

Vote 6

Provincial Treasury

R thousand	2023/24			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Operational budget	676 873	661 812	(15 061)	
MEC remuneration	2 037	2 098		61
Total amount to be appropriated	678 910	663 910	(15 000)	
<i>of which:</i>				
Current payments	663 022	642 138	(20 884)	
Transfers and subsidies	3 673	5 084		1 411
Payments for capital assets	12 215	16 563		4 348
Payments for financial assets	-	125		125
Responsible MEC	MEC for Finance			
Administering department	Provincial Treasury			
Accounting Officer	Head: Provincial Treasury			

1. Vision and mission

Vision

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

Mission

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

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

2. Strategic objectives

The strategic outcomes of the department are as follows:

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

3. Summary of adjustments estimate for 2023/24

The main appropriation of Provincial Treasury was R678.910 million in 2023/24. During the year, the department's budget was reduced by R15 million to R663.910 million, which is the amount that is to be appropriated in the 2023/24 Adjustments Estimate.

It should be noted that the department was not allocated funding in respect of the 2023 wage agreement which was implemented on 1 April 2023, as the national and provincial fiscus is unable to assist with any additional funding. The department is able to absorb the costs in the current budget due to savings from non-filling of vacant funded posts and the department has undertaken virements between programmes to cater for the 2023 wage agreement.

The main adjustments that led to the reduction in the budget are summarised below, and further details are given in Section 4.

- *Virements between programmes:* The department undertook the following virements across programmes:
 - o Net savings of R23.536 million were realised from Programmes 2: Sustainable Resource Management (R3.953 million), Programme 3: Financial Governance (R9.838 million), Programme 4: Internal Audit (R6.885 million) and Programme 5: Municipal Finance Management (R2.860 million) against *Compensation of employees* as a result of internal delays in filling vacant funded posts, as well as against *Goods and services* from savings in operational costs. These savings were moved to Programme 1: Administration, as follows:
 - R2.898 million was moved to *Compensation of employees* to cater for spending pressures arising from the 2023 wage agreement which was not budgeted for.
 - R18.083 million was moved to *Goods and services* partly to cater for spending pressures of R8.083 million in respect of advertising, contractors, and venues and facilities costs in relation to the MEC's community outreach programme which was not adequately budgeted for, as well as OSS projects, property payments and internal computer costs. This virement also provides for higher than anticipated leasing costs for the Marine building in Durban, as well as maintenance costs with respect to air-conditioners with further detail provided in the Infrastructure section. Also included under this category in the agency and support/outsourced services item, is an amount of R10 million which was reprioritised from *Compensation of employees* under Programmes 2 to 4 to provide for the surrender of funds to the Department of Community Safety and Liaison (DCSL) in respect of the provincial Crime Fighting Initiative as per the Honourable Premier's directive.
 - R19 000 was moved to *Transfers and subsidies to: Public corporations and private enterprises* to cater for an unexpected claim against the state for damage to a hired vehicle by an official of the department.
 - R1.234 million was moved to *Transfers and subsidies to: Households* to cater for unanticipated staff exit costs.
 - R1.204 million was moved to *Machinery and equipment* for office equipment ordered in the previous year but delivered and paid for in the current year.
 - R41 000 was moved to *Software and other intangible assets* to cater for the purchase of new software for equipment procured for a visually impaired Director: Legal Services, which was not budgeted for.
 - R57 000 was moved to *Payments for financial assets* to make provision for debts written off.

In addition to the above, the department undertook virements across sub-programmes and economic classification categories within programmes. Details are provided in Section 4 below.

The above virements are permissible in terms of the Treasury Regulations and the PFMA. Where applicable, the increase in transfers was approved by Provincial Treasury.

Note that the virement of R23.536 million to Programme 1 requires Legislature approval in terms of Section 43(2) of the PFMA as it exceeds 8 per cent of the programme's main appropriation.

- *Shifts:* The department did not undertake any shifts across programmes but shifts were undertaken across sub-programmes within Programme 1, as explained in Section 4.

- *Other adjustments:* The department's budget allocation was reduced by an amount of R15 million as a result of the following:
 - An amount of R10 million was suspended from *Goods and services* in the Management Services (HOD) sub-programme under Programme 1 to cater for the surrender of funds to the DCSL in respect of the province's Crime Fighting Initiative as per the Honourable Premier's directive and resolutions by the Provincial Executive Council. These savings were realised from *Compensation of employees* under Programmes 2 to 4 due to internal delays in filling vacant funded posts and were moved to *Goods and services* in Programme 1 to cater for the surrender of funds to the DCSL. The department decided to first move the R10 million to a centralised point before surrendering, as it was administratively easier to do it this way.
 - An amount of R5 million was suspended from *Compensation of employees* under the Economic Analysis sub-programme within Programme 2 and is surrendered to the Department of Public Works (DOPW). These savings were realised from vacant posts and will be used by DOPW to pay for a transactional advisor in respect of the Provincial Government Precinct project.

Tables 6.1 and 6.2 reflect a summary of the 2023/24 adjusted appropriation of the department, summarised according to programme and economic classification.

Note that further details of adjustments at economic classification are provided in *Annexure – Vote 6: Provincial Treasury*.

Table 6.1 : Summary by programmes

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	214 137	-	-	23 536	-	(10 000)	13 536	227 673
2. Sustainable Resource Management	61 875	-	-	(3 953)	-	(5 000)	(8 953)	52 922
3. Financial Governance	221 695	-	-	(9 838)	-	-	(9 838)	211 857
4. Internal Audit	108 355	-	-	(6 885)	-	-	(6 885)	101 470
5. Municipal Finance Management	72 848	-	-	(2 860)	-	-	(2 860)	69 988
Total	678 910	-	-	-	-	(15 000)	(15 000)	663 910
Amount to be voted								(15 000)

Table 6.2 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	663 022	-	-	(5 884)	-	(15 000)	(20 884)	642 138
Compensation of employees	387 578	-	-	(24 809)	-	(5 000)	(29 809)	357 769
Goods and services	275 317	-	-	18 925	-	(10 000)	8 925	284 242
Interest and rent on land	127	-	-	-	-	-	-	127
Transfers and subsidies to:	3 673	-	-	1 411	-	-	1 411	5 084
Provinces and municipalities	29	-	-	(5)	-	-	(5)	24
Departmental agencies and accounts	3	-	-	-	-	-	-	3
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	19	-	-	19	19
Non-profit institutions	1 599	-	-	-	-	-	-	1 599
Households	2 042	-	-	1 397	-	-	1 397	3 439
Payments for capital assets	12 215	-	-	4 348	-	-	4 348	16 563
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	12 215	-	-	4 307	-	-	4 307	16 522
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	41	-	-	41	41
Payments for financial assets	-	-	-	125	-	-	125	125
Total	678 910	-	-	-	-	(15 000)	(15 000)	663 910
Amount to be voted								(15 000)

4. Changes to programme purposes and service delivery measures

It is noted that the department's budget structure is largely aligned with the uniform budget structure issued for Provincial Treasuries, and the department received formal approval from National Treasury for the slight deviations that are evident.

