

VOTE 14

Public Works

Operational budget	R 1 505 049 274
MEC remuneration	R 1 901 726
Total amount to be appropriated	R 1 506 951 000
Responsible MEC	MEC for Human Settlements and Public Works
Administering department	Public Works
Accounting officer	Head: Public Works

1. Overview

Vision

The department's vision is: *An inclusive economy through sustainable infrastructure development and property management.*

Mission statement

The department's mission is: *To improve the life of the people in KwaZulu-Natal through sustainable infrastructure development and property management.*

Strategic objectives

Strategic policy direction: The Department of Public Works (DOPW) was restructured to be a capable implementing agent of choice for the client departments requiring building infrastructure services and property management such as office accommodation. The department has a responsibility to deliver on certain key social issues in consultation with the client departments. The department does not only deliver social infrastructure such as schools, clinics and hospitals, but it also co-ordinates the provincial infrastructure cluster. These are the core business functions of the department which are in line with the outcome based strategic goals and objectives in the 5-year strategic plan (2015-2020) of the department.

Core functions

In carrying out its mandate, the department undertakes the following core functions:

- The acquisition of public buildings and land.
- The construction of public buildings, involving the physical erection or major improvements in respect of infrastructure in the building environment.
- The maintenance of public buildings and land, including performing the necessary work to keep the required level of operation and the payment of property rates.
- The alienation of public buildings and land, including the disposal of fixed assets by selling, demolition, exchanging and donation.

Legislative mandate

Within the broad statutory mandates of government institutions, the following mandates guide the department's core functions:

- Constitution of the Republic of South Africa (No. 108 of 1996)
- Public Service Act (No. 30 of 2007)

- Public Finance Management Act (Act No. 1 of 1999, as amended) and the Treasury Regulations
- Government Immovable Asset Management Act (No. 19 of 2007)
- Local Government: Municipal Rates Act (No. 6 of 2004)
- Construction Industry Development Board Act (No. 38 of 2000)
- National Building Regulations and Building Standards Act (No. 103 of 1977)
- Occupational Health and Safety Act (No. 85 of 1993)
- State Land Disposal Act (No. 48 of 1961)
- Prevention of Eviction from and Unlawful Occupation of Land Act (No. 19 of 1998)
- KwaZulu-Natal Land Administration Act (No. 3 of 2003)
- KwaZulu-Natal Heritage Act (No. 10 of 1997)
- Broad Based Black Economic Empowerment Act (No. 53 of 2004)
- Labour Relations Act (No. 66 of 1995)
- Employment Equity Act (No. 55 of 1995)
- Skills Development Act (No. 97 of 1998)
- Basic Conditions of Employment Act (No. 75 of 1997)
- Intergovernmental Relations Framework Act (No. 13 of 2005)
- Preferential Procurement Policy Framework Act (No. 5 of 2000)
- Cross-Boundary Municipalities Laws Repeal and Related Matters Act, as amended (No. 8 of 2009)
- Council for the Built Environment Act (No. 43 of 2000)
- Engineering Profession Act (No. 46 of 2000)
- Architectural Profession Act (No. 44 of 2000)
- Quantity Surveying Profession Act (No. 49 of 2000)
- Project and Construction Management Professions Act (No. 48 of 2000)
- Occupational Injuries and Diseases Act (No. 130 of 1993)
- Deeds Registry Act (No. 47 of 1937)
- Expropriation Act (No. 63 of 1975)
- Environmental Act (No. 107 of 1998)
- Promotion of Administrative Justice Act (No. 53 of 2002)
- Promotion of Access to Information Act (No. 54 of 2006)
- Skills Development Qualification Act (No. 58 of 1995)
- KwaZulu-Natal Ingonyama Trust Amendment Act (No. 9 of 1997)
- South African Schools Act (No. 84 of 1996)
- Cross-boundary Municipalities Laws Repeal Related Matters Act 2005 (No 23 of 2005)
- KwaZulu-Natal Planning and Development Act 2008 (No. 6 of 2008)

2. Review of the 2016/17 financial year

Section 2 provides a review of 2016/17, outlining the main achievements and progress made by the department, as well as providing a brief discussion on challenges and new developments.

Delivery of building infrastructure and accommodation

The implementation of the KZN Infrastructure Delivery Management System (KZN-IDMS) continued in 2016/17, and the process was led by Provincial Treasury. Provincial Treasury conducted the review of KZN-IDMS from August 2015 to March 2016 and this included site visits to test quality, time and cost of

infrastructure projects. The department also finalised the review of its organisational structure that is in line with the capacity requirements of the KZN-IDMS, which was approved in February 2016. The department's infrastructure planning requirements are in line with IDMS.

Expanded Public Works Programme

EPWP is a nationwide programme which aims to provide unemployed people with work opportunities and training so that they increase their capacity to earn an income. A total of 4 267 work opportunities and 872 Full Time Equivalents (FTEs) were created between April 2016 to December 2016. The department had set targets of 6 000 work opportunities and 600 FTEs to be completed by the end of 2016/17. The programme is still underway and it is envisaged that the set targets will be attained by year-end.

KZN Integrated Greening programme

The KZN Integrated Greening programme was conducted in partnership with the Office of the Premier (OTP). This programme commenced in 2011 and the primary focus of the programme is on greening activities such as planting and propagation of trees through employment creation for unskilled people. However, this project was discontinued and was replaced by the EPWP Department of Education (DOE) Schools Maintenance programme in 2016/17. The EPWP Integrated Grant for Provinces allocation, which was utilised to sustain beneficiaries of the KZN Integrated Greening programme, was therefore moved to fund the DOE Schools Maintenance programme. The project is implemented by DOPW in close co-operation with the Wildlands Conservation Trust.

The DOE Schools Maintenance programme was originally intended to provide employment opportunities to 4 000 beneficiaries in five district municipalities in KZN. It has since grown and is now supporting more than 5 000 beneficiaries in over 2 500 schools across all district municipalities in the province. The department received the incentive-based EPWP Integrated Grant for Provinces allocation of R4.447 million in 2016/17. The programme employed more than 5 000 people between April and December 2016. These jobs are occupied by women, youth and people with disabilities.

EPWP provincial co-ordination and monitoring

The department fully took over the function of the provincial co-ordination and monitoring of EPWP on 1 April 2015. A total of 64 public bodies (54 municipalities and 10 provincial departments) reporting on EPWP were supported to ensure that their set EPWP targets are attained. The department implemented three interventions to assist departments and municipalities reporting on EPWP through the EPWP Indaba, workshops and working sessions.

Youth Environmental Service programme

The department also implemented the Youth Environmental Service programme in Kokstad. The aim of the programme is to engage young people in a National Youth Services programme that will instil a sense of pride and community in them through training and service delivery within their communities. In this regard, 80 learners were recruited through Operation Sukuma Sakhe (OSS) to be part of this programme. All recruited learners were trained in areas such as personal budgeting, buying on credit, banking products, communication, customer care, health, hygiene and food preparation. They were also involved in a variety of activities, such as waste collection, street cleaning and maintenance of cemeteries. A budget of R5.500 million was utilised for the implementation of the Youth Environmental Service programme. The budget was allocated for accredited training for the beneficiaries, with the aim to ensure sustainable livelihood beyond the project period.

Fixed asset register

100 per cent migration of PREMIS data into the Immovable Asset Management System: ARCHIBUS was implemented in 2016/17 and the benefits include an integrated system, improved project management, efficient financial reporting on infrastructure expenditure, facilities management and planning. It also provides fair value of properties for financial disclosures.

Finalisation of property valuations: The project dealing with property valuations is currently in progress. A total of 3 902 properties were targeted to be valued as part of this project and 1 665 properties were valued as at 31 December 2016. The department aims to value the remainder of the properties by 31

March 2017. The valuation of state assets remains critical and is informed by National Treasury's Guide on Accounting and Reporting for Immovable Assets.

Finalisation of R293 properties: The department continued with the process to transfer R293 properties from the names of the municipalities to the name of the KZN Provincial Government. To date, a total of 1 300 properties have been transferred from the various municipalities over the years, including the eThekweni Metro and Alfred Duma, Ray Nkonyeni, Ulundi and uMlalazi Municipalities. The remaining 397 properties are still in the process of being transferred from the uMhlathuze, AbaQulusi, iNkosi Langalibalele, eNdumeni and Big Five Hlabisa Municipalities, and the process is expected to be completed in 2017/18.

Surveying and sub-divisions of State Domestic Facilities (SDFs) on tribal land and farms: The SDFs include schools, clinics, offices and hospitals built on tribal land or on farms not owned by government. This project aims to address the challenges in respect of SDFs built on land that is not surveyed or not sub-divided. There are 5 043 SDFs which were built on such land, particularly prior to the new dispensation, that require surveying, sub-division or consolidation. A multi-year plan has been developed with a cost estimate of R75 million. However, due to financial constraints this project did not commence in 2016/17.

Condition assessments

In 2016/17, the department continued with condition assessments of school infrastructure and maintenance. Improvement plans were developed for some facilities. These assessments aim at ensuring that state schools are maintained at an optimal level to support teaching and learning. Assessments are done in consultation with DOE, as it is responsible to ensure that user-specific requirements are addressed and that the project yields beneficial results for the user department. Some 250 schools were visited and assessed, but assessments have not been finalised as service providers are in the process of analysing data and compiling the final reports on findings.

Izandla Ziyagezana programme

In 2016/17, the department continued to contribute to the creation of sustainable jobs through the Izandla Ziyagezana programme. The department aimed to sustain 470 jobs, and the focus was on increasing the participation of women and people with disability to benefit from the programme. This target was exceeded as the department created 549 job opportunities and sustained 501. The focus of increasing participation of women and youth was achieved as 425 women benefitted from this programme.

Administration: Internal capacity building

Bursary programme: The department funded 28 external and 25 internal bursary holders in 2016/17 in areas such as civil, electrical and mechanical engineering. Of these, six external and eight internal candidates were expected to complete their studies at the end of the 2016 academic year.

Internship programme: In 2016/17, the department placed 50 interns on the internship programme in professional disciplines including civil, electrical and mechanical engineering, as well as in construction project management, quantity surveying, architecture and property management.

Provincial Infrastructure Master Plan (PIMP)

The purpose of the PIMP is to provide a model for prioritisation infrastructure programme based on various variables related to planning, performance, spatial/land use considerations, service delivery and positioning of the project in its life cycle. The KZN Master Plan Team consolidated the data collected from various bodies on a virtual spatial platform. This was used for monitoring and co-ordinating programmes/projects, interpreting and capturing the levels of service per sector to determine the alignment of projects with the policy. The focus was on identification and co-ordination of catalytic projects.

3. Outlook for the 2017/18 financial year

Section 3 looks at the key focus areas of 2017/18, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

The bulk of the department's budget allocation in Programme 2 is for municipal property rates payments and the implementation of Government Immovable Asset Management Act (GIAMA) projects. The

budget against Programme 3 largely caters for various infrastructure projects such as the construction of offices for the iLembe and uMzinyathi district offices, Southern region canteen and car parkings, upgrade of the water supply system and parking facilities projects in the North Coast region, the replacement of air conditioning in the south wing of the eThekweni regional office and the new administrative wing in the Southern region. The department also receives once-off additional funding for the Mayville Conference Centre in 2017/18 for sound proofing the main facility, and conversion of an existing building on the premises into a dining facility. Since the Conference Centre is used by all departments, an improved facility will enable the province to save on rental and hiring of venues and facilities.

Delivery of building infrastructure and accommodation

The new organogram will be implemented and the functioning of the department will be in line with the IDMS. All infrastructure to be delivered will be planned and implemented in line with the IDMS processes.

Expanded Public Works Programme

The EPWP programme aims to provide unemployed people with work opportunities and training so that they increase their capacity to earn an income. The department has set a target of 6 000 work opportunities and 600 FTEs for 2017/18.

EPWP DOE Schools Maintenance programme

The DOE Schools Maintenance programme commenced in March 2016. It is aimed at assisting poor, non-fee paying schools with basic maintenance of school grounds and buildings to ensure children are able to learn in conducive and clean environments. This is done through the deployment of mostly youth beneficiaries at more than 3 000 schools in the province. These people are recruited through the OSS structures and assigned to schools that have been identified by the DOE.

The activities of the programme include basic technical maintenance of the schools and repairs to school infrastructure, repairs to door locks, painting, repairs to roof leakages, repairs to broken windows, school yard maintenance (grass cutting, gardening, etc.), cleaning of classrooms and offices, vegetable gardens, recycling, tree propagating, tree planting and attending training sessions, as well as waste collection and community development services.

The DOE Schools Maintenance programme will be jointly funded between the department and the Wildlands Conservation Trust, who will also attract donors from the private sector.

EPWP provincial co-ordination and monitoring

The department will continue with the provincial co-ordination and monitoring of the EPWP. The main objectives of the co-ordination and monitoring function are as follows:

- To ensure that the provincial co-ordination and support function is extended to departments and municipalities in KZN in order to achieve the provincial EPWP work opportunities targets, the department has set a target of 64 public bodies which is made up of 54 municipalities and 10 provincial departments reporting on EPWP in 2017/18.
- To provide support to departments and municipalities to ensure that their set EPWP targets are attained, the department will continue with the implementation of three interventions to assist departments and municipalities to report on EPWP. These included the EPWP Indaba, workshops and working sessions.

