliance with all SCM prescripts in provincial departments, municipalities and public entities will continue to be monitored, given the change in regulations and resulting policies shifts and amendments. The unit will undertake SCM training, contract management support, and increased compliance assessments in an effort to institutionalise SCM reforms. Operational support will be provided, SCM policies will be reviewed, and training will be given to departments, municipalities and public entities. Administration of the CSD, support on the e-Tender portal and comprehensive compliance assessments will be undertaken to reduce incidents of irregular expenditure relating to SCM processes. The I-Develop project, Provincial Bid Appeals Tribunal matters and MBAT training in municipalities will continue. The unit will provide support in the hearing and facilitation of MBAT matters.

Accounting Services: Continued focus will be on hands-on engagement and support to departments and public entities to enhance their financial accounting, as well as continued staff development and training programmes to develop and retain the requisite financial management skills and expertise as part of the pillars of the operation clean audit strategy. There will also be continued focus on the provincial audit

improvement plan, ensuring enhanced financial management by departments and public entities. Support to suppliers to resolve payment disputes with organs of state will be provided. The Condonation of Irregular Expenditure Project will continue to be a priority. The SAICA programme will continue providing work exposure and opportunities to the trainees to develop their professional competence (including behaviours and abilities that will be expected of them as professionals) while applying their technical knowledge in a practical work environment.

Norms and Standards: The team's focus will be on compliance monitoring and evaluation within departments and public entities to assess financial management compliance and provide the necessary remedial assistance to address identified deviations to ensure improved financial management.

Support and Interlinked Financial Systems: Enhanced uptime and support will be provided to all departments on the functional and technical aspects of transversal systems. The Provincial Treasury in conjunction with SITA will review the Biometrics Access Control System, thus enabling other financial systems such as LOGIS to be integrated.

Internal Audit

Assurance Services: Risk-based audits with specific focus on good governance will be performed. Departments will be assisted to determine process enhancements to improve the adequacy and effectiveness of controls. There will be continued focus on IT audit reviews, financial audits, as well as transversal reviews of SCM, transfer payments and performance information. In order to ensure sustainability of audit efforts, the department will continue to conduct follow-ups of previous audit findings to determine if management actions were successfully implemented and to provide additional recommendations for improvements. The department will continue in its endeavours to implement the hybrid internal audit model, with the DOH taking over the function from 1 October 2022 and with the DOT, as well as the DOE requiring further time due to constrained resources.

Risk and Advisory Services: The department will continue to implement the roll-out of the revised Provincial Risk Management Framework and Combined Assurance Framework across all 13 departments.

Municipal Finance Management

Municipal Budget: Technical support will continue to be provided to delegated municipalities on the preparation of multi-year budgets, as well as on the reporting on monthly outcomes of those budgets to act as an early warning system. Support to municipalities will be provided in order to adopt funded budgets, in-year monitoring including statutory returns, as well as the preparation of monthly, quarterly, mid-year and annual consolidated reports on the state of financial performance.

Municipal Accounting and Reporting: The department assists municipalities by supporting and monitoring financial management and compliance with GRAP and relevant legislation. This will be achieved by promoting an understanding of GRAP, monitoring compliance with reporting requirements, providing accounting services and support, implementing systems and processes to improve sound financial management and audit outcomes, reviewing the quality of AFS, as well as monitoring, evaluating and reporting on asset management. Transferring of skills is a key element of the support initiatives.

Municipal Support Programme: The department will continue to support municipalities and provide technical support to delegated municipalities to promote sound financial management and sustainability with specific focus on assisting municipalities to produce credible information to stakeholders which will allow for effective decision making.

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

4. Reprioritisation

In preparation of the 2023/24 MTEF budget, the department undertook reprioritisation affecting all programmes as summarised below. Programme 3: Financial Governance was increased by a net amount of R19.657 million in 2023/24 and R20.305 million in 2024/25 against *Goods and services* in the Support and Interlinked Financial Systems sub-programme to cater for budget shortfalls against transversal computer services. The funds were moved from other programmes as follows:

- Programme 1: Administration was reduced by net amounts of R10.997 million in 2023/24 and R10.433 million in 2024/25. A portion of these funds was moved from *Compensation of employees* (R467 000 in 2023/24 and R2.093 million in 2024/25) as a result of a lower budget required for personnel costs due to staff exits and new staff being appointed at the first notch of the respective levels. *Goods and services* was reduced by R9.630 million in 2023/24 and R7.740 million in 2024/25 mainly due to a reduction in various operational costs, such as advertising, catering, communication, property payments, travel and subsistence, operating payments, etc. The balance of R900 000 in 2023/24 and R600 000 in 2024/25 was moved from *Machinery and equipment* as the department does not anticipate purchasing motor vehicles over the MTEF period as vehicles were purchased in 2021/22 and 2022/23.
- Programme 2: Sustainable Resource Management was reduced by a net amount of R1.516 million in 2023/24 and R1.642 million in 2024/25. These funds were moved from *Compensation of employees* (R1.360 million in 2023/24 and R1.491 million in 2024/25) as a result of a lower budget required for personnel costs due to staff exits and new staff being appointed at the first notch of the respective levels, *Goods and services* (R121 000 in 2023/24 and R114 000 in 2024/25) mainly due a reduction in various operational costs, such as catering, agency and support services, as well as travel and subsistence. Furthermore, *Transfers and subsidies to: Households* was reduced by R35 000 in 2023/24 and R37 000 in 2024/25 against TEUF and staff exit costs.
- Programme 4: Internal Audit was reduced by a net amount of R4.764 million in 2023/24 and R5.582 million in 2024/25. These funds were moved from *Compensation of employees* (R850 000 in 2023/24 and R698 000 in 2024/25) as a result of a lower budget required due to staff exits and new staff being appointed at the first notch of the respective levels and *Goods and services* due to a reduction in various operational costs, such as communication, agency and support services, travel and subsistence, as well as training and development.
- Programme 5: Municipal Finance Management was reduced by a net amount of R2.380 million in 2023/24 and R2.648 million in 2024/25 against *Goods and services* due to a reduction in various operational costs, such as administrative fees, catering, computer services, travel and subsistence, etc.

In addition, the department undertook reprioritisation across economic classification categories within programmes as follows:

- Amounts of R1.192 million in 2023/24 and R1.065 million in 2024/25 from *Compensation of employees* as a result of a lower budget required for *Compensation of employees* costs due to staff exits and new staff being appointed at the first notch of the respective levels.
- R202 000 in 2023/24 and R1.209 million in 2023/24 from *Machinery and equipment* as the department does not anticipate procuring motor vehicles over the MTEF period, as vehicles were purchased in 2021/22 and 2022/23. The remaining funds cater for the purchase of tools of trade, such as office furniture, laptops, desktops and office equipment.
- R300 000 in 2023/24 and R313 000 in 2024/25 from *Software and other intangible assets* due to the department no longer purchasing software above R5 000. The department will upgrade and renew existing software and this cost is allocated against computer services in terms of the SCOA classification, hence the movement of funds to *Goods and services*.

These funds were reprioritised to the following economic classifications:

- *Compensation of employees* as a result of the anticipated filling of vacant posts.
- *Goods and services* to cater for expenditure pressure on items that were not adequately budgeted for, such as computer costs, agency and outsourced services, contractors, inventories and legal costs. These items cater for the appointment of consultants due to capacity constraints as a result of the non-filling of posts, the purchase of inventory for donations as part of Operation Sukuma Sakhe (OSS) and an increase in legal costs due to an increase in the number of outstanding court cases that were not settled in previous years, such as the case between the department and Afrisun KZN (Pty) Ltd and also the case between the department and Sizani MaZulu Transport. These funds will also be used for training and staff development to cater for the increase in demand for training due to new appointments.

Furthermore, the department undertook a shift relating to the TEUF, moving the budget from *Transfers and subsidies to: Households* to *Transfers and subsidies to: Non-profit institutions* over the 2023/24 MTEF. This was done to correct the misallocation of the budget for TEUF as per the SCOA classification. The prior years' spending was restated for comparative purposes.

5. Procurement

The department will continue to maintain a fair, equitable, transparent, competitive and cost effective procurement system that will enable economic transformation. Furthermore, the department will continue to strengthen the wider participation by all targeted groups in the various categories of procurement. This will be attained through the implementation of effective and efficient procurement and demand plans that will create an enabling environment for better planning and spend analysis, thus ensuring value for money objectives and client satisfaction in line with the new preferential procurement regulations. The department has developed their own policy for procurement in line with the PPPFA and the revised regulations, as promulgated on 16 January 2023.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 6.1 shows the sources of funding for Vote 6 over the seven-year period from 2019/20 to 2025/26. The table also compares actual and budgeted receipts against actual and budgeted payments. The department receives a provincial allocation in the form of an equitable share.

Table 6.1 : 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	645 151	539 796	653 845	668 178	668 178	668 178	664 310	706 221	735 179
Conditional grants	-	-	-	-	-	-	-	-	-
Total receipts	645 151	539 796	653 845	668 178	668 178	668 178	664 310	706 221	735 179
Total payments	640 645	531 869	576 895	684 109	669 509	651 924	678 910	706 221	735 179
Surplus/(Deficit) before financing	4 506	7 927	76 950	(15 931)	(1 331)	16 254	(14 600)	-	-
Financing of which									
Provincial roll-overs	4 000	10 000	-	-	-	-	-	-	-
Provincial cash resources	42 025	-	-	-	-	-	-	-	-
Suspension to future year	-	-	(16 952)	15 931	1 331	1 331	14 600	-	-
Surplus/(Deficit) after financing	50 531	17 927	59 998	-	-	17 585	-	-	-

In 2019/20, the following adjustments are noted:

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

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

In 2020/21, the following adjustments are noted:

- R10 million was rolled over from 2019/20, mainly relating to commitments in respect of the Irregular Expenditure Condonation Project.
- The department surrendered R13 million in the Third Adjustments Estimate to assist the DOE with their spending pressures. These funds were identified against various programmes and economic classifications.

The 2020/21 budget was under-spent by R17.927 million largely due to delays in the filling of vacant posts, reduction in operational expenditure on items such as travel and subsistence as a result of

restrictions under the nationwide lockdown because of Covid-19, as well as an increase in the use of internal resources to carry out special projects such as the Irregular Expenditure Condonation Project, thus placing lower demands on the budget set aside for consultants. Further contributing to the under-spending was slow spending on professional services in respect of Risk Management projects, as well as delays in finalising 2019/20 carry-over Assurance Services projects due to changes in the operational plans which resulted from the Covid-19 nationwide lockdown.

In 2021/22, R16.952 million was suspended from the department's budget as a result of savings identified after extensive budget reviews were undertaken. The department motivated for these funds to be suspended to their 2022/23 budget as part of the 2022/23 MTEF budget process. These funds were suspended against *Compensation of employees* (R12.132 million), as well as *Goods and services* (R4.820 million) in Programmes 2, 4 and 5.

In 2022/23, the department was allocated R15.931 million of the R16.952 million that was suspended from 2021/22. A further R14.600 million was suspended from the department's budget as a result of savings identified during the Adjustments Estimate process. These funds were allocated back to the department in the 2023/24 Main Appropriation. The reduction is explained as follows:

- R3 million was suspended from Programme 1 against *Goods and services*, and the department requested to use these funds in 2023/24 for the acquisition of a departmental security access system.
- R10 million was suspended from Programme 2 against *Goods and services*, and the department requested to utilise these funds in 2023/24 for the creation of EPWP jobs as a result of the decision taken at the Provincial Executive Council Lekgotla that departments need to expand EPWP projects.
- R1.600 million was suspended from Programme 4 against *Goods and services*, and the department requested to use these funds for various internal audit projects planned to be carried out in 2023/24.

Based on the December IYM, the 2022/23 Revised Estimate shows that the department is anticipating to under-spend its budget by R17.585 million largely due to delays in the filling of vacant posts, as well as lower operational costs such as travel and subsistence as a result of limited travel.

The department implemented the National Treasury baseline cuts of R6.963 million, R15.956 million and R18.384 million over the 2020/21 MTEF and cuts of R66.871 million, R89.299 million and R120.651 million over the 2021/22 MTEF, as detailed in the 2022/23 *EPRE*. The baseline over the 2023/24 MTEF is impacted by the carry-through effects of the 2021/22 MTEF budget cuts of R117.898 million in 2023/24, R123.203 million in 2024/25 and R128.722 million in 2025/26 relating to both *Compensation of employees* and fiscal consolidation. Also, over the 2023/24 MTEF, the department's budget was cut by R8.509 million, R3.441 million and R6.058 million as a result of data updates of the PES formula, as well as downward revisions to the own revenue projections. The budget for the Vote as a whole shows an increasing trend in the two outer years of the 2023/24 MTEF, as the cut in the first year of the MTEF was far higher than the two outer years.

6.2 Departmental receipts collection

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

Table 6.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	303	310	340	287	287	913	300	314	328
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	599 025	387 691	227 829	295 000	295 000	310 219	302 000	310 000	324 000
Sale of capital assets	1 435	113	5	133	133	1 756	144	150	161
Transactions in financial assets and liabilities	2 194	1 196	1 402	466	466	2 549	488	509	532
Total	602 957	389 310	229 576	295 886	295 886	315 437	302 932	310 973	325 021

Sale of goods and services other than capital assets is derived from parking fees, game licences, commission on PERSAL deductions such as insurance premiums and garnishees, tender fees, etc. The high revenue shown in the 2022/23 Revised Estimate is attributed to inter-departmental invoices issued to the DARD and the DOH for the purchase of biometric scanners. It is noted that this expenditure was incurred in 2016/17, and not in the current year, and hence is journalised to revenue, and not expenditure. Provincial Treasury has exclusive rights to buy biometric scanners on behalf of departments. Inflationary growth is expected over the MTEF.