The non financial information currently reflected in the 2023/24 EPRE does not fully correspond to the department's 2023/24 APP, because the APP was tabled after the EPRE. As such, the "Revised target" column has been used in order to ensure alignment between the financial information in the Adjustments Estimate and the APP. Also, there are minor changes to the wording of service delivery outputs and indicators to align them with the 2023/24 APP, and these are indicated by a strike-through, as well as bold italics in the service delivery tables.

4.1 Programme 1: Administration

Tables 6.3 and 6.4 reflect a summary of the 2023/24 adjusted appropriation of Programme 1, summarised according to sub-programmes and economic classification. Details of the main adjustments, which resulted in an overall increase of R13.536 million, are provided in the paragraphs following the tables.

Table 6.3 : Programme 1: Administration

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Office of the MEC	31 302			3 438	(338)		3 100	34 402
2. Management Services (HOD)	11 757			10 865	338	(10 000)	1 203	12 960
3. Financial Management (CFO)	32 540						-	32 540
4. Corporate Services	138 538			9 233			9 233	147 771
Total	214 137	-	-	23 536	-	(10 000)	13 536	227 673
Amount to be voted								13 536

Table 6.4 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	201 379	-	-	20 981	-	(10 000)	10 981	212 360
Compensation of employees	107 806			2 898			2 898	110 704
Goods and services	93 573			18 083		(10 000)	8 083	101 656
Interest and rent on land							-	-
Transfers and subsidies to:	3 364	-	-	1 253	-	-	1 253	4 617
Provinces and municipalities	29			(5)			(5)	24
Departmental agencies and accounts	3						-	3
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises				19			19	19
Non-profit institutions	1 599						-	1 599
Households	1 733			1 239			1 239	2 972
Payments for capital assets	9 394	-	-	1 245	-	-	1 245	10 639
Buildings and other fixed structures							-	-
Machinery and equipment	9 394			1 204			1 204	10 598
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets				41			41	41
Payments for financial assets				57			57	57
Total	214 137	-	-	23 536	-	(10 000)	13 536	227 673
Amount to be voted								13 536

Virement – Programme 1: Administration: R23.536 million

The main appropriation of Programme 1 was increased by R23.536 million, as follows:

- *Compensation of employees* was increased by R2.898 million in the Corporate Services sub-programme to cater for spending pressures arising from the 2023 wage agreement which was not budgeted for. These funds were moved from *Compensation of employees* in Programme 2 due to internal delays in filling vacant funded posts such as Director: Public Finance, Secretary: Public Finance, among others.
- *Goods and services* was increased by R18.083 million, of which R8.083 million was moved to cater for the spending pressures in respect of advertising, contractors, and venues and facilities costs in relation to the MEC's community outreach programme which was not adequately budgeted for, OSS projects, property payments, and internal computer costs under the Office of the MEC and Corporate Services sub-programmes. The virement also provides for higher leasing costs with respect to the Marine building in Durban, as well as maintenance costs for the air-conditioners in the various office

buildings. The balance of R10 million was moved to the agency and support/outsourced services item under the Management Services (HOD) sub-programme, and this was reprioritised from Programmes 2 to 4 to provide for the surrender of funds to the DCSL in respect of the provincial Crime Fighting Initiative as per the Honourable Premier's directive. These funds were moved from *Compensation of employees* under Programmes 2 to 4 due to savings realised as a result of internal delays in filling vacant funded posts such as Director: Public Finance, Deputy Director: Financial Reporting, Deputy Director: Provincial Moveable Assets and Chief Director: Assurance Services, among others. The savings were also realised against *Goods and services* due to savings in various operational costs.

- *Transfers and subsidies to: Public corporations and private enterprises* was increased by R19 000 in the Office of the MEC sub-programme to cater for an unexpected claim against the state for damage to a hired vehicle by an official of the department. These funds were moved from *Compensation of employees* under Programme 5 due to internal delays in filling vacant funded posts, as mentioned.
- *Transfers and subsidies to: Households* was increased by R1.234 million in the Corporate Services sub-programme to cater for unanticipated staff exit costs. These funds were moved from *Compensation of employees* under Programme 5 (R1.234 million) due to internal delays in filling vacant funded posts, as mentioned. A further amount of R5 000 was moved within Programme 1 from *Transfers and subsidies to: Provinces and municipalities* due to savings realised from reduced spending on vehicle licensing as a result of a reduced departmental fleet, thus increasing *Transfers and subsidies to: Households* by R1.239 million.
- *Machinery and equipment* was increased by R1.204 million under the Corporate Services sub-programme to defray excess spending resulting from the payment for office equipment ordered in the previous year but delivered in the current year. These funds were moved from *Compensation of employees* under Programme 5 due to internal delays in filling vacant funded posts.
- *Software and other intangible assets* was increased by R41 000 in the Corporate Services sub-programme to cater for the purchase of new software for equipment procured for a visually impaired Director: Legal Services, which was not budgeted for. These funds were moved from *Compensation of employees* under Programme 5 due to internal delays in filling vacant funded posts.
- *Payments for financial assets* was increased by R57 000 to make provision for debts written off in the Financial Management sub-programme. These funds were moved from *Compensation of employees* under Programme 5 due to internal delays in filling vacant funded posts.

The above virements are permissible in terms of the Treasury Regulations and the PFMA. Where applicable, the increase in transfers was approved by Provincial Treasury.

Note that the virement of R23.536 million to Programme 1 requires Legislature approval in terms of Section 43(2) of the PFMA as it exceeds 8 per cent of the programme's main appropriation.