Fixed asset register

100 per cent migration of PREMIS data into the Immovable Asset Management System: PREMIS data was successfully cleansed and migrated into ARCHIBUS, the new Immovable Asset Management System. The ARCHIBUS system functionality incorporates real estate and property portfolio management, capital budgeting and project management, geographical information system (GIS) and a construction procurement module. ARCHIBUS integrates with the National Public Works Expanded Public Works Reporting Tool, National Treasury Central Supplier Database and the Construction Industry Development Board. ARCHIBUS also interfaces with BAS and is compliant to the requirements of National Treasury. The system will be fully implemented by the end of 2016/17, and therefore will be utilised throughout 2017/18.

Finalisation of property valuations: As the custodian of immovable assets, DOPW is responsible for the management of immovable assets including the accuracy of the total value of the property portfolio. The department finalised the procurement of the property valuations project in the last quarter of 2015/16. The project commenced in March 2016. The main purpose of this project is to ensure that all properties forming part of the Provincial Immovable Asset Register are valued, which is one of the requirements for the disclosure of immovable assets in the AFS in terms of Section 40 of the PFMA.

Finalisation of R293 properties: The department will continue to attend to the transfer of R293 properties from the names of the municipalities to the name of the KZN Provincial Government. To date, a total of 1 300 properties have been transferred from various municipalities, namely eThekweni, Alfred Duma, Ray Nkonyeni, Ulundi and uMlalazi. The remaining 397 properties are still in the process of being transferred from the uMhlathuze, AbaQulusi, iNkosi Langalibalele, eNdameni and Big Five Hlabisa Municipalities and the process is expected to be completed within 2017/18.

Finalisation of surveying and sub-divisions of SDFs on tribal land and farms: The SDFs include schools, clinics, offices and hospitals built on tribal land or on farms not owned by government. This project aims to address the challenges in respect of SDFs built on land that is not surveyed or not sub-divided. There are 5 043 SDFs which were built on such land, particularly prior to the new dispensation. The process of surveying and sub-dividing is a multi-year project. The department envisage to continue with this project in 2017/18.

Condition assessments

Condition assessments of 580 schools will be undertaken in 2017/18 and maintenance plans will be developed for these facilities. This will ensure that state facilities are operated at an optimal level to support service delivery. This will be done in consultation with DOE, as it will ensure that user-specific requirements are addressed and that the project yields beneficial results to the user department and the custodian.

Izandla Ziyagezana programme

In 2017/18, the department will continue to ensure that the Izandla Ziyagezana programme yields 430 sustainable jobs, which will contribute meaningfully to poverty alleviation. The programme will be extended to beneficiaries with disabilities.

Administration: Internal capacity building

Bursary programme: 39 external bursaries will be awarded for the 2017 academic year to applicants in professional disciplines – i.e. civil, electrical and mechanical engineering, quantity surveying, and architecture. Female applicants from rural areas will be prioritised.

Provincial Infrastructure Master Plan

The department will maintain and update the consolidated data on the virtual spatial platform including municipal spatial plans. The department will undertake one-on-one engagements with action work group convenors and selected stakeholders to ensure the institutionalisation of the data collection for monitoring and co-ordinating programmes/projects. The data collection metrics are aligned to the IRM and is imperative to ensure the success of the PIMP. The department will continue to capture the levels of service per sector to determine the alignment of projects with policy, will register and capture catalytic projects for monitoring on a quarterly basis.

4. Reprioritisation

The department undertook reprioritisation across programmes and economic classifications over the 2017/18 MTEF. The net effect shows that funds were reprioritised, with carry-through costs, to provide for planned cyclical maintenance, including the maintenance of air-conditioners and lifts, as well as for *Compensation of employees* which was guided by the need to fill critical vacant posts such as administrative clerks, project managers, civil engineers, works inspectors and artisans, taking into account the new organogram.

The department's baseline was reduced over the 2017/18 MTEF, and the budget cuts were effected against infrastructure by reducing the budget for various projects, including the construction of a new district office in iLembe, new offices in the CBD of Newcastle, upgrades to the Vryheid depot and refurbishment of an existing facility in the eThekweni regional office, as a result of the following:

- The department's PES allocation was reduced due to data updates of the PES formula, as well as fiscal framework reductions. As such, amounts of R5.893 million, R6.737 million and R11.950 million were reduced in 2017/18, 2018/19 and 2019/20, respectively.
- Due to Presidential proclamations which determined that the *Izinduna* in KZN have to be remunerated, the department's budget was reduced by R2.226 million, R2.349 million and R2.478 million over the MTEF.

As mentioned, these baseline cuts were effected against infrastructure by reducing the budget for the above-mentioned projects which will continue over the MTEF, but with lower amounts allocated per annum to these projects. The effect of this is that the projects will be rolled out over a longer time period. Offsetting this reduction, was additional funding of R15.571 million allocated to the department by National Treasury in 2019/20.

5. Procurement

The department will continue to develop and implement procurement plans for 2017/18 to ensure that the needs of the organisation are in line with the pillars underpinning the department's strategy, as well as the budget allocated to the department.

The major projects for DOPW for 2017/18 include capital infrastructure projects such as the Mayville Conference Centre and the implementation of GIAMA projects including condition assessments conducted on state owned buildings, property valuation, clearing of vacant sites, and provision of security services to unutilised buildings.

6. Receipts and financing

6.1 Summary of receipts

Table 14.1 indicates the sources of funding for Vote 14 for the period 2013/14 to 2019/20. The table also compares actual and budgeted receipts against actual and budgeted payments.

Table 14.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Equitable share	1 257 040	1 313 705	1 399 466	1 428 137	1 428 137	1 428 137	1 495 587	1 581 909	1 681 234
Conditional grants	3 000	3 168	3 056	4 471	4 471	4 471	6 588	-	-
EPWP Integrated Grant for Provinces	3 000	3 168	3 056	4 471	4 471	4 471	6 588	-	-
Total receipts	1 260 040	1 316 873	1 402 522	1 432 608	1 432 608	1 432 608	1 502 175	1 581 909	1 681 234
Total payments	1 270 253	1 388 082	1 406 247	1 432 608	1 460 688	1 449 526	1 506 951	1 581 909	1 681 234
Surplus/(Deficit) before financing	(10 213)	(71 209)	(3 725)	-	(28 080)	(16 918)	(4 776)	-	-
Financing									
of which									
Provincial roll-overs	28 168	20 268	-	-	974	974	-	-	-
Provincial cash resources	25 523	54 622	10 416	-	27 106	27 106	4 776	-	-
Surplus/(Deficit) after financing	43 478	3 681	6 691	-	-	11 162	-	-	-

The department was allocated the EPWP Integrated Grant for Provinces from 2013/14 to 2017/18. The department received R6.588 million against in 2017/18, and no allocation over the MTEF, at this stage.

In 2013/14:

- R28.168 million was rolled over from 2012/13 to 2013/14 for property rates commitments .
- The department received R25.523 million provincial cash resources for the Richmond Community Development programme (R24.523 million) and R1 million for OSS.

- The department under-spent by R43.478 million, due to delays in the awarding of the GIAMA tender, where an appeal lodged in respect of the condition assessment to be undertaken was delayed, as well as the late commencement of the Richmond Community Development programme (R20.750 million), as the selection and recruitment of beneficiaries took longer than anticipated.

In 2014/15:

- A roll-over of R20.268 million was received from 2013/14 for the Richmond Community Development programme.
- The department received R54.622 million provincial cash resources as follows:
 - A suspension of R25 million was received from 2012/13 for the Fixed Asset Management Tool.
 - Once-off additional amounts for the Richmond Community Development programme and the NYSP of R20 million and R7.500 million, respectively, were received.
 - Carry-through costs of R3.265 million were received for previous wage agreements.
 - The department's allocation was reduced by R3.277 million in respect of the centralisation of parts of the communications budget and the external bursaries budget under OTP.
 - R1.093 million was allocated to the department for work required on the Ulundi Royal Household Palace, former Legislature Assembly (LA) Complex, Ministerial houses and temporary residential units for the Royal Household.
 - R1.041 million was received for refurbishment work required at Nyokeni Palace, which needed to be completed in time for the Reed Dance ceremony.
- The department under-spent its 2014/15 budget by R3.681 million due to delays in respect of GIAMA related projects, as a result of an extended appeal process for the development of the Fixed Asset Management Tool due to its complex nature.

In 2015/16:

- The department received provincial cash resources of R10.416 million as follows:
 - A suspension of R9.934 million from 2013/14 for the Fixed Asset Management Tool.
 - R482 000 for the Richmond Community Development programme from 2014/15.
- The department under-spent by R6.691 million mainly attributed to delays in appointing service providers for the GIAMA projects, and the PIMP was under-spent due to delays in the finalisation of the tender process.

In 2016/17:

- A roll-over of R974 000 was received from 2016/17 in respect of PIMP relating to the previous year's commitments.
- The department received provincial cash resources of R27.106 million, as follows:
 - An amount of R19.220 million was received for the above-budget 2016 wage adjustment.
 - R7.886 million was received for the completion of the PIMP. These funds were specifically and exclusively allocated to the department for this purpose.
- As per the December IYM, the department is projecting to under-spend its 2016/17 budget by R11.162 million, largely due to delays in the filling of critical posts.

In 2017/18, the department receives R4.776 million for the Mayville Conference Centre to sound-proof the main facility, and to convert an existing building on the premises into a dining facility. Currently when conferences are held at the facility, it is often required to hire a marquee to provide the space required for a dining facility, and this comes at an added cost. These facilities are used by all departments and an improved Conference Centre will enable the province to save on rental and hiring of venues and facilities.

6.2 Departmental receipts collection

Table 14.2 reflects the estimated departmental receipts for Vote 14. The department is a service provider to other provincial departments, and it is therefore not a major revenue generating entity. The main sources of revenue are of a domestic nature and include housing rent, parking, etc. Details are provided in the *Annexure – Vote 14: Public Works*.

Table 14.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	5 794	5 662	8 433	7 659	7 659	8 741	8 294	9 124	9 187
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	159	155	378	180	180	1 839	285	302	318
Sale of capital assets	10 875	12 103	2 697	240	240	1 209	4 520	1 215	1 930
Transactions in financial assets and liabilities	1 430	1 566	1 488	888	888	1 051	911	1 003	1 071
Total	18 258	19 486	12 996	8 967	8 967	12 840	14 010	11 644	12 506

Sale of goods and services other than capital assets comprises housing rent recoveries, parking and state-owned property rentals. The slight decrease in 2014/15 relates to the sale of tender documents, which depends mainly on the public's interest of advertised invitations to tender for state business. The increase in 2015/16 is due to arrear government property rentals received from SASSA in November 2015. The high collection in the 2016/17 Revised Estimate is mainly attributed to a payover received from SASSA on behalf of the department for the collection of rental for state accommodation from their employees. The uncertain nature of this source results in conservative budgeting by the department over the MTEF.

Interest, dividends and rent on land relates to interest earned on outstanding staff debts. It must be noted that revenue collection against this category is erratic. The increase in 2015/16 relates to interest on staff debts being higher than anticipated. The significant increase in the 2016/17 Revised Estimate is due to interest received for the sale of St Aidan's Hospital, which is being held in an interest bearing trust account until the transfer of ownership and the conveyancing process is finalised. Further recovery of interest received from the recovery of debt owed by staff is anticipated in the 2016/17 Revised Estimate and over the MTEF.

Sale of capital assets relates to the sale of redundant motor vehicles, as well as the sale of land and buildings. In 2013/14, the department disposed land through a public bid process. The substantial revenue collection in 2014/15 was mainly due to the sale of land and buildings which were no longer required by the provincial government. In 2015/16, actual revenue collection can be ascribed to the sale of state vehicles, office furniture and equipment through auction. The substantial collection in the 2016/17 Revised Estimate is due to the sale of land to the Newcastle Municipality, the sale of redundant motor vehicles by auction, as well as the sale of obsolete furniture and equipment. The substantial increase in 2017/18 is due to the planned auctioning of redundant assets.

Transactions in financial assets and liabilities relates to recoveries of outstanding staff debts from prior years, as well as recoveries from previous years' expenditure, such as over-payments to suppliers. A fluctuating trend is reflected from 2013/14 to the 2016/17 Revised Estimate. The conservative budgeting over the MTEF is due to the uncertain nature of recovering debts from previous years.

6.3 Donor 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, as well as in the *Annexure – Vote 14: Public Works*.

7.1 Key assumptions

The following key assumptions have been used to determine the budget:

- In terms of National Treasury guidelines, departments should have catered for carry-through costs of the above-budget 2016 wage adjustment and an inflationary wage adjustment of 7.2, 6.9 and 6.6 per cent for each of the three years of the 2017/18 MTEF, respectively. Furthermore, provision should have been made for the 1.5 per cent pay progression. However, the department's growth is at 6.4 per cent, 7 per cent and 7.2 per cent which is lower than the amount prescribed by National Treasury and 1.5 per cent. This means that the department has effectively not budgeted for the filling of any posts and this will need to be reviewed in-year.
- All inflation related increases are based on CPI projections.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2016/17, will continue to be adhered to over the 2017/18 MTEF, in conjunction with National Treasury Instructions 02 and 03 of 2016/17: Cost-containment measures.
- The capital budget is based on the department's infrastructure plan.

7.2 Additional allocations for the 2015/16 to 2017/18 MTEF

Table 14.3 shows additional funding received by the department over the three MTEF periods: 2015/16, 2016/17 and 2017/18. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants. The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2015/16, 2016/17 and 2017/18 MTEF periods (i.e. for the financial year 2019/20) are based on the incremental percentage used in the 2017/18 MTEF.