Interest, dividends and rent on land mainly relates to interest earned on the Paymaster General (PMG) and inter-governmental cash co-ordination (IGCC) accounts. The significant revenue collection against this category in prior years was due to the collective implementation of cost-cutting measures by provincial departments and prudent cash management by Provincial Treasury, as well as the prevailing interest rate charged on the positive cash balance in the bank account. The high collection in 2019/20 resulted from fairly high levels of cash in the bank due to the fact that the province recorded a significant under-spending of R1.612 billion at the end of 2018/19. The low collection in 2021/22 was due to the budget cuts made by National Treasury which resulted in less funds available in the provincial bank accounts. Also, the interest rate was lower when compared to previous years, and this also has an impact on the revenue collected. The revenue shown in the 2022/23 Revised Estimate is higher than expected and this depends on the available cash in the bank and the increase in interest rates. The department was very conservative in terms of the budget over the MTEF, which is based on the 2022/23 Main Appropriation and not on the Revised Estimate.

Sale of capital assets relates to the disposal of redundant motor vehicles and office equipment. The high collection in 2019/20 and the 2022/23 Revised Estimate relates to the sale of motor vehicles and office equipment. The department is expected to dispose redundant vehicles and office equipment over the 2023/24 MTEF in line with its asset disposal policy, but this will be reviewed in-year.

Transactions in financial assets and liabilities comprises recoveries from previous years' expenditure such as inter-departmental claims, overpaid suppliers, and staff debts such as breached bursary contracts. The high collection in 2019/20 is due to an inter-departmental claim invoiced to the DOPW relating to 2018/19 for consultants employed by Accounting Services in respect of financial assistance. The high collection in the 2022/23 Revised Estimate is attributed to the inter-departmental claims invoiced to the DOT, DOPW and the Zululand District Municipality for the SCM support related to prior years.

6.3 Donor and agency funding – Nil

7. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification.

Further details are given in Section 8 below, as well as in the *Annexure – Vote 6: Provincial Treasury*.

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.
- The department has provided for *Compensation of employees* to increase by 17.6 per cent in 2023/24 (as based on the Revised Estimate) to provide for the carry-through costs of filling critical vacant posts. There is growth of 6.7 per cent in 2024/25 and 4 per cent in the outer year of the MTEF. The growth over the 2023/24 MTEF is sufficient for the 1.5 per cent pay progression, and for the filling of critical vacant posts.

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

Table 6.3 shows amendments to provincial and equitable share funding received by the department over the 2021/22, 2022/23 and 2023/24 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2025/26) are based on the incremental percentage used in the 2023/24 MTEF.

Table 6.3 : Summary of amendments to provincial and equitable share allocations for the 2021/22 to 2023/24 MTEF

R thousand	2021/22	2022/23	2023/24	2024/25	2025/26
2021/22 MTEF period	(95 592)	(117 101)	(147 012)	(153 717)	(160 693)
Fiscal consolidation budget cut	(17 347)	(18 285)	(33 069)	(34 557)	(36 105)
COE budget cut (wage freeze and fiscal consolidation)	(49 524)	(71 014)	(87 582)	(91 523)	(95 623)
Forensic Services function shift to Vote 1: OTP	(41 054)	(40 652)	(42 441)	(44 351)	(46 338)
Municipal Interventions - funds moved from Vote 11: COGTA	10 333	10 850	11 327	11 837	12 367
Adjustment to outer year	-	-	2 753	2 877	3 006
District Champion of OSS/DDM responsibilities	2 000	2 000	2 000	2 000	2 000
2022/23 MTEF period		15 931	-	-	-
Funds suspended from Vote 6 in 2021/22 for reallocation in 2022/23		15 931	-	-	-
2023/24 MTEF period			6 091	3 119	578
Cost of living adjustment carry-through (3%)			-	6 560	6 636
PES data update and own revenue reductions			(8 509)	(3 441)	(6 058)
Funds suspended from Vote 6 in 2022/23 for reallocation in 2023/24			14 600	-	-
Total	(95 592)	(101 170)	(140 921)	(150 598)	(160 115)

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

With regard to the 2021/22 MTEF:

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

With regard to the 2022/23 MTEF:

- R15.931 million was allocated back to the department in 2022/23 only. These funds were suspended from the department's budget in 2021/22 as a result of savings identified after extensive budget reviews were undertaken, as discussed. The funds were allocated to Programmes 1, 4 and 5 against *Goods and services* in respect of property payments and consultants' costs.

With regard to the 2023/24 MTEF:

- The department was allocated R6.560 million and R6.636 million in 2024/25 and 2025/26 for the carry-through costs of the 3 per cent cost of living adjustment allocated to *Compensation of employees* across all programmes.
- The department's budget was reduced by R8.509 million, R3.441 million and R6.058 million from 2023/24 to 2025/26, respectively, as a result of the PES formula updates and own revenue reductions budget cuts. The department effected these budget cuts against *Goods and services* in Programme 1, in respect of consultants' costs in relation to the special projects budget.
- R14.600 million is allocated back to the department in 2023/24. These funds were suspended from the department's budget in 2022/23 as a result of under-spending identified after extensive budget reviews were undertaken. These funds were requested to be allocated back to the department in 2023/24 for the following:
 - R3 million was suspended from Programme 1 under the Corporate Services sub-programme against *Compensation of employees* due to internal delays in filling vacant funded posts and is allocated to *Goods and services* to cater for the security access system that will now only be acquired in 2023/24, hence the suspension.
 - R10 million was suspended from Programme 2 under the Economic Analysis sub-programme against *Goods and services*, and the department requested to utilise these funds in 2023/24 for the EPWP job creation programme, as mentioned.
 - R1.600 million was suspended from Programme 4 under the Assurance Services sub-programme against *Goods and services*, and the department requested to utilise these funds for various internal audit projects anticipated to be carried out in 2023/24, such as performance information and sanitary audits which relate to the sanitary dignity programme at DOE, among others.

7.3 Summary by programme and economic classification

Tables 6.4 and 6.5 provide a summary of the Vote's payments and budgeted estimates by programme and by economic classification, respectively, for the seven-year period. The services rendered by the department are categorised under five programmes, which are largely aligned to the generic programme structure of the sector, with approval to deviate received from National Treasury in 2017/18 where the budget is not aligned.

As mentioned, the department undertook a shift over the 2023/24 relating to the TEUF from *Transfers and subsidies to: Households* to *Transfers and subsidies to: Non-profit institutions* within Programme 1. This was done to correct the misallocation of the budget for TEUF as per the SCOA classification. The prior year amounts were restated for comparative purposes.

Table 6.4 : Summary of payments and estimates by programme: Provincial Treasury

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
1. Administration	204 269	164 057	183 428	225 548	221 623	210 961	214 137	225 016	234 030
2. Sustainable Resource Management	47 051	43 250	42 403	53 346	49 960	48 716	61 875	55 484	57 707
3. Financial Governance	199 693	178 645	206 265	203 670	215 586	209 507	221 695	234 443	244 507
4. Internal Audit	131 214	91 486	86 216	116 419	107 173	106 744	108 355	113 514	118 055
5. Municipal Finance Management	58 418	54 431	58 583	85 126	75 167	75 996	72 848	77 764	80 880
Total	640 645	531 869	576 895	684 109	669 509	651 924	678 910	706 221	735 179

Table 6.5 : Summary of payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	627 855	518 569	555 787	666 126	651 550	632 586	663 022	690 770	719 483
Compensation of employees	312 330	312 944	317 572	387 314	342 145	329 658	387 578	413 541	430 162
Goods and services	315 525	205 534	238 203	278 642	309 235	302 916	275 317	277 096	289 187
Interest and rent on land	-	91	12	170	170	12	127	133	134
Transfers and subsidies to:	5 730	6 563	10 060	3 778	4 266	4 732	3 673	3 521	3 678
Provinces and municipalities	39	41	37	29	31	24	29	30	31
Departmental agencies and accounts	2	3	-	3	3	6	3	3	3
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	365	339	-	-	-
Non-profit institutions	1 113	527	1 111	308	109	17	1 599	1 354	1 415
Households	4 576	5 992	8 912	3 438	3 758	4 346	2 042	2 134	2 229
Payments for capital assets	7 015	6 657	10 927	14 205	13 693	14 606	12 215	11 930	12 018
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	7 015	6 657	10 927	13 904	13 693	14 606	12 215	11 930	12 018
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	301	-	-	-	-	-
Payments for financial assets	45	80	121	-	-	-	-	-	-
Total	640 645	531 869	576 895	684 109	669 509	651 924	678 910	706 221	735 179

Programme 1 shows a decrease in 2020/21 mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic, cost of living adjustment, as well as the surrender of funds to assist the DOE with their spending pressures. The increase in 2021/22 was due to reprioritisation undertaken from Programme 2 to cater for property payments, computer services and operating leases, which were not adequately budgeted for. The significant increase in the 2022/23 Main Appropriation is due to reprioritisation of R4.531 million from Programmes 2, 3, 4 and 5, with carry-through, to cater for budget shortfalls against property payments and operating leases, as well as to make adequate provision for the TEUF and external bursaries, which were under-budgeted for. The increase is further attributable to additional funding of R3.423 million, received in 2022/23 only, being a portion of the funds that were suspended from the department's budget in 2021/22. These funds were allocated against *Goods and services* in respect of property payments. The significant decrease in the 2022/23 Revised Estimate is mainly attributable to the delays in filling of vacant posts within the programme, as well as low spending on the operational items, such as travel and subsistence. The allocations over the 2023/24 MTEF provide for the filling of 27 vacant posts within the programme and for additional office space required by the department to cater for the expanded organisational structure. Additional funding of R3 million, received only in 2023/24, is allocated to this programme, being a portion of the funds that were suspended from the department's budget in 2022/23. These funds are allocated to *Goods and services* for the acquisition of a departmental security access system.

Programme 2 shows a decrease in 2020/21 which was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic, the cost of living adjustment, lower than budgeted payments in respect of performance bonuses, as well as the surrender of funds to assist the DOE with their spending pressures. The decrease in 2021/22 was mainly due to reduced operational costs such as stationery and printing, travel and subsistence, as well as training and development as a result of the Covid-19 pandemic. Further contributing to the decrease was the reprioritisation of savings from the programme's budget after extensive budget reviews were undertaken. These savings were identified against *Compensation of employees*. This explains the increase in the 2022/23 Main Appropriation which is after reprioritisation of R1.962 million, with carry-through, was undertaken from *Goods and services* in respect of travel and subsistence and allocated to Programme 1 against *Goods and services*, as mentioned. The increase in 2023/24 is attributable to additional funding of R10 million, received in 2023/24 only, being a portion of the funds that were suspended from the department's budget in 2022/23. These funds were allocated against *Goods and services* for the EPWP job creation programme, as mentioned. The MTEF makes provision for salaries of the Technical Advisors (TAs) in relation to the Infrastructure Crack Team responsible for infrastructure support delivery in the province, the filling of 16 critical vacant posts, as well as costs relating to the preparation of the *EPRE* and the *AEPRE*.

Programme 3 shows a significant decrease in 2020/21 which was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost of living adjustment. The increase in 2021/22 was mainly due to once-off spending pressures against administration fees in respect of bank charges resulting from the implementation of new banking laws, as well as computer services costs in respect of transversal systems, including the BAS and PERSAL mainframes, that were under-budgeted for. In the 2022/23 Revised Estimate, the programme projects to under-spend its allocated budget at year-end due to delays in filling funded vacant posts within the programme and projected under-spending on items such as agency and support services, travel and subsistence allowance, computer services and administrative fees. The 2023/24 MTEF allocations provide mainly for transversal systems, administrative fees, MBAT, support to departments in respect of financial management to achieve improved audit outcomes, preparation of the AFS for the Provincial Revenue Fund and consolidated AFS of departments and public entities, the provision of training and support to departments and SCM support to municipalities, as well as the filling of 20 critical vacant posts.

Programme 4 shows a significant decrease in 2020/21 which was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic, the cost of living adjustment, as well as the surrender of funds to assist the DOE with their spending pressures, as mentioned. The department undertook reprioritisation of R1.300 million in 2022/23, with carry-through, from *Goods and services* in respect of consultants' costs. These funds were allocated to Programme 1 to cater for additional office space required to accommodate staff as a result of the expanded organisational structure. The increase in the 2022/23 Main Appropriation was due to additional funding of R3.501 million, being a portion of the funds that were suspended from the department's budget in 2021/22. These funds were allocated against *Goods and services* in respect of consultants' costs. The 2023/24 MTEF makes provision for assessments, workshops and training on risk/governance management and internal audit capacity building within departments and municipalities, Certified Internal Auditor (CIA) qualification fees, ongoing audits such as IT, financial and governance audits, provision for the Cluster Audit and Risk Committee (CARC), the audit of predetermined objectives of departments and some municipalities, as well as the filling of 13 critical vacant posts.