Shifts – Programme 1: Administration

The department undertook a shift of R338 000 from *Compensation of employees* in the Office of the MEC sub-programme to the same economic classification category in the Management Services (HOD) sub-programme within Programme 1 in respect of a transfer of an Administrative Assistant post between the sub-programmes. The purpose of these funds remains the same.

Other adjustments – Programme 1: Administration: (R10 million)

An amount of R10 million was suspended from *Goods and services* in the Management Services (HOD) sub-programme under Programme 1 to cater for the surrender of funds to the DCSL in respect of the province's Crime Fighting Initiative as per the Honourable Premier's directive and resolutions taken by the Provincial Executive Council. These savings were realised from *Compensation of employees* under Programmes 2 to 4 due to internal delays in filling vacant funded posts and were moved to *Goods and services* in Programme 1 to cater for the surrender of funds to the DCSL.

4.2 Programme 2: Sustainable Resource Management

Tables 6.5 and 6.6 reflect a summary of the 2023/24 adjusted appropriation of Programme 2, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall decrease of R8.953 million, are provided in the paragraphs following the tables.

Table 6.5 : Programme 2: Sustainable Resource Management

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Programme Support	3 607			(300)			(300)	3 307
2. Economic Analysis	33 323			(339)		(5 000)	(5 339)	27 984
3. Public Finance	18 612			(1 301)			(1 301)	17 311
4. Public, Private Partnerships	6 333			(2 013)			(2 013)	4 320
Total	61 875	-	-	(3 953)	-	(5 000)	(8 953)	52 922
Amount to be voted								(8 953)

Table 6.6 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	61 367	-	-	(4 108)	-	(5 000)	(9 108)	52 259
Compensation of employees	45 897			(2 596)		(5 000)	(7 596)	38 301
Goods and services	15 470			(1 512)			(1 512)	13 958
Interest and rent on land							-	-
Transfers and subsidies to:	-	-	-	28	-	-	28	28
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households				28			28	28
Payments for capital assets	508	-	-	127	-	-	127	635
Buildings and other fixed structures							-	-
Machinery and equipment	508			127			127	635
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets	-	-	-	-	-	-	-	-
Total	61 875	-	-	(3 953)	-	(5 000)	(8 953)	52 922

Virement – Programme 2: Sustainable Resource Management: (R3.953 million)

The main appropriation of Programme 2 was decreased by an amount of R3.953 million, as follows:

- Savings of R3.953 million were realised under Programme 2 from all sub-programmes against *Compensation of employees* (R2.596 million) due to internal delays in filling vacant funded posts such as Director: Public Finance and Secretary: Public Finance, among others and *Goods and services* (R1.357 million) due to less travel and subsistence claims as most meetings were held virtually, as well as unexpected delays in the finalisation of the job massification programme strategy by the Infrastructure unit, which is an EPWP initiative to involve graduates on undertaking conditional assessments of various infrastructure projects. These savings were moved to Programme 1 to defray spending pressures against *Compensation of employees* (R2.898 million) resulting from the 2023 wage agreement which was not budgeted for and to *Goods and services* (R1.055 million) to defray spending pressures on items such as advertising, contractors, and venues and facilities costs in respect of the MEC's community outreach programme, as well as OSS projects, property payments and internal computer costs.

In addition to the above virement to Programme 1, the following internal virements were undertaken within Programme 2, across sub-programmes and economic classification categories:

- Further savings of R155 000 were realised from *Goods and services* from all sub-programmes mainly due to less travel and subsistence claims as most meetings were held virtually, as well as unexpected delays in the finalisation of the job massification programme strategy by the Infrastructure unit. These savings were moved within the programme, as follows:

- o R28 000 was moved to *Transfers and subsidies to: Households* in the Economic Analysis sub-programme to cater for unanticipated staff exit costs that were not budgeted for.
- o R127 000 was moved to *Machinery and equipment* in the Economic Analysis, Public Finance and Public, Private Partnerships sub-programmes to cater for office equipment ordered in the previous year but delivered and paid for in the current year.

The above virements are permissible in terms of the Treasury Regulations and the PFMA.

Other adjustments – Programme 2: Sustainable Resource Management: (R5 million)

An amount of R5 million was suspended from *Compensation of employees* under the Economic Analysis sub-programme within Programme 2 and was surrendered to DOPW. These savings were realised from vacant posts and will be used by DOPW to pay for a transactional advisor in respect of the Provincial Government Precinct project.

Service delivery measures – Programme 2: Sustainable Resource Management

Table 6.7 shows the service delivery information for Programme 2 as per the APP of Provincial Treasury, as well as the actual achievements for the first six months of the year. Note that there are minor changes to the wording of service delivery outputs and indicators to align them with the 2023/24 APP and these are indicated in bold italics, while deleted words are denoted by a strike-through. Two targets were added and these are reflected as ‘New’ and three targets were revised to align with the final APP and the revised targets are reflected in the ‘Revised target’ column.

Table 6.7 : Service delivery measures – Programme 2: Sustainable Resource Management