Table 14.3 : Summary of additional provincial allocations for the 2015/16 to 2017/18 MTEF

R thousand	2015/16	2016/17	2017/18	2018/19	2019/20
2015/16 MTEF period	13 816	(596 439)	3 738	3 955	4 176
Removal of government office precinct allocation	-	(600 000)	-	-	-
EPWP co-ordination moved from DOT	1 061	1 114	1 169	1 237	1 306
Roll-over of GIAMA funds from 13/14	9 934	-	-	-	-
Roll-over of Richmond Community Development prog funds from 13/14	482	-	-	-	-
Centralisation of external bursaries budgets under OTP	2 339	2 447	2 569	2 718	2 870
2016/17 MTEF period		(21 645)	(22 877)	(24 130)	(25 481)
Above-budget 2015 wage agreement		19 329	20 736	22 316	23 566
Freezing all vacant non-OSD posts		(36 347)	(38 819)	(41 458)	(43 780)
Cutting events' budgets		(106)	(106)	(106)	(112)
2% Goods and services cut		(4 521)	(4 688)	(4 882)	(5 155)
2017/18 MTEF period			(3 343)	(9 086)	1 143
Mayville Conference Centre - Dining facility			4 776	-	-
PES and Own Revenue reductions			(5 893)	(6 737)	(11 950)
Budget cuts to fund the remuneration of <i>Izinduna</i>			(2 226)	(2 349)	(2 478)
Additional funding from National Treasury			-	-	15 571
Total	13 816	(618 084)	(22 482)	(29 261)	(20 162)

The department received additional funding in 2015/16 for the following:

- Funding (with carry-through) in respect of the EPWP provincial co-ordination function shift from the Department of Transport (DOT).
- A roll-over from 2013/14 to 2015/16 in respect of GIAMA and the Richmond Community Development programme.
- An amount of R600 million for the government office precinct project, which was expected to commence in 2016/17, was removed from the department's baseline, as this project was put on hold at the time due to the fiscal consolidation cuts implemented against the province.

In 2016/17, expenditure on *Compensation of employees* was reduced by freezing ALL vacant non-OSD posts. The department's events budget was cut and the equitable share funded *Goods and services* budget was cut by 2 per cent. DOPW took a decision to mainly effect this cut against the department's GIAMA

funding, in view of under-spending due to appeal processes which delayed the implementation of GIAMA projects. Mitigating these budget cuts to some extent, the department received additional funding for the carry-through costs of the above-budget 2015 wage agreement.

In 2017/18, the department receives R4.776 million for the Mayville Conference Centre to sound proof the main facility, and to convert an existing building on the premises into a dining facility. Since the Conference Centre is used by all departments, an improved facility will enable the province to save on rental and hiring of venues and facilities. On the other hand, the baseline was reduced as follows:

- The department's PES allocation was reduced due to data updates of the PES formula, as well as fiscal framework reductions. As such, amounts of R5.893 million, R6.737 million and R11.950 million were reduced in 2017/18, 2018/19 and 2019/20, respectively.
- The KZN Executive Council determined that, in accordance with Presidential proclamations, the *Izinduna* must be remunerated, hence the department's budget was reduced by R2.226 million, R2.349 million and R2.478 million over the MTEF.

These budget cuts were effected against infrastructure by reducing the budget for the construction of a district office in iLembe, new offices in the CBD of Newcastle, upgrades to the Vryheid depot and the refurbishment of an existing facility in the eThekweni regional office. While these projects will continue over the MTEF, lower amounts will be allocated to them per annum. However, in 2019/20, the department receives additional funding of R15.571 million from National Treasury which offsets the 2017/18 MTEF budget cuts mentioned previously.

Note that additional funding was allocated in the 2012/13 MTEF for improving infrastructure support. Although no longer visible in Table 14.3, this funding was specifically and exclusively appropriated and the department has not yet completed the implementation of its revised infrastructure staffing structure that this funding was intended for. Thus amounts of R22.799 million, R24.121 million and R25.472 million in 2017/18, 2018/19 and 2019/20, respectively, remain ring-fenced for this purpose.

7.3 Summary by programme and economic classification

Tables 14.4 and 14.5 provide a summary of the Vote's expenditure and budgeted estimates over the MTEF period by programme and economic classification, respectively.

The department's budget is divided into three programmes, namely Administration, Property Management and Provision of Buildings, Structures and Equipment.

The department's structure is currently not in line with the uniform budget and programme structure for the Public Works sector. All programmes are different from the uniform structure except Programme 1 which largely conforms with the programme structure.

The department's baseline has increased significantly, from R1.270 billion in 2013/14 to R1.681 billion in 2019/20. The increase in 2014/15 was due to once-off additional funding allocated for the NYSP and the Richmond Community Development programme. Also contributing to the increase in 2014/15 was the arrear payments in respect of property rates for clinics and schools in the eThekweni Metro and Ulundi Municipality, as well as newly identified properties such as schools under the Ulundi Municipality, where the department is liable for property rates.

In 2015/16, the increase can be ascribed to higher than anticipated invoices received in respect of property rates for newly identified properties in the eThekweni Metro, uMgungundlovu, uThukela, uMzinyathi, Amajuba, Zululand, King Cetshwayo, iLembe and Harry Gwala Municipalities. The increase in the 2016/17 Adjusted Appropriation is attributed to a roll-over of R974 000 from 2015/16 received for the PIMP, additional funding for the above-budget 2016 wage adjustment, as well as for the completion of the PIMP. The 2016/17 Revised Estimate shows under-spending due to the moratorium on the filling of non-critical posts.

Table 14.4 : Summary of payments and estimates by programme: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
1. Administration	323 641	330 664	353 689	359 425	371 065	371 726	382 684	406 957	435 694
2. Property Management	540 416	614 291	637 046	647 907	655 129	648 578	678 491	718 427	758 531
3. Provision of Buildings, Structures and Equipment	406 196	443 127	415 512	425 276	434 494	429 222	445 776	456 525	487 009
Total	1 270 253	1 388 082	1 406 247	1 432 608	1 460 688	1 449 526	1 506 951	1 581 909	1 681 234

Table 14.5 : Summary of payments and estimates by economic classification: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	679 124	740 445	778 916	810 219	848 997	832 357	869 903	917 993	971 832
Compensation of employees	489 093	505 875	537 353	584 239	595 675	585 858	623 058	666 946	715 107
Goods and services	190 019	234 569	241 563	225 980	253 319	246 496	246 845	251 047	256 725
Interest and rent on land	12	1	-	-	3	3	-	-	-
Transfers and subsidies to:	476 375	524 694	534 777	539 960	542 481	547 442	567 573	599 916	634 263
Provinces and municipalities	467 068	512 835	524 828	534 154	534 154	538 634	562 119	594 699	629 191
Departmental agencies and accounts	423	460	480	497	497	463	490	488	530
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	409	874	34	-	-	-	-	-	-
Households	8 475	10 525	9 435	5 309	7 830	8 345	4 964	4 729	4 542
Payments for capital assets	114 754	122 920	91 484	82 429	69 210	69 655	69 475	64 000	75 139
Buildings and other fixed structures	74 773	98 248	73 207	66 318	52 167	52 167	52 453	45 870	56 966
Machinery and equipment	34 747	20 211	12 399	12 111	13 043	11 998	13 022	14 130	13 415
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 234	4 461	5 878	4 000	4 000	5 490	4 000	4 000	4 758
Payments for financial assets	-	23	1 070	-	-	72	-	-	-
Total	1 270 253	1 388 082	1 406 247	1 432 608	1 460 688	1 449 526	1 506 951	1 581 909	1 681 234

The 2017/18 budget includes the EPWP Integrated Grant for Provinces of R6.588 million. Overall, the department shows steady growth over the 2017/18 MTEF, despite the budget cuts to fund the remuneration of *Izinduna*, as well as the PES and Own Revenue reductions undertaken in 2017/18, 2018/19 and 2019/20, totalling R8.119 million, R9.086 million and R14.428 million, respectively. The increase in the outer year can be ascribed to the additional allocation of R15.571 million from National Treasury, which counteracts the budget cuts in that year. These budget cuts were effected against infrastructure by reducing the budget for construction of a new district office in iLembe, new offices in the CBD of Newcastle, upgrades to the Vryheid depot and the refurbishment of an existing facility in the eThekweni regional office.

Programme 1: Administration reflects an increase in 2014/15 largely due to audit costs, higher than anticipated computer services costs in respect of SITA data lines and information services, as well as higher than anticipated fleet services costs such as fuel and oil. The slight increase in 2015/16 is ascribed mainly to payments under *Goods and services* for consultant fees relating to professional staff in respect of the appointment of a service provider to provide project management and co-ordination services for the Construction Education and Training Authority (CETA) funded programmes, as well as for the appointment of consultants to assist the department in the preparation of their immovable asset register and financial statements. The increase in the 2016/17 Adjusted Appropriation is due to funding received for the above-budget 2016 wage adjustment, as well as funding moved from Programme 2 as a result of the expiry of the lease adjustments for Fedsure House to cater for the purchase of furniture for the newly completed open-plan office wing, fuel, oil and grease, as well as to *Transfers and subsidies to: Households* to cater for staff exits, and to *Interest and rent on land*. The increase was also attributable to savings moved from Programme 3 to cater for spending pressures brought about by the increases in the costs of SITA data lines. The slight increase in the 2016/17 Revised Estimate is mainly in respect of *Software and other intangible assets* due to higher than anticipated software licences as a result of new users. The budget over the MTEF shows steady growth.

Programme 2: Property Management reflects an increase in 2014/15, which is due to property rates commitments from the previous year for clinics and schools in the eThekweni Metro and Ulundi Municipality, as well as above-budget wage adjustments. The increase in 2015/16 relates to the above-budget 2015 wage adjustment and spending pressures brought about by arrear payments in respect of property rates for schools in the Msunduzi Municipality, where the department is liable for property rates, as well as arrear payments in respect of property rates for newly identified properties in the eThekweni Metro, and the uMgungundlovu, uThukela, uMzinyathi, Amajuba, Zululand, King Cetshwayo, iLembe and Harry Gwala Municipalities. The increase in the 2016/17 Adjusted Appropriation relates to funding received for the above-budget 2016 wage adjustment. The significant decrease in the 2016/17 Revised Estimate is mainly attributed to *Compensation of employees* as a result of the moratorium on the filling of non-critical posts, as well as *Goods and services* in respect of savings in rentals due to the expiry of the Fedsure House lease. The budget for this programme maintains inflationary growth over the 2017/18 MTEF. The bulk of the budget caters for municipal property rates, as well as the implementation of GIAMA projects such as the condition assessments of school infrastructure and maintenance, the clearing of vacant sites, the provision of security services to unutilised buildings, as well as property valuations.

Programme 3: Provision of Buildings, Structures and Equipment shows a significant increase in 2014/15 attributed to once-off funding for the Richmond Community Development programme relating to ablution facilities in the Richmond area, as well as the NYSP. This explains the decrease in 2015/16. The significant increase in the 2016/17 Adjusted Appropriation relates to additional funding received for the above-budget 2016 wage adjustment, the completion of the PIMP and a roll-over from 2015/16 towards the PIMP. The budget also includes funding for the EPWP Integrated Grant for Provinces. The slight decrease in the 2016/17 Revised Estimate is largely related to *Compensation of employees* as a result of the moratorium on the filling of vacant posts. The budget over the MTEF caters mainly for infrastructure projects such as the sound proofing of the Mayville Conference Centre and conversion of an existing building on the premises into a dining facility, the continuation of the construction of a new district office in iLembe, completion of the construction of the uMzinyathi district office, replacement of air-conditioning in the eThekweni regional office, repairs of internal roads and parking facilities in the LA Complex in Ulundi, and extension of the existing parking area in the Southern regional offices. The increasing growth in 2017/18 can be ascribed to the EPWP Integrated Grant for Provinces. The department effected its budget cuts against the infrastructure budget which was reduced over the MTEF by R8.119 million, R9.086 million and R14.428 million in 2017/18, 2018/19 and 2019/20, respectively. Despite these budget cuts, there is steady growth over the MTEF. The outer year shows strong growth due to additional funding of R15.571 million allocated from National Treasury, which offsets the reduction in 2019/20.

The increasing trend against *Compensation of employees* from 2013/14 onward is influenced by the carry-through costs of the above-budget wage adjustments, as well as provision made for improving infrastructure support. Also contributing to the increase was reprioritisation of funds undertaken from other categories to cater for various posts, and additional funding relating to the EPWP provincial co-ordination function which was moved from DOT. The significant increase in the 2016/17 Adjusted Appropriation is due to funding received for the above-budget 2016 wage adjustment. The slight decrease in the 2016/17 Revised Estimate is largely as a result of the moratorium on the filling of vacant posts. The MTEF growth is at 6.4 per cent, 7 per cent and 7.2 per cent which is lower than the amount prescribed by National Treasury and the 1.5 per cent pay progression, which means that the department has effectively not budgeted for the filling of any posts and this will need to be reviewed in-year.

In 2014/15, there was a significant increase against *Goods and services* due to once-off additional funding for the NYSP, the Richmond Community Development programme, as well as repairs and maintenance for His Majesty's Ulundi Royal palace. The increase in 2015/16 relates to payments in respect of the Richmond Community Development programme and the completion of the PIMP. The increase in the 2016/17 Adjusted Appropriation is due to additional funding and a roll-over received for the completion of the PIMP, as well as savings moved from *Compensation of employees* to cater mainly for increased costs of SITA datalines costs. This explains the decrease in 2017/18, while the decrease in the 2016/17 Revised Estimate is attributed to savings as a result of cost-cutting. The outer years show steady growth.