Programme 5 shows a significant decrease in 2020/21 mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic and the cost of living adjustment, as well as the surrender of funds to assist the DOE with their spending pressures, as mentioned. The increase in 2021/22 was due to the receipt of additional funding from National Treasury to cater for the non-pensionable cash allowance. The programme receives additional funding of R9.007 million in 2022/23 only, being a portion of the funds that were suspended from the department's budget in 2021/22. These funds were allocated against *Goods and services* in respect of consultants' costs, as mentioned. This explains the decrease from the 2022/23 Adjusted Appropriation to 2023/24. Furthermore, the department undertook reprioritisation of R644 000 in 2022/23, with carry-through, from *Compensation of employees* as a result of the staggered filling of vacant posts emanating from the newly approved organisational structure. These funds were allocated to Programme 1, as discussed. The 2023/24 MTEF makes provision for the filling of three critical vacant posts.

The increase against *Compensation of employees* from 2022/23 to 2025/26 is due to the filling of posts and pay progression for 582 posts on the organisational structure. The department currently has 79 vacant posts budgeted over the MTEF, such as Director: Legal Services, Deputy Director: Security Risk Management, Office Manager: Administrative Assistance and Transport Control Officer, among others. The recruitment process of all of these posts is underway and is anticipated to be finalised in 2023/24. The decrease in the 2022/23 Revised Estimate is attributed to the delays in the filling of vacant posts in the department, as mentioned. The reprioritisation from *Compensation of employees* in 2023/24 and 2024/25 is due to savings anticipated because of staff exits and new staff being appointed at lower notches. This category grows by 17.6 per cent in 2023/24 from the 2022/23 Revised Estimate, 6.7 per cent in 2024/25 and 4 per cent in the outer year of the MTEF. The increase over the 2023/24 MTEF is sufficient to cater for the 1.5 per cent pay progression, the carry-through costs of existing posts and the filling of some critical vacant posts. In addition, the department received additional funding over the MTEF for the carry-through of the 3 per cent wage agreement. These funds were allocated proportionately to all programmes.

Goods and services reflects a decrease from 2022/23 to 2025/26 mainly due to the department's reduced reliance on consultants as a result of filling vacant posts. The high growth in 2021/22 is attributable to the department's budget being cut during the 2020/21 Special Adjustments Estimate to fund the provincial response to the Covid-19 pandemic, as well as the surrender of funds to assist the DOE with their spending pressures. The continued high growth from 2021/22 to 2022/23 is attributable to the suspension of funds from 2021/22 to 2022/23, as mentioned. The decrease in the 2022/23 Revised Estimate was as a result of an under-spending on *Goods and services*, mainly in respect of agency and outsourced services, as well as travel and subsistence due to limited travel to clients. The internal delays in filling of vacant posts also contributed to the under-spending in *Goods and services*. The allocations over the MTEF cater for operational costs, such as telephone, printing, stationery, administrative fees, computer services, and expenditure relating to various ongoing projects undertaken by Provincial Treasury to assist departments, such as the Infrastructure Crack Team and Operation Clean Audit.

The MTEF makes provision against *Interest and rent on land* in the event that the province incurs interest charges.

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

Transfers and subsidies to: Departmental agencies and accounts caters for the payment of TV licences.

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

Transfers and subsidies to: Non-profit institutions caters for TEUF, as explained earlier, and the provision of donations as part of the department's OSS responsibilities. The budget for this category is difficult to determine accurately and will be assessed by the department in-year.

Transfers and subsidies to: Households caters for staff exit costs, injury on duty, as well as bursaries for non-employees. The substantial increase in 2021/22 was due to a once-off payment to the GEPP with regard to the pension liability of the former HOD. This explains the decrease in 2022/23.

Spending against *Machinery and equipment* occurs on a cyclical basis, hence the fluctuating trend against this category. The lower amount in 2019/20 was due to the reprioritisation of funds from this category to *Goods and services* and *Software and other intangible assets*, as a result of internal delays in filling vacant posts, as well as delays in finalising the new finance lease contract for the photocopier machines. The decrease in 2020/21 was mainly due to the budget cuts in respect of the provincial response to the Covid-19 pandemic which resulted in the department not procuring additional state vehicles in 2020/21. This explains the significant increase in 2021/22 which caters for the purchase of replacement motor vehicles and computers in line with the asset replacement policy. The increase over the MTEF is inflationary and caters for the purchase of new and replacement laptops in line with the planned filling of vacant posts and is lower compared to the prior years due to lower fleet replacement requirements over the MTEF period.

Software and other intangible assets relates to the purchase of computer software. The decrease from the 2022/23 Main and Adjusted Appropriation to the Revised Estimate was in respect of the non-purchase of software licences. There is no budget over the MTEF due to the department no longer purchasing software above R5 000. The department will upgrade and renew existing software and this cost is allocated against computer services in terms of SCOA classification, hence the movement of funds to *Goods and services*.

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

7.4 Summary of conditional grant payments and estimates – Nil

7.5 Summary of infrastructure payments and estimates

Table 6.6 summarises the infrastructure payments and estimates relating to the department. The infrastructure budget of the department is placed against *Infrastructure: Leases* and on *Maintenance and repair: Current*.

Table 6.6 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Existing infrastructure assets	-	-	-	-	170	311	325	339	354
Maintenance and repair: Current	-	-	-	-	170	311	325	339	354
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
New infrastructure assets: Capital	-	-	-	-	-	-	-	-	-
Infrastructure transfers	-	-	-	-	-	21	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	21	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	19 249	18 744	22 858	21 684	21 684	18 774	22 377	22 479	27 682
Non infrastructure¹	-	-	-	-	-	-	-	-	-
Total	19 249	18 744	22 858	21 684	21 854	19 106	22 702	22 818	28 036
Capital infrastructure	-	-	-	-	-	21	-	-	-
Current infrastructure	19 249	18 744	22 858	21 684	21 854	19 085	22 702	22 818	28 036

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

The infrastructure items that the department budgets for include lease payments and maintenance and repairs relating to its office buildings such as Treasury House, Nomalanga Building and the Marine Building. Maintenance and repairs relates to property maintenance of the leased buildings which is not covered by the lease agreement, such as air conditioners, elevators and the maintenance of gardens and grounds. The department used to budget for this against *Goods and services* but this was inadvertently omitted in this table in the prior years. A shift was only processed in the 2022/23 Adjusted Appropriation, but the prior years were not restated for comparative purposes. The increase in 2021/22 against *Infrastructure: Leases* was due to the payment of prior year invoices, which explains the decrease in 2022/23. The increases over the MTEF are inflationary.

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

Table 6.7 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PMFA) and other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Transfer to public entities		-	-	-	-	-	-	-	-	-
Transfers to other entities		1 113	527	1 111	1 658	1 459	1 367	1 599	1 354	1 415
Donations	1.1 Office of the MEC	350	-	-	199	-	-	-	-	-
Donations	1.2 Office of the HOD	-	-	-	109	109	17	99	86	90
Thuthuka Ed. Upliftment Fund	1.4 Corporate Services	751	527	1 111	1 350	1 350	1 350	1 500	1 268	1 325
Donations - SAICA	3.5 Accounting Services	12	-	-	-	-	-	-	-	-
Total		1 113	527	1 111	1 658	1 459	1 367	1 599	1 354	1 415

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

Transfers to TEUF amounted to R751 000 in 2019/20. The low transfer in 2020/21 in relation to the other years was as a result of reprioritisation undertaken to accommodate salaries and other related costs of the SAICA trainees within the organisation. The decrease in TEUF in the two outer years compared to 2023/24 is due to a reduction in the number of students funded, as per the agreement between the department and TEUF.

7.8 Transfers to local government – Nil

7.9 Transfers and subsidies

Table 6.8 is a summary of *Transfers and subsidies* by programme and main category. *Transfers and subsidies* fluctuates and increases over the MTEF as explained after Table 6.8.

Table 6.8 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
1. Administration	4 974	5 352	2 057	3 435	3 793	4 256	3 364	3 197	3 339
Provinces and municipalities	39	41	37	29	32	30	29	30	31
Motor vehicle licences	39	41	37	29	32	30	29	30	31
Departmental agencies and accounts	2	3	-	3	3	-	3	3	3
SABC TV Licences	2	3	-	3	3	-	3	3	3
Public corporations and private enterprises	-	543	-	-	364	339	-	-	-
Claims against the state	-	543	-	-	364	339	-	-	-
Non-profit institutions	1 101	527	1 111	308	109	17	1 599	1 354	1 415
Donations	350	-	-	308	109	17	99	86	90
Thuthuka Education Upliftment Fund	751	527	1 111	-	-	-	1 500	1 268	1 325
Households	3 832	4 238	909	3 095	3 285	3 870	1 733	1 810	1 890
Staff exit costs	3 198	3 561	304	124	314	716	124	129	134
External bursary	634	677	605	1 621	1 621	1 804	1 609	1 681	1 756
Thuthuka Education Upliftment Fund	-	-	-	1 350	1 350	1 350	-	-	-
2. Sustainable Resource Management	110	561	135	34	88	88	-	-	-
Households	110	561	135	34	88	88	-	-	-
Staff exit costs	110	561	135	34	88	88	-	-	-
3. Financial Governance	248	294	6 978	241	241	192	241	253	265
Non-profit institutions	12	-	-	-	-	-	-	-	-
Donations: SAICA	12	-	-	-	-	-	-	-	-
Households	236	294	6 978	241	241	192	241	253	265
Staff exit costs	236	294	1 196	241	241	192	241	253	265
Claims against the state	-	-	5 782	-	-	-	-	-	-
4. Internal Audit	363	276	170	68	144	196	68	71	74
Households	363	276	170	68	144	196	68	71	74
Staff exit costs	363	276	131	68	144	196	68	71	74
Act of grace	-	-	39	-	-	-	-	-	-
5. Municipal Finance Management	35	80	720	-	-	-	-	-	-
Households	35	80	720	-	-	-	-	-	-
Staff exit costs	35	80	720	-	-	-	-	-	-
Total	5 730	6 563	10 060	3 778	4 266	4 732	3 673	3 521	3 678

- *Provinces and municipalities* in Programme 1 relates to motor vehicle licence fees.
- *Departmental agencies and accounts* against Programme 1 relates to the payment of TV licences.
- Transfers to *Non-profit institutions* in respect of both Programmes 1 and 3 were explained in Section 7.7 above.
- *Public corporations and private enterprises* against Programme 1 in 2022/23 relates to the payment of an unexpected claim against the state by Agape Car Hire for damage to a hired vehicle, and the payment of levies to SMEC South Africa for a bid they made for a contract with EDTEA in which they were unsuccessful and therefore lodged an appeal with the Bids Appeal Tribunal. The High Court was in favour of SMEC South Africa, and a court order was made against the department.
- *Households* across all programmes caters for staff exit costs, as well as other transfers. The significant increase in 2020/21 was due to a payment made to the GEPP for the pension liability of the former HOD, as mentioned. In 2021/22, the department made an act of grace payment to an employee due to some personal belongings being damaged during relocation. The claims against the state in 2021/22 relate to a court order against the department as it was required to reinstate an employee that was wrongfully dismissed to her employment position, with retrospective effect from the date of her dismissal. Over the 2023/24 MTEF, the department will continue to provide external bursaries to needy and deserving students.

8. Programme description

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

8.1 Programme 1: Administration

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

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

Tables 6.9 and 6.10 provide a summary of payments and budgeted estimates pertaining to the programme over the seven-year period from 2019/20 to 2025/26. As mentioned, Programme 1's budget was increased by R3.423 million in 2022/23, only, in respect of additional funds which were allocated back to the department after being suspended in 2021/22. These funds were allocated under the Corporate Services sub-programme against *Goods and services* in respect of property payments. An additional amount of R3 million is re-allocated back to the department in 2023/24 in Programme 1, being funds that were suspended from the programme in 2022/23. These funds are allocated under the Management Services (HOD) sub-programme against *Goods and services* and will be utilised in 2023/24 for the acquisition of a departmental security access system.

Table 6.9 : 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	32 410	24 370	22 362	32 598	32 598	29 446	31 302	33 398	34 741
2. Management Services (HOD)	40 549	17 123	8 633	18 650	12 625	10 443	11 757	12 801	13 314
3. Financial Management (CFO)	32 998	28 153	27 562	32 699	32 699	31 722	32 540	34 918	36 295
4. Corporate Services	98 312	94 411	124 871	141 601	143 701	139 350	138 538	143 899	149 680
Total	204 269	164 057	183 428	225 548	221 623	210 961	214 137	225 016	234 030

Table 6.10 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	195 917	153 913	175 017	211 419	207 783	197 029	201 379	212 643	221 704
Compensation of employees	88 338	83 967	88 614	108 644	102 157	96 575	107 806	115 651	120 746
Goods and services	107 579	69 855	86 391	102 775	105 626	100 442	93 573	96 992	100 958
Interest and rent on land	-	91	12	-	-	12	-	-	-
Transfers and subsidies to:	4 974	5 352	2 057	3 435	3 793	4 256	3 364	3 197	3 339
Provinces and municipalities	39	41	37	29	31	24	29	30	31
Departmental agencies and accounts	2	3	-	3	3	6	3	3	3
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	365	339	-	-	-
Non-profit institutions	1 101	527	1 111	308	109	17	1 599	1 354	1 415
Households	3 832	4 781	909	3 095	3 285	3 870	1 733	1 810	1 890
Payments for capital assets	3 378	4 789	6 289	10 694	10 047	9 676	9 394	9 176	8 987
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 378	4 789	6 289	10 393	10 047	9 676	9 394	9 176	8 987
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	301	-	-	-	-	-
Payments for financial assets	-	3	65	-	-	-	-	-	-
Total	204 269	164 057	183 428	225 548	221 623	210 961	214 137	225 016	234 030

In 2020/21, a portion of the department's budget cuts were effected under Programme 1 under the Management Services (HOD) sub-programme against *Compensation of employees*. Furthermore, Programme 1 was subjected to the fiscal consolidation cuts over the 2021/22 MTEF against *Compensation of employees* across all sub-programmes. This programme was also affected by the 2023/24 MTEF budget cuts of R3.417 million in 2023/24, R1.385 million in 2024/25 and R2.438 million in 2025/26 across all sub-programmes, but mainly under the Management Services (HOD) sub-programme against *Compensation of employees*, *Goods and services* and *Machinery and equipment* in respect of the purchasing of tools of trade. These budget cuts will have an impact on the filling of vacant posts in this programme, such as Deputy Director: Specialised Security, Director: HR Policies, Assistant Director: IT Governance, as well as on operational costs such as communication, agency and support services, property payments catering and travel and subsistence.