Outputs	Performance indicators	Performance targets		
		2023/24 Original Target	2023/24 Mid-year Actual	2023/24 Revised target
1. Infrastructure Management and Economic Analysis				
1.1 Produce Socio-economic review & outlook report produced	<ul style="list-style-type: none"> No. of socio-economic review and outlook (SERO) report of the province produced to evaluate and monitor economic trends and performance supporting policy formulation 	1	Annual	
Value for money assessment reports produced	<ul style="list-style-type: none"> No. of value for money assessment report produced 	1	Annual	
Research reports produced	<ul style="list-style-type: none"> No. of research report produced 	1	Annual	
1.2 Produce Estimates of Capital Expenditure (ECE) Plan produced	<ul style="list-style-type: none"> No. of ECE plan produced 	1	Annual	
ECE monitoring reports of departments	<ul style="list-style-type: none"> No. of quarterly monitoring reports produced on the implementation of ECE by departments capital expenditure 	1	2	4
1.3 Departments capacitated departments to institutionalise on the Infrastructure Delivery Management System (IDMS)	<ul style="list-style-type: none"> No. of departments capacitated trained on IDMS No. of monitoring reports produced on the institutionalising of the departments using IDMS 	5 4	Annual Annual	1
2. Public Finance				
2.1 Optimal efficient and effective resource provincial budgets allocation	<ul style="list-style-type: none"> Final budget and adjustments budget for the province Final provincial budget produced Adjustments provincial budget produced 	4 New New	Annual Annual Annual	1 1
2.2 Early warning system reports produced	<ul style="list-style-type: none"> No. of early warning system reports produced to address variances requiring remedial action (departments and public entities) 	18	10	
2.3 Enhance revenue generation, collection and management in the province	<ul style="list-style-type: none"> No. of projects aimed to enhance existing and new Research project conducted on provincial own revenue sources No. of research projects undertaken to inform provincial equitable share (PES) and conditional grant (CG) allocations Research project conducted on provincial allocation 	1 1	Annual Annual	
3. Public, Private Partnerships				
3.1 Reports on departments, municipalities and public entities capacitated Public sector Institutions supported on PPPs	<ul style="list-style-type: none"> No. of reports produced on public sector institutions supported on PPPs 	4	5	5
3.2 Training of municipalities on PPP processes	<ul style="list-style-type: none"> No. of training sessions conducted 	2	1	
3.3 PPP service delivery solutions	<ul style="list-style-type: none"> No. of proposals produced to government entities on a PPP service delivery solution proposal produced 	1	Annual	
3.4 Compliance report on the implementation of the PPPFA in PPP projects including target for targeted groups regulation by depts., municipalities and public entities	<ul style="list-style-type: none"> No. of compliance reports produced on the implementation of the PPPFA regulations inclusive of targets per targeted group in PPP projects 	2	1	

4.3 Programme 3: Financial Governance

Tables 6.8 and 6.9 reflect a summary of the 2023/24 adjusted appropriation of Programme 3, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall decrease of R9.838 million, are provided in the paragraphs below.

Table 6.8 : Programme 3: Financial Governance

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Programme Support	5 684			89			89	5 773
2. Asset and Liabilities Management	20 517			2 309			2 309	22 826
3. Support and Interlinked Financial Systems	118 000			(3 641)			(3 641)	114 359
4. Supply Chain Management	43 270			(900)			(900)	42 370
5. Accounting Services	27 125			(7 695)			(7 695)	19 430
6. Norms and Standards	7 099						-	7 099
Total	221 695	-	-	(9 838)	-	-	(9 838)	211 857
Amount to be voted								(9 838)

Table 6.9 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	219 866	-	-	(11 137)	-	-	(11 137)	208 729
Compensation of employees	92 286			(10 502)			(10 502)	81 784
Goods and services	127 453			(635)			(635)	126 818
Interest and rent on land	127						-	127
Transfers and subsidies to:	241	-	-	77	-	-	77	318
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	241			77			77	318
Payments for capital assets	1 588	-	-	1 182	-	-	1 182	2 770
Buildings and other fixed structures							-	-
Machinery and equipment	1 588			1 182			1 182	2 770
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets				40			40	40
Total	221 695	-	-	(9 838)	-	-	(9 838)	211 857
Amount to be voted								(9 838)

Virement – Programme 3: Financial Governance: (R9.838 million)

The main appropriation of Programme 3 was decreased by R9.838 million which affected various sub-programmes due to the following virements:

- Savings of R9.838 million were realised from *Compensation of employees* under the Support and Interlinked Financial Systems (R1.243 million), Supply Chain Management (R900 000) and Accounting Services (R7.695 million) sub-programmes, due to vacant funded posts such as Deputy Director: Financial Reporting, Deputy Director: Provincial Moveable Assets and Assistant Director: Supply Chain Management Transversal Policy, among others. These savings were moved to *Goods and services* under Programme 1 to defray spending pressures in respect of the MEC's community outreach programme, as mentioned. Note that a portion of these funds were reprioritised to the agency and support/outsourced services item in *Goods and services* under Programme 1 to provide for the surrender of funds to DCSL in respect of the provincial Crime Fighting Initiative.

In addition to the above virement to Programme 1, the following virements were undertaken within Programme 3, across sub-programmes and economic classification categories:

- Savings of R2.398 million were realised from *Compensation of employees* (R1.763 million) and *Goods and services* (R635 000) under the Support and Interlinked Financial Systems sub-programme due to internal delays in filling vacant funded posts and as a result of reduced spending on operational

costs due to non-filling of vacant posts and travel and subsistence allowance as most meetings were held virtually, as mentioned. These funds were moved, as follows:

- o R1.099 million was moved within *Compensation of employees* to the Programme Support (R89 000) and the Asset and Liabilities Management (R1.010 million) sub-programmes to cater for the unfunded 2023 wage agreement, which could not be fully absorbed by these sub-programmes.
- o R77 000 was moved to *Transfers and subsidies: Households* in the Asset and Liabilities Management, Support and Interlinked Financial Systems and Accounting Services sub-programmes to cater for unanticipated staff exit costs which were not budgeted for.
- o R1.182 million was moved to *Machinery and equipment* in the Asset and Liabilities Management sub-programme to cater for the payment for office equipment ordered in the previous year but delivered and paid for in the current year.
- o R40 000 was moved to *Payments for financial assets* under the Asset and Liabilities Management sub-programme in respect of a provision made for debts written off.

The above virements are permissible in terms of the Treasury Regulations and the PFMA.

Service delivery measures – Programme 3: Financial Governance

Table 6.10 shows the service delivery information for Programme 3 as per the APP of Provincial Treasury, as well as the actual achievements for the first six months of the year.

Note that changes were made to the service delivery targets to ensure alignment with the APP which was only finalised after the 2023/24 *EPRE* was published. There are minor changes to the wording of performance indicators and these are indicated in bold italics, while deleted words are denoted by a strike-through. Two performance indicators were deleted and these are denoted by a strike-through and one performance indicator was added and this is indicated as “New”.