The spending against *Interest and rent on land* in 2013/14, 2014/15 and 2016/17 relates to interest on finance leases, as well as interest paid on overdue water and electricity accounts.

The significant increase against *Transfers and subsidies to: Provinces and municipalities* in 2014/15 was due to arrear payments for 2013/14 commitments relating to property rates for clinics and schools in the eThekweni Metro and Ulundi Municipality. The increase in 2015/16 was due to arrear payments, in respect of property rates for newly identified properties in the eThekweni Metro, uMgungundlovu, uThukela, uMzinyathi, Amajuba, Zululand, King Cetshwayo, iLembe and Harry Gwala District Municipalities. The increase in the 2016/17 Revised Estimate is due to arrear payments in respect of property rates for the eThekweni Metro, as well as uMkhanyakude, Zululand, King Cetshwayo, iLembe and Harry Gwala District Municipalities. This category increases steadily over the MTEF, and caters mainly for the payments of property rates, as well as motor vehicle licence fees.

The erratic trend against *Transfers and subsidies to: Departmental agencies and accounts* is largely driven by workmen's compensation payments, which are based on claims related to injuries on duty.

Expenditure against *Transfers and subsidies to: Non-profit institutions* from 2013/14 to 2015/16 relates to donations made in respect of OSS. As a result of the budget cuts effected over the 2016/17 MTEF, no provision for such donations is made from 2016/17 onward.

Transfers and subsidies to: Households caters for external bursaries and staff exit costs and shows a fluctuating trend due to the unpredictable nature of these costs.

Buildings and other fixed structures fluctuates over the seven years, as it is based on actual capital infrastructure requirements, including new and carry-through costs of certain projects. The significant increase in 2014/15 was attributed to once-off funding in respect of the Richmond Community Development programme for ablution facilities, as well as for refurbishment work at Nyokeni Palace, which explains the decrease in 2015/16. The decrease in the 2016/17 Adjusted Appropriation is due to slower than anticipated progress in respect of the upgrade to the Vryheid depot, as well as a shift of funds from this category to *Goods and services* in respect of the maintenance of buildings. The baseline over the 2017/18 MTEF is based on actual infrastructure requirements. As mentioned above, in 2017/18 the department receives once-off additional funding of R4.776 million for the Mayville Conference Centre to sound proof the main facility and to convert an existing building on the premises into a dining facility. The department effected its full budget cuts of R8.119 million, R9.086 million and R14.428 million against this category over the MTEF. Offsetting the budget cuts was additional funding of R15.571 million allocated by National Treasury in 2019/20.

The high spending in 2013/14 against *Machinery and equipment* relates to the replacement of computers. This explains the decrease in 2014/15. The further decrease in 2015/16 is ascribed to the reprioritisation of funds to *Goods and services* to cater for spending in respect of the higher than anticipated SITA datalines. The slight increase in the 2016/17 Adjusted Appropriation is as a result of an increase in expenditure relating to telecommunications equipment for the new Tugela Ferry office. The decrease in the 2016/17 Revised Estimate is due to delays in the procurement of motor vehicles through DOT. The fluctuating trend over the 2017/18 MTEF is in line with the department's actual requirements.

Software and other intangible assets increased from 2013/14 onward emanating from the renewal of COGNOS user licences. The significant increases were based on the agreement entered into by the department with Microsoft, which required a three-year commitment and annual billing from 2012/13. However, the high spending in 2013/14 was largely due to the purchase of Microsoft software licences, following the upgrade and replacement of IT infrastructure, which explains the decrease in 2014/15. The increase in 2015/16 is due to a provision for Computer Aided Designs, which architects use for infrastructure drawings. The allocation decreases slightly in 2016/17 due to a reprioritisation to *Goods and services* for the higher than anticipated SITA costs. The increase in the 2016/17 Revised Estimate was due to higher than anticipated costs for Microsoft licences and products for additional users. The budget for 2017/18 and 2018/19 remains constant and the outer year reflects inflationary growth.

The department wrote off various losses of R23 000, R1.070 million and R72 000 against *Payments for financial assets* in 2014/15, 2015/16, and 2016/17, respectively.

7.4 Summary of conditional grant payments and estimates

Tables 14.6 and 14.7 relate to the summary of conditional grants receipts and payments. Note that the historical figures set out in Table 14.6 reflect actual expenditure per grant, and should not be compared to those reflected in Table 14.1, which represent the actual receipts for each grant. Further details are provided in the *Annexure – Vote 14: Public Works*.

Table 14.6 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
EPWP Integrated Grant for Provinces	3 000	3 168	3 057	4 471	4 471	4 471	6 588	-	-
Total	3 000	3 168	3 057	4 471	4 471	4 471	6 588	-	-

Table 14.7 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	3 000	3 168	3 057	4 471	4 471	4 471	6 588	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	3 000	3 168	3 057	4 471	4 471	4 471	6 588	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 000	3 168	3 057	4 471	4 471	4 471	6 588	-	-

The department received funding for the EPWP Integrated Grant for Provinces from 2011/12 onward. This grant is utilised for the DOE Schools Maintenance programme, as mentioned previously. The department receives R6.588 million for this grant in 2017/18, and no allocation for the two outer years of the MTEF, at this stage. The budget for this grant is allocated against *Goods and services* under training and development in Programme 3.

7.5 Summary of infrastructure payments and estimates

Table 14.8 presents a summary of infrastructure payments and estimates by category for the Vote. Detailed information on infrastructure is provided in the *2017/18 Estimates of Capital Expenditure*.

Table 14.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Existing infrastructure assets	79 849	86 752	73 501	56 709	63 130	62 627	52 170	35 511	54 051
Maintenance and repair: Current	9 370	10 514	7 118	6 300	18 331	18 331	14 829	15 269	13 440
Upgrades and additions: Capital	51 467	58 122	51 385	31 506	38 097	32 719	23 660	8 549	28 473
Refurbishment and rehabilitation: Capital	19 012	18 116	14 998	18 903	6 702	11 577	13 681	11 693	12 138
New infrastructure assets: Capital	4 294	22 010	6 824	15 909	7 368	7 871	15 112	25 628	16 355
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Non infrastructure	-	-	-	-	-	-	-	-	-
Total	84 143	108 762	80 325	72 618	70 498	70 498	67 282	61 139	70 406
<i>Capital infrastructure</i>	<i>74 773</i>	<i>98 248</i>	<i>73 207</i>	<i>66 318</i>	<i>52 167</i>	<i>52 167</i>	<i>52 453</i>	<i>45 870</i>	<i>56 966</i>
<i>Current infrastructure</i>	<i>9 370</i>	<i>10 514</i>	<i>7 118</i>	<i>6 300</i>	<i>18 331</i>	<i>18 331</i>	<i>14 829</i>	<i>15 269</i>	<i>13 440</i>

Note that the department effected budget cuts in respect of the PES and Own Revenue reduction and budget cuts to fund the *Izinduna* entirely against capital infrastructure and R8.119 million, R9.089 million and R14.428 million were reduced over the MTEF. Mitigating this reduction, is additional funding of R15.571 million allocated to infrastructure in 2019/20.

There is a fluctuating trend against infrastructure projects, driven by the commencement and completion of infrastructure projects. The low spending in 2013/14 when compared to 2014/15 is ascribed to the slow progress in respect of the head office project as a result of delays by consultants, cancellation of contracts and inclement weather, as well as contractor delays with regard to the Southern region (uMgungundlovu) new administrative wing project. The increase in 2014/15 was attributed to the once-off funding for the Richmond Community Development programme relating to ablution facilities in the Richmond area, which explains the decrease in 2015/16 and 2016/17. A number of major projects, some of which are multi-year, will continue over the 2017/18 MTEF, including completion of the construction of the uMzinyathi district office, replacement of air-conditioning in the eThekweni regional office, repairs of internal roads and parking facilities in the LA Complex in Ulundi, extension of the existing parking area in the Southern regional offices, upgrading of the water supply system borehole in the LA Complex, sound proofing of the Mayville Conference Centre and the conversion of an existing building on the premises into a dining facility and the continuation of the construction of a new district office in iLembe.

Maintenance and repair: Current – The increase in 2014/15 relates to the unanticipated maintenance and repair costs for the eThekweni region, and these once-off costs account for the reduction in 2015/16. The budget in 2016/17 decreases following reprioritisation undertaken by the department to cater for projects, such as the uThukela and iLembe district offices, Southern region new office and new canteen, which fall under *New infrastructure assets: Capital*. The significant increase in the 2016/17 Adjusted Appropriation relates to the shifting of funds from *Refurbishment and rehabilitation: Capital* to this category for the maintenance and repair of dilapidated buildings. The budget over the 2017/18 MTEF increases significantly due to reprioritisation undertaken to cater for planned general maintenance and repairs of buildings in the eThekweni regional offices, the LA Complex in Ulundi and the Emnambithi/Ladysmith offices.

Upgrades and additions: Capital fluctuates over the seven-year period. The substantial increase in 2014/15 was due to progress in respect of the head office project. The 2015/16 spending was mainly ascribed to projects such as the head office, uThukela district office and Vryheid depot projects. The significant increase in the 2016/17 Adjusted Appropriation is mainly due to reprioritisation of funds from *New infrastructure: assets: Capital* to cater for spending pressures brought about by unforeseen projects that were implemented as part of a drought relief programme, such as provision of standby water tanks, tank stands and construction of boreholes at the King Cetshwayo, Amajuba, uMzinyathi and uThukela district offices, and upgrading of the underground water services for the eThekweni region. The 2016/17 Revised Estimate reflects under-spending due to delays in infrastructure projects such as the Vryheid depot, and the provision of water tanks in the North Coast region. In 2017/18, the department receives R4.776 million for the Mayville Conference Centre for sound proofing the main facility and conversion of an existing building on the premises into a dining facility. Provision is made for upgrading the existing registry in the Mayville Conference Centre and upgrading of the perimeter fence in the uMzinyathi district office.

Refurbishment and rehabilitation: Capital shows high spending in 2013/14 and this relates to the administrative wing of the former LA Complex in Ulundi, comprising landscaping, air-conditioning and electrical maintenance, projects relating to the uMzinyathi and Amajuba district offices, as well as the Esplanade building in Durban. This accounts for the decrease in 2014/15 and 2015/16, which was also attributed to the completion of some of these projects. The significant decrease in the 2016/17 Adjusted Appropriation is due to the shifting of funds for the maintenance and repair of dilapidated buildings from this category to *Maintenance and repair: Current*, as these funds were incorrectly classified. The fluctuating trend over the 2017/18 MTEF mainly relates to new projects such as the rehabilitation and refurbishment of existing facilities, with these planned to be implemented from 2019/20 onward. The MTEF budget also includes projects such as the installation of a back-up generator for the Mayville Conference Centre and repairs to internal roads and parking facilities in the LA Complex.

The low spending against *New infrastructure assets: Capital* in 2013/14 was attributed to slow progress in respect of the head office project as a result of consultant delays, cancellation of contracts and inclement weather, as well as delays by contractors with regard to the Southern region (uMgungundlovu) new administrative wing project. The significant increase in 2014/15 was attributed to once-off funding for the Richmond Community Development programme for ablution facilities in the Richmond area. The 2015/16 spending is due to reprioritisation undertaken from *Maintenance and repair: Current*, and *Upgrades and additions: Capital* to fund the construction of the uThukela and iLembe district offices, as well as the new canteen in the Southern region. Also catered for in 2015/16 was the continuation of the head office project. The significant decrease in the 2016/17 Adjusted Appropriation is mainly attributed to a reprioritisation of funds to cater for drought relief initiatives, as explained above. The fluctuating trend over the 2017/18 MTEF is based on the department's actual capital infrastructure requirements including the construction of a new district office in iLembe, completion of the new district office in uMzinyathi, continuing with the construction of the canteen in the uMgungundlovu district office, as well as the construction of additional parking facilities for the Southern region.

7.6 Public Private Partnerships (PPPs) – Nil

7.7 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

7.8 Transfers to other entities – Nil

7.9 Transfers to local government

Tables 14.9 and 14.10 indicate transfers to local government per category and per type, respectively. The transfers are in respect of the payment of property rates to municipalities. Further details of these transfers per category are presented in *Annexure – Vote 14: Public Works*.

It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence these are excluded from the tables. It is also noted that the amounts indicated as *Unallocated* relate to property rates for properties owned by KZN, but located in other provinces.

Table 14.9 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Category A	239 185	235 715	250 408	242 000	242 000	250 098	249 018	263 458	278 739
Category B	227 590	276 771	274 118	291 871	291 871	286 573	312 795	330 937	350 131
Category C	-	-	-	-	-	-	-	-	-
Unallocated	24	24	17	60	60	1 795	60	60	63
Total	466 799	512 510	524 543	533 931	533 931	538 466	561 873	594 455	628 933

Table 14.10 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Property rates	Person. & Admin Related	466 799	512 510	524 543	533 931	533 931	538 466	561 873	594 455	628 933
Total		466 799	512 510	524 543	533 931	533 931	538 466	561 873	594 455	628 933

The increase in 2014/15 and 2015/16 is attributed to arrear payments of newly identified properties by municipalities in respect of property rates for the eThekweni Metro, uMgungundlovu, uThukela, uMzinyathi, Amajuba, Zululand, King Cetshwayo, iLembe and Harry Gwala District Municipalities. The projected over-spending in the 2016/17 Revised Estimate can be ascribed to arrear payments in respect of property rates for the eThekweni Metro, uMzinyathi, uMkhanyakude, Zululand, King Cetshwayo, iLembe, Amajuba, and Harry Gwala District Municipalities. The provision for payments of property rates increases at an inflationary rate over the MTEF.