The sub-programme: Office of the MEC, which includes parliamentary liaison, fluctuates over the first four years and shows an increasing trend over the last three years. The significant decrease in 2023/24 and 2024/25 is due to the 2023/24 MTEF budget cuts, as well as the reprioritisation of R1.300 million and R877 000, respectively, to assist Programme 3 with expenditure pressures. The growth over the MTEF is inflationary and provides for the operational costs for the running of the Office of the MEC, legal services, as well as the community outreach engagements such as post-budget roadshows and 16 Days of Activism, among others.

The sub-programme: Management Services (HOD) provides for the operational costs of running the HOD's office. The Risk function for the department is also included under this sub-programme. The significant decrease in 2023/24 and 2024/25 is due to the 2023/24 MTEF budget cuts, as well as the reprioritisation of R9.700 million and R9.500 million, respectively, in respect of special projects. The bulk of these funds was moved to Programme 3 to cater for the historic budget pressures from the budget cuts against transversal computer services under the sub-programme: Support and Interlinked Financial Systems (R8 million in both 2023/24 and 2024/25), and the balance was moved to the sub-programme: Financial Management (CFO) within Programme 1 (R1.200 million in 2023/24 and R1 million in 2024/25) to cater for the shortfall against external audit fees. In addition, amounts of R56 000 and R76 000 in the respective years were moved to the sub-programme: Corporate Services to cater for additional office space required to accommodate the expanded organisational structure. The growth over the MTEF is inflationary and provides for the operational costs for the running of Office of the HOD, as well as for special projects, such as the Irregular Expenditure Condonation Project.

The sub-programme: Financial Management (CFO) is responsible for various functions such as budget control, internal SCM, asset management, loss control, etc., and fluctuates over the seven-year period. The decrease in 2023/24 is as a result of the budget cuts implemented over the 2023/24 MTEF of R244 000 in 2023/24, and the increase of R252 000 in 2024/25 is mainly due to internal reprioritisation to cater for the budget shortfall against external audit fees, as mentioned. The growth over the MTEF is inflationary and provides for the operational costs for the running of the Office of the CFO including external audit fees.

The sub-programme: Corporate Services reflects a decrease in 2023/24 due to reprioritisation of R49 000 in 2023/24 and R26 000 in 2024/25 as a result of the budget cuts implemented over the 2023/24 MTEF. The growth over the MTEF is inflationary and provides for HR, legal services, strategic management and auxiliary services. This includes provision for centralised costs such as operating leases for office accommodation, fleet services, fuel price escalations, bursaries for employees and non-employees, as well as legal fees.

Compensation of employees shows a largely increasing trend over the seven-year period. This category increases by 11.6 per cent in 2023/24, 7.3 per cent in 2024/25 and 4.4 per cent in 2025/26. The increase over the 2023/24 MTEF is sufficient to cater for the 1.5 per cent pay progression, the carry-through costs of existing posts and the filling of 38 critical vacant posts within the programme. These posts include Deputy Director: Specialised Security, Assistant Director: IT Governance, Assistant Director: HR Policies, Assistant Director: Internal Control, Risk Management Specialist, among others and these posts are adequately funded over the MTEF.

Goods and services fluctuates throughout the seven-year period. The significant decrease of R6.500 million in 2023/24 and R7.500 million in 2024/25 is because of the budget cuts implemented over

the 2023/24 MTEF, as well as reprioritisation undertaken by the department to cater for budget shortfalls against transversal computer services under Programme 3. This reduction offset the increase against this category in this programme by R2.882 million in 2023/24, R3.882 million in 2024/25 and R5.281 million in 2025/26, with these funds reprioritised from Programmes 2, 3, 4 and 5 towards the additional office space required to cater for the expanded organisational structure.

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

Transfers and subsidies to: Departmental agencies and accounts provides for the payment of SABC TV licences.

Transfers and subsidies to: Non-profit institutions mainly relates to provision made for TEUF. The increase over the MTEF is due to the correction of a misallocation of budget for TEUF from *Transfers and subsidies: Households* to this economic classification, as mentioned.

Transfers and subsidies to: Households caters for staff exit costs and external bursaries. The decrease over the MTEF is due to the correction of a misallocation of budget for TEUF to *Transfers and subsidies: Non-profit institution* from this economic classification.

Machinery and equipment over the MTEF provides for the procurement of state vehicles and tools of trade, with the increase provided for being inflationary.

Software and other intangible assets relates to the purchase of computer software. The decrease in the 2022/23 Adjusted Appropriation was in respect of the non-purchase of software licences. The MTEF allocations provide for the purchase of computer software. There is no budget over the MTEF due to the department no longer purchasing software above R5 000. The department will upgrade and renew existing software and this cost is allocated against computer services in terms of SCOA classification, hence the movement of funds to *Goods and services*.

Payments for financial assets relates to provision for staff debts written-off.

8.2 Programme 2: Sustainable Resource Management

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

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

Tables 6.11 and 6.12 provide a summary of payments and budgeted estimates pertaining to this programme for the period 2019/20 to 2025/26. In 2023/24, the department undertook reprioritisation of R10 million, from various programmes and economic classification categories, such as *Compensation of employees* and *Machinery and equipment* in respect of job massification (EPWP initiatives). These funds were suspended from the programme in 2022/23 and are re-allocated back to the department in 2023/24 in Programme 2. These funds are allocated under the Economic Analysis sub-programme against *Goods and services* and will be utilised in 2023/24 for various EPWP initiatives, as mentioned.

There was also reprioritisation undertaken by the department towards budget pressures in Programme 3 in relation to transversal computer services and bank charges (administrative fees).

Table 6.11 : Summary of payments and estimates by sub-programme: Sustainable Resource Management

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	3 741	3 669	3 683	3 612	3 207	3 171	3 607	3 770	3 940
2. Economic Analysis	19 534	15 372	14 598	22 985	23 131	22 007	33 323	24 592	25 695
3. Public Finance	17 705	17 604	18 343	18 171	18 079	18 114	18 612	19 201	20 061
4. Public, Private Partnerships	6 071	6 605	5 779	8 578	5 543	5 424	6 333	7 921	8 011
Total	47 051	43 250	42 403	53 346	49 960	48 716	61 875	55 484	57 707

Table 6.12 : Summary of payments and estimates by economic classification: Sustainable Resource Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	46 515	42 335	41 560	52 941	49 335	47 946	61 367	54 953	57 152
Compensation of employees	40 924	40 204	39 988	45 894	39 838	38 601	45 897	49 255	51 199
Goods and services	5 591	2 131	1 572	7 047	9 497	9 345	15 470	5 698	5 953
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	110	561	135	34	88	88	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	110	561	135	34	88	88	-	-	-
Payments for capital assets	425	354	708	371	537	682	508	531	555
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	425	354	708	371	537	682	508	531	555
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	1	-	-	-	-	-	-	-	-
Total	47 051	43 250	42 403	53 346	49 960	48 716	61 875	55 484	57 707

In 2020/21, portion of the department's budget cuts were effected proportionately across all sub-programmes under Programme 2 against *Compensation of employees*. Programme 2's budget was also reduced as a result of the wage freeze and fiscal consolidation budget cuts. The cuts were effected proportionately across all sub-programmes against *Compensation of employees*. Furthermore, this programme was also affected by the 2023/24 MTEF budget cuts of R840 000 in 2023/24, R339 000 in 2024/25 and R597 000 in 2025/26 effected across all sub-programmes against *Compensation of employees*, *Goods and services* and *Transfer and subsidies to: Households* in respect of social benefits. These budget cuts will have an impact on the filling of vacant posts in this programme, such as Director: Municipal Economic Services, Infrastructure Specialists, as well as on operational costs such as catering, travel and subsistence and training and development.

The sub-programme: Programme Support reflects a fluctuating trend over the seven years. The MTEF provides for the operational costs for the office of the DDG: Sustainable Resource Management, as well as the office support team who provide administration and financial support to the programme as a whole.

The sub-programme: Economic Analysis includes funding for the Infrastructure Crack Team to assist departments, public entities and municipalities in the delivery of infrastructure projects, as well as additional funding for Infrastructure Delivery Improvement Programme (IDIP) TAs, which is mainly allocated against *Compensation of employees*. The budget over the 2023/24 MTEF includes the specifically and exclusively allocated funding from National Treasury in support of ongoing efforts to increase technical capacity within the Provincial Treasury infrastructure unit, as well as to assist in making infrastructure delivery more effective in the province. The MTEF also provides for infrastructure site visits, the publication of the *ECE*, research to be undertaken by the Economic Analysis unit, and the production of the *SERO*. In addition, the allocations over the MTEF cater for the filling of vacant posts, such as Economic and Infrastructure specialists, among others. The increase in 2023/24 is due to the provision of R10 million for job massification (EPWP initiatives), being a portion of the funds suspended from 2022/23. This increase was offset by a reduction of R2.335 million from this sub-programme and moved to Programme 1 to provide for additional office space required by the department, as explained.

The sub-programme: Public Finance shows steady growth over the seven-year period. The growth over the MTEF is lower than inflation due to the carry-through of the budget cuts implemented in the 2021/22 MTEF and provides for costs relating to the preparation and printing of the *EPRE* and the *AEPRE*, as well as oversight over the provincial budget and provincial spending. The allocations over the MTEF also cater for the filling of critical vacant posts, such as the Director: Provincial Revenue and Provincial Budget Co-ordinator.

The sub-programme: Public, Private Partnerships reflects a fluctuating trend over the seven-year period. The MTEF provides for ongoing support to departments, municipalities and public entities in terms of conducting feasibility studies and technical support for PPP contracts. The allocations over the MTEF also cater for the filling of critical vacant posts such as Chief Director: PPP. The significant decrease in 2023/24 and 2024/25 is due to reprioritisation undertaken by the department towards budget pressures in Programme 3 in relation to transversal computer services and bank charges (administrative fees).

Compensation of employees declines in 2020/21 and 2021/22 but shows a steady increase over the 2023/24 MTEF. This category increases by 18.9 per cent in 2023/24 from the 2022/23 Revised Estimate, 7.3 per cent in 2024/25 and 3.9 per cent in 2025/26. The decrease in 2021/22 was mainly due to reduced operational costs such as stationery and printing, travel and subsistence, as well as training and development. Further contributing to the decrease is the suspension of funds of R2.061 million in 2021/22 from this category under Programme 2 after extensive budget reviews were undertaken. The department also under-spent its budget for *Compensation of employees* in 2021/22 due to the internal delays in filling critical vacant funded posts. The increase over the 2023/24 MTEF is sufficient to cater for the 1.5 per cent pay progression, and the filling of 16 vacant posts under Programme 2. These include Infrastructure Specialists, Director: Provincial Revenue, Provincial Budget Co-ordinator, and Director: Municipal Economic Services, among others.

With regard to *Goods and services*, the MTEF allocations include funding for IDIP TAs, the Infrastructure Crack Team, as well as provision for the printing of the *EPRE*, *AEPRE*, *ECE* and *SERO*, etc. An additional amount of R10 million is re-allocated back to the department in 2023/24 in Programme 2, being funds that were suspended from the programme in 2022/23. These funds are allocated against *Goods and services* and will be utilised for various EPWP initiatives.

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

Machinery and equipment provides mainly for the purchase of laptops and desktops. The 2023/24 MTEF allocations provide for the purchase of new and replacement laptops for new and existing staff.

Service delivery measures: Sustainable Resource Management

Table 6.13 illustrates the service delivery measures pertaining to Programme 2. The department largely follows the measures used in previous years, with some of the outputs and performance indicator descriptions having changed to ensure alignment with the department's 2023/24 APP.