Table 6.10 : Service delivery measures – Programme 3: Financial Governance

Outputs	Performance indicators	Performance targets		
		2023/24 Original Target	2023/24 Mid-year actual	2023/24 Revised Target
1. Provincial Supply Chain Management				
1.1. No. of SCM initiatives implemented at depts., municipalities and public sector institutions entities to improve compliance with SCM prescripts	<ul style="list-style-type: none"> No. of SCM training sessions conducted on SCM prescripts and best practice No. of SCM prescripts <i>policies</i> reviewed in line with SCM legislation developments 	3	27	4
Provincial institutions supported in order to improve audit outcomes	<ul style="list-style-type: none"> No. of reports produced on SCM support provided to public sector institutions as per the audit improvement plan 	2		
Provincial institutions supported in order to improve audit outcomes	<ul style="list-style-type: none"> No. of reports produced on contract management support provided to public sector institution as per audit improvement plan 	2		
1.2 <i>Training on contract Management</i>	<ul style="list-style-type: none"> <i>No. of contract management training sessions conducted</i> 	New	2	4
1.3 Report on distribution of procurement spend to the targeted groups	<ul style="list-style-type: none"> No. of reports produced on the distribution of provincial procurement spend on the targeted groups 	4	2	
2. Accounting Services				
2.1. Financial management support initiatives in order to improve audit outcomes	<ul style="list-style-type: none"> No. of financial management support initiatives provided to departments on agreed specific focus areas and timeframe No. of financial management support initiatives provided to public entities on agreed specific focus areas and timeframe 	8	13	
2.2. Reports on institutions level of compliance on payment of suppliers within 30 days	<ul style="list-style-type: none"> No. of consolidated Instruction Note 34 reports produced on compliance to payment of valid suppliers invoices within 30 days 	12	6	
2.3 Training sessions facilitated on financial management (PFMA) at public sector institutions in the province	<ul style="list-style-type: none"> No. of training sessions facilitated 	6	4	
3. Financial Information Management System (FIMS)				
3.1. Financial transversal systems available	<ul style="list-style-type: none"> Percentage availability of financial transversal systems Mean time to resolve calls for transversal systems 	97% 8 hours	99% 16 hours	

4.4 Programme 4: Internal Audit

Tables 6.11 and 6.12 reflect a summary of the 2023/24 adjusted appropriation of Programme 4, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall reduction of R6.885 million, are provided in the paragraphs below the table.

Table 6.11 : Programme 4: Internal Audit

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Programme Support	4 815			(728)			(728)	4 087
2. Assurance Services	76 680			(3 541)			(3 541)	73 139
3. Risk Management	26 860			(2 616)			(2 616)	24 244
Total	108 355	-	-	(6 885)	-	-	(6 885)	101 470
Amount to be voted								(6 885)

Table 6.12 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	107 877	-	-	(8 466)	-	-	(8 466)	99 411
Compensation of employees	86 339			(10 630)			(10 630)	75 709
Goods and services	21 538			2 164			2 164	23 702
Interest and rent on land							-	-
Transfers and subsidies to:	68	-	-	23	-	-	23	91
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	68			23			23	91
Payments for capital assets	410	-	-	1 530	-	-	1 530	1 940
Buildings and other fixed structures							-	-
Machinery and equipment	410			1 530			1 530	1 940
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets				28			28	28
Total	108 355	-	-	(6 885)	-	-	(6 885)	101 470
Amount to be voted								(6 885)

Virement – Programme 4: Internal Audit: (R6.885 million)

The main appropriation of Programme 4 was reduced by an amount of R6.885 million as a result of the following virements:

- Savings of R6.885 million were realised from *Compensation of employees* across all sub-programmes under Programme 4 due to internal delays in filling vacant posts, such as the Chief Director: Assurance Services and Risk Specialists, among others. These savings were moved to *Goods and services* under Programme 1 to cater for advertising, contractors, and venues and facilities costs in relation to the MEC's community outreach programme, as well as OSS projects, property payments, internal computer costs, as well as agency and support/outsourced services due to projects carried forward from 2022/23, as mentioned. Note that a portion of these funds was reprioritised to the agency and support/outsourced services item in *Goods and services* under Programme 1 to provide for the surrender of funds to DCSL in respect of the provincial Crime Fighting Initiative.

In addition to the above virements from Programme 4, the following virements were undertaken within Programme 4, across sub-programmes and economic classification categories:

- Further savings of R3.745 million were identified against *Compensation of employees* across all sub-programmes within Programme 4 due to the non-filling of vacant funded posts, as mentioned. These savings were moved within Programme 4, as follows:
 - R2.164 million was moved to *Goods and services* in the Assurance Services sub-programme to cater for expenditure pressures in respect of training and development for new learners enrolled on

the Institute of Internal Auditors (IIA) learnership programme and costs in respect of projects carried forward from the previous financial year, as mentioned.

- o R23 000 was moved to *Transfers and subsidies to: Households* to cater for staff exit costs that were not adequately budgeted for.
- o R1.530 million was moved to *Machinery and equipment* to cater for the procurement of tools of trade that were not adequately budgeted for.
- o R28 000 was moved to *Payments for financial assets* to make provision for the debt written off.

These virements are permissible in terms of the PFMA and Treasury Regulations.

Service delivery measures – Programme 4: Internal Audit

Table 6.13 shows the service delivery information for Programme 4 as per the APP of Provincial Treasury, as well as the actual achievements for the first six months of the year. Note that changes were made to the service delivery targets to ensure alignment with the APP which was only finalised after the 2023/24 *EPRE* was published. There are minor changes to the wording of performance indicators and these are indicated in bold italics, while deleted words are denoted by a strike-through. One indicator was added and this is indicated as ‘New’, while one indicator was deleted and this is denoted by a strike-through. Two targets were changed to align with the revised 2023/24 APP and this is reflected in the ‘Revised target’ column.

Table 6.13 : Service delivery measures – Programme 4: Internal Audit

Outputs	Performance indicators	Performance targets		
		2023/24 Original Target	2023/24 Mid-year actual	2023/24 Revised target
1. Assurance Services				
1.1. Internal Audit reviews conducted	<ul style="list-style-type: none"> No. of Internal Audit (IA) reviews conducted No. of follow-up <i>Audit</i> reviews on the implementation of recommendations on resolved audit findings 	95 48	57 19	
1.2. Oversight reports to strengthen accountability by Public Sector Institutions	<ul style="list-style-type: none"> No. of oversight reports issued to MEC's of provincial departments 	56	28	
2. Risk Management				
2.1. Risk assessment reviews for municipalities <i>Strengthened Risk management in the Public sector institutions</i>	<ul style="list-style-type: none"> No. of reports on risk assessment reviews conducted <i>in</i> for municipalities No. of <i>reviews conducted on</i> internal audit functions ality reviews conducted for <i>at selected</i> municipalities No. of assessments conducted on provincial departments <i>monitored on</i> compliance with the minimum risk management standards 	16 6 26	12 2 13	13
2.3 Strengthened internal control and Risk management in the province	<ul style="list-style-type: none"> No. of provincial departments assisted with development of risk and control matrixes Provincial internal control framework developed 	5 New		1

4.5 Programme 5: Municipal Finance Management

Tables 6.14 and 6.15 summarise the 2023/24 adjusted appropriation of Programme 5, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall decrease of R2.860 million, are provided in the paragraphs below the table.