7.10 Transfers and subsidies

Table 14.11 is a summary of *Transfers and subsidies* per programme.

Table 14.11 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Administration	4 450	5 858	6 731	4 364	4 760	5 040	4 235	4 101	3 972
Provinces and municipalities	269	325	285	223	223	168	246	244	258
Motor vehicle licences	269	325	285	223	223	168	246	244	258
Departmental agencies and accounts	416	456	480	435	435	416	457	459	469
Social security funds - Comp. Commissioner	-	2	-	40	40	20	42	44	39
Skills development levy	416	454	480	395	395	396	415	415	430
Non-profit institutions	409	874	34	-	-	-	-	-	-
NPI: Donations and gifts	409	874	34	-	-	-	-	-	-
Households	3 356	4 203	5 932	3 706	4 102	4 456	3 532	3 398	3 245
Staff exit costs	1 534	4 203	3 144	1 259	1 655	2 057	946	680	621
Bursaries: Non employees	1 822	-	2 788	2 447	2 447	2 399	2 586	2 718	2 624
2. Property Management	467 064	512 586	524 578	533 966	533 973	538 552	561 908	594 490	628 968
Provinces and municipalities	466 799	512 510	524 543	533 931	533 931	538 466	561 873	594 455	628 933
Municipalities - Property rates	466 799	512 510	524 543	533 931	533 931	538 466	561 873	594 455	628 933
Departmental agencies and accounts	-	-	-	5	5	5	5	5	5
Social security funds - Comp. Commissioner	-	-	-	5	5	5	5	5	5
Households	265	76	35	30	37	81	30	30	30
Staff exit costs	265	76	35	30	37	81	30	30	30
3. Provision of Buildings, Structures and Equipment	4 861	6 250	3 468	1 630	3 748	3 850	1 430	1 325	1 323
Departmental agencies and accounts	7	4	-	57	57	42	28	24	56
Social security funds - Comp. Commissioner	7	4	-	57	57	42	28	24	56
Households	4 854	6 246	3 468	1 573	3 691	3 808	1 402	1 301	1 267
Staff exit costs	4 854	5 916	3 466	1 573	3 691	3 808	1 402	1 301	1 267
Injury on duty	-	330	2	-	-	-	-	-	-
Total	476 375	524 694	534 777	539 960	542 481	547 442	567 573	599 916	634 263

Provinces and municipalities in Programme 1 reflects the payment of motor vehicle licences.

Departmental agencies and accounts payments in all programmes are for workmen's compensation, with no payments shown in the prior years against Programme 2 due to no relevant incidents occurring. The allocation in Programme 1 also caters for the skills development levy transfer to PSETA.

Spending against *Non-profit institutions* under Programme 1 relates to donations made to schools and war-rooms in respect of OSS. No provision was made in 2016/17 and over the 2017/18 MTEF for donations relating to OSS initiatives.

The fluctuating trend against *Households* in all programmes can be ascribed to unpredictable staff exit costs. The significant increase in 2014/15 and 2015/16 is attributed to higher than anticipated staff exit costs. Spending in 2013/14 under *Bursaries: Non employees* against Programme 1 was for the payment of external bursaries, which was centralised under OTP in 2014/15, hence no expenditure was recorded in 2014/15. However, in 2015/16 the allocation was decentralised and allocated to the department. The significant increase in the 2016/17 Revised Estimate is due to unanticipated spending on staff exit costs. The budget over the MTEF increases steadily and includes an allocation for external bursaries and a provision for staff exit costs.

The significant increase against *Provinces and municipalities* in 2014/15 was due to arrear payments for 2013/14 commitments relating to property rates for clinics and schools in the eThekweni Metro and Ulundi Municipality, as reflected against Programme 2. The substantial increase in the 2016/17 Revised Estimate is due to arrear payments in respect of property rates for newly identified properties in the eThekweni Metro, uMgungundlovu, uThukela, uMzinyathi, Amajuba, Zululand, King Cetshwayo, iLembe and Harry Gwala District Municipalities. The 2017/18 MTEF caters mainly for property rates in Programme 2, as well as motor vehicle licence fees in Programme 1. The department's property rates budget increases steadily over the MTEF.

8. Programme description

The services rendered by the department are categorised under three programmes, the details of which are discussed in greater detail below. The information for each programme is summarised in terms of sub-programmes and economic classification.

As mentioned, the department's structure is currently not in line with the uniform budget and programme structure for the Public Works sector. Programme 1 largely conforms to the uniform budget and programme structure, but Programmes 2 and 3 do not conform to the uniform budget structure.

Details according to the economic classification are presented in the *Annexure – Vote 14: Public Works*.

8.1 Programme 1: Administration

The main objectives of this programme are to provide strategic leadership and management support to the MEC, to build a positive corporate culture, to render support and advice in terms of human resource practices, all legal matters, security and logistics and effective communication and information management systems, render sound financial management services and risk management. The programme comprises two sub-programmes, namely Minister Support and Management.

Tables 14.12 and 14.13 summarise expenditure and budgeted estimates relating to Programme 1: Administration, for the financial years 2013/14 to 2019/20.

Table 14.12 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
1. Minister Support	11 869	13 405	13 858	12 058	12 513	14 350	12 701	13 475	14 113
2. Management	311 772	317 259	339 831	347 367	358 552	357 376	369 983	393 482	421 581
Total	323 641	330 664	353 689	359 425	371 065	371 726	382 684	406 957	435 694

Table 14.13 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	289 021	301 177	329 527	339 378	350 601	350 356	362 451	385 272	414 032
Compensation of employees	226 839	235 025	254 491	268 384	273 221	273 338	286 820	306 398	332 152
Goods and services	62 174	66 152	75 036	70 994	77 377	77 015	75 631	78 874	81 880
Interest and rent on land	8	-	-	-	3	3	-	-	-
Transfers and subsidies to:	4 450	5 858	6 731	4 364	4 760	5 040	4 235	4 101	3 972
Provinces and municipalities	269	325	285	223	223	168	246	244	258
Departmental agencies and accounts	416	456	480	435	435	416	457	459	469
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	409	874	34	-	-	-	-	-	-
Households	3 356	4 203	5 932	3 706	4 102	4 456	3 532	3 398	3 245
Payments for capital assets	30 170	23 629	17 431	15 683	15 704	16 330	15 998	17 584	17 690
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	24 936	19 168	11 553	11 683	11 704	10 840	11 998	13 584	12 932
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 234	4 461	5 878	4 000	4 000	5 490	4 000	4 000	4 758
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	323 641	330 664	353 689	359 425	371 065	371 726	382 684	406 957	435 694

The sub-programme: Minister Support provides support including administrative, operations, protocol, security, parliamentary liaison and communication to the MEC which is a joint ministry with Vote 8: Human Settlements. The budget over the 2017/18 MTEF provides for operational costs, as well as marketing costs mainly in respect of SABC media, newspaper advertisements costs, and printing costs. This sub-programme reflects steady growth over the MTEF.

The sub-programme: Management includes financial management services, risk management, supply chain management and corporate services. These units provide support and advice in terms of human resource practices, all legal matters, security and logistics, as well as communication and information management systems. This sub-programme shows steady growth over the MTEF.

With regard to *Compensation of employees*, the MTEF growth is at 4.9 per cent, 6.8 per cent and 8.4 per cent, which is lower than the amount prescribed by National Treasury and the 1.5 per cent pay progression, which means that the department has not effectively budgeted for filling any posts. The department will need to review this in-year, in order to fill 41 critical vacant posts under this programme.

Goods and services includes operational costs for this programme and relates mainly to computer services for SITA costs in respect of network maintenance, communication, fleet services cost for fuel and oil, repairs for departmental vehicles, agency and support/outsourced services professional staff in respect of the appointment of a service provider to provide project management and co-ordination services for CETA funded programmes. In addition, this category includes the appointment of consultants to assist the department in the preparation of their immovable asset register and financial statements, audit costs, as well as training and development. The increase in the 2016/17 Adjusted Appropriation is attributed to funds for the repair and maintenance of dilapidated buildings which were moved from *Buildings and other fixed structures* to be correctly classified in this category, higher than anticipated costs of SITA data lines, as well as fleet services costs relating to fuel and oil. This explains the decrease in 2017/18. However, this category shows steady growth over the two outer years of the MTEF.

Transfers and subsidies to: Provinces and municipalities caters for motor vehicle licence fees. The budget decreases in 2018/19 due to auctioning of motor vehicles planned for 2017/18.

Transfers and subsidies to: Departmental agencies and accounts caters for the skills development levy and workmen's compensation. This category fluctuates because of the unpredictable nature of the expenditure, but shows steady growth over the MTEF.

Transfers and subsidies to: Non-profit institutions relates to donations made to schools and war-rooms in respect of OSS. The department did not make provision for OSS donations over the 2017/18 MTEF, due to the previously mentioned budget cuts.

Transfers and subsidies to: Households provides for staff exit costs and external bursaries. The budget for the 2017/18 MTEF includes 39 external bursaries, and a provision for staff exit costs.

Machinery and equipment decreases in the outer year of the MTEF, and this relates to reprioritisation to Programmes 2 and 3 to cater for computer upgrades and the replacement of obsolete equipment. The MTEF budget caters for the replacement of computer equipment.

Software and other intangible assets provides for the purchase of Microsoft software licences, and the increase in the outer year of the MTEF is mainly due to increases in dataline costs and to cater for the costs related to the ARCHIBUS system.

8.2 Programme 2: Property Management

The main purpose of Programme 2 is to provide and facilitate the provision of accommodation and integrated property management services to clients through planned property life cycle (acquisition, maintenance and disposal), optimal utilisation of immovable assets, land valuation, maintenance of fixed asset register, payment of property rates and integrated service delivery. Programme 2 also includes the leasing of buildings.

There are three sub-programmes within this programme, namely Personnel and Admin Related, Hiring and Acquisition of Land, Control and Disposal.

Tables 14.14 and 14.15 summarise payments and budgeted estimates from 2013/14 to 2019/20.

Table 14.14 : Summary of payments and estimates by sub-programme: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
1. Personnel and Admin Related	535 565	609 125	631 195	642 705	651 050	645 072	677 164	717 087	758 278
2. Hiring	4 842	5 009	5 609	4 957	3 834	3 345	1 095	1 095	-
3. Acquisition of Land, Control and Disposal	9	157	242	245	245	161	232	245	253
Total	540 416	614 291	637 046	647 907	655 129	648 578	678 491	718 427	758 531

Table 14.15 : Summary of payments and estimates by economic classification: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	73 056	101 615	112 416	113 921	121 112	109 982	116 363	123 700	129 513
Compensation of employees	43 316	43 583	45 647	49 350	57 664	52 794	52 650	56 684	60 115
Goods and services	29 740	58 032	66 769	64 571	63 448	57 188	63 713	67 016	69 398
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	467 064	512 586	524 578	533 966	533 973	538 552	561 908	594 490	628 968
Provinces and municipalities	466 799	512 510	524 543	533 931	533 931	538 466	561 873	594 455	628 933
Departmental agencies and accounts	-	-	-	5	5	5	5	5	5
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	265	76	35	30	37	81	30	30	30
Payments for capital assets	296	90	52	20	44	44	220	237	50
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	296	90	52	20	44	44	220	237	50
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	540 416	614 291	637 046	647 907	655 129	648 578	678 491	718 427	758 531

The sub-programme: Personnel and Admin Related provides for the management of immovable assets in terms of GIAMA and manages the payment of property rates. The MTEF allocations cater for property rates, as well as continuing with the implementation of GIAMA projects including condition assessments of school infrastructure and maintenance, clearing of vacant sites, provision of security services to unutilised buildings, as well as property valuations. This sub-programme shows strong growth over the 2017/18 MTEF.

The sub-programme: Hiring facilitates the provision of accommodation for the department. This sub-programme shows a low budget over the MTEF due to savings realised as a result of the Fedsure House lease which expired in 2016/17 and reprioritised to Programme 1. The budget over the MTEF caters for leases of office accommodation in the uMzinyathi district. However, the uMzinyathi district office, which is currently under construction, is anticipated to be completed in 2018/19. Hence, there is no allocation in the outer year of the MTEF towards leasing costs.

The sub-programme: Acquisition of Land, Control and Disposal manages property needs for provincial departments with respect to property acquisitions, disposal and lettings. The budget caters for business and advisory service costs incurred when acquiring or disposing of property. This sub-programme shows inflationary growth over the 2017/18 MTEF.

In 2017/18, *Compensation of employees* reflects negative growth of 0.3 per cent due to the fact that the department received once-off funding for the above-budget 2016 wage adjustment in the 2016/17 Adjustments Estimate. The growth for two outer years is at 7.7 per cent and 6.1 per cent, which is lower than the amount prescribed by National Treasury and the 1.5 per cent pay progression, which means that the department has not effectively budgeted for filling any posts. However, the department anticipates to fill seven posts, such as Assistant Manager: Facility Management in 2017/18. The budget for this category will be reviewed in year.