Table 6.13 : Service delivery measures: Sustainable Resource Management

Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2022/23	2023/24	2024/25	2025/26
1	Infrastructure Management & Economic Analysis					
1.1.	Credible research for informed provincial resource allocation	<ul style="list-style-type: none">No. of socio-economic review and outlook reports of the province produced to evaluate and monitor economic trends and performance supporting policy formulationNo. of value for money assessment reports producedNo. of research reports produced	1	1	1	1
1.2.	Produce Estimates of Capital Expenditure (ECE)	<ul style="list-style-type: none">No. of ECE plans producedNo. of monitoring reports produced on the implementation of ECE by departments	1	1	1	1
1.3.	Capacitate departments to institutionalise the Infrastructure Delivery Management System. (IDMS)	<ul style="list-style-type: none">No. of departments capacitated on IDMSNo. of monitoring reports produced on the institutionalising of the IDMS	4	5	6	7
			2	4	4	4

Table 6.13 : Service delivery measures: Sustainable Resource Management

Table 010: Service delivery measures: Sustainable Resource management						
Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2022/23	2023/24	2024/25	2025/26
2.	Public Finance					
2.1.	Optimal efficient and effective resource allocation	<ul style="list-style-type: none">Final budget and adjustments budget for the provinceNo. of early warning system reports to address variances requiring remedial action (departments and public entities)	New 18	1 18	1 18	1 18
2.2	Enhance revenue generation, collection and management in the province	<ul style="list-style-type: none">No. of projects aimed to enhance existing and new provincial own revenue sourcesNo. of research projects undertaken to inform provincial equitable share (PES) and conditional grant (CG) allocations	New New	1 1	1 1	1 1
3.	Public, Private Partnerships					
3.1.	Reports on departments, municipalities and public entities supported on PPPs	<ul style="list-style-type: none">No. of reports produced on public sector institutions supported on PPPs	2	4	4	4
	Training of municipalities on PPP processes	<ul style="list-style-type: none">No. of trainings conducted	2	2	2	2
	PPP service delivery solutions	<ul style="list-style-type: none">No. of proposals produced to government entities on PPP service delivery solutions	1	1	1	1
3.2.	Implementation of the PPPFA regulation by depts., municipalities and public entities	<ul style="list-style-type: none">No. of compliance reports on the implementation of the PPPFA regulations inclusive of targets per targeted group in PPP projects	4	2	2	2

8.3 Programme 3: Financial Governance

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

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

Tables 6.14 and 6.15 provide a summary of payments and budgeted estimates pertaining to Programme 3 for the period 2019/20 to 2025/26.

In 2023/24, the department undertook reprioritisation of R18.311 million, with carry-through, from *Goods and services* in respect of transversal computer services and bank charges (administrative fees) from various programmes to the Asset and Liabilities Management, as well as the Support and Interlinked Financial Systems sub-programmes.

Table 6.14 : Summary of payments and estimates by sub-programme: Financial Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
1. Programme Support	3 907	4 688	5 180	5 912	5 912	5 780	5 684	6 082	6 325
2. Asset and Liabilities Management	10 800	14 351	18 671	14 377	21 254	20 940	20 517	21 538	22 498
3. Support and Interlinked Financial Systems	103 269	98 447	113 764	101 808	119 344	119 145	118 000	123 877	129 420
4. Supply Chain Management	35 701	34 426	44 083	45 624	42 724	40 342	43 270	46 405	48 262
5. Accounting Services	39 127	19 737	18 455	28 560	19 813	17 749	27 125	28 938	30 095
6. Norms and Standards	6 889	6 996	6 112	7 389	6 539	5 551	7 099	7 603	7 907
Total	199 693	178 645	206 265	203 670	215 586	209 507	221 695	234 443	244 507

Table 6.15 : Summary of payments and estimates by economic classification: Financial Governance

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	198 474	177 354	197 495	201 809	213 702	206 592	219 866	232 835	242 673
Compensation of employees	65 265	70 137	72 158	90 608	79 632	72 418	92 286	97 912	101 206
Goods and services	133 209	107 217	125 337	111 031	133 900	134 174	127 453	134 790	141 333
Interest and rent on land	-	-	-	170	170	-	127	133	134
Transfers and subsidies to:	248	294	6 978	241	241	192	241	253	265
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	12	-	-	-	-	-	-	-	-
Households	236	294	6 978	241	241	192	241	253	265
Payments for capital assets	938	924	1 749	1 620	1 643	2 723	1 588	1 355	1 569
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	938	924	1 749	1 620	1 643	2 723	1 588	1 355	1 569
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	33	73	43	-	-	-	-	-	-
Total	199 693	178 645	206 265	203 670	215 586	209 507	221 695	234 443	244 507

In 2020/21, a portion of the department's budget cuts were effected proportionately across all sub-programmes against *Compensation of employees* and *Goods and services* under Programme 3. This programme's budget was also reduced as a result of the 2021/22 wage freeze and fiscal consolidation budget cuts. Again, the cuts were effected proportionately across all sub-programmes against *Compensation of employees* and *Goods and services*. Furthermore, this programme was also affected by the 2023/24 MTEF budget cuts of R1.346 million in 2023/24, R545 000 in 2024/25 and R959 000 in 2025/26 under the Programme Support, Supply Chain Management, Accounting Services, as well as the Norms and Standards sub-programmes against *Compensation of employees* and *Goods and services*. These budget cuts will have an impact on the filling of vacant posts in this programme, such as Deputy Director: Norms and Standards, Deputy Director: SCM Transversal, as well as on operational costs such as consultants and professional services, advertising, agency and support services, consumable supplies and travel and subsistence.

The sub-programme: Programme Support is responsible for providing strategic leadership support to the Financial Governance programme. The MTEF allocations provide for the operational costs for the office of the Accountant-General, as well as the office support team who provide administration and financial support to the programme as a whole. The decrease of R260 000 in 2023/24, R139 000 in 2024/25 and R240 000 in 2025/26 is due to the 2023/24 MTEF budget cuts, a portion of which was implemented against this programme. There was also a reduction of R20 000 in 2023/24, R28 000 in 2025/26 and R36 000 in 2025/26 from this sub-programme moved to Programme 1 towards the budget for additional office space required, as explained.

The sub-programme: Asset and Liabilities Management shows a largely increasing trend over the seven-year period. The allocation in 2023/24 includes reprioritisation of R223 000, with carry-through, against *Compensation of employees* due to the internal delays in filling vacant funded posts. The 2023/24 MTEF caters for various operational costs of the unit, including bank charges for the IGCC account, provision for interest should the IGCC account go into overdraft, provision for conducting an annual tax information seminar with all departments and entities, as well as ensuring compliance to tax legislation, among others.

The significant increase of R6.500 million in 2023/24, R6.789 million in 2024/25 and R7.093 million in 2025/26 is due to reprioritisation by the department to address the shortfall against transversal bank charges.

The sub-programme: Support and Interlinked Financial Systems includes costs relating to all transversal systems, such as BAS, PERSAL and HardCat for the entire province. The allocations over the MTEF include provision for personnel costs. The increases in 2023/24 and 2024/25 relate to the reprioritisation from other programmes of R15.898 million and R16.772 million, respectively, to cater for the budget shortfall against transversal computer services. This increase is offset by amounts of R102 000 in 2023/24, R138 000 in 2024/25 and R178 000 in 2025/26 which were reprioritised from this sub-programme to Programme 1 for the additional office space required, as explained.

The sub-programme: Supply Chain Management shows growth over the 2023/24 MTEF and caters for the operational costs of the SCM unit, as well as MBAT and SCM support and interventions in departments and municipalities. These interventions are provided to all departments and municipalities on a needs basis and include pre-order assessments, as well as contract management. The MTEF allocations further cater for the filling of various critical vacant posts. The decrease of R1.990 million in 2023/24, R1 million in 2024/25 and R1.837 million in 2025/26 relates to the 2023/24 MTEF budget cuts, a portion of which was effected against this sub-programme. In addition, there was reprioritisation of R97 000 in 2023/24, R131 000 in 2024/25 and R169 000 in 2025/26 from this sub-programme to Programme 1 towards the budget for additional office space required, as explained.

With regards to the sub-programme: Accounting Services, the MTEF allocations cater for various projects including the financial management support to departments and public entities to achieve improved audit outcomes, preparation of the AFS for the Provincial Revenue Fund and consolidated financial statements for the province and public entities, providing the required training to departments and public entities, among others. The decrease of R1.517 million in 2023/24, R990 000 in 2024/25 and R1.144 million in 2025/26 relates to the 2023/24 MTEF budget cuts, a portion of which was effected against this sub-programme. The MTEF allocations further cater for the filling of various posts that have been vacant for a prolonged period of time.

The sub-programme: Norms and Standards shows a generally steady increase over the seven-year period. The increase over the MTEF mainly provides for personnel costs, various operational costs of the unit, as well as preparation of instruction notes and standard operating procedures for departments and public entities, among others. The MTEF allocations further cater for the filling of various vacant posts. The decrease of R311 000 in 2023/24, R140 000 in 2024/25 and R300 000 in 2025/26 is as a result of the 2023/24 MTEF budget cuts, a portion of which was effected against this sub-programme.

Compensation of employees shows an increasing trend from 2019/20 to 2025/26. The category grows by 27.4 per cent in 2023/24, 6.1 per cent in 2024/25 and 3.4 per cent in 2025/26. The increase over the 2023/24 MTEF is sufficient to cater for the 1.5 per cent pay progression, the carry-through costs of existing posts and the filling of 20 critical vacant posts under Programme 3. These posts include Deputy Director: SCM Transversal, Deputy Director: Norms and Standards, among others, including vacancies from the new structure and currently existing vacancies.

Goods and services over the MTEF caters for MBAT, support to departments in respect of financial management support, preparation of the AFS for the Provincial Revenue Fund, consolidated AFS for the province and public entities, training, financial management support to departments, as well as supply chain management support to departments, public entities and municipalities. The increases in 2023/24 and 2024/25 relate to the reprioritisation of R18 million and R20 million, respectively, to cater for the budget shortfall against transversal computer services and bank charges (administrative fees) under the sub-programmes: Support and Interlinked Financial Systems and Asset and Liabilities Management. This was offset by the reduction over the MTEF (R549 000 in 2023/24, R742 000 in 2024/25 and R955 000 in 2025/26) towards the budget for additional office space required, allocated to Programme 1.

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

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

Machinery and equipment is purchased on a cyclical basis, hence the fluctuating trend against this category. The MTEF allocations cater for the purchase of new and replacement desktops and laptops.

Service delivery measures: Financial Governance

Table 6.16 show the main service delivery measures for Programme 3. Note that there are no sector measures for this sector. The department largely follows measures used in previous years, and some of the outputs and performance indicators have changed to ensure alignment with the 2023/24 APP.

Note that there are new measures under the provincial Supply Chain Management and the Accounting Services sub-programmes and these are labelled “New” in the 2022/23 Estimated performance column.

Table 6.16 : Service delivery measures: Financial Governance

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2022/23	2023/24	2024/25	2025/26
1. Supply Chain Management					
1.1. No. of SCM initiatives implemented at depts., municipalities and public entities to improve compliance with SCM prescripts	<ul style="list-style-type: none"> No. of SCM training sessions conducted on SCM prescripts and best practice No. of SCM prescripts reviewed in line with SCM legislative developments 	3 16	3 16	3 16	3 16
1.2 Provincial institutions supported in order to improve audit outcomes	<ul style="list-style-type: none"> No. of reports produced on SCM support provided to public sector institutions as per the audit improvement plan 	New	2	2	2
1.3 Provincial institutions supported in order to improve audit outcomes	<ul style="list-style-type: none"> No. of reports produced on contract management support provided to public sector institution as per audit improvement plan 	New	2	2	2
1.4 Report on distribution of procurement spend to the targeted groups	<ul style="list-style-type: none"> No. of reports produced on the distribution of procurement spent on the targeted groups 	4	4	4	4
2. Accounting Services					
2.1. Financial management support initiatives in order to improve audit outcomes	<ul style="list-style-type: none"> No. of financial management support initiatives provided to departments on agreed specific focus areas and timeframe No. of financial management support initiatives provided to public entities on agreed specific focus areas and timeframe 	6 5	8 5	7 6	8 6
2.2 Reports on institutions' level of compliance on payment of suppliers within 30 days	<ul style="list-style-type: none"> No. of consolidated Instruction Note 34 reports produced on compliance to payment of valid suppliers invoices within 30 days 	New	12	12	12
2.3 Training sessions facilitated on financial management (PFMA) at public sector institutions in the province	<ul style="list-style-type: none"> No. of training sessions facilitated 	5	6	7	8
3. Financial Information Management Systems (FIMS)					
3.1 Financial transversal systems available	<ul style="list-style-type: none"> Percentage availability of financial transversal systems Mean time to resolve calls for transversal systems 	97% 8	97% 8	97% 8	97% 8

8.4 Programme 4: Internal Audit

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

- Assist provincial departments and municipalities with development of risk registers and mitigation strategies.

- To review accounting and management processes and systems of internal control for efficiency and effectiveness in terms of their design and operation and provide recommendations for improvement.
- To develop, facilitate implementation and monitor integrated risk management strategies and fraud prevention strategies.
- To provide training and development programmes in areas such as risk management, strategy development and management, project management, design and improvement of systems of internal control, financial management and reporting, leadership, forensic investigations, governance, etc.
- To provide a consulting function as per requests by relevant MECs and HODs.
- To prepare special reviews on computerised systems and performance.

Tables 6.17 and 6.18 provide a summary of payments and budgeted estimates pertaining to Programme 4 over the seven-year period from 2019/20 to 2025/26. As mentioned, Programme 4's budget was increased by R3.501 million in 2022/23, only, in respect of funds which were allocated back to the department after being suspended in 2021/22. These funds were allocated under the Assurance Services sub-programme against *Goods and services* in respect of consultants' costs. A further amount of R1.600 million is re-allocated back in 2023/24, being funds that were suspended from the programme in 2022/23. These funds are allocated against *Goods and services* to cater for these internal audit projects, such as performance information and sanitary audits which relate to the sanitary dignity programme at the DOE, among others.