Table 6.14 : Programme 5: Municipal Finance Management

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
1. Programme Support	5 543			240			240	5 783
2. Municipal Budget	27 686			245			245	27 931
3. Municipal Accounting and Reporting	16 125			(5 030)			(5 030)	11 095
4. Municipal Support Programme	15 389			1 246			1 246	16 635
5. Municipal Revenue and Debt Management	8 105			439			439	8 544
Total	72 848	-	-	(2 860)	-	-	(2 860)	69 988
Amount to be voted								(2 860)

Table 6.15 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments	
Current payments	72 533	-	-	(3 154)	-	(3 154)	69 379
Compensation of employees	55 250			(3 979)		(3 979)	51 271
Goods and services	17 283			825		825	18 108
Interest and rent on land						-	-
Transfers and subsidies to:		-	-	30	-	30	30
Provinces and municipalities						-	-
Departmental agencies and accounts						-	-
Higher education institutions						-	-
Foreign governments and international organisations						-	-
Public corporations and private enterprises						-	-
Non-profit institutions						-	-
Households				30		30	30
Payments for capital assets	315	-	-	264	-	264	579
Buildings and other fixed structures						-	-
Machinery and equipment	315			264		264	579
Heritage assets						-	-
Specialised military assets						-	-
Biological assets						-	-
Land and subsoil assets						-	-
Software and other intangible assets						-	-
Payments for financial assets						-	-
Total	72 848	-	-	(2 860)	-	(2 860)	69 988
Amount to be voted							(2 860)

Virement – Programme 5: Municipal Finance Management: (R2.860 million)

The main appropriation of Programme 5 was decreased by R2.860 million, as follows:

- Savings of R2.860 million were realised from *Compensation of employees* in the sub-programme Municipal Accounting and Reporting in Programme 5 due to internal delays in filling vacant posts, such as Director: Municipal Accounting and Reporting, nine Assistant Director: Municipal Accounting posts and nine Assistant Director: General Municipal Support posts. These savings were moved to Programme 1, as follows:
 - R305 000 was moved to *Goods and services* in Programme 1 to cater for advertising, contractors, and venues and facilities costs in relation to the MEC's community outreach programme, as well as OSS projects, property payments, and internal computer costs, as mentioned.
 - R1.253 million was moved to *Transfers and subsidies to: Public corporations and private enterprises* (R19 000) to cater for an unexpected claim against the state for damage to a hired vehicle by an official of the department, as well as to *Transfers and subsidies to: Households* (R1.234 million) in respect of unanticipated staff exit costs, as mentioned.
 - R1.204 million was moved to *Machinery and equipment* in Programme 1 to cater for office furniture that was purchased in the previous year but delivered and paid for in the current year.
 - R41 000 was moved to *Software and other intangible assets* in Programme 1 to cater for the purchase of new software for equipment procured for a visually impaired Director: Legal Services, which was not budgeted for.
 - R57 000 was moved to *Payments for financial assets* to make provision for debts written off.

In addition to the above virement to Programme 1, the following internal virements were undertaken within Programme 5, across sub-programmes and economic classification categories:

- Further savings of R2.170 million were realised in *Compensation of employees* in the Municipal Accounting and Reporting sub-programme due to non-filling of posts and were moved, as follows:
 - R1.051 million was moved within *Compensation of employees* to the Programme Support (R240 000), Municipal Budget (R245 000), Municipal Support Programme (R127 000) and Municipal Revenue and Debt Management (R439 000) sub-programmes to cater for the spending pressures in relation to the 2023 wage agreement, which was not budgeted for.
 - R825 000 was moved to *Goods and services* in the Municipal Support Programme sub-programme to cater for spending pressures arising from projects carried over from the previous financial year that were not budgeted for in the current baseline.

- o R30 000 was moved to *Transfers and subsidies to: Households* in respect of staff exit costs that were not budgeted for.
- o R264 000 was moved to *Machinery and equipment* to cater for office furniture that was ordered in the previous year but delivered and paid for in the current year.

The above virements are permissible in terms of the Treasury Regulations and the PFMA.

Service delivery measures – Programme 5: Municipal Finance Management

Table 6.16 shows the service delivery information for Programme 5 as per the APP of Provincial Treasury, and the actual achievements for the first six months of the year. Note that there are changes to the wording of performance indicators and these are indicated in bold italics, while deleted words are denoted by a strike-through. One indicator was deleted and this is denoted by a strike-through. One target was changed to align with the revised 2023/24 APP and this is reflected in the 'Revised target' column.

Table 6.16 : Service delivery measures – Programme 5: Municipal Finance Management

Outputs	Performance indicators	Performance targets		
		2023/24 Original Target	2023/24 Mid-year Actual	2023/24 Revised target
1. Municipal Budget				
1.1. Annual budgets of delegated municipalities evaluated	<ul style="list-style-type: none"> No. of tabled budgets evaluated for delegated municipalities with recommendations No. of approved budgets evaluated for delegated municipalities with recommendations 	51	51	
1.2. Early warning reports on Municipal Budget Performance	<ul style="list-style-type: none"> No. of Section 71(7) Quarterly Budget Performance Reports produced 	4	2	
2. Municipal Accounting and Reporting				
2.1. Financial Statements reviews conducted at targeted municipalities	<ul style="list-style-type: none"> No. of municipal financial statements reviews projects conducted at targeted municipalities 	7	2	
2.2. Financial management support projects implemented at targeted municipalities	<ul style="list-style-type: none"> No. of financial management support projects implemented at targeted municipalities 	6	4	
3. Municipal Support Programme				
3.1. Specialised projects implemented at targeted municipalities	<ul style="list-style-type: none"> No. of specialised projects implemented at targeted municipalities with recommendations 	40		
4. Municipal Revenue and Debt Management				
4.1. Revenue and debt projects implemented at targeted municipalities to strengthen financial management capability in local government Enhance Revenue and Debt management in the Province	<ul style="list-style-type: none"> No. of revenue and debt management projects implemented at target municipalities with recommendations 	1	Annual	2

5. Specifically and exclusively appropriated allocations

Table 6.17 shows the amounts that are specifically and exclusively appropriated for specific purposes in terms of the KZN Adjustments Appropriation Act, 2023. There are no changes in this regard.