Goods and services includes the budget for the implementation of GIAMA projects such as the condition assessments of school infrastructure and maintenance, property valuation, clearing of vacant sites,

provision of security services to unutilised buildings, as well as the building lease for the uMzinyathi district office. The allocation over the MTEF grows steadily.

Transfers and subsidies to: Provinces and municipalities relates to property rates liable to various municipalities, as well as motor vehicle licences. The increase in the 2016/17 Revised Estimate is attributable to arrear payments in respect of property rates for uMkhanyakude, Zululand, King Cetshwayo, iLembe and Harry Gwala District Municipalities. This category shows healthy growth over the MTEF.

Transfers and subsidies to: Departmental agencies and accounts is for the payment of workmen's compensation, and is linked to claims received. The budget remains constant over the 2017/18 MTEF, as this category is difficult to pre-determine.

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

Machinery and equipment fluctuates over the 2017/18 MTEF and this is linked to actual requirements in respect of computer equipment.

Service delivery measures – Programme 2: Property Management

Table 14.16 reflects the service delivery measures for Programme 2. The department provided internal service delivery measures for Programme 2, which are a mix of sectoral and non-sectoral measures.

Table 14.16 : Service delivery measures – Programme 2: Property Management

Outputs	Performance indicators	Estimated performance			
		2016/17	2017/18	2018/19	2019/20
1. Acquisition of properties to satisfy land and building needs of provincial depts. through property acquisition, disposal, hiring and letting	<ul style="list-style-type: none"> No. of properties acquired 	15	20	20	15
2. Timeous hiring of properties to satisfy land and building needs of provincial depts. through property acquisition, disposal, hiring and letting	<ul style="list-style-type: none"> No. of lease agreements concluded 	130	100	100	100
3. Implementation of GIAMA to effectively manage immovable assets	<ul style="list-style-type: none"> U-AMPs compiled and submitted to PT in accordance with GIAMA 	1	1	1	1
	<ul style="list-style-type: none"> C-AMP compiled and submitted to PT in accordance with GIAMA 	1	1	1	1
4. Successful implementation of Izandla Ziyagezana programme to contribute to job creation (massification of EPWP)	<ul style="list-style-type: none"> No. of work opportunities created through Izandla Ziyagezana programme 	430	-	-	-
5. Vesting of provincial properties to take transfer of all immovable assets	<ul style="list-style-type: none"> No. of properties registered into the name of the KZN provincial government 	200	200	200	100
6. Effective projection and timely payment of municipal rates to facilitate payment of property rates	<ul style="list-style-type: none"> Financial expenditure on approved property rates invoices submitted by municipalities 	R534m	R562m	R594m	R629m

8.3 Programme 3: Provision of Buildings, Structures and Equipment

The main purpose of this programme is the erection and/or acquisition of buildings, structures and engineering works and the maintenance of buildings to client specifications. The core services of Programme 3 are:

- Improving integrated service delivery in the provision of buildings and structures.
- Creating jobs through the EPWP.
- Creating an enabling environment for affirmable business enterprises.
- Initiating and co-ordinating strategic partnerships.
- Co-ordinating and aligning operational activities in line with municipal demarcations.

Tables 14.17 and 14.18 summarise payments and budgeted estimates relating to Programme 3 for the period 2013/14 to 2019/20.

Table 14.17 : Summary of payments and estimates by sub-programme: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
1. Personnel and Admin Related	322 047	334 267	335 187	352 396	363 734	358 552	378 145	394 776	416 470
2. Buildings and Structures	84 149	108 860	80 325	72 880	70 760	70 670	67 631	61 749	70 539
Total	406 196	443 127	415 512	425 276	434 494	429 222	445 776	456 525	487 009

Table 14.18 : Summary of payments and estimates by economic classification: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	317 047	337 653	336 973	356 920	377 284	372 019	391 089	409 021	428 287
Compensation of employees	218 938	227 267	237 215	266 505	264 790	259 726	283 588	303 864	322 840
Goods and services	98 105	110 385	99 758	90 415	112 494	112 293	107 501	105 157	105 447
Interest and rent on land	4	1	-	-	-	-	-	-	-
Transfers and subsidies to:	4 861	6 250	3 468	1 630	3 748	3 850	1 430	1 325	1 323
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	7	4	-	57	57	42	28	24	56
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	4 854	6 246	3 468	1 573	3 691	3 808	1 402	1 301	1 267
Payments for capital assets	84 288	99 201	74 001	66 726	53 462	53 281	53 257	46 179	57 399
Buildings and other fixed structures	74 773	98 248	73 207	66 318	52 167	52 167	52 453	45 870	56 966
Machinery and equipment	9 515	953	794	408	1 295	1 114	804	309	433
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	23	1 070	-	-	72	-	-	-
Total	406 196	443 127	415 512	425 276	434 494	429 222	445 776	456 525	487 009

The department effected budget cuts in respect of the PES and Provincial Own Revenue reduction and budget cuts to fund the *Izinduna* entirely against the sub-programme: Buildings and Structures within this programme (as explained below), with R8.119 million, R9.089 million and R14.428 million being reduced from 2017/18 onward against *Buildings and other fixed structures*. Mitigating this reduction, is additional funding of R15.571 million allocated to this sub-programme and economic category in 2019/20. Despite the budget cuts, projects will continue over the MTEF, but with lower amounts allocated per annum, and with the projects thus being rolled out over a longer period of time.

The sub-programme: Personnel and Admin Related provides for the maintenance of the department's buildings and the maintenance of buildings to client specifications. The MTEF amounts include the ring-fenced improving infrastructure support funds, as well as the EPWP Integrated Grant for Provinces of R6.588 million which is allocated in 2017/18 only, at this stage. Also catered for is the EPWP DOE Schools Maintenance programme, Youth Environmental Service programme and EPWP provincial co-ordination and monitoring. The budget grows steadily over the MTEF.

The sub-programme: Buildings and Structures deals with construction, upgrades or refurbishment of the department's capital infrastructure including *Buildings and other fixed structures*. The budget shows a fluctuating trend over the MTEF, as it is based on the department's actual capital infrastructure requirements, including new and carry-through costs of certain projects such as construction of offices for the iLembe and uMzinyathi district offices, construction of a canteen for the Southern region and car parking facilities, upgrade of the water supply system and parking facilities projects in the North Coast region, as well as the replacement of air conditioning in the south wing of the eThekweni regional office. The department received once-off funding of R4.776 million for the Mayville Conference Centre to sound proof the main facility and to convert an existing building on the premises into a dining facility. As mentioned, the budget cuts were effected against infrastructure by reducing the budget for various projects including the construction of a new district office in iLembe, new offices in the CBD of Newcastle, upgrades to the Vryheid depot and refurbishment of an existing facility in the eThekweni regional office.

The budget for *Compensation of employees* grows steadily over the 2017/18 MTEF. The growth in 2017/18 is at 9 per cent, which is higher than the amount prescribed by National Treasury and the 1.5 per cent pay progression. This high growth caters for the filling of 34 vacant posts over the MTEF including a number of vacant OSD posts, such as engineers and quantity surveyors. The 2017/18 MTEF allocation includes improving infrastructure support funding which is specifically and exclusively appropriated for the implementation of the infrastructure staffing structure. Amounts of R22.799 million, R24.121 million and R25.472 million in 2017/18, 2018/19 and 2019/20 respectively, remain ring-fenced for this purpose. There is marginal growth over the 2017/18 MTEF, and this will be reviewed in-year.

The *Goods and services* budget includes the EPWP Integrated Grant for Provinces, as well as the budget for the maintenance and repairs of the department's infrastructure. In 2017/18, a reprioritisation exercise was undertaken by the department from capital infrastructure projects such as the uMgungundlovu district office roof replacement and the head office project as it is in its completion stage. These funds were utilised to cater for maintenance and repairs, in respect of electrical repairs, maintenance of the landscape, and the maintenance of air-conditioning at the LA Complex in Ulundi, as well as planned general repairs and maintenance of buildings in the Ennambithi/Ladysmith offices and the Midlands region. The department receives R6.588 million for the EPWP Integrated Grant for Provinces in 2017/18. Provision is also made for the EPWP co-ordination programme, property payments mainly for security services, water and electricity costs.

Transfers and subsidies to: Departmental agencies and accounts relates to workmen's compensation payments which are difficult to budget for.

Transfers and subsidies to: Households is largely ascribed to staff exit costs.

With regard to *Buildings and other fixed structures*, there is a fluctuating trend over the 2017/18 MTEF which is based on actual infrastructure requirements. The department receives once-off additional funding of R4.776 million for the Mayville Conference Centre to sound proof the main facility and to convert an existing building on the premises into a dining facility. This explains the decrease in 2018/19. The outer year of the MTEF shows strong growth linked to the department's infrastructure requirements such as construction of a new office in the CBD of Newcastle and the refurbishment of an existing facility in the eThekweni region office. The budget cuts were effected against this category by reducing the budget for the construction of a new district office in iLembe and new offices in the CBD of Newcastle, upgrades for the Vryheid depot and refurbishment of an existing facility in the eThekweni regional office.

Machinery and equipment fluctuates over the MTEF, and this is based on the department's requirements for both head office and districts. The high growth in 2017/18 is in line with the anticipated filling of vacant posts and provision of computer equipment to new staff. The budget for the two outer years caters for the replacement of computer equipment.

Service delivery measures – Programme 3: Provision of Buildings, Structures and Equipment

The department has provided several service delivery measures for Programme 3, which are a mix of sectoral and non-sectoral measures, shown in Table 14.19. Two performance indicators have no targets in 2017/18 and 2018/19, because DOPW does not budget for infrastructure on behalf of client departments. These departments instruct DOPW in the form of their infrastructure plans or on an *ad hoc* basis.

Table 14.19 : Service delivery measures – Programme 3: Provision of Buildings, Structures and Equipment

Outputs	Performance indicators	Estimated performance			
		2016/17	2017/18	2018/19	2019/20
1. Implementation of IDIP	• No. of IPMPs finalised and approved by due date that respond to provincial depts. (that are implementing the IDMS) that submit approved IPMPs to DOPW	3	3	3	3
	• No. of planned capital projects completed within agreed budget	19	19	-	-
	• No. of planned maintenance projects completed within agreed budget	9	5	-	-
2. Job creation in terms of EPWP	• No. of work opportunities	6 000	6 000	6 000	6 000
	• No. of FTEs	600	600	600	600

9. Other programme information

9.1 Personnel numbers and costs

Table 14.20 illustrates the detail of the department's approved establishment and personnel numbers.

The table also gives a breakdown of employee dispensation classification which includes *Public Service Act appointees not covered by OSDs*, and *Other such as interns, EPWP, learnership, etc.*

Table 14.20 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimate						Average annual growth over MTEF		
	2013/14		2014/15		2015/16		2016/17				2017/18		2018/19		2019/20		2016/17 - 2019/20		
	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Filled posts	Addit. posts	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. nos ¹	Costs	Pers. growth rate	Costs growth rate	% Costs of Total
R thousands																			
Salary level																			
1 – 6	1 274	157 843	1 197	185 756	1 146	221 442	1 120	-	1 120	205 332	1 138	217 355	1 138	232 209	1 138	248 186	0.5%	6.5%	34.9%
7 – 10	534	209 892	522	182 691	512	212 918	534	-	534	215 053	570	228 678	570	244 229	570	260 876	2.2%	6.7%	36.6%
11 – 12	104	57 097	139	93 079	157	64 383	151	-	151	109 983	179	117 461	179	125 449	179	134 979	5.8%	7.1%	18.8%
13 – 16	26	35 463	28	44 347	29	36 986	31	-	31	33 382	31	35 654	31	38 076	31	40 663	0.0%	6.8%	5.7%
Other	122	28 798	-	-	8	1 624	6	-	6	22 108	6	23 910	6	26 983	6	30 403	0.0%	11.2%	4.0%
Total	2 060	489 093	1 886	505 873	1 852	537 353	1 842	-	1 842	585 858	1 924	623 058	1 924	666 946	1 924	715 107	1.5%	6.9%	100.0%
Programme																			
1. Administration	983	226 839	917	235 025	917	254 491	946	-	946	273 338	987	286 820	987	306 398	987	332 152	1.4%	6.7%	46.3%
2. Property Management	157	43 316	124	43 583	112	45 647	122	-	122	52 794	129	52 650	129	56 684	129	60 115	1.9%	4.4%	8.6%
3. Prov. of Buildings, Struc. and	920	218 938	845	227 267	823	237 215	774	-	774	259 726	808	283 588	808	303 864	808	322 840	1.4%	7.5%	45.0%
Total	2 060	489 093	1 886	505 875	1 852	537 353	1 842	-	1 842	585 858	1 924	623 058	1 924	666 946	1 924	715 107	1.5%	6.9%	100.0%
Employee dispensation classification																			
PSA appointees not covered by	-	-	-	-	-	508 816	1 792	-	1 792	548 588	1 859	583 225	1 859	624 381	1 859	670 159	1.2%	6.9%	93.7%
Legal Professionals	-	-	-	-	-	2 889	7	-	7	3 511	7	3 768	7	4 044	7	4 270	0.0%	6.7%	0.6%
Engineering prof. and related	-	-	-	-	-	25 648	43	-	43	33 759	58	36 065	58	38 521	58	40 678	10.5%	6.4%	5.7%
Total	-	-	-	-	-	537 353	1 842	-	1 842	585 858	1 924	623 058	1 924	666 946	1 924	715 107	1.5%	6.9%	100.0%

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

The significant decline in the number of posts from 2014/15 against Programme 2 was driven by the termination of contracts relating to the Property Incubator programme trainees.