In addition, an amount of R1.821 million was reprioritised from this programme and moved to Programmes 1 and 3 to correct the baseline for transversal computer services and bank charges (administrative fees), as well as towards the budget for the additional office space required.

Table 6.17 : Summary of payments and estimates by sub-programme: Internal Audit

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	4 667	4 346	2 539	4 800	2 400	2 398	4 815	5 031	5 256
2. Assurance Services	105 158	66 500	64 738	83 251	82 122	83 884	76 680	79 903	83 076
3. Risk Management	21 389	20 640	18 939	28 368	22 651	20 462	26 860	28 580	29 723
Total	131 214	91 486	86 216	116 419	107 173	106 744	108 355	113 514	118 055

Table 6.18 : Summary of payments and estimates by economic classification: Internal Audit

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
Current payments	129 091	90 901	85 177	115 725	106 073	105 532	107 877	112 887	117 400
Compensation of employees	77 579	78 247	76 771	88 155	78 844	78 852	86 339	93 094	96 804
Goods and services	51 512	12 654	8 406	27 570	27 229	26 680	21 538	19 793	20 596
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	363	276	170	68	144	196	68	71	74
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	363	276	170	68	144	196	68	71	74
Payments for capital assets	1 749	309	856	626	956	1 016	410	556	581
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 749	309	856	626	956	1 016	410	556	581
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	11	-	13	-	-	-	-	-	-
Total	131 214	91 486	86 216	116 419	107 173	106 744	108 355	113 514	118 055

In 2020/21, portion of the department's budget cuts were effected proportionately against *Compensation of employees* and *Goods and services* against all sub-programmes under Programme 4. The programme's allocations over the 2021/22 MTEF was affected by the wage freeze and fiscal consolidation budget cuts, which were effected proportionately against *Compensation of employees* and *Goods and services* against all sub-programmes. In addition, amounts of R41.054 million, R40.652 million and R42.441 million were

reduced over the MTEF as a result of the movement of the Forensic Services sub-programme to OTP, with prior year figures restated for comparative purposes. Furthermore, this programme was affected by the 2023/24 MTEF budget cuts of R1.728 million in 2023/24, R695 000 in 2024/25 and R1.224 million in 2025/26 under the Assurance Services and Risk Management sub-programmes against *Compensation of employees* and *Goods and services*. These budget cuts will have an impact on the filling of vacant posts in this programme, such as Risk Management and Internal Audit Specialists, as well as on operational costs such as agency and support services, travel and subsistence and training and development.

An additional amount of R1.600 million is re-allocated back to the department in 2023/24 in Programme 4, being funds that were suspended from the programme in 2022/23. These funds are allocated under the Assurance Services sub-programme against *Goods and services* and will be utilised for various projects anticipated to be carried out in 2023/24, such as performance information and sanitary audits which relate to the sanitary dignity programme at the DOE, among others.

The sub-programme: Programme Support is responsible for providing strategic leadership support to the Internal Audit unit. The steady increase over the 2023/24 MTEF provides for the running costs of the office of the DDG: Internal Audit, Secretary and the Office Manager. The allocations over the MTEF include provision for the filling of the DDG: Internal Audit post.

The sub-programme: Assurance Services shows a fluctuating trend over the seven-year period. The allocation in 2022/23 includes an amount of R3.501 million suspended from 2021/22. These funds related to carry-over Assurance Services projects and were allocated against *Goods and services*. The MTEF provides for various operational costs of the unit, provision for learners towards the CIA qualification fees, ongoing audits such as IT, financial and governance audits, provision for CARC members, as well as the audit of predetermined objectives of departments and municipalities. The allocations over the MTEF also cater for the filling of Internal Audit Specialist vacancies and the implementation of the new structure with 127 newly proposed and approved posts. The decrease in 2023/24, 2024/25 and 25/26 relates to the budget cuts implemented against this sub-programme, as well as reprioritisation of funds to Programme 1 for office space required, as mentioned. The amount reduced was R2.624 million, R2.382 million and R3.301 million over the MTEF, to cater for the budget shortfall against property payments and operating leases, and the budget cuts. This reduction was offset by an amount of R1.600 million which was allocated to this sub-programme from the funds suspended from 2022/23 and this is for the internal audit projects, such as performance information and sanitary audits which relate to the sanitary dignity programme at the DOE, as mentioned.

The sub-programme: Risk Management shows a fluctuating trend over the seven-year period. The MTEF makes provision for assessments, workshops and training on risk/governance management and internal audit capacity building within departments and municipalities. The allocations over the MTEF also cater for the filling of Risk Management Specialist vacancies and the implementation of the new structure, with 127 newly proposed and approved posts. The decrease of R1.590 million in 2023/24, R1.148 million in 2024/25 and R837 000 in 2025/26 is due to part of the 2023/24 MTEF budget cuts, as well as the reprioritisation to Programme 1 towards the office space required.

Compensation of employees shows an increasing trend from 2019/20 to 2025/26. The reduction in the 2022/23 Adjusted Appropriation was in respect of savings that were moved from this category due to internal delays in filling critical vacant posts within this programme. The category grows by 9.5 per cent in 2023/24, 7.8 per cent in 2024/25 and 4 per cent in 2025/26. The increase over the 2023/24 MTEF is sufficient to cater for the 1.5 per cent pay progression, the carry-through costs of existing posts and the filling of 13 critical vacant funded posts within the programme. These posts include DDG: Internal Audit, Internal Audit Specialists and Risk Management Specialist posts, among others.

Goods and services shows a fluctuating trend over the seven-year period and relates to performance audits, fraud risk assessments, municipal financial capability assessments, capacity building workshops/training on risk management and internal control, training and development programmes including learnerships and IT risk assessments on the BAS application system. The significant increase in 2022/23 is attributed to an amount of R3.501 million allocated to the programme from funds suspended from 2021/22. These funds will be utilised for carry-over Assurance Services projects in respect of consultants' costs, as mentioned. This explains the decrease in the two outer years of the MTEF. There was also

reprioritisation of R1.821 million in 2023/24, R2.450 million in 2024/25 and R3.158 million in 2025/26 moved to Programme 1 to acquire additional office space.

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

Machinery and equipment provides for the purchase of equipment and the replacement and upgrading of equipment. The 2023/24 MTEF mainly caters for equipment for new staff appointments.

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

Service delivery measures: Internal Audit

Table 6.19 illustrates the main service delivery measures for Programme 4. The department largely follows the measures used in previous years, with some of the outputs and performance indicator descriptions having changed to ensure alignment with the department's 2023/24 APP.

Note that there are new measures under the Risk Management sub-programme and these are labelled "New" in the 2022/23 Estimated performance column.

Table 6.19 : Service delivery measures: Internal Audit

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2022/23	2023/24	2024/25	2025/26	
1. Assurance Services						
1.1. Internal Audit reviews conducted	<ul style="list-style-type: none"> No. of Internal Audit (IA) reviews conducted No. of follow-up reviews on the implementation of recommendations on resolved audit findings 	110 29	95 48	95 48	95 48	
1.2. Oversight reports to strength accountability by public sectors institutions	<ul style="list-style-type: none"> No. of oversight reports issued to MEC's of provincial departments 	56	56	56	56	
2. Risk Management						
2.1. Risk assessment reviews for municipalities	<ul style="list-style-type: none"> No. of reports on risk assessment reviews conducted for municipalities 	15	16	18	20	
2.3. Strengthened internal control and risk management in the province	<ul style="list-style-type: none"> No. of internal audit functionality reviews conducted for municipalities 	5	6	6	8	
	<ul style="list-style-type: none"> No. of assessments conducted on provincial departments' compliance with minimum risk management standards 	New	26	26	26	
	<ul style="list-style-type: none"> No. of provincial departments assisted with development of risk and control matrixes 	New	5	6	7	

8.5 Programme 5: Municipal Finance Management

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

Tables 6.20 and 6.21 illustrate the payments and budgeted estimates pertaining to Programme 5.

As mentioned, Programme 5's budget was increased by R9.007 million in 2022/23, only, in respect of funds which were allocated back to the department after being suspended in 2021/22. These funds were allocated under the Municipal Support Programme (R8.344 million) and Municipal Revenue and Debt Management (R663 000) sub-programmes against *Goods and services* in respect of consultants' costs.

Over the 2023/24 MTEF, the department corrected the misalignment of the budget among the sub-programmes, with prior year figures restated for comparative purposes. The reduction of R1.179 million in 2023/24, R477 000 in 2024/25 and R839 000 in 2025/26 relates to part of the 2023/24 MTEF budget cuts being implemented against this programme. In addition, there was reprioritisation of funds from this programme to Programme 1 to provide the budget for the for additional office space required.

Table 6.20 : Summary of payments and estimates by sub-programme: Municipal Finance Management

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	2 377	2 298	2 932	3 591	4 333	4 516	5 543	5 838	6 096
2. Municipal Budget	26 242	24 656	26 376	27 262	24 994	26 083	27 686	28 614	29 897
3. Municipal Accounting and Reporting	14 357	15 516	11 652	23 761	11 283	11 043	16 125	17 308	18 082
4. Municipal Support Programme	15 442	11 961	13 986	21 529	26 691	26 454	15 389	16 749	17 135
5. Municipal Revenue and Debt Management	-	-	3 637	8 983	7 866	7 900	8 105	9 255	9 670
Total	58 418	54 431	58 583	85 126	75 167	75 996	72 848	77 764	80 880

Table 6.21 : Summary of payments and estimates by economic classification: Municipal Finance Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	57 858	54 066	56 538	84 232	74 657	75 487	72 533	77 452	80 554
Compensation of employees	40 224	40 389	40 041	54 013	41 674	43 212	55 250	57 629	60 207
Goods and services	17 634	13 677	16 497	30 219	32 983	32 275	17 283	19 823	20 347
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	35	80	720	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	35	80	720	-	-	-	-	-	-
Payments for capital assets	525	281	1 325	894	510	509	315	312	326
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	525	281	1 325	894	510	509	315	312	326
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	4	-	-	-	-	-	-	-
Total	58 418	54 431	58 583	85 126	75 167	75 996	72 848	77 764	80 880

In 2020/21, a portion of the department's budget cuts were effected proportionately against *Compensation of employees* and *Goods and services* against all sub-programmes under Programme 5. The programme's allocations over the 2021/22 MTEF were affected by the wage freeze and fiscal consolidation budget cuts. These cuts were effected proportionately against *Compensation of employees* and *Goods and services* against all sub-programmes. Furthermore, this programme was affected by the 2023/24 MTEF budget cuts of R1.179 million in 2023/24, R477 000 in 2024/25 and R839 000 in 2025/26 under the Municipal Accounting and Reporting, Municipal Support Programme, as well as the Municipal Revenue and Debt Management sub-programmes against *Goods and services*. These budget cuts will have an impact on operational costs such as agency and support services.

The sub-programme: Programme Support is responsible for providing strategic leadership and administrative support to the Municipal Finance Management unit. The sub-programme caters for the Programme Manager, the Secretaries and Strategic Executive Support, as well as their running costs.

The sub-programme: Municipal Budget reflects a fluctuating trend over the seven-year period. The allocations over the 2023/24 MTEF cater for providing technical support to delegated municipalities, as well as filling vacant posts.

The sub-programme: Municipal Accounting and Reporting was phased in from 2019/20. The growth over the 2023/24 MTEF is inflationary and makes provision for assisting, supporting and monitoring municipalities with financial management and compliance with the annual reporting framework. This is achieved by promoting an understanding of accounting standards, monitoring compliance with reporting requirements, providing accounting services and support, implementing systems and processes to improve sound financial management, reviewing the quality of AFS, as well as monitoring, evaluating and reporting on municipal asset management. The sub-programme was implemented through the use of short term contract employees and supplemented through the use of consultants. The decrease in the 2022/23 Adjusted Appropriation relates to savings against *Compensation of employees* due to the internal delays in filling vacant funded posts which were moved to *Goods and services* to cater for the EPWP job massification programme. The recruitment process to fill the newly created Director, Deputy Director and

Assistant Director posts will be finalised in 2023/24. The decrease of R330 000 in 2023/24 is due to the budget cuts implemented against the department, as well as the reprioritisation from this sub-programme to Programme 1 for the additional office space required.

The sub-programme: Municipal Support Programme's allocation in 2022/23 includes additional funding of R8.344 million against *Goods and services* in respect of consultants' costs, which was suspended in 2021/22. These funds were used for the continuation of existing projects. Over the MTEF, this sub-programme will continue to assist and provide technical support to delegated municipalities. The decrease of R355 000 in 2023/24, R187 000 in 2024/25 and R293 000 in 2025/26 is due to the 2023/24 MTEF budget cuts against the department, as well as the reprioritisation from this sub-programme to Programme 1 for the additional office space required.

The sub-programme: Municipal Revenue and Debt Management was implemented from the 2021/22 MTEF. The sub-programme was implemented through the use of short-term contract employees and supplemented through the use of consultants. The process to fill the newly created Director, Deputy Director and Assistant Director posts commenced in 2021/22 and five of the eight posts were filled by the fourth quarter of 2022/23. The balance of the posts is expected to be filled in 2023/24. The budget caters for establishing and formulating support strategies to address weaknesses within the revenue and debt management processes of delegated municipalities. The allocation in 2022/23 includes additional funding of R663 000 against *Goods and services* in respect of consultants' costs, which was suspended from 2021/22, as mentioned. The department will use consultants in the interim to supplement support to municipalities until the sub-programme is fully capacitated. The decrease in 2023/24 of R576 000 is due to the 2023/24 MTEF budget cuts being implemented against this sub-programme. In addition, there was reprioritisation of funds from this sub-programme to Programme 1 to provide the budget for the additional office space required.