Table 6.17 : Summary of specifically and exclusively appropriated funding

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Prog. 1: District champion of OSS/DDM responsibilities	2 000						-	2 000
2. Prog. 5: Municipal Interventions	11 327						-	11 327
Total	13 327	-	-	-	-	-	-	13 327
Amount to be voted								

6. Gifts, donations and sponsorships

The department is not envisaging granting any gifts, donations and sponsorships in excess of R100 000.

7. Infrastructure

Table 6.18 shows the summary of infrastructure payments per main category. The adjustments in infrastructure resulted in an overall increase of R825 000, which is explained below the table.

Table 6.18 : Summary of infrastructure payments by category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Existing infrastructure assets	325	-	-	300	-	-	300	625
Maintenance and repair: Current	325			300			300	625
Upgrades and additions: Capital							-	-
Refurbishment and rehabilitation: Capital							-	-
New infrastructure assets: Capital							-	-
Infrastructure transfers	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital							-	-
Infrastructure transfers: Current							-	-
Infrastructure: Payments for financial assets							-	-
Infrastructure: Leases	22 377			525			525	22 902
Non infrastructure							-	-
Capital infrastructure	-	-	-	-	-	-	-	-
Current infrastructure	22 702	-	-	825	-	-	825	23 527
Total	22 702	-	-	825	-	-	825	23 527
Amount to be voted								825

- **Virement:** The department undertook the following virements:
 - *Maintenance and repair: Current* was increased by R300 000 to cater for maintenance and repairs of other machinery under Programme 1 which was not contracted with the landlords such as air-conditions. These funds were moved from *Compensation of employees* under Programme 5 due to internal delays in filling vacant posts, as mentioned.
 - *Infrastructure: Leases* was increased by R525 000 in Programme 1 to cater for rental of the office space at the Marine building which was not provided for. These funds were moved from *Compensation of employees* in Programme 4 due to internal delays in filling posts, as mentioned.

8. Conditional grants

The department does not receive any conditional grant allocation.

9. Transfers and subsidies

Table 6.19 shows the summary of transfers and subsidies per programme. The adjustments in *Transfers and subsidies* resulted in an overall increase of R1.411 million, as explained in the paragraphs after the table.

Table 6.19 : Summary of transfers and subsidies by programme and main category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	3 364	-	-	1 253	-	-	1 253	4 617
Provinces and municipalities	29	-	-	(5)	-	-	(5)	24
Motor vehicle licences	29			(5)			(5)	24
Departmental agencies and accounts	3	-	-	-	-	-	-	3
SABC TV licences	3						-	3
Public corporations and private enterprises	-	-	-	19	-	-	19	19
Claims against the state				19			19	19
Non-profit institutions	1 599	-	-	-	-	-	-	1 599
Donations	99						-	99
Thuthuka Education Upliftment Fund	1 500						-	1 500
Households	1 733	-	-	1 239	-	-	1 239	2 972
Staff exit costs	124			1 239			1 239	1 363
External bursaries	1 609						-	1 609
2. Sustainable Resource Management	-	-	-	28	-	-	28	28
Households	-	-	-	28	-	-	28	28
Staff exit costs				28			28	28
3. Financial Governance	241	-	-	77	-	-	77	318
Households	241	-	-	77	-	-	77	318
Staff exit costs	241			77			77	318
4. Internal Audit	68	-	-	23	-	-	23	91
Households	68	-	-	23	-	-	23	91
Staff exit costs	68			23			23	91
5. Municipal Finance Management	-	-	-	30	-	-	30	30
Households	-	-	-	30	-	-	30	30
Staff exit costs				30			30	30
Total	3 673	-	-	1 411	-	-	1 411	5 084
Amount to be voted								1 411

- *Virement*: The *Transfers and subsidies* allocation sees a number of virements occurring, with the category as a whole increasing by R1.411 million, explained as follows:
 - Programme 1: Savings of R1.253 million were realised from *Compensation of employees* in Programme 5 due to internal delays in filling vacant funded posts. Further savings of R5 000 were realised within Programme 1 from *Provinces and municipalities* due to reduced spending on vehicle licensing as a result of a reduced departmental fleet. These savings were moved as follows:
 - R19 000 was moved to *Public corporations and private enterprises* to cater for an unexpected claim against the state for damage to a hired vehicle by an official of the department.
 - R1.239 million was moved to *Households* to cater for unanticipated staff exit costs.
 - Programme 2: Savings of R28 000 were realised from *Compensation of employees* due to internal delays in filling vacant funded posts, and were moved to *Households* within the programme to cater for staff exit costs that were not budgeted for.
 - Programme 3: Savings of R77 000 were realised from *Compensation of employees* due to internal delays in filling vacant funded posts, and were moved to *Households* within the programme to cater for staff exit costs that were under-budgeted for.
 - Programme 4: Savings of R23 000 were realised from *Compensation of employees* due to internal delays in filling vacant funded posts, and were moved to *Households* within the programme to cater for staff exit costs that were under-budgeted for.
 - Programme 5: Savings of R30 000 were realised from *Compensation of employees* due to internal delays in filling vacant funded posts, and were moved to *Households* within the programme to cater for staff exit costs that were not budgeted for.

The above virements are permissible in terms of the Treasury Regulations and the PFMA.

10. Transfers to local government

The amounts against *Provinces and municipalities* in Table 6.19 above cater for motor vehicle licences. These funds will not be transferred to any municipality, and therefore the table for transfers to local government has not been included.

11. Actual payments and revised spending projections for the rest of 2023/24

Tables 6.20 and 6.21 reflect actual payments as at the end of September 2023, projected payments for the rest of the year and total revised spending in Rand value and as a percentage of Adjusted Appropriation per programme and economic classification. The tables also show the 2022/23 Audited outcome.