The decline from 2014/15 to 2016/17 can be ascribed to delays in the filling of vacant posts, as well as the moratorium on the filling of non-critical posts. A number of vacant OSD posts, such as engineers, quantity surveyors and other critical vacant posts are anticipated to be filled in 2017/18. According to Table 14.20, the department has planned to fill 41 posts in Programmes 1, seven posts in Programme 2 and 34 posts in Programme 3. This accounts for the increase in the number of posts over the 2017/18 MTEF. On the other hand, the MTEF growth is at 6.4 per cent, 7 per cent and 7.2 per cent which is lower than the amount prescribed by National Treasury and the 1.5 per cent pay progression, which means that the department has not effectively budgeted for filling any posts. This will reviewed in-year by the department.

9.2 Training

Table 14.21 reflects departmental payments on training per programme over the seven-year period. The table also illustrates the number of staff, volunteers/contract employees and external role players that are affected by the various training programmes and initiatives. It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships.

The fluctuating trend from 2013/14 to 2015/16 was due to training and staff development costs. The decrease in 2014/15 is due to the centralisation of the external bursaries budget under OTP which was decentralised to the department in 2015/16. This also accounts for the spike in 2015/16. The budget over the 2017/18 MTEF increases at an inflationary rate and is based on the requirements of the Skills Development Act, that determines that departments budget at least 1 per cent of their salary expenses on staff training, which also gives credence to government policy on human resource development. Training includes short courses for in-house staff, as well as internships in the various programmes. The costs in the table above exclude the EPWP Integrated Grant for Provinces budget hence it is lower than the training and development figures in Table 14.B figures.

Table 14.22 : Information on training: Public Works

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
Number of staff	2 060	1 886	1 852	1 842	1 842	1 842	1 924	1 924	1 924
Number of personnel trained	1 805	1 422	1 118	867	867	867	954	954	954
of which									
Male	789	713	614	469	469	469	516	516	516
Female	1 016	709	504	398	398	398	438	438	438
Number of training opportunities	79	79	41	66	66	69	74	74	74
of which									
Tertiary	32	20	14	12	12	15	15	15	15
Workshops	22	20	23	30	30	30	32	32	32
Seminars	5	6	2	16	16	16	17	17	17
Other	20	33	2	8	8	8	10	10	10
Number of bursaries offered	27	20	22	60	60	53	39	39	39
Number of interns appointed	8	59	30	46	46	50	-	-	-
Number of learnerships appointed	1	-	-	1	1	1	-	-	-
	485	1 441	819	530	530	530	560	560	560
Payments on training by programme									
1. Administration	3 198	1 501	5 490	3 412	5 495	4 880	6 414	6 577	6 565
2. Property Management	40	190	43	506	382	287	537	562	565
3. Provision of Buildings, Structures and Equipment	630	1 244	1 664	2 644	768	390	2 766	2 912	3 079
Total	3 868	2 935	7 197	6 562	6 645	5 557	9 717	10 051	10 209

ANNEXURE – VOTE 14: PUBLIC WORKS

Table 14.A : Details of departmental receipts: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	5 794	5 662	8 433	7 659	7 659	8 741	8 294	9 124	9 187
Sale of goods and services produced by department (excluding capital assets)	5 788	5 651	8 426	7 656	7 656	8 732	8 292	9 122	9 185
Sales by market establishments	3 935	4 285	6 278	4 963	4 963	5 489	5 414	5 960	5 884
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	1 853	1 366	2 148	2 693	2 693	3 243	2 878	3 162	3 301
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	6	11	7	3	3	9	2	2	2
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	159	155	378	180	180	1 839	285	302	318
Interest	54	32	110	60	60	1 561	64	65	68
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	105	123	268	120	120	278	221	237	250
Sales of capital assets	10 875	12 103	2 697	240	240	1 209	4 520	1 215	1 930
Land and sub-soil assets	-	-	-	-	-	218	-	-	-
Other capital assets	10 875	12 103	2 697	240	240	991	4 520	1 215	1 930
Transactions in financial assets and liabilities	1 430	1 566	1 488	888	888	1 051	911	1 003	1 071
Total	18 258	19 486	12 996	8 967	8 967	12 840	14 010	11 644	12 506

Table 14.B : Payments and estimates by economic classification: Public Works

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	679 124	740 445	778 916	810 219	848 997	832 357	869 903	917 993	971 832
Compensation of employees	489 093	505 875	537 353	584 239	595 675	585 858	623 058	666 946	715 107
Salaries and wages	418 400	434 362	458 954	502 794	512 083	502 492	534 619	573 673	616 436
Social contributions	70 693	71 513	78 399	81 445	83 592	83 366	88 439	93 273	98 671
Goods and services	190 019	234 569	241 563	225 980	253 319	246 496	246 845	251 047	256 725
Administrative fees	251	657	1 016	769	905	1 122	823	865	975
Advertising	5 820	6 786	9 455	5 847	6 827	7 356	6 195	6 582	6 682
Minor Assets	928	1 745	1 120	779	1 865	1 792	581	756	205
Audit cost: External	5 388	7 395	7 088	4 373	6 913	6 913	4 472	4 696	4 930
Bursaries: Employees	338	409	390	374	374	354	300	300	320
Catering: Departmental activities	466	967	983	843	843	1 094	930	973	1 014
Communication (G&S)	10 498	10 276	10 481	9 611	10 661	10 205	9 972	10 265	10 706
Computer services	23 040	33 718	22 738	19 101	23 548	22 775	22 922	24 289	26 276
Cons & prof serv: Business and advisory services	286	302	382	273	273	343	269	272	278
Infrastructure and planning	376	107	-	228	228	228	240	240	254
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal costs	231	894	1 073	1 519	1 519	1 822	1 666	1 678	1 695
Contractors	9 580	11 830	8 849	7 620	20 200	21 166	16 675	17 109	15 120
Agency and support/outourced services	23 965	27 093	63 428	54 270	60 930	52 631	56 631	59 574	61 652
Entertainment	204	349	197	303	303	776	30	30	30
Fleet services (including govt. motor transport)	11 035	11 773	9 403	11 442	11 810	11 283	11 833	12 385	12 824
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	14	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	52	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	47	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	136	-	-	-	-	-	-	-	-
Inventory: Medical supplies	2	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	3 816	3 044	3 544	4 432	4 708	4 082	4 876	5 169	5 258
Consumable: Stationery, printing and office supplies	3 139	3 105	3 432	5 022	4 919	3 943	5 020	5 311	5 254
Operating leases	3 167	3 349	3 474	4 738	3 763	3 655	4 537	4 661	4 788
Property payments	58 729	59 129	61 775	59 902	63 447	66 596	66 085	70 163	72 820
Transport provided: Departmental activity	252	278	507	-	15	454	-	-	-
Travel and subsistence	14 397	13 525	13 676	15 766	14 347	13 432	15 369	15 741	16 473
Training and development	6 059	29 795	9 580	11 439	9 014	8 364	14 173	6 618	6 835
Operating payments	2 653	1 939	2 869	1 838	1 838	2 200	1 678	1 763	1 797
Venues and facilities	291	-	-	415	116	82	348	380	399
Rental and hiring	4 859	6 104	6 103	5 076	3 953	3 828	1 220	1 227	140
Interest and rent on land	12	1	-	-	3	3	-	-	-
Interest	12	1	-	-	3	3	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	476 375	524 694	534 777	539 960	542 481	547 442	567 573	599 916	634 263
Provinces and municipalities	467 068	512 835	524 828	534 154	534 154	538 634	562 119	594 699	629 191
Provinces	269	325	285	223	223	168	246	244	258
Provincial Revenue Funds	269	325	285	223	223	168	246	244	258
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	466 799	512 510	524 543	533 931	533 931	538 466	561 873	594 455	628 933
Municipalities	466 799	512 510	524 543	533 931	533 931	538 466	561 873	594 455	628 933
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	423	460	480	497	497	463	490	488	530
Social security funds	7	6	-	102	102	67	75	73	100
Entities receiving transfers	416	454	480	395	395	396	415	415	430
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	409	874	34	-	-	-	-	-	-
Households	8 475	10 525	9 435	5 309	7 830	8 345	4 964	4 729	4 542
Social benefits	6 653	10 195	6 645	2 862	5 383	5 946	2 378	2 011	1 918
Other transfers to households	1 822	330	2 790	2 447	2 447	2 399	2 586	2 718	2 624
Payments for capital assets	114 754	122 920	91 484	82 429	69 210	69 655	69 475	64 000	75 139
Buildings and other fixed structures	74 773	98 248	73 207	66 318	52 167	52 167	52 453	45 870	56 966
Buildings	74 773	98 248	73 207	66 318	52 167	52 167	52 453	45 870	56 966
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	34 747	20 211	12 399	12 111	13 043	11 998	13 022	14 130	13 415
Transport equipment	7 852	8 531	4 494	6 104	6 104	2 927	6 200	6 871	6 619
Other machinery and equipment	26 895	11 680	7 905	6 007	6 939	9 071	6 822	7 259	6 796
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 234	4 461	5 878	4 000	4 000	5 490	4 000	4 000	4 758
Payments for financial assets	-	23	1 070	-	-	72	-	-	-
Total	1 270 253	1 388 082	1 406 247	1 432 608	1 460 688	1 449 526	1 506 951	1 581 909	1 681 234

Table 14.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	289 021	301 177	329 527	339 378	350 601	350 356	362 451	385 272	414 032
Compensation of employees	226 839	235 025	254 491	268 384	273 221	273 338	286 820	306 398	332 152
Salaries and wages	191 684	199 508	214 595	228 786	232 995	230 680	242 664	260 153	282 929
Social contributions	35 155	35 517	39 896	39 598	40 226	42 658	44 156	46 245	49 223
Goods and services	62 174	66 152	75 036	70 994	77 377	77 015	75 631	78 874	81 880
Administrative fees	113	130	234	106	118	359	123	129	150
Advertising	3 349	4 582	4 837	3 521	3 989	3 276	3 797	4 069	4 113
Minor assets	551	296	963	383	1 397	1 431	192	95	82
Audit cost: External	5 388	7 395	7 088	4 373	6 913	6 913	4 472	4 696	4 930
Bursaries: Employees	338	409	390	374	374	354	300	300	320
Catering: Departmental activities	389	807	679	186	186	848	240	243	243
Communication (G&S)	10 074	9 378	9 197	7 745	8 795	8 958	8 048	8 264	8 614
Computer services	13 072	14 191	20 716	15 725	20 725	20 773	19 373	20 549	22 186
Cons & prof serv: Business and advisory services	57	123	140	31	31	20	40	30	30
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal costs	227	689	708	917	917	1 550	1 049	1 063	1 080
Contractors	488	1 274	1 591	1 096	1 146	2 028	1 637	1 592	1 427
Agency and support/outourced services	2 239	692	3 428	6 488	4 488	3 599	6 473	6 829	7 013
Entertainment	163	314	148	266	266	748	30	30	30
Fleet services (including govt. motor transport)	8 157	8 394	6 334	8 629	8 997	8 006	8 810	9 247	9 569
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	1	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	28	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	42	-	-	-	-	-	-	-	-
Inventory: Medical supplies	2	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	860	919	1 203	1 281	1 281	1 306	1 257	1 327	1 334
Consumable: Stationery, printing and office supplies	2 602	2 573	2 943	4 016	3 936	3 124	4 050	4 267	4 224
Operating leases	2 676	2 873	2 836	4 145	3 170	2 995	3 910	4 000	4 154
Property payments	2 418	1 665	1 552	1 528	1 528	1 927	1 647	1 806	1 622
Transport provided: Departmental activity	252	252	507	-	15	345	-	-	-
Travel and subsistence	5 928	5 468	5 130	5 883	5 229	4 674	5 671	5 714	6 066
Training and development	724	1 445	1 888	2 704	2 279	1 748	3 113	3 144	3 191
Operating payments	1 728	1 469	2 068	1 481	1 481	1 757	1 366	1 433	1 455
Venues and facilities	291	-	-	116	116	56	33	47	47
Rental and hiring	17	814	456	-	-	220	-	-	-
Interest and rent on land	8	-	-	-	3	3	-	-	-
Interest	8	-	-	-	3	3	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	4 450	5 858	6 731	4 364	4 760	5 040	4 235	4 101	3 972
Provinces and municipalities	269	325	285	223	223	168	246	244	258
Provinces	269	325	285	223	223	168	246	244	258
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	269	325	285	223	223	168	246	244	258
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	416	456	480	435	435	416	457	459	469
Social security funds	-	2	-	40	40	20	42	44	39
Entities receiving transfers	416	454	480	395	395	396	415	415	430
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	409	874	34	-	-	-	-	-	-
Households	3 356	4 203	5 932	3 706	4 102	4 456	3 532	3 398	3 245
Social benefits	1 534	4 203	3 144	1 259	1 655	2 057	946	680	621
Other transfers to households	1 822	-	2 788	2 447	2 447	2 399	2 586	2 718	2 624
Payments for capital assets	30 170	23 629	17 431	15 683	15 704	16 330	15 998	17 584	17 690
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	24 936	19 168	11 553	11 683	11 704	10 840	11 998	13 584	12 932
Transport equipment	7 852	8 531	4 494	6 104	6 104	2 927	6 200	6 871	6 619
Other machinery and equipment	17 084	10 637	7 059	5 579	5 600	7 913	5 798	6 713	6 313
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 234	4 461	5 878	4 000	4 000	5 490	4 000	4 000	4 758
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	323 641	330 664	353 689	359 425	371 065	371 726	382 684	406 957	435 694