Compensation of employees shows high growth in 2023/24 and this caters for the filling of 31 critical vacant posts, nine of which have been filled such as Director: Revenue and Debt Management, Director: Municipal Accounting and Reporting, three Deputy Directors: Municipal Accounting and Reporting, four Deputy Directors: Revenue and Debt Management, among others, with carry-through to the MTEF.

Goods and services reflects a fluctuating trend over the seven-year period. The high allocation in 2022/23 includes additional funding of R9.007 million to cater for consultants' costs, which was suspended from 2021/22, as discussed. These funds were used for the continuation of existing projects. The reduction of R3.559 million in 2023/24, R2.204 million in 2024/25 and R1.483 million in 2025/26 relates to part of the budget cuts being implemented against this category. In addition, there was reprioritisation of funds from this category to Programme 1 to provide the budget for additional office space required.

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

Machinery and equipment caters for the purchase of equipment for newly filled posts and the replacement and upgrading of equipment. Included in the MTEF allocations is provision for the purchase of tools of trade for newly appointed staff.

Service delivery measures: Municipal Finance Management

Table 6.22 reflects the main service delivery measures pertaining to Programme 5. The department largely follows the measures used in previous years, with some of the outputs and performance indicator descriptions having changed to ensure alignment with the department's 2023/24 APP.

Table 6.22 : Service delivery measures: Municipal Finance Management

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2022/23	2023/24	2024/25	2025/26	
1. Municipal Budget						
1.1 Annual budgets of delegated municipalities evaluated	<ul style="list-style-type: none"> No. of tabled budgets evaluated for delegated municipalities with recommendations No. of approved budgets evaluated for delegated municipalities with recommendations 	51	51	51	51	
		51	51	51	51	

Table 6.22 : Service delivery measures: Municipal Finance Management

Table 3.22: Service delivery measures: municipal finance management						
Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2022/23	2023/24	2024/25	2025/26
1.2	Early warning reports on municipal budget performance	<ul style="list-style-type: none">No. of Section 71(7) quarterly budget performance reports produced	4	4	4	4
2.	Municipal Accounting and Reporting					
2.1	Provincial Treasury recommendations implemented by municipalities	<ul style="list-style-type: none">No of financial statements review projects conducted at targeted municipalities	7	7	7	7
2.2	Financial management support projects implemented at targeted municipalities	<ul style="list-style-type: none">No. of financial management support projects implemented at targeted municipalities	6	6	6	6
3.	Municipal Support Programme					
3.1	Specialised projects implemented at targeted municipalities	<ul style="list-style-type: none">No. of specialised projects implemented at targeted municipalities with recommendations	10	10	10	10
4.	Municipal Revenue and Debt Management					
4.1	Enhance revenue and debt management in the province	<ul style="list-style-type: none">No. of revenue and debt projects implemented at targeted municipalities with recommendations	1	1	2	2

9. Other programme information

9.1 Personnel numbers and costs

Table 6.23 provides detail of the department's approved establishment and personnel numbers, per level and programme. The table also gives a breakdown of employees' dispensation classification.

The total personnel number for the department is 473 employees in 2021/22, and increases to 582 in 2023/24 as a result of the implementation of the newly approved organisational structure.

The budget includes provision for salaries for contract personnel that will be working on certain departmental projects, such as TAs working on IDIP, Contract Management Project (CMP), etc.

Table 6.23 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2022/23 - 2025/26		
	2019/20		2020/21		2021/22		2022/23				2023/24		2024/25		2025/26		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Addit. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs			
R thousands																			
Salary level																			
1 – 7	167	19 164	130	55 907	144	41 165	129	37	166	46 136	166	47 153	166	48 766	166	50 950	-	3.4%	12.4%
8 – 10	161	99 928	210	92 661	131	80 704	125	64	189	85 071	189	97 603	189	107 124	189	110 018	-	9.0%	25.8%
11 – 12	133	107 029	176	99 644	130	105 677	126	28	154	116 169	154	143 424	154	153 217	154	160 082	-	11.3%	36.6%
13 – 16	74	84 697	75	63 137	67	88 019	57	15	72	80 215	72	97 300	72	102 241	72	106 821	-	10.0%	24.7%
Other	1	1 512	-	1 595	1	2 007	1	-	1	2 067	1	2 098	1	2 193	1	2 291	-	3.5%	0.6%
Total	536	312 330	591	312 944	473	317 572	438	144	582	329 658	582	387 578	582	413 541	582	430 162	-	9.3%	100.0%
Programme																			
1. Administration	180	88 338	174	83 967	162	88 614	170	34	204	94 423	204	104 447	204	114 806	204	118 042	-	7.7%	27.9%
2. Sustainable Resource Management	39	40 924	38	40 204	44	39 988	43	7	50	39 832	50	48 079	50	50 370	50	52 628	-	9.7%	12.2%
3. Financial Governance	119	65 265	155	70 137	106	72 158	101	32	133	76 073	133	93 415	133	98 316	133	102 721	-	10.5%	23.6%
4. Internal Audit	153	77 579	162	78 247	111	76 771	64	62	126	77 679	126	86 388	126	91 976	126	96 097	-	7.4%	22.6%
5. Municipal Finance Management	45	40 224	62	40 389	50	40 041	60	9	69	41 651	69	55 249	69	58 073	69	60 674	-	13.4%	13.7%
Total	536	312 330	591	312 944	473	317 572	438	144	582	329 658	582	387 578	582	413 541	582	430 162	-	9.3%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	535	310 818	590	311 349	472	315 565	437	144	581	327 591	581	385 480	581	411 348	581	427 871	-	9.3%	99.4%
Legal Professionals	1	1 512	1	1 595	1	2 007	1	-	1	2 067	1	2 098	1	2 193	1	2 291	-	3.5%	0.6%
Total	536	312 330	591	312 944	473	317 572	438	144	582	329 658	582	387 578	582	413 541	582	430 162	-	9.3%	100.0%

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

Employees such as interns, in-service trainees and SAICA trainee accountants employed by the department are provided for under Programme 1. The number of personnel reflects a steady increase, and the budget shows steady growth from 2019/20 to 2025/26, despite the budget cuts implemented over the 2021/22 MTEF. The year-on-year growth of 3.8 per cent in 2022/23, 17.6 per cent in 2023/24, 6.7 per cent in 2024/25 and 4 per cent in 2025/26 caters for the 1.5 per cent pay progression, the filling of 144 vacant posts, the carry-through costs of existing posts as well as the carry-through of the 3 per cent cost of living adjustment.

9.2 Training

Table 6.24 shows the department's actual spending and estimates on training per programme. The department complies largely with the Skills Development Act – i.e. it budgets for approximately 1 per cent of its salary expense going toward staff training. The budget for training aligns with the allocation under the *Training and development* item under *Goods and services* in *Annexure 6.B – Provincial Treasury*.

Table 6.24 : Information on training: Provincial Treasury

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
Number of staff	536	591	473	582	582	582	582	582	582
Number of personnel trained	377	225	448	448	448	448	448	448	448
of which									
Male	168	100	199	199	199	199	199	199	199
Female	209	125	249	249	249	249	249	249	249
Number of training opportunities	790	320	1 019	1 019	1 019	1 019	1 019	1 019	436
of which									
Tertiary	6	6	46	46	46	46	46	46	47
Workshops	548	274	909	909	909	909	909	909	325
Seminars	79	40	64	64	64	64	64	64	64
Other	157	-	-	-	-	-	-	-	-
Number of bursaries offered	8	12	20	20	20	20	20	20	6
Number of interns appointed	-	28	-	25	25	25	25	25	25
Number of learnerships appointed	50	-	25	25	25	25	25	25	-
Number of days spent on training	263	132	462	462	462	462	462	462	462
Payments on training by programme									
1. Administration	390	270	278	1 193	1 004	720	983	914	955
2. Sustainable Resource Management	127	8	118	424	639	339	426	365	381
3. Financial Governance	516	28	69	799	819	544	690	842	1 151
4. Internal Audit	912	477	254	852	852	557	738	792	828
5. Municipal Finance Management	93	4	13	201	74	93	172	184	192
Total	2 038	787	732	3 469	3 388	2 253	3 009	3 097	3 507

ANNEXURE – VOTE 6: PROVINCIAL TREASURY

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	303	310	340	287	287	913	300	314	328
Sale of goods and services produced by department (excluding capital assets)	303	310	340	287	287	913	300	314	328
Sale by market establishments	103	98	114	112	112	117	113	118	123
Administrative fees	30	99	123	51	51	65	61	64	67
Other sales	170	113	103	124	124	731	126	132	138
Of which									
Commission	85	86	86	88	88	75	88	92	96
Tender documents	77	1	9	2	2	3	2	2	2
Sale of assets < R5 000	6	25	7	33	33	157	35	37	39
Replacement of lost office property	2	1	1	1	1	1	1	1	1
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	599 025	387 691	227 829	295 000	295 000	310 219	302 000	310 000	324 000
Interest	599 025	387 691	227 829	295 000	295 000	310 219	302 000	310 000	324 000
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	1 435	113	5	133	133	1 756	144	150	161
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	1 435	113	5	133	133	1 756	144	150	161
Transactions in financial assets and liabilities	2 194	1 196	1 402	466	466	2 549	488	509	532
Total	602 957	389 310	229 576	295 886	295 886	315 437	302 932	310 973	325 021

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	627 855	518 569	555 787	666 126	651 550	632 586	663 022	690 770	719 483
Compensation of employees	312 330	312 944	317 572	387 314	342 145	329 658	387 578	413 541	430 162
Salaries and wages	281 379	280 700	285 352	342 794	300 245	292 251	341 995	364 723	379 100
Social contributions	30 951	32 244	32 220	44 520	41 900	37 407	45 583	48 818	51 062
Goods and services	315 525	205 534	238 203	278 642	309 235	302 916	275 317	277 096	289 187
Administrative fees	5 927	8 497	11 992	8 463	14 972	15 023	14 737	15 436	16 126
Advertising	2 231	1 709	4 283	4 469	4 953	5 271	3 250	2 994	3 128
Minor assets	639	276	175	861	1 015	352	514	593	618
Audit cost: External	4 519	3 681	4 497	5 496	5 496	5 274	5 049	5 641	5 731
Bursaries: Employees	612	717	801	611	611	610	814	933	975
Catering: Departmental activities	864	93	268	1 596	1 210	1 044	743	960	1 000
Communication (G&S)	1 364	1 159	1 448	3 512	2 941	1 765	2 743	2 884	3 103
Computer services	114 064	108 869	124 803	107 964	126 927	127 234	124 024	129 754	135 566
Cons. & prof serv: Business and advisory services	44 521	8 623	6 306	11 597	11 943	11 150	5 175	5 046	5 273
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	3 264	2 024	3 621	3 419	4 743	3 812	2 480	2 819	2 946
Contractors	4 245	2 279	8 028	5 841	8 189	7 974	7 123	7 354	7 684
Agency and support / outsourced services	78 554	32 180	26 306	48 354	57 549	56 567	38 789	29 472	30 602
Entertainment	5	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	1 587	858	1 308	2 015	2 220	2 653	1 522	1 613	1 685
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	402	5	254	-	778	979	400	450	470
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	96	213	5	29	228	249	318	98	103
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	147	9	-	-	-	22	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	608	48	1 739	1 793	2 157	1 598	1 753	1 885	1 971
Consumable supplies	1 235	1 138	830	1 400	1 572	1 399	1 288	1 350	1 402
Consumable: Stationery, printing and office supplies	1 442	688	1 263	3 341	3 124	2 417	2 596	2 849	3 089
Operating leases	19 249	16 291	21 235	21 755	21 595	23 420	22 755	25 300	26 433
Property payments	12 209	11 325	11 948	20 606	17 645	17 892	19 038	17 528	18 159
Transport provided: Departmental activity	197	-	-	225	-	212	125	135	141
Travel and subsistence	12 365	2 402	3 773	17 230	11 828	10 386	13 377	14 905	15 293
Training and development	2 038	787	732	3 469	3 388	2 253	3 009	3 097	3 507
Operating payments	3 089	1 661	2 551	3 642	3 765	3 053	3 373	3 620	3 785
Venues and facilities	52	2	37	954	386	307	322	380	397
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	91	12	170	170	12	127	133	134
Interest	-	91	12	170	170	12	127	133	134
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	5 730	6 563	10 060	3 778	4 266	4 732	3 673	3 521	3 678
Provinces and municipalities	39	41	37	29	31	24	29	30	31
Provinces	39	41	37	29	31	14	29	30	31
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	39	41	37	29	31	14	29	30	31
Municipalities	-	-	-	-	-	10	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	10	-	-	-
Departmental agencies and accounts	2	3	-	3	3	6	3	3	3
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	2	3	-	3	3	6	3	3	3
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	365	339	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	365	339	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	365	339	-	-	-
Non-profit institutions	1 113	527	1 111	308	109	17	1 599	1 354	1 415
Households	4 576	5 992	8 912	3 438	3 758	4 346	2 042	2 134	2 229
Social benefits	3 942	4 772	1 801	467	787	1 192	433	453	473
Other transfers to households	634	1 220	7 111	2 971	2 971	3 154	1 609	1 681	1 756
Payments for capital assets	7 015	6 657	10 927	14 205	13 693	14 606	12 215	11 930	12 018
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	7 015	6 657	10 927	13 904	13 693	14 606	12 215	11 930	12 018
Transport equipment	-	-	499	3 462	1 600	1 400	2 683	2 433	2 542
Other machinery and equipment	7 015	6 657	10 428	10 442	12 093	13 206	9 532	9 497	9 476
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	301	-	-	-	-	-
Payments for financial assets	45	80	121	-	-	-	-	-	-
Total	640 645	531 869	576 895	684 109	669 509	651 924	678 910	706 221	735 179