Table 6.20 : Actual payments and revised spending projections by programme

R thousand	2022/23 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2023 - September 2023	% of budget	October 2023 - March 2024	% of budget	
1. Administration	192 675	227 673	106 300	46.7	121 373	53.3	227 673
2. Sustainable Resource Management	45 636	52 922	20 389	38.5	32 533	61.5	52 922
3. Financial Governance	201 373	211 857	93 536	44.2	118 321	55.8	211 857
4. Internal Audit	99 979	101 470	48 797	48.1	52 673	51.9	101 470
5. Municipal Finance Management	73 139	69 988	34 488	49.3	35 500	50.7	69 988
Total	612 802	663 910	303 510	45.7	360 400	54.3	663 910

Table 6.21 : Actual payments and revised spending projections by economic classification

	2022/23 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		
			April 2023 - September 2023		October 2023 - March 2024		Projected actual
R thousand			% of budget		% of budget		
Current payments	594 246	642 138	294 927	45.9	347 211	54.1	642 138
Compensation of employees	312 363	352 769	167 924	47.6	184 845	52.4	352 769
Goods and services	281 871	289 242	127 003	43.9	162 239	56.1	289 242
Interest and rent on land	12	127	-	-	127	100.0	127
Transfers and subsidies to:	7 356	5 084	1 959	38.5	3 125	61.5	5 084
Provinces and municipalities	29	24	6	25.0	18	75.0	24
Departmental agencies and accounts		3	-	-	3	100.0	3
Higher education institutions		-	-	-	-	-	-
Foreign governments and international organisations		-	-	-	-	-	-
Public corporations and private enterprises	343	19	2	10.5	17	89.5	19
Non-profit institutions	17	1 599	27	1.7	1 572	98.3	1 599
Households	6 967	3 439	1 924	55.9	1 515	44.1	3 439
Payments for capital assets	11 044	16 563	6 500	39.2	10 063	60.8	16 563
Buildings and other fixed structures		-	-	-	-	-	-
Machinery and equipment	11 044	16 522	6 459	39.1	10 063	60.9	16 522
Heritage assets		-	-	-	-	-	-
Specialised military assets		-	-	-	-	-	-
Biological assets		-	-	-	-	-	-
Land and subsoil assets		-	-	-	-	-	-
Software and other intangible assets		41	41	100.0	-	-	41
Payments for financial assets	156	125	124	99.2	1	0.8	125
Total	612 802	663 910	303 510	45.7	360 400	54.3	663 910

Table 6.A : Summary by economic classification : Provincial Treasury

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	663 022	-	-	(5 884)	-	(15 000)	(20 884)	642 138
Compensation of employees	387 578	-	-	(29 809)	-	(5 000)	(34 809)	352 769
Salaries and wages	341 995	-	-	(23 447)	-	(5 000)	(28 447)	313 548
Social contributions	45 583	-	-	(6 362)	-	-	(6 362)	39 221
Goods and services	275 317	-	-	23 925	-	(10 000)	13 925	289 242
Administrative fees	14 737	-	-	1 678	-	-	1 678	16 415
Advertising	3 250	-	-	1 024	-	-	1 024	4 274
Minor assets	514	-	-	(157)	-	-	(157)	357
Audit cost: External	5 049	-	-	-	-	-	-	5 049
Bursaries: Employees	814	-	-	-	-	-	-	814
Catering: Departmental activities	743	-	-	362	-	-	362	1 105
Communication (G&S)	2 743	-	-	(299)	-	-	(299)	2 444
Computer services	124 024	-	-	(1 873)	-	-	(1 873)	122 151
Cons. & prof serv: Business and advisory services	5 175	-	-	7 491	-	-	7 491	12 666
Infrastructure and planning	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-
Legal costs	2 480	-	-	(652)	-	-	(652)	1 828
Contractors	7 123	-	-	(1 538)	-	-	(1 538)	5 585
Agency and support / outsourced services	38 789	-	-	14 887	-	(10 000)	4 887	43 676
Entertainment	-	-	-	-	-	-	-	-
Fleet services (incl govt motor transport)	1 522	-	-	1 436	-	-	1 436	2 958
Housing	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	400	-	-	(200)	-	-	(200)	200
Inventory: Farming supplies	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	318	-	-	37	-	-	37	355
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	76	-	-	76	76
Inventory: Medical supplies	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 753	-	-	(746)	-	-	(746)	1 007
Consumable supplies	1 288	-	-	987	-	-	987	2 275
Consumable: Stationery, printing and office supplies	2 596	-	-	(445)	-	-	(445)	2 151
Operating leases	22 755	-	-	525	-	-	525	23 280
Property payments	19 038	-	-	(684)	-	-	(684)	18 354
Transport provided: Departmental activity	125	-	-	855	-	-	855	980
Travel and subsistence	13 377	-	-	(4 120)	-	-	(4 120)	9 257
Training and development	3 009	-	-	152	-	-	152	3 161
Operating payments	3 373	-	-	353	-	-	353	3 726
Venues and facilities	322	-	-	4 776	-	-	4 776	5 098
Rental and hiring	-	-	-	-	-	-	-	-
Interest and rent on land	127	-	-	-	-	-	-	127
Interest	127	-	-	-	-	-	-	127
Rent on land	-	-	-	-	-	-	-	-
Transfers and subsidies to	3 673	-	-	1 411	-	-	1 411	5 084
Provinces and municipalities	29	-	-	(5)	-	-	(5)	24
Provinces	29	-	-	(5)	-	-	(5)	24
Provincial Revenue Funds	-	-	-	-	-	-	-	-
Provincial agencies and funds	29	-	-	(5)	-	-	(5)	24
Municipalities	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	3	-	-	-	-	-	-	3
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	3	-	-	-	-	-	-	3
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	19	-	-	19	19
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	19	-	-	19	19
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	19	-	-	19	19
Non-profit institutions	1 599	-	-	-	-	-	-	1 599
Households	2 042	-	-	1 397	-	-	1 397	3 439
Social benefits	433	-	-	477	-	-	477	910
Other transfers to households	1 609	-	-	920	-	-	920	2 529
Payments for capital assets	12 215	-	-	4 348	-	-	4 348	16 563
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	12 215	-	-	4 307	-	-	4 307	16 522
Transport equipment	2 683	-	-	(2 683)	-	-	(2 683)	-
Other machinery and equipment	9 532	-	-	6 990	-	-	6 990	16 522
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	41	-	-	41	41
Payments for financial assets	-	-	-	125	-	-	125	125
Total	678 910	-	-	-	-	(15 000)	(15 000)	663 910
Amount to be voted								(15 000)