Table 14.D : Payments and estimates by economic classification: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	73 056	101 615	112 416	113 921	121 112	109 982	116 363	123 700	129 513
Compensation of employees	43 316	43 583	45 647	49 350	57 664	52 794	52 650	56 684	60 115
Salaries and wages	37 694	37 758	38 948	42 012	49 292	45 476	44 849	48 435	51 403
Social contributions	5 622	5 825	6 699	7 338	8 372	7 318	7 801	8 249	8 712
Goods and services	29 740	58 032	66 769	64 571	63 448	57 188	63 713	67 016	69 398
Administrative fees	119	518	765	653	777	737	690	725	813
Advertising	158	232	150	211	211	318	290	307	307
Minor assets	6	21	27	113	113	63	55	57	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	14	3	20	19	19	22	19	20	20
Communication (G&S)	142	265	221	465	465	243	485	513	539
Computer services	5 238	16 435	-	236	236	182	250	250	250
Cons & prof serv: Business and advisory services	215	171	242	242	242	323	229	242	248
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal costs	1	205	365	602	602	272	617	615	615
Contractors	20	11	11	-	499	501	-	-	-
Agency and support/outourced services	6 984	15 366	44 698	36 741	36 242	31 749	38 556	40 496	42 776
Entertainment	8	10	25	17	17	15	-	-	-
Fleet services (including government motor transport)	45	32	23	90	90	51	94	105	117
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medgas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	416	207	342	396	396	369	571	658	668
Consumable: Stationery, printing and office supplies	11	16	41	36	36	34	40	45	39
Operating leases	11	82	266	133	133	166	163	188	200
Property payments	10 022	17 542	11 994	17 244	17 244	16 617	18 028	19 026	20 125
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 325	1 617	1 740	1 849	1 849	1 799	1 924	2 035	2 039
Training and development	40	192	43	506	382	287	537	562	565
Operating payments	122	98	187	61	61	95	70	77	77
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	4 842	5 009	5 609	4 957	3 834	3 345	1 095	1 095	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	467 064	512 586	524 578	533 966	533 973	538 552	561 908	594 490	628 968
Provinces and municipalities	466 799	512 510	524 543	533 931	533 931	538 466	561 873	594 455	628 933
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	466 799	512 510	524 543	533 931	533 931	538 466	561 873	594 455	628 933
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	5	5	5	5	5	5
Social security funds	-	-	-	5	5	5	5	5	5
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	265	76	35	30	37	81	30	30	30
Social benefits	265	76	35	30	37	81	30	30	30
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	296	90	52	20	44	44	220	237	50
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	296	90	52	20	44	44	220	237	50
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	296	90	52	20	44	44	220	237	50
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	540 416	614 291	637 046	647 907	655 129	648 578	678 491	718 427	758 531

Table 14.E : Payments and estimates by economic classification: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
Current payments	317 047	337 653	336 973	356 920	377 284	372 019	391 089	409 021	428 287
Compensation of employees	218 938	227 267	237 215	266 505	264 790	259 726	283 588	303 864	322 840
Salaries and wages	189 022	197 096	205 411	231 996	229 796	226 336	247 106	265 085	282 104
Social contributions	29 916	30 171	31 804	34 509	34 994	33 390	36 482	38 779	40 736
Goods and services	98 105	110 385	99 758	90 415	112 494	112 293	107 501	105 157	105 447
Administrative fees	19	9	17	10	10	26	10	11	12
Advertising	2 313	1 972	4 468	2 115	2 627	3 762	2 108	2 206	2 262
Minor assets	371	1 428	130	283	355	298	334	604	123
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	63	157	284	638	638	224	671	710	751
Communication (G&S)	282	633	1 063	1 401	1 401	1 004	1 439	1 488	1 553
Computer services	4 730	3 092	2 022	3 140	2 587	1 820	3 299	3 490	3 840
Cons & prof serv: Business and advisory services	14	8	-	-	-	-	-	-	-
Infrastructure and planning	376	107	-	228	228	228	240	240	254
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal costs	3	-	-	-	-	-	-	-	-
Contractors	9 072	10 545	7 247	6 524	18 555	18 637	15 038	15 517	13 693
Agency and support/outsourced services	14 742	11 035	15 302	11 041	20 200	17 283	11 602	12 249	11 863
Entertainment	33	25	24	20	20	13	-	-	-
Fleet services (including govt. motor transport)	2 833	3 347	3 046	2 723	2 723	3 226	2 929	3 033	3 138
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	14	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	51	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	19	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	93	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 540	1 918	1 999	2 755	3 031	2 407	3 048	3 184	3 256
Consumable: Stationery, printing and office supplies	526	516	448	970	947	785	930	999	991
Operating leases	490	394	372	460	460	494	464	473	434
Property payments	46 289	39 922	48 229	41 130	44 675	48 052	46 410	49 331	51 073
Transport provided: Departmental activity	-	26	-	-	-	109	-	-	-
Travel and subsistence	7 144	6 440	6 806	8 034	7 269	6 959	7 774	7 992	8 368
Training and development	5 295	28 158	7 649	8 229	6 353	6 329	10 523	2 912	3 079
Operating payments	803	372	614	296	296	348	242	253	265
Venues and facilities	-	-	-	299	-	26	315	333	352
Rental and hiring	-	281	38	119	119	263	125	132	140
Interest and rent on land	4	1	-	-	-	-	-	-	-
Interest	4	1	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	4 861	6 250	3 468	1 630	3 748	3 850	1 430	1 325	1 323
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	7	4	-	57	57	42	28	24	56
Social security funds	7	4	-	57	57	42	28	24	56
Entitles 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	4 854	6 246	3 468	1 573	3 691	3 808	1 402	1 301	1 267
Social benefits	4 854	5 916	3 466	1 573	3 691	3 808	1 402	1 301	1 267
Other transfers to households	-	330	2	-	-	-	-	-	-
Payments for capital assets	84 288	99 201	74 001	66 726	53 462	53 281	53 257	46 179	57 399
Buildings and other fixed structures	74 773	98 248	73 207	66 318	52 167	52 167	52 453	45 870	56 966
Buildings	74 773	98 248	73 207	66 318	52 167	52 167	52 453	45 870	56 966
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	9 515	953	794	408	1 295	1 114	804	309	433
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	9 515	953	794	408	1 295	1 114	804	309	433
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	23	1 070	-	-	72	-	-	-
Total	406 196	443 127	415 512	425 276	434 494	429 222	445 776	456 525	487 009

Table 14.F : Payments and estimates by economic classification: Conditional grants - EPWP Integrated Grant for Provinces (Prog 3)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Current payments	3 000	3 168	3 057	4 471	4 471	4 471	6 588	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	3 000	3 168	3 057	4 471	4 471	4 471	6 588	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support/outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	3 000	3 168	3 057	4 471	4 471	4 471	6 588	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 000	3 168	3 057	4 471	4 471	4 471	6 588	-	-

Table 14.G : Summary of transfers to local government (Property rates - Prog 2: Property Management)

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
A KZN2000 eThekweni	239 185	235 715	250 408	242 000	242 000	250 098	249 018	263 458	278 739
Total: Ugu Municipalities	11 605	13 318	13 151	11 459	11 459	11 516	16 061	16 993	17 979
B KZN212 uMdoni	2 475	3 763	4 321	1 824	1 824	2 769	3 215	3 401	3 598
B KZN213 uMzumbe	2 227	3 232	2 486	3 075	3 075	1 955	3 895	4 121	4 360
B KZN214 uMuziwabantu	3 531	2 713	2 853	2 870	2 870	3 047	4 789	5 067	5 361
B KZN216 Ray Nkonyeni	3 372	3 610	3 491	3 690	3 690	3 745	4 162	4 404	4 660
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	63 812	73 948	77 301	71 430	71 430	62 857	91 606	96 918	102 540
B KZN221 uMshwathi	6 526	8 344	6 018	5 638	5 638	3 779	18 746	19 833	20 983
B KZN222 uMngeni	5 752	7 060	2 263	5 945	5 945	1 911	8 103	8 573	9 070
B KZN223 Mpofana	-	99	583	103	103	457	109	115	122
B KZN224 iMpendle	202	815	703	841	841	749	289	306	324
B KZN225 Msunduzi	50 698	57 196	66 854	58 000	58 000	55 047	63 646	67 337	71 243
B KZN226 Mkhambathini	591	-	429	390	390	453	655	693	733
B KZN227 Richmond	43	434	451	513	513	461	58	61	65
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	30 858	36 877	36 914	44 182	44 182	33 198	43 180	45 684	48 333
B KZN238 Alfred Duma	23 519	20 017	20 581	21 764	21 764	30 979	19 637	20 776	21 981
B KZN237 iNkosi Langalibalele	5 687	15 081	14 672	17 218	17 218	1 800	17 986	19 029	20 132
B KZN235 Okhahlamba	1 652	1 779	1 661	5 200	5 200	419	5 557	5 879	6 220
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	20 920	25 675	20 992	27 723	27 723	30 741	28 773	30 441	32 206
B KZN241 eNdumeni	8 841	7 634	6 748	8 170	8 170	8 411	8 660	9 162	9 693
B KZN242 Nquthu	5 144	8 539	7 985	9 151	9 151	9 523	9 334	9 875	10 448
B KZN244 uMsinga	3 468	4 476	1 082	4 763	4 763	6 030	4 858	5 140	5 438
B KZN245 uMvoti	3 467	5 026	5 177	5 639	5 639	6 777	5 921	6 264	6 627
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	8 672	10 897	12 583	11 300	11 300	13 801	11 780	12 464	13 186
B KZN252 Newcastle	5 065	4 631	4 892	4 301	4 301	5 024	4 516	4 778	5 055
B KZN253 eMadlangeni	2 496	2 473	1 941	2 785	2 785	1 990	2 840	3 005	3 179
B KZN254 Dannhauser	1 111	3 793	5 750	4 214	4 214	6 787	4 424	4 681	4 952
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	25 210	47 688	39 365	37 647	37 647	44 672	41 519	43 928	46 476
B KZN261 eDumbe	2 431	1 471	2 248	2 500	2 500	4 142	3 277	3 467	3 668
B KZN262 uPhongolo	2 498	4 618	2 901	3 430	3 430	3 430	3 499	3 702	3 917
B KZN263 Abaqulusi	4 887	6 993	7 260	6 615	6 615	8 111	6 946	7 349	7 775
B KZN265 Nongoma	3 526	5 859	6 507	5 513	5 513	6 081	5 788	6 124	6 479
B KZN266 Ulundi	11 868	28 747	20 449	19 589	19 589	22 908	22 009	23 286	24 637
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	14 786	21 835	19 267	22 572	22 572	24 401	24 980	26 429	27 961
B KZN271 uMhlabuyalingana	8 458	10 731	8 156	11 798	11 798	6 786	11 325	11 982	12 677
B KZN272 Jozini	2 323	6 299	7 328	5 676	5 676	10 279	5 790	6 126	6 481
B KZN276 Big Five Hlabisa	2 775	2 199	2 321	2 742	2 742	4 284	5 462	5 779	6 114
B KZN275 Mtubatuba	1 230	2 606	1 462	2 356	2 356	3 052	2 403	2 542	2 689
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	20 099	24 986	28 740	29 610	29 610	32 488	25 819	27 316	28 902
B KZN281 uMfolozi	735	220	94	400	400	400	541	572	605
B KZN282 uMhlathuze	11 070	11 388	14 938	12 105	12 105	14 983	12 684	13 420	14 199
B KZN284 uMlalazi	2 134	4 389	3 235	3 427	3 427	3 427	3 496	3 699	3 914
B KZN285 Mthonjaneni	2 230	2 126	-	2 678	2 678	2 678	2 731	2 889	3 057
B KZN286 Nkandla	3 930	6 863	10 473	11 000	11 000	11 000	6 367	6 736	7 127
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	14 830	6 041	11 531	20 057	20 057	21 017	16 598	17 561	18 579
B KZN291 Mandeni	3 536	1 988	273	757	757	521	787	833	881
B KZN292 KwaDukuza	3 712	1 030	3 405	7 800	7 800	10 287	5 748	6 081	6 434
B KZN293 Ndwedwe	1 876	1 879	422	6 000	6 000	5 641	1 407	1 489	1 575
B KZN294 Maphumulo	5 706	1 144	7 431	5 500	5 500	4 568	8 656	9 158	9 689
C DC29 iLembe	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	16 798	15 506	14 274	15 891	15 891	11 882	12 479	13 203	13 969
B KZN436 Dr. Nkosazana Dlamini Zuma	2 525	821	1 166	503	503	-	3 187	3 372	3 568
B KZN433 Greater Kokstad	8 091	7 284	7 129	8 200	8 200	7 680	849	898	950
B KZN434 Ubuhlebezwe	1 893	2 931	2 976	3 075	3 075	2 156	4 158	4 399	4 654
B KZN435 Umzimkhulu	4 289	4 470	3 003	4 113	4 113	2 046	4 285	4 534	4 797
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	24	24	17	60	60	1 795	60	60	63
Total	466 799	512 510	524 543	533 931	533 931	538 466	561 873	594 455	628 933