Table 6.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
Current payments	195 917	153 913	175 017	211 419	207 783	197 029	201 379	212 643	221 704
Compensation of employees	88 338	83 967	88 614	108 644	102 157	96 575	107 806	115 651	120 746
Salaries and wages	78 650	73 813	78 399	94 352	88 486	85 121	93 364	100 259	104 663
Social contributions	9 688	10 154	10 215	14 292	13 671	11 454	14 442	15 392	16 083
Goods and services	107 579	69 855	86 391	102 775	105 626	100 442	93 573	96 992	100 958
Administrative fees	192	43	47	483	341	237	420	433	452
Advertising	2 187	1 687	3 517	3 956	4 294	4 633	2 873	2 455	2 565
Minor assets	148	194	66	388	399	164	248	246	257
Audit cost: External	4 514	3 681	4 497	5 496	5 496	5 274	5 049	5 641	5 731
Bursaries: Employees	612	717	801	611	611	610	814	933	975
Catering: Departmental activities	465	58	163	1 211	758	659	525	689	718
Communication (G&S)	1 082	891	1 010	1 882	1 590	1 028	1 139	1 282	1 339
Computer services	17 050	18 643	19 817	16 566	18 090	18 069	17 889	18 654	19 490
Cons. & prof serv: Business and advisory services	35 504	455	916	6 260	6 405	2 902	420	443	463
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 846	1 175	3 186	3 104	4 428	3 597	2 255	2 488	2 600
Contractors	4 195	2 249	8 026	5 755	8 057	7 875	7 067	7 295	7 622
Agency and support / outsourced services	-	8 827	4 467	-	1 010	977	-	-	-
Entertainment	5	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	1 587	858	1 308	2 015	2 220	2 653	1 522	1 613	1 685
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	402	5	254	-	778	979	400	450	470
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	96	213	5	29	228	249	318	98	103
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	147	9	-	-	-	22	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	608	48	1 739	1 793	2 157	1 598	1 753	1 885	1 971
Consumable supplies	957	1 089	717	635	712	665	651	702	733
Consumable: Stationery, printing and office supplies	797	358	663	1 801	1 946	1 616	1 411	1 456	1 520
Operating leases	19 187	16 291	21 235	21 684	21 524	23 349	22 755	25 300	26 433
Property payments	12 209	11 325	11 948	20 606	17 645	17 892	19 038	17 528	18 159
Transport provided: Departmental activity	197	-	-	225	-	212	125	135	141
Travel and subsistence	2 376	348	608	4 977	4 221	3 304	4 625	4 809	4 963
Training and development	390	270	278	1 193	1 004	720	983	914	955
Operating payments	774	419	1 123	1 175	1 350	851	995	1 188	1 242
Venues and facilities	52	2	-	930	362	307	298	355	371
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	91	12	-	-	12	-	-	-
Interest	-	91	12	-	-	12	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	4 974	5 352	2 057	3 435	3 793	4 256	3 364	3 197	3 339
Provinces and municipalities	39	41	37	29	31	24	29	30	31
Provinces	39	41	37	29	31	14	29	30	31
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	39	41	37	29	31	14	29	30	31
Municipalities	-	-	-	-	-	10	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	10	-	-	-
Departmental agencies and accounts	2	3	-	3	3	6	3	3	3
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	2	3	-	3	3	6	3	3	3
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	365	339	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	365	339	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	365	339	-	-	-
Non-profit institutions	1 101	527	1 111	308	109	17	1 599	1 354	1 415
Households	3 832	4 781	909	3 095	3 285	3 870	1 733	1 810	1 890
Social benefits	3 198	3 561	304	124	314	716	124	129	134
Other transfers to households	634	1 220	605	2 971	2 971	3 154	1 609	1 681	1 756
Payments for capital assets	3 378	4 789	6 289	10 694	10 047	9 676	9 394	9 176	8 987
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 378	4 789	6 289	10 393	10 047	9 676	9 394	9 176	8 987
Transport equipment	-	-	499	3 462	1 600	1 400	2 683	2 433	2 542
Other machinery and equipment	3 378	4 789	5 790	6 931	8 447	8 276	6 711	6 743	6 445
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	301	-	-	-	-	-
Payments for financial assets	-	3	65	-	-	-	-	-	-
Total	204 269	164 057	183 428	225 548	221 623	210 961	214 137	225 016	234 030

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	46 515	42 335	41 560	52 941	49 335	47 946	61 367	54 953	57 152
Compensation of employees	40 924	40 204	39 988	45 894	39 838	38 601	45 897	49 255	51 199
Salaries and wages	37 170	36 510	36 461	41 552	35 931	35 043	41 348	44 280	46 015
Social contributions	3 754	3 694	3 527	4 342	3 907	3 558	4 549	4 975	5 184
Goods and services	5 591	2 131	1 572	7 047	9 497	9 345	15 470	5 698	5 953
Administrative fees	246	6	5	90	64	41	90	94	98
Advertising	-	-	-	114	114	64	114	119	124
Minor assets	43	20	23	33	37	23	33	34	35
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	126	-	-	72	72	40	36	75	78
Communication (G&S)	75	75	64	187	178	86	187	176	184
Computer services	-	209	219	-	-	-	-	-	-
Cons. & prof serv: Business and advisory services	2 582	973	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	21	-	-	5	-	-	5	5	5
Agency and support / outsourced services	-	-	155	3 540	6 183	6 946	12 032	2 201	2 300
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government 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	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	47	24	28	66	89	59	66	69	72
Consumable: Stationery, printing and office supplies	163	63	111	310	250	138	310	325	340
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 154	208	244	1 426	916	625	1 389	1 418	1 482
Training and development	127	8	118	424	639	339	426	365	381
Operating payments	1 007	545	605	780	955	984	782	817	854
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	110	561	135	34	88	88	-	-	-
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	110	561	135	34	88	88	-	-	-
Social benefits	110	561	135	34	88	88	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	425	354	708	371	537	682	508	531	555
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	425	354	708	371	537	682	508	531	555
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	425	354	708	371	537	682	508	531	555
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	1	-	-	-	-	-	-	-	-
Total	47 051	43 250	42 403	53 346	49 960	48 716	61 875	55 484	57 707

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	198 474	177 354	197 495	201 809	213 702	206 592	219 866	232 835	242 673
Compensation of employees	65 265	70 137	72 158	90 608	79 632	72 418	92 286	97 912	101 206
Salaries and wages	58 083	62 366	64 296	80 089	70 232	63 931	81 108	86 000	88 634
Social contributions	7 182	7 771	7 862	10 519	9 400	8 487	11 178	11 912	12 572
Goods and services	133 209	107 217	125 337	111 031	133 900	134 174	127 453	134 790	141 333
Administrative fees	5 216	8 395	11 887	7 440	14 267	14 646	13 917	14 584	15 237
Advertising	44	22	556	399	545	431	263	420	439
Minor assets	162	16	20	207	209	115	167	209	218
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	60	-	92	89	281	298	89	93	97
Communication (G&S)	89	48	100	794	577	216	791	828	956
Computer services	95 790	89 256	103 955	89 992	107 527	107 857	104 821	109 611	114 521
Cons. & prof serv: Business and advisory services	3 001	2 967	3 054	2 987	3 188	4 162	1 541	1 575	1 646
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 418	849	435	315	315	215	225	331	346
Contractors	13	-	-	51	52	37	51	54	57
Agency and support / outsourced services	23 178	4 692	3 724	2 693	2 693	1 591	965	1 401	1 634
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government 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	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	168	11	53	660	730	645	533	536	554
Consumable: Stationery, printing and office supplies	210	124	199	500	514	337	397	518	654
Operating leases	62	-	-	71	71	71	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	2 843	611	950	3 600	1 664	2 661	2 565	3 330	3 344
Training and development	516	28	69	799	819	544	690	842	1 151
Operating payments	439	198	243	410	424	348	414	433	453
Venues and facilities	-	-	-	24	24	-	24	25	26
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	170	170	-	127	133	134
Interest	-	-	-	170	170	-	127	133	134
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	248	294	6 978	241	241	192	241	253	265
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	12	-	-	-	-	-	-	-	-
Households	236	294	6 978	241	241	192	241	253	265
Social benefits	236	294	1 196	241	241	192	241	253	265
Other transfers to households	-	-	5 782	-	-	-	-	-	-
Payments for capital assets	938	924	1 749	1 620	1 643	2 723	1 588	1 355	1 569
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	938	924	1 749	1 620	1 643	2 723	1 588	1 355	1 569
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	938	924	1 749	1 620	1 643	2 723	1 588	1 355	1 569
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	33	73	43	-	-	-	-	-	-
Total	199 693	178 645	206 265	203 670	215 586	209 507	221 695	234 443	244 507

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	129 091	90 901	85 177	115 725	106 073	105 532	107 877	112 887	117 400
Compensation of employees	77 579	78 247	76 771	88 155	78 844	78 852	86 339	93 094	96 804
Salaries and wages	70 453	70 766	69 367	77 198	67 887	68 515	76 701	82 635	85 933
Social contributions	7 126	7 481	7 404	10 957	10 957	10 337	9 638	10 459	10 871
Goods and services	51 512	12 654	8 406	27 570	27 229	26 680	21 538	19 793	20 596
Administrative fees	189	51	47	257	261	69	259	271	283
Advertising	-	-	20	-	-	143	-	-	-
Minor assets	264	26	18	82	356	36	48	86	90
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	140	35	13	99	99	47	93	103	107
Communication (G&S)	56	24	135	509	509	350	490	457	478
Computer services	1 138	667	708	1 310	1 310	1 308	1 314	1 373	1 435
Cons. & prof serv: Business and advisory services	3 434	4 228	2 336	2 350	2 350	4 086	3 214	3 028	3 164
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	2	-	2	-	-	-	-	-	-
Agency and support / outsourced services	40 435	5 604	2 517	16 731	16 857	16 519	11 101	9 136	9 545
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government 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	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	33	7	24	32	32	21	29	34	34
Consumable: Stationery, printing and office supplies	115	66	114	260	252	160	240	272	284
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	4 232	1 083	1 785	4 293	3 556	2 711	3 182	3 426	3 496
Training and development	912	477	254	852	852	557	738	792	828
Operating payments	562	386	396	795	795	673	830	815	852
Venues and facilities	-	-	37	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	363	276	170	68	144	196	68	71	74
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	363	276	170	68	144	196	68	71	74
Social benefits	363	276	131	68	144	196	68	71	74
Other transfers to households	-	-	39	-	-	-	-	-	-
Payments for capital assets	1 749	309	856	626	956	1 016	410	556	581
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 749	309	856	626	956	1 016	410	556	581
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 749	309	856	626	956	1 016	410	556	581
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	11	-	13	-	-	-	-	-	-
Total	131 214	91 486	86 216	116 419	107 173	106 744	108 355	113 514	118 055

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	57 858	54 066	56 538	84 232	74 657	75 487	72 533	77 452	80 554
Compensation of employees	40 224	40 389	40 041	54 013	41 674	43 212	55 250	57 629	60 207
Salaries and wages	37 023	37 245	36 829	49 603	37 709	39 641	49 474	51 549	53 855
Social contributions	3 201	3 144	3 212	4 410	3 965	3 571	5 776	6 080	6 352
Goods and services	17 634	13 677	16 497	30 219	32 983	32 275	17 283	19 823	20 347
Administrative fees	84	2	6	193	39	30	51	54	56
Advertising	-	-	190	-	-	-	-	-	-
Minor assets	22	20	48	151	14	14	18	18	18
Audit cost: External	5	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	73	-	-	125	-	-	-	-	-
Communication (G&S)	62	121	139	140	87	85	136	141	146
Computer services	86	94	104	96	-	-	-	116	120
Cons. & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	14	30	-	30	80	62	-	-	-
Agency and support / outsourced services	14 941	13 057	15 443	25 390	30 806	30 534	14 691	16 734	17 123
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government 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	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	30	7	8	7	9	9	9	9	9
Consumable: Stationery, printing and office supplies	157	77	176	470	162	166	238	278	291
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 760	152	186	2 934	1 471	1 085	1 616	1 922	2 008
Training and development	93	4	13	201	74	93	172	184	192
Operating payments	307	113	184	482	241	197	352	367	384
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	35	80	720	-	-	-	-	-	-
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	35	80	720	-	-	-	-	-	-
Social benefits	35	80	35	-	-	-	-	-	-
Other transfers to households	-	-	685	-	-	-	-	-	-
Payments for capital assets	525	281	1 325	894	510	509	315	312	326
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	525	281	1 325	894	510	509	315	312	326
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	525	281	1 325	894	510	509	315	312	326
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	4	-	-	-	-	-	-	-
Total	58 418	54 431	58 583	85 126	75 167	75 996	72 848	77 764	80 880